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Kim Reynolds · Governor
Adam Gregg · Lt. Governor
Terry Rich · Chief Executive Officer

AGENDA

IOWA LOTTERY BOARD

December 11, 2018
10:30 am

Dial In: 1-866-685-1580
Code: 000 999 0332

- I. Call to Order
 - a. Approval of Agenda
 - b. Approval of Minutes – September 20, 2018
- II. Quarterly Reports
 - a. Financial
 - b. Marketing
 - c. Security
 - d. IT Systems
 - e. External Relations
 - f. Legal
- III. Fiscal Policy Updates
- IV. Legislative Update
- V. Closed Session
 - a. Instant Ticket Printer Background Presentation
- VI. CEO Update
- VII. Adjournment

If you require the assistance of auxiliary aids or services to participate in or attend the meeting because of a disability, please call our ADA coordinator at 515-725-7864, or if you are hearing impaired, call Relay TTY at 1-800-735-2942.

MINUTES

IOWA LOTTERY BOARD

September 20, 2018

10:30 a.m.

The Iowa Lottery Board convened at 10:30 a.m. at Lottery Headquarters in Clive; Board Chairperson Mary Rathje presiding.

Board Members Present:

Mary Rathje; Mary Junge; Sherrae Hanson; John Quinn.

Board Members Absent:

Connor Flynn; Mike Fitzgerald.

Lottery Staff Participating:

Terry Rich, CEO; Larry Loss, COO; Teri Wood, VP, Sales and Marketing; Michael Conroy, VP, Finance; Cam Coppess, VP, Security; Hale Strasser, VP, Systems; Rob Porter, VP, Legal Counsel; Mary Neubauer, VP, External Relations; David Ranscht, Assistant AG; Deb Bassett, Board Secretary.

Others Present:

David Berger, Scientific Games; Karlyn Nosbusch, Bucket Media; Colleen Rowan, IGT; Dar Danielson, Radio Iowa; Angel Banks-Adams, Legislative Services Agency.

CALL TO ORDER

Chairperson Rathje called the meeting to order at 10:30 a.m. and roll was taken. There was a quorum. Rathje announced the meeting would be held via teleconference in accordance with Iowa Code section 21.8.

Junge moved to conduct the meeting via teleconference. Quinn seconded. Motion carried unanimously.

APPROVAL OF AGENDA

Quinn moved to approve the agenda for the meeting. Junge seconded. Motion carried unanimously.

APPROVAL OF MINUTES

Hanson moved to approve the June 20, 2018, board meeting minutes. Junge seconded. Motion carried unanimously.

QUARTERLY REPORTS

Financial:

Conroy presented several financial reports. The report included the finalized performance measures and financial statements for FY18; the 5-year comparison of Income Statements for FY14 – FY18; a summary of out-of-state travel for FY18; FY19 Performance Measures and Income Statements for July and August 2018; and the Lucky for Life Agreed-Upon Procedures Report.

There was a brief discussion on travel. Rich shared information on a break-down of the sales and proceeds for the different game categories.

Marketing:

Wood provided an update on several promotions including Tiny Homes Big Wins; Jackpot Party; Deck Your Halls with Fa-La-La Loot; and Powerball Powercruise. Wood also mentioned she has received the results of a study conducted by Ipsos on Generations X, Y, and Z. The results of the study will help the Lottery be more exacting with marketing.

Security:

Copess provided a security report for the 3rd quarter, July – September 2018.

IT Systems:

Strasser gave a report on work the IT group is working on, including programming for the holiday promotion, Fa-La-La Loot. He also discussed the rollout of the new website, GEM Retailer, which will allow retail customers the ability to track sales and provide various reporting features.

External Relations:

Neubauer shared that the external relations team is producing a video for the holiday game, Hipster Holiday Bingo. She also gave an update on developments related to sports betting. She indicated that Delaware recently went live with legalized, state-regulated sports betting and talked about the results in that state thus far.

There was discussion about sports betting.

Legal:

Porter gave an update on the Larry Dawson litigation. The State of Iowa plans to file a motion for summary judgement asking the court to dismiss the lawsuit against the Iowa Lottery based on a variety of legal defenses.

Quinn moved to approve the Quarterly Reports. Hanson seconded. Motion carried unanimously.

FY20 AND FY21 BUDGET APPROVAL

Conroy presented the Iowa Lottery's proposed budgets for FY20 and FY21. Proceeds goals were increased 1% year over year. Advertising is budgeted at 4% of gross revenue as allowed by Iowa Code. Projected personnel expenses do not include salary increases until the amount is determined by the legislature. The retailer gaming system expenses increased in anticipation of any ongoing expenses related to the gaming system RFP. The outside services and repairs expenses are higher in FY20 due to planned building maintenance.

Conroy asked the board to approve the proposed budgets.

Hanson moved to approve the budgets. Junge seconded. Motion carried unanimously.

BACKGROUND CHECK POLICY

Porter talked about the policy related to background checks for employees, retailers and vendors. Porter also presented a list of sensitive Lottery positions that require a full background investigation (L1 background check).

Porter asked the board to approve the background check policy and with the positions designated as sensitive.

Junge move to approve the policy. Quinn seconded. Motion carried unanimously.

SPORTS WAGERING UPDATE

Neubauer reminded the board that things are evolving quickly across the nation as it relates to sports wagering. It will take several years for the numbers to shake out to see what the full marketplace will look like at maturity.

CEO UPDATE

Rich talked about staffing changes due to retirements and the work being done to prepare the gaming system RFP.

ADJOURNMENT

Quinn moved to adjourn. Hanson seconded. Motion carried unanimously.

Meeting adjourned at 11:24 am.

IOWA LOTTERY
PERFORMANCE MEASURES
FY 2018

October 31, 2018

| MONTH | | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN |
|---------------------------|----------------|------------|------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Gross Sales | Budget FY 2019 | 26,907,680 | 26,646,774 | 25,665,624 | 25,790,341 | 27,867,514 | 27,718,136 | 32,669,568 | 29,969,493 | 30,324,545 | 28,192,020 | 30,399,422 | 26,148,883 |
| | Actual '19 | 29,622,964 | 28,137,578 | 27,038,517 | 48,165,957 | - | - | - | - | - | - | - | - |
| Prize Expense | Budget FY 2019 | 14,819,287 | 15,718,890 | 14,916,775 | 15,443,662 | 16,549,800 | 16,676,303 | 19,647,909 | 18,255,876 | 18,821,805 | 18,125,368 | 19,116,971 | 16,579,354 |
| | Actual '19 | 18,466,693 | 17,856,707 | 17,053,365 | 28,218,927 | - | - | - | - | - | - | - | - |
| Operating Expenses | Budget FY 2019 | 1,276,128 | 1,321,713 | 1,186,388 | 1,346,163 | 1,283,532 | 1,233,496 | 1,326,637 | 1,183,908 | 1,224,446 | 1,275,522 | 1,332,607 | 1,376,768 |
| | Actual '19 | 1,094,102 | 1,047,192 | 1,037,029 | 1,160,083 | - | - | - | - | - | - | - | - |
| Total Proceeds | Budget FY 2019 | 5,603,220 | 5,491,034 | 5,375,901 | 5,247,963 | 5,840,833 | 5,852,737 | 7,023,546 | 6,477,028 | 6,527,124 | 5,931,679 | 6,438,077 | 5,308,881 |
| | Actual '19 | 7,025,446 | 5,608,787 | 5,986,711 | 13,960,288 | - | - | - | - | - | - | - | - |
| YEAR TO DATE | | | | | | | | | | | | | |
| Gross Sales | Budget FY 2019 | 26,907,680 | 53,554,454 | 79,220,078 | 105,010,419 | 132,877,933 | 160,596,069 | 193,265,637 | 223,235,130 | 253,559,675 | 281,751,695 | 312,151,117 | 338,300,000 |
| | Actual '19 | 29,622,964 | 57,760,542 | 84,799,059 | 132,965,016 | - | - | - | - | - | - | - | - |
| Prize Expense | Budget FY 2019 | 14,819,287 | 30,538,177 | 45,454,952 | 60,898,614 | 77,448,414 | 94,124,717 | 113,772,626 | 132,028,502 | 150,850,307 | 168,975,675 | 188,092,646 | 204,672,000 |
| | Actual '19 | 18,466,693 | 36,323,400 | 53,376,765 | 81,595,692 | - | - | - | - | - | - | - | - |
| Operating Expenses | Budget FY 2019 | 1,276,128 | 2,597,841 | 3,784,229 | 5,130,392 | 6,413,924 | 7,647,420 | 8,974,057 | 10,157,965 | 11,382,411 | 12,657,933 | 13,990,540 | 15,367,308 |
| | Actual '19 | 1,094,102 | 2,141,294 | 3,178,323 | 4,338,406 | - | - | - | - | - | - | - | - |
| Total Proceeds | Budget FY 2019 | 5,603,220 | 11,094,254 | 16,470,155 | 21,718,118 | 27,558,951 | 33,411,688 | 40,435,234 | 46,912,262 | 53,439,386 | 59,371,065 | 65,809,142 | 71,118,023 |
| | Actual '19 | 7,025,446 | 12,634,233 | 18,620,944 | 32,581,232 | - | - | - | - | - | - | - | - |

Current Month Year to Date

| | | |
|--|--------|--------|
| Prize Payout - Budget | 59.88% | 57.99% |
| Prize Payout - Actual | 58.59% | 61.37% |
| Sales - Actual increase (decrease) vs. Budget | | 26.62% |
| Proceeds - Actual increase (decrease) vs. Budget | | 50.02% |

IOWA LOTTERY AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the Three Months Ending Sunday, September 30, 2018

| | Month ended 9/30/2018 | Month ended 9/30/2017 | Year-to-date 9/30/2018 | Year-to-date 9/30/2017 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| Operating revenues: | | | | |
| Instant-scratch ticket sales | 18,198,284.00 | 18,310,844.00 | 56,021,190.00 | 56,047,262.00 |
| InstaPlay sales | 764,203.00 | 752,825.00 | 3,665,856.00 | 2,365,866.00 |
| Pick 3 sales | 621,737.50 | 625,983.00 | 1,914,901.50 | 1,911,867.50 |
| Powerball sales | 3,285,009.00 | 3,319,803.00 | 9,475,008.00 | 20,192,354.00 |
| Mega Millions Sales | 1,943,015.00 | 1,063,084.00 | 6,726,245.00 | 5,016,038.00 |
| Hot Lotto sales | - | 988,960.00 | - | 2,842,544.00 |
| Pick 4 sales | 328,600.50 | 359,351.50 | 1,018,781.00 | 1,094,186.50 |
| Lucky for Life sales | 429,070.00 | 450,214.00 | 1,343,202.00 | 1,348,260.00 |
| Lotto America sales | 662,527.00 | - | 1,905,622.00 | - |
| Pull-tab sales | 806,071.00 | 759,771.50 | 2,728,253.54 | 2,486,822.85 |
| Application fees | 325.00 | 175.00 | 1,075.00 | 700.00 |
| Other | 272.89 | 645.75 | 985.36 | 1,792.05 |
| Total operating revenues | <u>27,039,114.89</u> | <u>26,631,656.75</u> | <u>84,801,119.40</u> | <u>93,307,692.90</u> |
| Operating expenses: | | | | |
| Scratch ticket prizes | 12,256,647.00 | 11,965,101.00 | 38,048,389.00 | 37,055,224.50 |
| InstaPlay prizes | 523,111.94 | 477,611.93 | 2,587,974.66 | 1,554,514.05 |
| Pick 3 prizes | 367,292.50 | 371,179.80 | 1,130,600.90 | 1,129,900.50 |
| Powerball prizes | 1,609,041.00 | 1,598,747.50 | 4,354,122.50 | 9,876,714.50 |
| Mega Millions prizes | 999,569.08 | 520,529.00 | 3,424,775.52 | 2,421,957.00 |
| Hot Lotto prizes | (12,647.00) | 488,698.00 | (35,310.00) | 1,394,610.00 |
| Pick 4 prizes | 195,410.30 | 213,455.90 | 605,988.60 | 646,986.90 |
| All or Nothing prizes | - | (2,238.00) | (354,534.99) | (8,712.00) |
| Lucky for Life prizes | 244,700.21 | 356,031.63 | 778,733.07 | 879,567.60 |
| Lotto America prizes | 331,263.50 | - | 952,811.00 | - |
| Pull-tab prizes | 508,555.28 | 473,646.71 | 1,708,579.97 | 1,550,956.44 |
| VIP Club prize expense | 24,915.49 | 71.05 | 148,045.77 | 27,348.44 |
| Promotional prize expense | 5,505.29 | 9,258.29 | 26,588.53 | 27,485.00 |
| Advertising/publicity | 645,435.61 | 696,209.85 | 1,778,983.74 | 1,895,044.76 |
| Retailer compensation expense | 1,753,022.86 | 1,720,407.40 | 5,500,998.55 | 6,017,773.48 |
| Ticket expense | 205,909.65 | 212,204.86 | 741,645.32 | 707,820.10 |
| Vendor compensation expense | 426,887.48 | 522,330.05 | 1,382,603.74 | 1,897,507.86 |
| Salary and benefits | 795,259.81 | 818,021.90 | 2,490,366.99 | 2,644,889.52 |
| Travel | 23,432.73 | 17,238.25 | 73,571.57 | 67,060.91 |
| Supplies | 7,078.92 | 3,337.10 | 26,125.38 | 33,190.65 |
| Printing | 213.00 | 1,012.00 | 496.00 | 5,812.00 |
| Postage | 228.35 | 292.77 | 720.15 | 826.54 |
| Communications | 14,003.12 | 12,365.53 | 42,386.49 | 35,609.99 |
| Rentals | 25,481.27 | 25,614.62 | 76,545.65 | 76,903.89 |
| Utilities | 9,623.26 | 8,409.99 | 27,737.96 | 27,154.42 |
| Professional fees | 21,280.78 | 10,374.44 | 44,092.77 | 29,248.94 |
| Vending machine maintenance | 20,557.00 | 31,424.10 | 61,671.00 | 105,515.28 |
| Outside services and repairs | 94,292.90 | 72,048.02 | 208,156.93 | 203,881.00 |
| Data processing | 7,553.13 | 7,050.76 | 22,423.87 | 21,440.84 |
| Equipment | 72,703.83 | 29,658.72 | 137,687.16 | 123,287.23 |
| Reimbursement to other state agencies | 31,880.86 | 30,691.65 | 97,204.77 | 89,650.81 |
| Depreciation | 46,143.85 | 45,856.05 | 137,244.86 | 138,159.49 |
| Other | 8,537.70 | 4,680.73 | 17,540.78 | 24,072.81 |
| MUSL/Lotto administrative expense | 5,452.46 | (10,779.27) | 16,357.39 | 1,839.26 |
| Total operating expenses | <u>21,268,343.16</u> | <u>20,730,542.33</u> | <u>66,261,325.60</u> | <u>70,703,242.71</u> |
| Operating income | <u>5,770,771.73</u> | <u>5,901,114.42</u> | <u>18,539,793.80</u> | <u>22,604,450.19</u> |
| Non-operating revenue (expenses): | | | | |
| Proceeds provided to State General Fund | (5,986,710.95) | (6,097,013.70) | (16,120,943.28) | (20,116,751.02) |
| Proceeds provided to Veteran's Trust Fund | - | - | (2,500,000.00) | (2,500,000.00) |
| Interest income | 80,794.29 | 56,710.02 | 80,794.29 | 56,710.02 |
| Gain (Loss) on disposal of capital assets | 2,525.00 | (103,950.65) | 2,525.00 | (98,600.65) |
| Net non-operating revenues (expenses) | <u>(5,903,391.66)</u> | <u>(6,144,254.33)</u> | <u>(18,537,623.99)</u> | <u>(22,658,641.65)</u> |
| Change in net position | <u>(132,619.93)</u> | <u>(243,139.91)</u> | <u>2,169.81</u> | <u>(54,191.46)</u> |
| Net position beginning of period | <u>5,084,983.44</u> | <u>6,546,478.16</u> | <u>4,950,193.70</u> | <u>6,357,529.71</u> |
| Net position end of period | <u><u>4,952,363.51</u></u> | <u><u>6,303,338.25</u></u> | <u><u>4,952,363.51</u></u> | <u><u>6,303,338.25</u></u> |

IOWA LOTTERY AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the Four Months Ending Wednesday, October 31, 2018

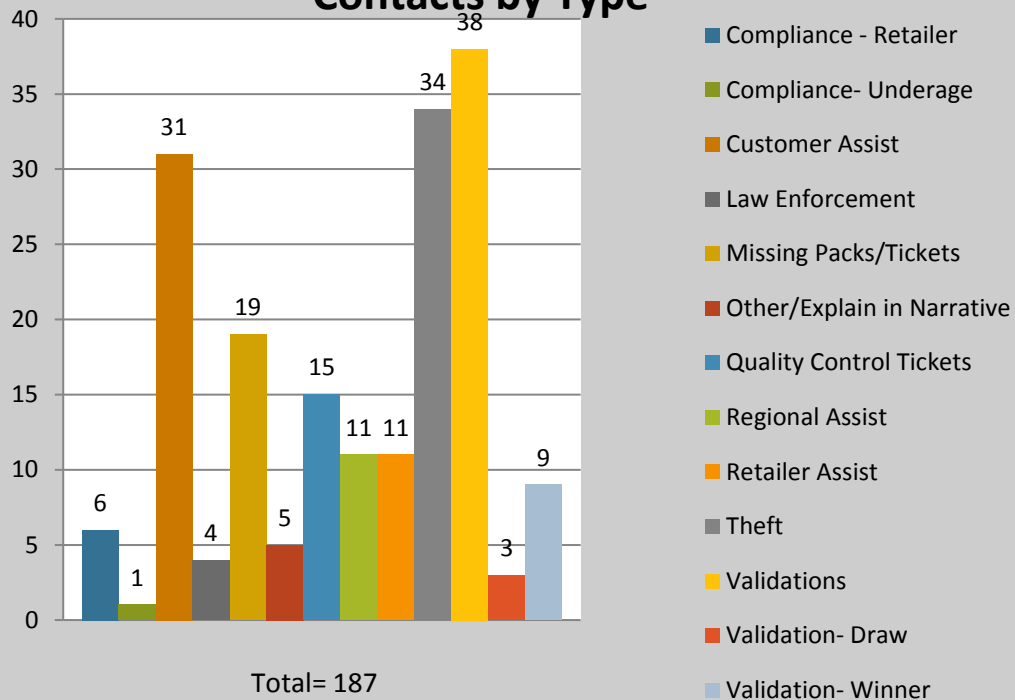
| | Month ended 10/31/2018 | Month ended 10/31/2017 | Year-to-date 10/31/2018 | Year-to-date 10/31/2017 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| Operating revenues: | | | | |
| Instant-scratch ticket sales | \$20,613,617.00 | \$18,909,469.00 | \$76,634,807.00 | \$74,956,731.00 |
| InstaPlay sales | 829,857.00 | 719,021.00 | 4,495,713.00 | 3,084,887.00 |
| Pick 3 sales | 623,868.50 | 633,302.50 | 2,538,770.00 | 2,545,170.00 |
| Powerball sales | 9,867,010.50 | 3,166,982.00 | 19,342,018.50 | 23,359,336.00 |
| Mega Millions Sales | 13,748,136.00 | 927,162.00 | 20,474,381.00 | 5,943,200.00 |
| Hot Lotto sales | - | 918,881.00 | - | 3,761,425.00 |
| Pick 4 sales | 336,866.50 | 376,313.50 | 1,355,647.50 | 1,470,500.00 |
| Lucky for Life sales | 507,120.00 | 504,404.00 | 1,850,322.00 | 1,852,664.00 |
| Lotto America sales | 734,660.00 | - | 2,640,282.00 | - |
| Pull-tab sales | 904,821.96 | 809,085.97 | 3,633,075.50 | 3,295,908.82 |
| Application fees | 350.00 | 500.00 | 1,425.00 | 1,200.00 |
| Other | 525.02 | 610.03 | 1,510.38 | 2,402.08 |
| Total operating revenues | <u>48,166,832.48</u> | <u>26,965,731.00</u> | <u>132,967,951.88</u> | <u>120,273,423.90</u> |
| Operating expenses: | | | | |
| Scratch ticket prizes | 13,853,258.78 | 12,523,683.67 | 51,901,647.78 | 49,578,908.17 |
| InstaPlay prizes | 532,693.60 | 470,813.77 | 3,120,668.26 | 2,025,327.82 |
| Pick 3 prizes | 370,791.10 | 375,791.50 | 1,501,392.00 | 1,505,692.00 |
| Powerball prizes | 4,893,985.19 | 1,543,476.00 | 9,248,107.69 | 11,420,190.50 |
| Mega Millions prizes | 7,139,016.08 | 457,973.34 | 10,563,791.60 | 2,879,930.34 |
| Hot Lotto prizes | (11,562.00) | 453,447.50 | (46,872.00) | 1,848,057.50 |
| Pick 4 prizes | 200,029.90 | 224,638.10 | 806,018.50 | 871,625.00 |
| All or Nothing prizes | - | (2,511.00) | (354,534.99) | (11,223.00) |
| Lucky for Life prizes | 291,095.63 | 286,249.88 | 1,069,828.70 | 1,165,817.48 |
| Lotto America prizes | 367,330.00 | - | 1,320,141.00 | - |
| Pull-tab prizes | 564,900.34 | 506,131.27 | 2,273,480.31 | 2,057,087.71 |
| VIP Club prize expense | 3,000.00 | 5,400.00 | 151,045.77 | 32,748.44 |
| Promotional prize expense | 14,388.06 | 6,136.76 | 40,976.59 | 33,621.76 |
| Advertising/publicity | 534,101.53 | 536,933.97 | 2,313,085.27 | 2,431,978.73 |
| Retailer compensation expense | 3,117,728.74 | 1,762,914.93 | 8,618,727.29 | 7,780,688.41 |
| Ticket expense | 255,982.14 | 221,255.44 | 997,627.46 | 929,075.54 |
| Vendor compensation expense | 791,732.30 | 607,294.44 | 2,174,336.04 | 2,504,802.30 |
| Salary and benefits | 956,288.55 | 942,949.85 | 3,446,655.54 | 3,587,839.37 |
| Travel | 24,015.10 | 15,736.07 | 97,586.67 | 82,796.98 |
| Supplies | 7,303.32 | 5,831.06 | 33,428.70 | 39,021.71 |
| Printing | 642.65 | - | 1,138.65 | 5,812.00 |
| Postage | 253.54 | 259.68 | 973.69 | 1,086.22 |
| Communications | 15,348.67 | 10,293.82 | 57,735.16 | 45,903.81 |
| Rentals | 25,541.37 | 25,633.52 | 102,087.02 | 102,537.41 |
| Utilities | 3,011.46 | 1,901.86 | 30,749.42 | 29,056.28 |
| Professional fees | 12,644.03 | 25,041.16 | 56,736.80 | 54,290.10 |
| Vending machine maintenance | 22,085.77 | 23,856.32 | 83,756.77 | 129,371.60 |
| Outside services and repairs | 50,814.38 | 70,909.56 | 258,971.31 | 274,790.56 |
| Data processing | 7,574.62 | 7,057.25 | 29,998.49 | 28,498.09 |
| Equipment | 11,236.10 | 59,270.11 | 148,923.26 | 182,557.34 |
| Reimbursement to other state agencies | 33,683.75 | 64,477.50 | 130,888.52 | 154,128.31 |
| Depreciation | 45,790.96 | 45,851.41 | 183,035.82 | 184,010.90 |
| Other | 3,962.46 | 4,421.33 | 21,503.24 | 28,494.14 |
| MUSL/Lotto administrative expense | 5,452.46 | 613.09 | 21,809.85 | 2,452.35 |
| Total operating expenses | <u>34,144,120.58</u> | <u>21,283,733.16</u> | <u>100,405,446.18</u> | <u>91,986,975.87</u> |
| Operating income | <u>14,022,711.90</u> | <u>5,681,997.84</u> | <u>32,562,505.70</u> | <u>28,286,448.03</u> |
| Non-operating revenue (expenses): | | | | |
| Proceeds provided to State General Fund | (13,960,287.59) | (5,957,452.26) | (30,081,230.87) | (26,074,203.28) |
| Proceeds provided to Veteran's Trust Fund | - | - | (2,500,000.00) | (2,500,000.00) |
| Interest income | 16,740.93 | 16,299.57 | 97,535.22 | 73,009.59 |
| Gain (Loss) on disposal of capital assets | - | (33,574.34) | 2,525.00 | (132,174.99) |
| Net non-operating revenues (expenses) | <u>(13,943,546.66)</u> | <u>(5,974,727.03)</u> | <u>(32,481,170.65)</u> | <u>(28,633,368.68)</u> |
| Change in net position | <u>79,165.24</u> | <u>(292,729.19)</u> | <u>81,335.05</u> | <u>(346,920.65)</u> |
| Net position beginning of period | <u>4,952,363.51</u> | <u>6,303,338.25</u> | <u>4,950,193.70</u> | <u>6,357,529.71</u> |
| Net position end of period | <u><u>5,031,528.75</u></u> | <u><u>6,010,609.06</u></u> | <u><u>5,031,528.75</u></u> | <u><u>6,010,609.06</u></u> |



September - November 2018 Security Report

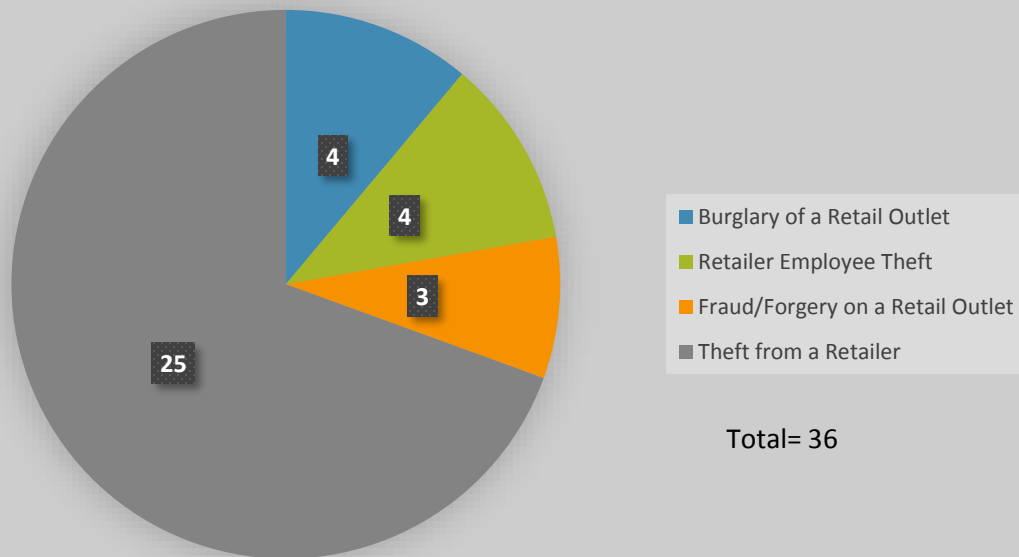


September - November 2018 Record of Contacts by Type



Other: (1) Quarterly Inspection of Game Management System Vendor, (Urbandale Site),
(4) Ticket Re-construction Reviews.

September - November 2018 Cases by Type



Other Duties and Activities;

- Drawing and Winner Validation for (3) Fa La La Loot promotional drawing
- Drawing and Winner Validation for (1) Powerball Jackpot Winner, (1) Mega-Millions \$1,000,000 winner
- Conducted **161** compliance/inspection checks on retail outlets, sent follow up letters to all retailers to provide results of the compliance check at their store
- 2 Scratch Ticket Vendor Ticket Printing & Plant Inspection, (Scientific Games & IGT)
- Audit of Mega-Millions Draw,(Atlanta GA)

Iowa Lottery Authority—Financial Management

| Section | Procedure No. | Page No. | Effective Date |
|---|---------------|----------|--|
| Pre-Audit | 204.200 | 1 of 2 | July 1, 2017 <u>January 1, 2019</u> |
| Subject General Provisions—Original Invoice | | | |

1. “Original invoice” shall be defined as the copy of the invoice that any customer, including a department of the state of Iowa, would normally receive from the vendor. The acceptable invoice received from the vendor may be labeled “customer's copy,” “original invoice,” “payee copy,” or any other designation to denote the invoice was presented by the vendor to the customer.
2. If normal business practices of the vendor require credit card payment and an “electronic invoice,” that is an acceptable invoice, provided the electronic invoice includes: the vendor’s name, telephone number, address (including state), the purchased items(s) or service, date of purchase and the cost. A payment voucher, on a proper form and with proper authorization must accompany an “electronic invoice”.

“Electronic Invoice” shall be defined as the printed copy of an invoice or order that is generated electronically from a vendor doing commerce over the Internet. In general, an “electronic invoice” will be acceptable as an original invoice, provided it includes all the usual information about the vendor and the purchased goods/services. This allows for the confirmation of the purchase. An “electronic invoice” is acceptable provided the purchase has been made according to the ILA guidelines. This policy is not intended to increase or promote purchases over the Internet.

3. FAX copies or photocopies of original invoices are not acceptable as original invoices except in the following instances;
 - a. The FAX invoice or the photocopy invoice is the normal invoice presented for payment by the vendor.
 - b. The original invoice was lost or accidentally destroyed.

In these situations, the ILA must certify that the invoice is considered original and that no duplicate payment has been made.

4. When employees submit travel claims for reimbursement of expenses, original receipts must be attached to the travel payment (TP). The TP must also contain an original certification (see procedures 204.150(3), 204.400(2) and 210.102). For electronic receipts see Procedure 280.200. Reimbursement for travel expenses must be submitted within 30 days of completion of travel to the Finance department.
5. A voucher, which has been properly certified by the vendor, may be substituted for the original invoice. A “properly certified” voucher shall include an original signature and title

Iowa Lottery Authority—Financial Management

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|---|---------------------------------|---------------------------|---|
| Section Pre-Audit | Procedure No. 204.200 | Page No. 2 of 2 | Effective Date July 1, 2017 <u>January 1, 2019</u> |
| Subject General Provisions—Original Invoice | | | |

of the person signing the voucher as well as the date the claim is certified. See procedure 204.150.

6. The original invoice shall indicate in detail the items of service, expense, thing furnished, or contract upon which payment is sought, as well as the date the goods/services were received. If the invoice contains only merchandise numbers, or similar information, and does not contain details of what was purchased, then there must be a notation on the claim as to what goods/services were purchased.
7. Credit card receipts may be used for payment or reimbursement of expenses if the receipt contains all of the detailed information included on the usual customer receipt/invoice for that type of purchase. The detailed original receipt/invoice will be required if these criteria cannot be met. Specific examples of acceptable credit card receipts would be the type a customer receives at Menard's, Target, Wal-Mart, K-Mart, etc., which includes a detailed description of each item purchased.
8. If the claimant submits a "generic invoice" (i.e., no typeset letterhead, no company name and address), the invoice must be signed and dated, in ink, by the claimant.
9. When an invoice has been altered and the alteration increases the amount the state will ~~pay~~, the change must be signed and dated by the vendor.
10. Transfers to state agencies do not require original invoices. The item purchased may be stated on the payment voucher in place of an invoice.
11. Transfers to the state that reflect the proceeds from lottery operations may be documented with a memo from a supervisor in the accounting section to the person preparing the transfer.

Iowa Lottery Authority—Financial Management

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| Section Pre-Audit | Procedure No. 204.400 | Page No. 1 of 1 | Effective Date September 29, <u>2014 January 01, 2019</u> |
| Subject General Provisions--Miscellaneous | | | |

1. Submission of claims and approval. All claims shall be printed from a computer, typewritten, or handwritten in ink.
2. Travel claims. All travel claims submitted shall state the actual expense incurred even if the expense exceeds maximum limitations by the claimant, and shall not include expenses for the purchase of miscellaneous items that are not needed in the performance of official duties. All travel payments shall contain the employee's vendor number or other individual identification with prior written approval of the CFO. All travel payments must also include the employee's signature and original receipts. See Procedures 204.150(3), 204.200(4) and 210.102.
3. Reimbursement – Reimbursement for travel expenses must be submitted within 30 days of completion of travel to the Finance department.
- ~~3.~~ 4. Property claims and real estate claims. Claims for personal property sold, the acquisition of real estate, or services rendered to the state must have the original invoices or other documentation attached whenever possible.
- ~~4.~~ 5. Forms for travel claims. All employee travel claims are to be on a travel payment (TP) or on a form approved in writing by the CFO. See Procedure 204.250.

Iowa Lottery Authority—Financial Management

| Section | Procedure No. | Page No. | Effective Date |
|--|---------------|----------|---------------------------------|
| Pre-Audit | 210.100 | 1 of 1 | January 1, 2018 2019 |
| Subject Travel—General—General Information | | | |

1. **Personal funds to be supplied.** All employees shall provide themselves with sufficient funds for all current expenses. For further details regarding direct billing, see procedure 210.115.
2. Reimbursable expenses ~~and travel allowances~~ shall be limited to ~~an allowance for subsistence of~~ meals, lodging, transportation, and other actual and necessary travel expenses incurred by a traveler in the performance of official duties subject to applicable limitations. Funds for personal mileage will be reimbursed at the current rate allowable per mile (procedure 210.130(1)).
3. All official travel shall be authorized by the CEO or a designee prior to the travel whenever possible. This applies to in-state and out-of-state travel.
4. Reimbursement for transportation approved by the CEO or designee shall be for the most economical or advantageous mode and by the most reasonable and/or direct route (see procedure 210.200(1)(c)).
- 4.5. Reimbursement for travel expenses must be submitted within 30 days of completion of travel to the Finance department.
65. The ILA recognizes that occasionally it is appropriate for ILA employees to purchase a meal for a vendor, a lottery official from another jurisdiction, or a retailer representative. The following guidelines shall be followed by ILA employees in such situations:
 - a. Restaurant choices should be appropriate for the circumstance; however, elegant meals are discouraged. Employee meal limitations are waived for this purpose.
 - b. Prior approval must be obtained from either the CEO or an ILA vice president. The names of the meal recipients, the recipients' employers, and the expected meal cost must be included in the request for approval. The CEO and vice presidents do not need prior approval.
 - c. The cost of the meal for the employee, and the cost for the vendor, visiting lottery official, or retailer representative must be separately itemized on the travel claim. Receipts for all meals falling under this policy are required. An itemized credit card receipt is acceptable.
 - d. Meals purchased for an employee's consumption within the employee's domicile are considered taxable income to the employee, except as provided in policy 210-108.

Iowa Lottery Authority—Financial Management

| Section | Procedure No. | Page No. | Effective Date |
|---|---------------|----------|--|
| Pre-Audit | 210.245 | 1 of 3 | July 1, 2017 <u>January 1, 2019</u> |
| Subject Travel—In-State—Board, Commission, Advisory Council, and Task Force Member Expenses | | | |

This procedure outlines the policy governing travel for the board, commission, advisory council, and task force members. It is the published policy of the ILA that all individuals engaged in travel for official ILA business utilize the most economical mode of transportation. Section 1(b) of this policy addresses acceptable alternatives for when unique and unusual situations occur that prevents the most economical mode of transportation from being utilized.

1. Mode of Transportation

a. Use of Privately Owned Automobile

With the exception noted in 1(b) below, board, commission, advisory council, and task force members normally use their private vehicle while conducting official ILA business.

- (1) The use of a privately owned vehicle will be subject to the fiscal policies of ILA. Reimbursement shall be on a mileage basis at a rate not to exceed the statutory rate as established by code, and must be for official ILA business. The per mile reimbursement includes all costs incurred in connection with the operation of the vehicle.
- (2) Whenever possible, board, commission, advisory council, and task force members should travel with more than one member to a vehicle.
- (3) Travel shall be by the most reasonable and/or direct route. Mileage shall be based on mileage published by the American Automobile Association (AAA), charts published by the Iowa Department of Transportation, or from internet sites such as MapQuest or similar sites. Any variation from the published mileage must be documented in writing (see procedure 280.201).

b. Use of Special Conveyances

In certain instances, aircraft may be utilized when board, commission, advisory council, or task force members travel for official ILA business. Documentation shall be available upon request to substantiate special conveyances. This substantiation in most instances will be from the perspective of cost effectiveness of the ILA and not that of the individual board, commission, council or task force member.

- (1) The use of aircraft is acceptable when a board, commission, advisory council, or task force member resides 150 driving miles or more from the meeting site. Mileage shall be based on most direct route and mileage determined on the Iowa Transportation map as published by the Department of

Iowa Lottery Authority—Financial Management

| Section | Procedure No. | Page No. | Effective Date |
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| Pre-Audit | 210.245 | 2 of 3 | July 1, 2017 <u>January 1, 2019</u> |
| Subject Travel—In-State—Board, Commission, Advisory Council, and Task Force Member Expenses | | | |

Transportation.

- (2) If a board, commission, advisory council, or task force member resides within 150 miles of the meeting area, but is within the continuous flight pattern of the member who is outside of the 150 mile radius, those members may be picked up along the way, providing the extra stop is the most cost effective mode of transportation. A cost comparison must be attached to the claim relating to the airfare expense when it is submitted for payment.
- (3) Because the majority of board, commission, advisory council, and task force meetings are held in Des Moines, below is a listing of major Iowa cities that are 150 miles or more from Des Moines. Please note that this is not an all-inclusive listing.

| | | |
|-------------|-------------|-------------|
| Burlington | Ft. Madison | Rock Rapids |
| Clinton | Keokuk | Sabula |
| Davenport | LeMars | Sioux City |
| Decorah | Manchester | Spencer |
| Dubuque | Maquoketa | Spirit Lake |
| Estherville | McGregor | West Union |

2. Subsistence Allowance

Board, commission, advisory council, and task force members are allowed 1 1/2 the rate employees are allowed while on official business for the ILA. Official domicile rules do not apply to meal reimbursements for board members. They are eligible to be reimbursed for meal costs without an overnight stay and regardless of where the meeting is held. These rates are rounded to the nearest dollar.

a. Meals

- (1) Actual expenses up to a maximum of \$43.00 per day, or the maximum amount allowed by the Iowa Department of Administrative Services, if higher, may be reimbursed for meals, as outlined below.

| | |
|---------------|--------------|
| (a) Breakfast | \$8.00 |
| (b) Lunch | 12.00 |
| (c) Dinner | <u>23.00</u> |
| TOTAL | \$43.00 |

Iowa Lottery Authority—Financial Management

| Section | Procedure No. | Page No. | Effective Date |
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| Subject Travel—In-State—Board, Commission, Advisory Council, and Task Force Member Expenses | | | |

- (2) Board, commission, advisory council, and task force members are allowed the same flexibility in regard to meals as are ILA employees.

Specifically, if a board member is in a travel status and is entitled to be reimbursed for all three meals, the board member can claim the amount actually expended, up to \$43 on any combination of meals for that day. He/She is not limited to \$8.00 for breakfast, \$12.00 for lunch and \$23.00 for dinner, only to \$43.00 for the day. If a board member is eligible for only breakfast and lunch, the board member can be reimbursed actual expenses, up to \$20 for those two meals.

- (3) If a meal (such as lunch) is catered, the amount of this meal is included as a part of the \$43 per day maximum.
- (4) Receipts for meals are required per Executive Order #13 signed May 26, 2009. See Procedure 210.102 for more details.

b. Lodging

Maximum reimbursable amount is \$98.00 per day, or the maximum amount allowed by the DAS-SAE, if higher plus tax, anywhere in the state.

c. Reimbursement for travel expenses must be submitted within 30 days of completion of travel to the Finance department.

d. Except for the reimbursable rates mentioned above, the same rules that apply to ILA employees, as outlined in (1) and (2) of this procedure also apply to board and commission members.

3. Other Expenses

Except for those differences mentioned above, all other travel policies that apply to regular ILA employees also apply to board, commission, and advisory council members. See specific sections of the Accounting Policy and Procedures Manual for more details.

Iowa Lottery Authority—Financial Management

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|--|---------------------------------|---------------------------|---|
| Section Pre-Audit | Procedure No. 280.200 | Page No. 1 of 1 | Effective Date June 5, 2017 <u>January 1,</u> <u>2019</u> |
| Subject ACCOUNTING TRANSACTIONS TRAVEL PAYMENT (TP) – ELECTRONIC SUBMISSION OF RECEIPTS | | | |

Electronic Submission of Actual Receipts

1. Travel receipts for meals, lodging and other allowable travel-related expenses may be in the form of electronic copies of the actual receipts provided by the vendor. Electronic receipts must be submitted in date order.
2. Internal policies and procedures will be written, as needed, for the electronic submission of a travel claim (TP). The policies and procedures will include the acceptable method for the electronic certification of the claimant and any other designated signatures.
3. A completed TP signed by the claimant, with receipts and supporting documentation, shall be attached (electronically) in I/3 to the vendor line of the document and approved with the appropriate ILA levels in I/3.
4. Actual paper receipts must be maintained by the Iowa Lottery Authority for a period of one fiscal year after the close of the fiscal year for which the expenses were reimbursed.

Example: For expenses reimbursed for FY 2017, actual paper receipts must be maintained by ILA until June 30, 2018.

5. Reimbursement for travel expenses must be submitted within 30 days of completion of travel to the Finance department.



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Kim Reynolds · Governor
Adam Gregg · Lt. Governor
Terry Rich · Chief Executive Officer

MEMO

To: Members of the Iowa General Assembly and Legislative Staffers

**From: Mary Neubauer
Iowa Lottery
515-725-7906**

Date: November 2018

Re: Proposed Code Changes To Update and Modernize Iowa Lottery Authority and Operations

The Iowa Lottery has filed legislation for the 2019 session that it believes is necessary to keep pace with advancing technologies and changing consumer preferences, thereby allowing the lottery to maintain and grow its vital proceeds for state causes.

As background, the Iowa Lottery got its start in 1985 and in 2003, legislation was passed that established the Iowa Lottery as an authority. Since that time, many aspects of the lottery industry have changed, as has technology as a whole. The lottery industry has experienced the development of new product lines such as Iowa's InstaPlay games; the gradual replacement of televised lotto drawings with the delivery of electronic results; the introduction of electronic apps that allow consumers to scan their own tickets for results, and in some jurisdictions, to make lottery purchases electronically; and an unprecedented rise in the size of lottery jackpots, including the \$1.6 billion Powerball® jackpot won in 2016 and the \$1.5 billion Mega Millions® jackpot won in 2018.

The Iowa Lottery itself has been on the forefront of the industry since its start and has provided steady returns for state causes while identifying new ways to entertain and engage Iowa Lottery players. The Lottery has also received international recognition for its commitment to industry integrity.

At the same time, technology has advanced worldwide, and consumers have begun to do more day-to-day business electronically, with the use of cash dramatically decreasing.

Despite all this change, Iowa Code Chapter 99G, which authorizes and defines the Iowa Lottery Authority and its operations, largely reads as it did when it was adopted back in 2003. Other lotteries around the country have modernized their Code language and operations to fully utilize today's technologies and thereby be best positioned to provide ongoing revenues to the vital state causes they benefit. Similar modernization has not occurred here in Iowa, and the Iowa Lottery believes that without being able to update its operations, it will be unable to sustain its current level of proceeds to state causes.

For that reason, the Iowa Lottery requests the opportunity to make updates to Chapter 99G.

Many of the proposed changes are designed to create consistency with current Iowa Lottery operations. Other changes are prudent reactions to Iowa Lottery experiences or industry trends. As a whole, these proposals are intended to allow the Iowa Lottery to continue to successfully serve the citizens of the state of Iowa for years to come.

Proposed Updates to Iowa Code Chapter 99G to Modernize the Iowa Lottery

Amend Iowa Code 99G.3(6) as follows:

6. “Instant lottery” or “instant ticket” means an eticket, instaplay ticket or a scratch ticket in games as defined in this chapter. ~~game that offers preprinted tickets such that when a protective coating is scratched or scraped away, it indicates immediately whether the player has won~~

“Eticket” means a lottery ticket or share for which an electronic visual facsimile of the game is made available to the player on a personal consumer electronic device. Etickets may have predetermined outcomes, or the outcomes may be determined by random drawings or other selection processes.

“Instaplay ticket” means an instant ticket printed on lotto terminal paper with play symbols that are not concealed by a removable covering.

“Scratch ticket” means a game that offers preprinted tickets such that when a protective coating is scratched or scraped away, it indicates immediately whether the player has won.

Amend Iowa Code 99G.3(11) as follows:

11. “On-line lotto” means a lottery game connected to a central computer or system via telecommunications or other technological means in which the player selects a specified group of numbers, symbols, or characters out of a predetermined range or set.

Amend Iowa Code 99G.3(14) to read as follows:

14. “Retailer” means a person, licensed by the authority, who sells lottery tickets or shares on behalf of the authority pursuant to a ~~contract~~ license issued by the authority.

Amend Iowa Code 99G.9(3)(b) as follows:

b. The sale price of tickets or shares and the manner of sale, including but not limited to authorization of sale of tickets or shares at a discount for marketing purposes; provided, however, that a retailer may accept payment by cash, check, money order, debit card, prepaid gift card, non-deferred electronic payments through electronic wallets or mobile applications, or electronic funds transfer or other form of cash-based payment, so long as it ~~and~~ shall not extend or arrange credit for the purchase of a ticket or share. As used in this section, “cash” means United States currency.

Amend Iowa Code 99G.9(3)(h) to read as follows:

The means of conducting drawings and automated drawings, provided that drawings shall be open to the public and witnessed by an independent certified public accountant. Equipment used to select winning tickets or shares or participants for prizes shall be examined by an independent certified public accountant prior to and after each drawing. Prior to the board’s authorization of the use of automated drawings, the authority shall audit the process of selecting winning numbers to determine whether an automated drawings process is appropriate for the lottery game. While in operation, automated drawings shall be reviewable by the authority through the use of video, mechanical, or other means.

Insert new Iowa Code Section 99G.13—Lottery Sales and Play Through Technological Means to read as follows:

1. Notwithstanding any other provision of law to the contrary, the authority may authorize the sale of lottery tickets or shares through personal consumer electronic devices.
2. For the purposes of this Chapter, the term “personal consumer electronic devices” shall include, without limitation, player-owned mobile phones, smart phones, home computers and tablets, and other similar devices or technologies.
3. The Authority may, without limitation, sell through personal consumer electronic devices lottery tickets or shares with predetermined outcomes as well as lottery tickets or shares with outcomes determined by random drawings or other selection processes.
4. Lottery revenues from sales of lottery games or tickets through personal consumer electronic devices shall not be subject to tax under section 99G.30A.

Add new subsection (j) to Iowa Code 99G.24(7) to read as follows:

Has direct or indirect involvement in the sale or transfer of lottery tickets or prizes to individuals outside the jurisdiction where the lottery tickets were sold or the lottery prizes were awarded.

Add new subsection (j) to Iowa Code 99G.27(1) to read as follows, and renumbering as necessary:

Direct or indirect involvement in the sale or transfer of Iowa Lottery tickets or prizes to individuals outside the state of Iowa.

Amend Iowa Code 99G.31(2) to read as follows.

2. The authority shall only pay prizes for lottery tickets or shares that the authority determines were legally purchased, legally possessed, and legally presented. The authority shall adopt administrative rules, policies, and procedures to establish a system of verifying the validity of tickets or shares claimed to win prizes and to effect payment of such prizes, subject to the following requirements:

Amend Iowa Code 99G.36(3) to read as follows:

3. No person shall knowingly or intentionally make a material false statement in any lottery prize claim, application for a license or proposal to conduct lottery activities, or make a material false entry in any book or record which is compiled or maintained or submitted to the authority or the board pursuant to the provisions of this chapter. Any person who violates the provisions of this section shall be guilty of a class “D” felony.

Adopt the following new subsections 4 and 5 for Iowa Code 99G.36 to read as follows:

4. A person who knowingly or intentionally passes a lottery ticket or share in order to avoid the application of an offset under Iowa Code 99G.41 or to circumvent prohibited player provisions found in Iowa Code 99G.31(2)(g), Iowa Code 99G.31(2)(h), or applicable game specific rules shall be guilty of a class “D” felony.

5. A person who knowingly or intentionally claims a lottery prize on a ticket or share received from an individual subject to an offset under Iowa Code 99G.41 or from a player prohibited from playing the lottery under Iowa Code 99G.31(2)(g), Iowa Code 99G.31(2)(h), or applicable game specific rules shall be guilty of a class “D” felony.

Iowa Lottery Sales, Proceeds and Prizes

| FY | Sales | Proceeds | Impact | Prizes | Use of Proceeds Details |
|------|---------------|---------------|------------------------------------|---------------|--|
| 1986 | 85,031,584 | 27,631,613 | | 39,269,612 | Iowa Plan, \$23,950,347; Gamblers Assistance, \$413,310; General Fund, \$3,267,956 |
| 1987 | 98,292,366 | 31,157,797 | | 47,255,945 | Iowa Plan, \$26,901,355; Gamblers Assistance, \$475,966; General Fund, \$3,780,476 |
| 1988 | 128,948,560 | 40,090,157 | | 65,820,798 | Iowa Plan, \$34,507,059; Gamblers Assistance, \$623,538; General Fund, \$4,959,560 |
| 1989 | 172,488,594 | 49,183,227 | | 92,563,898 | Iowa Plan, \$41,714,111; Gamblers Assistance, \$834,939; General Fund, \$6,634,177 |
| 1990 | 168,346,888 | 50,535,644 | | 90,818,207 | Iowa Plan, \$43,245,567; Gamblers Assistance, \$815,197; General Fund, \$6,474,880 |
| 1991 | 158,081,953 | 44,053,446 | Casino gambling | 86,382,329 | CLEAN Fund, \$35,894,355; Gamblers Assistance, \$764,655; General Fund, \$7,394,436 |
| 1992 | 166,311,122 | 45,678,558 | | 92,939,035 | General Fund, \$45,678,558 |
| 1993 | 207,192,724 | 56,092,638 | | 116,820,274 | General Fund, \$56,092,638 |
| 1994 | 206,941,796 | 56,654,308 | *See note below. | 116,502,450 | General Fund, \$56,654,308 |
| 1995 | 207,648,303 | 58,159,175 | | 112,563,375 | General Fund, \$44,289,014; Gamblers Assistance, \$596,589; Special Appropriations, \$13,272,572 |
| 1996 | 190,004,182 | 51,337,907 | Slots at racetracks | 102,820,278 | General Fund, \$50,292,784; Gamblers Assistance, \$545,123; Special Appropriations, \$500,000 |
| 1997 | 173,655,030 | 43,282,909 | | 96,897,120 | General Fund, \$42,784,141; Gamblers Assistance, \$498,768 |
| 1998 | 173,876,206 | 42,947,928 | | 96,374,445 | General Fund, \$42,477,860; Gambling Treatment Program, \$500,068 |
| 1999 | 184,065,581 | 45,782,809 | | 101,981,094 | General Fund, \$45,254,983; Gambling Treatment, \$527,826 |
| 2000 | 178,205,366 | 44,769,519 | | 98,392,253 | General Fund, \$44,258,394; Gambling Treatment, \$511,125 |
| 2001 | 174,943,317 | 44,250,798 | | 96,712,105 | General Fund, \$43,748,182; Gambling Treatment, \$502,616 |
| 2002 | 181,305,805 | 48,165,186 | | 99,996,233 | General Fund, \$47,632,412; Gambling Treatment, \$532,774 |
| 2003 | 187,829,568 | 47,970,711 | | 104,199,159 | General Fund, \$47,428,581; Gambling Treatment, \$542,130 |
| 2004 | 208,535,200 | 55,791,763 | Authority status | 114,456,963 | General Fund, \$55,160,347; Gambling Treatment, \$631,416 |
| 2005 | 210,669,212 | 51,094,109 | | 113,455,673 | General Fund, \$50,036,035; Gambling Treatment, \$1,058,074 |
| 2006 | 339,519,523 | 80,875,796 | TouchPlay | 122,258,603 | General Fund, \$79,166,575; Gambling Treatment, \$1,709,221 |
| 2007 | 235,078,910 | 58,150,437 | | 133,356,860 | General Fund, \$56,970,554; Gambling Treatment, \$1,179,883 |
| 2008 | 249,217,468 | 56,546,118 | | 144,669,575 | General Fund, \$55,296,265; Gambling Treatment, \$1,249,853 |
| 2009 | 243,337,101 | 60,553,306 | | 138,425,341 | General Fund, \$56,550,792; Veterans Trust Fund, \$2,783,377; Gambling Treatment, \$1,219,137 |
| 2010 | 256,255,637 | 57,907,066 | | 150,453,787 | General Fund, \$55,245,512; Veterans Trust Fund, \$2,661,554 |
| 2011 | 271,391,047 | 68,001,753 | | 158,961,078 | General Fund, \$64,896,382; Veterans Trust Fund, \$3,105,371 |
| 2012 | 310,851,725 | 78,731,949 | | 182,442,447 | General Fund, \$76,012,455; Veterans Trust Fund, \$2,719,494 |
| 2013 | 339,251,420 | 84,890,729 | 2 - \$500+ million jackpots | 200,801,768 | General Fund, \$82,764,005; Veterans Trust Fund, \$2,126,724 |
| 2014 | 314,055,429 | 73,972,114 | | 186,948,985 | General Fund, \$72,167,680; Veterans Trust Fund, \$1,804,434 |
| 2015 | 324,767,416 | 74,517,068 | | 196,882,289 | General Fund, \$72,365,900; Veterans Trust Fund, \$2,151,167 |
| 2016 | 366,910,923 | 88,024,619 | World record jackpot \$1.6 billion | 221,767,401 | General Fund, \$85,518,188; Veterans Trust Fund, \$2,500,000 |
| 2017 | 352,242,810 | 80,774,727 | | 215,620,567 | General Fund, \$78,236,806; Veterans Trust Fund, \$2,500,000 |
| 2018 | 370,956,887 | 87,096,200 | | 227,491,072 | General Fund, \$84,596,200; Veterans Trust Fund, \$2,500,000 |
| | 7,065,252,765 | 1,797,575,884 | | 3,938,809,947 | |

*On March 31, 1994, the minimum purchasing age for lottery products in Iowa moved from 18 up to 21 as part of legislation involving several gaming issues. That change had a 10 percent impact on lottery sales. However, in November 1994, cross-validation of lottery tickets began in Iowa, which allowed players for the first time to buy and redeem lottery tickets at any lottery retail location in Iowa. Prior to that, tickets could only be redeemed at the location where they were purchased. That new player convenience allowed lottery sales to increase in FY 1995, but they fell with the introduction of slot machines in FY 1996.