

The logo of the Maryland Lottery and Gaming Control Agency is a red, multi-pointed starburst shape. Inside the starburst is a yellow circle containing a red 'G' and a yellow 'L'. Below the starburst, the words 'MARYLAND LOTTERY' are written in a red, sans-serif font.

**MARYLAND LOTTERY AND GAMING
CONTROL AGENCY**

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

MEGA MILLIONS MULTI-STATE LOTTERY

**FOR THE PERIOD FROM APRIL 1, 2020
THROUGH MARCH 31, 2021**



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Maryland Lottery and Gaming Control Agency:

We have performed the procedures enumerated below, which were agreed to by the Maryland Lottery and Gaming Control Agency ("MLGCA" and the "Responsible Party") and the other member lotteries in the states of Georgia, Illinois, Massachusetts, Michigan, New Jersey, Ohio, Virginia, and Washington (referred to as the "Member Lotteries" and together with MLGCA the "Specified Parties") who operate the Mega Millions game, solely to assist the MLGCA and the Member Lotteries with respect to the evaluation of the following financial information associated with the Mega Millions game: the MLGCA's sales and prize expense for the period from April 1, 2020 through March 31, 2021. The MLGCA's management is responsible for the financial information associated with the Mega Millions game. MLGCA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the sales and prize expense of the Mega Millions game. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

- a) We obtained from the MLGCA the "Draw Activity" and the "Fixed Prize Analysis" for the period from April 1, 2020 to March 31, 2021 (attached as Exhibit I and II, respectively). We verified the mathematical accuracy of the schedules, noting no discrepancies.
- b) We randomly selected the following five (5) drawings from the period April 1, 2020 to March 31, 2021 for testing and performed procedures "c", "d", and "e" below:
 - June 19, 2020
 - September 8, 2020
 - November 27, 2020
 - February 2, 2021
 - March 30, 2021
- c) For each drawing selected in step "b" above, we compared the total amount of sales as shown on the daily sales report produced by the MLGCA's gaming system and the total amount of sales shown on the related daily sales report produced by Internal Control System (ICS), with the balance listed in the "sales" column for the respective draw date on the "Draw Activity" report attached as Exhibit I and found them to be in agreement.
- d) We calculated the total dollar amount of the fixed prizes for the draw dates selected in step "b" above, based on the total number of winners from the MLGCA's gaming system for each prize level and the prize structure of Mega Millions fixed prizes (as defined in the Official Game Rules). We compared the calculated expense with the amount listed in the "Actual

Fixed Prizes" column for the respective draw date on the "Draw Activity" report attached as Exhibit I and found them to be in agreement.

- e) For each drawing selected in step "b" above, we compared the amount of sales, actual fixed prizes and share of fixed prizes shown on the "Draw Activity" report attached as Exhibit I to the amounts shown on the applicable Mega Millions Prize Settlement Reports and found them to be in agreement.
- f) We compared the amounts shown as the total of the actual fixed prizes and the total of the share of fixed prizes on the "Draw Activity" report attached as Exhibit I to the applicable amounts shown on the "Fixed Prize Analysis" report attached as Exhibit II and found them to be in agreement.
- g) For each drawing selected in step "b" above, there were no Prize Tier (2) Two prizes won in the MLGCA, and therefore, no procedures were performed.
- h) There were no amounts listed in the "Cash Options Amount" column on the "Draw Activity" report attached as Exhibit I and, therefore, no procedures were performed.
- i) There were no investment purchases associated with jackpot prizes during the period from April 1, 2020 to March 31, 2021 and, therefore, no procedures were performed.
- j) We compared the total of the period transfers from the MLGCA to the Virginia Lottery for settlement of the fixed prize liability as shown in the MLGCA's cash disbursement subsidiary records to the amount listed in the "Qtrly/Yrly Settlements Transfer In (Out)" column on the "Fixed Prize Analysis" report attached as Exhibit II and found them to be in agreement.
- k) We compared the balance listed as the MLGCA's receivable (payable) as of March 31, 2021 for the fixed prizes as shown on the "Fixed Prize Analysis" report attached as Exhibit II to MLGCA's financial accounting records and the Mega Millions Prize Settlement Report as of March 31, 2021, and found them to be in agreement.

We were engaged by the MLGCA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the MLGCA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the MLGCA and Member Lotteries and is not intended to be and should not be used by anyone other than those specified parties.

SC+H Attest Services, P.C.

December 29, 2021

EXHIBIT I

MEGA MILLIONS MULTI-STATE LOTTERY
MARYLAND LOTTERY AND GAMING CONTROL AGENCY
DRAW ACTIVITY
FOR THE PERIOD FROM APRIL 1, 2020 TO MARCH 31, 2021

Draw Dates	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Jackpot (Purchased by MD)	Cash Options
4/3/2020	\$ 480,420	\$ 32,542	\$ 35,115	\$ -	\$ -
4/7/2020	446,900	30,344	30,847	-	-
4/10/2020	504,692	57,760	46,465	-	-
4/14/2020	510,792	64,694	45,276	-	-
4/17/2020	590,550	1,046,120	133,903	-	-
4/21/2020	566,152	37,184	128,467	-	-
4/24/2020	623,606	49,408	46,726	-	-
4/28/2020	622,918	64,864	49,566	-	-
5/1/2020	751,724	58,646	58,329	-	-
5/5/2020	740,704	76,292	71,142	-	-
5/8/2020	793,416	68,292	66,099	-	-
5/12/2020	784,694	70,816	71,830	-	-
5/15/2020	811,508	65,962	66,816	-	-
5/19/2020	843,840	71,458	241,637	-	-
5/22/2020	917,398	74,686	75,052	-	-
5/26/2020	929,708	68,506	71,953	-	-
5/29/2020	1,042,940	84,128	250,948	-	-
6/2/2020	1,105,282	109,040	201,747	-	-
6/5/2020	1,146,722	83,588	167,341	-	-
6/9/2020	1,400,050	1,180,868	578,734	-	-
6/12/2020	540,720	41,368	42,394	-	-
6/16/2020	508,084	40,396	136,055	-	-
6/19/2020	539,342	56,454	51,495	-	-
6/23/2020	526,538	41,748	134,284	-	-
6/26/2020	566,436	43,432	140,582	-	-
6/30/2020	554,608	47,268	143,739	-	-
7/3/2020	611,280	46,274	42,668	-	-
7/7/2020	566,342	42,782	45,254	-	-
7/10/2020	621,866	44,492	48,344	-	-
7/14/2020	609,504	53,994	48,774	-	-
7/17/2020	672,238	59,738	140,356	-	-
7/21/2020	644,528	61,540	54,798	-	-
7/24/2020	687,366	59,030	145,913	-	-
7/28/2020	472,068	37,904	130,863	-	-
7/31/2020	505,736	31,622	37,265	-	-
8/4/2020	463,164	28,824	124,904	-	-
8/7/2020	505,534	39,308	40,775	-	-
8/11/2020	472,474	42,546	45,316	-	-
8/14/2020	513,564	45,596	49,649	-	-
8/18/2020	513,408	47,122	44,584	-	-
8/21/2020	561,190	56,006	138,620	-	-
8/25/2020	546,880	51,098	53,446	-	-
8/28/2020	584,222	41,790	47,039	-	-
9/1/2020	583,974	41,038	41,731	-	-
9/4/2020	629,286	47,690	141,804	-	-
9/8/2020	586,604	47,392	52,018	-	-

**MEGA MILLIONS MULTI-STATE LOTTERY
MARYLAND LOTTERY AND GAMING CONTROL AGENCY
DRAW ACTIVITY
FOR THE PERIOD FROM APRIL 1, 2020 TO MARCH 31, 2021**

Draw Dates	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Jackpot (Purchased by MD)	Cash Options
9/11/2020	\$ 480,420	\$ 54,656	\$ 58,056	\$ -	\$ -
9/15/2020	662,696	46,782	140,944	-	-
9/18/2020	500,194	39,648	41,601	-	-
9/22/2020	482,446	40,282	37,324	-	-
9/25/2020	506,302	34,220	35,254	-	-
9/29/2020	489,130	45,420	34,864	-	-
10/2/2020	543,336	37,522	42,858	-	-
10/6/2020	518,832	35,514	37,287	-	-
10/9/2020	549,464	50,218	56,332	-	-
10/13/2020	518,442	39,486	41,411	-	-
10/16/2020	568,958	47,084	45,744	-	-
10/20/2020	548,102	41,056	44,631	-	-
10/23/2020	590,820	41,064	44,920	-	-
10/27/2020	595,916	54,428	50,058	-	-
10/30/2020	641,366	52,640	146,133	-	-
11/3/2020	645,000	49,122	51,765	-	-
11/6/2020	651,548	58,540	54,939	-	-
11/10/2020	651,632	51,166	144,855	-	-
11/13/2020	699,918	71,224	81,138	-	-
11/17/2020	693,654	48,852	144,311	-	-
11/20/2020	747,386	54,056	54,017	-	-
11/24/2020	827,682	65,270	69,301	-	-
11/27/2020	769,834	64,344	164,329	-	-
12/1/2020	837,442	61,734	63,741	-	-
12/4/2020	911,482	79,632	174,770	-	-
12/8/2020	912,370	63,836	164,374	-	-
12/11/2020	951,716	71,128	72,109	-	-
12/15/2020	1,005,402	87,698	287,772	-	-
12/18/2020	1,024,572	83,528	90,559	-	-
12/22/2020	1,202,378	85,648	93,620	-	-
12/25/2020	1,197,924	88,362	92,743	-	-
12/29/2020	1,364,192	119,952	105,005	-	-
1/1/2021	1,619,900	146,672	143,071	-	-
1/5/2021	2,226,500	185,376	263,065	-	-
1/8/2021	2,836,850	263,002	497,783	-	-
1/12/2021	3,826,148	332,284	640,062	-	-
1/15/2021	4,949,064	419,820	720,750	-	-
1/19/2021	5,311,298	447,176	715,793	-	-
1/22/2021	8,239,438	1,653,678	895,694	-	-
1/26/2021	814,250	59,746	60,674	-	-
1/29/2021	781,264	59,964	160,490	-	-
2/2/2021	662,856	49,794	52,717	-	-
2/5/2021	798,750	65,238	72,981	-	-
2/9/2021	738,434	69,016	76,734	-	-
2/12/2021	771,466	70,072	266,674	-	-
2/16/2021	718,980	57,052	59,193	-	-

**MEGA MILLIONS MULTI-STATE LOTTERY
MARYLAND LOTTERY AND GAMING CONTROL AGENCY
DRAW ACTIVITY
FOR THE PERIOD FROM APRIL 1, 2020 TO MARCH 31, 2021**

Draw Dates	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Jackpot (Purchased by MD)	Cash Options
2/19/2021	\$ 480,420	\$ 52,754	\$ 44,839	\$ -	\$ -
2/23/2021	580,252	72,626	74,591	-	-
2/26/2021	632,092	50,470	57,851	-	-
3/2/2021	610,120	53,440	47,277	-	-
3/5/2021	648,388	62,710	59,487	-	-
3/9/2021	625,076	50,312	54,353	-	-
3/12/2021	659,522	50,310	51,420	-	-
3/16/2021	653,412	51,864	53,269	-	-
3/19/2021	747,004	60,012	64,233	-	-
3/23/2021	729,282	60,342	66,179	-	-
3/26/2021	743,772	59,136	153,065	-	-
3/30/2021	768,002	58,572	63,413	-	-
	<u>\$ 95,664,068</u>	<u>\$ 11,017,200</u>	<u>\$ 12,743,086</u>	<u>\$ -</u>	<u>\$ -</u>

EXHIBIT II

**MEGA MILLIONS MULTI-STATE LOTTERY
MARYLAND LOTTERY AND GAMING CONTROL AGENCY
FIXED PRIZE ANALYSIS
FOR THE PERIOD FROM APRIL 1, 2020 TO MARCH 31, 2021**

	March 31, 2020			Qtrly/Yrly		March 31, 2021
	Receivable	Actual Fixed	Share of Fixed	Settlements		Receivable
	(Payable)	Prizes	Prizes	Transfers		(Payable)
				In (Out)		
Georgia	\$ (181,352)	\$ 19,294,528	\$ 19,182,358	\$ 477,702		\$ (546,884)
Illinois	835,396	19,150,234	19,237,891	1,255,019		(507,280)
Maryland	(914,398)	11,017,200	12,743,086	(2,215,202)		(425,082)
Massachusetts	(1,001,829)	10,714,218	13,671,799	(4,633,340)		673,930
Michigan	(372,255)	18,881,156	20,152,305	(2,113,371)		469,967
New Jersey	194,307	28,545,034	25,751,282	3,604,334		(616,275)
Ohio	25,515	18,346,248	17,700,094	94,726		576,943
Virginia	995,395	13,520,904	14,801,389	(844,125)		559,035
Washington	419,221	12,411,462	8,640,780	4,374,257		(184,354)
Total	<u>\$ -</u>	<u>\$ 151,880,984</u>	<u>\$ 151,880,984</u>	<u>\$ -</u>		<u>\$ -</u>