

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 'M' 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**

POWERBALL 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 "Specified Parties") who operate the Powerball game, solely to assist the MLGCA and the Member Lotteries with respect to the evaluation of the following financial information associated with the Powerball 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 Powerball 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 Powerball 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 from April 1, 2020 to March 31, 2021 for testing and performed procedures "c", "d", and "e" below:

June 3, 2020
October 10, 2020
December 16, 2020
January 20, 2021
March 6, 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 Powerball 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 Powerball 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, if there were Prize Tier (2) Two prizes won in the MLGCA, we confirmed that the win was claimed and paid.
 - h) For the amount listed in the "Cash Options Amount" column on the "Draw Activity" report attached as Exhibit I, we obtained and compared the amount to the MLGCA's cash disbursement subsidiary records which summarizes the funds disbursed to the prize winner and found them to be in agreement.
 - 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 the MLGCA's financial accounting records and to the Powerball 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

**POWERBALL 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
4/1/2020	\$ 506,606	\$ 41,405	\$ 54,758	\$ -	\$ -
4/4/2020	562,058	53,173	80,237	-	-
4/8/2020	501,760	46,904	65,056	-	-
4/11/2020	404,724	35,303	44,554	-	-
4/15/2020	350,388	30,869	44,746	-	-
4/18/2020	412,090	36,170	134,040	-	-
4/22/2020	366,784	30,549	39,899	-	-
4/25/2020	429,696	37,751	36,926	-	-
4/29/2020	395,176	32,460	41,716	-	-
5/2/2020	478,940	39,606	44,877	-	-
5/6/2020	426,086	35,570	133,360	-	-
5/9/2020	506,560	45,691	48,984	-	-
5/13/2020	447,898	36,573	36,953	-	-
5/16/2020	512,656	51,551	59,371	-	-
5/20/2020	482,378	45,420	44,914	-	-
5/23/2020	585,792	51,877	67,372	-	-
5/27/2020	534,162	46,043	54,602	-	-
5/30/2020	625,578	52,198	77,393	-	-
6/3/2020	590,272	52,518	61,522	-	-
6/6/2020	509,028	43,671	47,796	-	-
6/10/2020	459,724	41,360	53,679	-	-
6/13/2020	479,514	44,819	50,251	-	-
6/17/2020	436,962	91,358	44,572	-	-
6/20/2020	497,308	46,595	56,485	-	-
6/24/2020	453,094	38,571	48,149	-	-
6/27/2020	521,006	47,404	57,331	-	-
7/1/2020	484,382	41,573	41,266	-	-
7/4/2020	538,722	47,573	146,606	-	-
7/8/2020	495,558	46,399	70,819	-	-
7/11/2020	571,186	52,023	160,326	-	-
7/15/2020	519,862	47,387	51,974	-	-
7/18/2020	594,552	106,267	156,680	-	-
7/22/2020	532,020	95,160	170,529	-	-
7/25/2020	624,830	56,521	63,620	-	-
7/29/2020	638,590	104,297	83,589	-	-
8/1/2020	731,048	61,793	157,811	-	-
8/5/2020	687,940	159,760	73,571	-	-
8/8/2020	779,446	67,386	171,818	-	-

**POWERBALL 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
8/12/2020	\$ 713,144	\$ 112,942	\$ 108,960	\$ -	\$ -
8/15/2020	516,996	47,928	155,751	-	-
8/19/2020	444,404	37,823	142,540	-	-
8/22/2020	520,290	95,394	59,901	-	-
8/26/2020	461,946	90,754	50,801	-	-
8/29/2020	531,394	151,478	79,582	-	-
9/2/2020	487,868	46,240	55,468	-	-
9/5/2020	568,360	107,622	196,698	-	-
9/9/2020	496,136	42,730	47,437	-	-
9/12/2020	588,200	54,475	59,029	-	-
9/16/2020	541,236	46,149	55,841	-	-
9/19/2020	496,326	42,995	58,168	-	-
9/23/2020	443,594	38,231	46,805	-	-
9/26/2020	505,212	44,506	69,396	-	-
9/30/2020	460,794	40,716	161,364	-	-
10/3/2020	543,126	96,255	252,204	-	-
10/7/2020	482,882	43,719	66,395	-	-
10/10/2020	555,996	50,503	69,092	-	-
10/14/2020	499,674	46,183	70,374	-	-
10/17/2020	581,980	49,986	55,829	-	-
10/21/2020	526,558	46,403	65,167	-	-
10/24/2020	634,800	55,917	66,628	-	-
10/28/2020	584,260	154,817	80,351	-	-
10/31/2020	676,640	106,781	190,471	-	-
11/4/2020	597,006	51,795	66,284	-	-
11/7/2020	676,732	111,658	68,639	-	-
11/11/2020	618,418	109,707	70,615	-	-
11/14/2020	718,082	112,774	81,550	-	-
11/18/2020	654,636	60,959	76,696	-	-
11/21/2020	787,640	76,514	88,296	-	-
11/25/2020	853,960	120,850	112,288	-	-
11/28/2020	770,958	71,598	89,161	-	-
12/2/2020	794,008	72,089	91,644	-	-
12/5/2020	922,490	88,484	210,008	-	-
12/9/2020	856,576	79,758	88,828	-	-
12/12/2020	968,202	80,400	199,165	-	-
12/16/2020	865,386	234,508	203,320	-	-
12/19/2020	1,067,982	149,430	120,556	-	-

**POWERBALL 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
12/23/2020	\$ 1,201,046	\$ 105,929	\$ 218,476	\$ -	\$ -
12/26/2020	1,146,706	155,233	151,028	-	-
12/30/2020	1,351,928	165,419	134,851	-	-
1/2/2021	1,546,140	192,301	172,043	-	-
1/6/2021	2,051,048	239,527	240,926	-	-
1/9/2021	2,647,198	248,039	317,703	-	-
1/13/2021	3,342,966	395,847	754,733	-	-
1/16/2021	4,188,992	466,488	705,608	-	-
1/20/2021	4,358,780	1,519,611	1,108,092	-	546,824,472
1/23/2021	1,141,110	206,891	797,253	-	-
1/27/2021	646,890	108,261	73,940	-	-
1/30/2021	779,164	75,230	78,929	-	-
2/3/2021	547,030	49,892	65,583	-	-
2/6/2021	722,558	65,054	75,868	-	-
2/10/2021	618,528	61,067	176,603	-	-
2/13/2021	628,610	51,595	56,482	-	-
2/17/2021	651,264	104,454	65,259	-	-
2/20/2021	644,948	62,442	75,844	-	-
2/24/2021	673,964	107,097	77,656	-	-
2/27/2021	805,374	72,240	95,476	-	-
3/3/2021	753,882	61,697	86,222	-	-
3/6/2021	821,802	72,920	95,743	-	-
3/10/2021	746,646	68,792	182,977	-	-
3/13/2021	837,184	171,327	111,268	-	-
3/17/2021	802,000	69,993	177,907	-	-
3/20/2021	909,726	133,869	294,943	-	-
3/24/2021	816,372	128,185	195,962	-	-
3/27/2021	922,006	81,722	110,516	-	-
3/31/2021	520,858	44,132	58,328	-	-
	<u>\$ 80,512,988</u>	<u>\$ 10,397,873</u>	<u>\$ 13,465,673</u>	<u>\$ -</u>	<u>\$ 546,824,472</u>

EXHIBIT II

**POWERBALL 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	\$ (31,527)	\$ 19,944,923	\$ 18,740,476	\$ 383,125		\$ 789,795
Illinois	(1,871,475)	20,488,959	18,973,588	(3,063,838)		2,707,734
Maryland	951,976	10,397,873	13,465,673	(1,132,324)		(983,500)
Massachusetts	629,792	13,490,466	14,662,798	1,027,619		(1,570,159)
Michigan	(2,177,962)	21,591,097	18,809,812	1,673,432		(1,070,109)
New Jersey	(3,072,744)	24,923,532	26,071,478	(4,683,434)		462,744
Ohio	2,219,181	16,305,916	17,320,368	2,942,833		(1,738,104)
Virginia	2,420,935	15,184,289	14,578,808	3,467,905		(441,489)
Washington	931,824	8,795,731	8,499,785	(615,318)		1,843,088
Total	<u>\$ -</u>	<u>\$ 151,122,786</u>	<u>\$ 151,122,786</u>	<u>\$ -</u>		<u>\$ -</u>