

**STATE OF NEW JERSEY
DIVISION OF STATE LOTTERY**

Mega Millions New Jersey Lottery Draw Activity
Agreed-Upon Procedures Report

April 1, 2022 – March 31, 2023

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

MEGA MILLIONS NEW JERSEY LOTTERY DRAW ACTIVITY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

State of New Jersey
Division of State Lottery

We have performed the procedures enumerated below on specific Mega Millions reporting requirements of the State of New Jersey, Division of State Lottery (the "Division of State Lottery") for the period April 1, 2022 to March 31, 2023. The procedures were agreed to by the management of the Division of State Lottery and other member lotteries in states that operate Mega Millions, solely to assist the Division of State Lottery in connection with the reporting requirements related to Mega Millions. The Division of State Lottery's management is responsible for compliance with the specified requirements.

An agreed-upon procedures engagement involves the practitioner performing specific procedures and reporting on findings based on the procedures performed. The Division of State Lottery has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement in assisting the Division of State Lottery with their reporting requirements related to Mega Millions. 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 we performed and the associated findings are as follows:

- a. Obtained from the Division of State Lottery the "Draw Activity" (Exhibit I) report and the "Fixed Prize Analysis" (Exhibit II) report for the period from April 1, 2022 to March 31, 2023, and verified the mathematical accuracy of the exhibits and noted any exceptions.

No exceptions were found as a result of applying this procedure.

- b. Randomly selected five draw dates from the period April 1, 2022 to March 31, 2023. The dates selected were April 12, 2022, July 29, 2022, October 14, 2022, January 10, 2023, and March 31, 2023.

No exceptions were found as a result of applying this procedure.

- c. For each draw date selected in step "b" above, compared the total amount of sales as shown on the daily sales report produced by the Division of State Lottery'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 ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES (CONTINUED)**

- d. 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 Division of State Lottery's gaming system for each prize level and the prize structure of the Mega Millions fixed prizes (as defined in the official game rules). Also, 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 ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- e. For each draw date selected in step "b" above, 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 ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- f. 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 ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- g. For each draw date selected in step "b" above, if there were Prize Tier (2) Two prizes won in the Division of State Lottery, confirmed that the win was claimed and paid. If the win was not claimed and had not passed the expiration date for claim, noted that the win is still outstanding. If the win was not claimed and had passed the expiration date, confirmed that the prize was reported as unclaimed through the Mega Millions expired prize reporting.

No exceptions were found as a result of applying this procedure.

- h. For the amounts listed in the "Cash Options Amount" column of the "Draw Activity" report attached as Exhibit I, we obtained and compared the amounts to the Division of State Lottery's cash disbursement subsidiary records which summarized the funds disbursed to the prize winner.

No exceptions were found as a result of applying this procedure since there were no cash prize winners.

- i. We noted there were no purchases of investments associated with New Jersey jackpot prizes for the period from April 1, 2022 to March 31, 2023, as there were no New Jersey jackpot prize annuity elections in the period. As a result, the required procedures related to reviewing broker confirmations, obtaining bid sheets and supporting documentation, reviewing Lottery cash disbursements to brokers, and obtaining security purchase reports were not applicable and were not performed.

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES (CONTINUED)**

- j. Compared the total of period transfers from/to the Division of State Lottery to/from the Virginia Lottery for settlement of the fixed prize liability as shown in the Division of State Lottery's cash disbursement/receipt subsidiary records to the amount listed on the "Qtrly/Yrly Settlements Transfers In (Out)" column on the "Fixed Prize Analysis" report attached as Exhibit II and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

- k. Compared the balance listed as the Division of State Lottery's receivable/payable as of March 31, 2023, for the fixed prizes as shown on the "Fixed Prize Analysis" report attached as Exhibit II to the Division of State Lottery's financial accounting records and to the Mega Millions Prize Settlement Report as of March 31, 2023, and ensured they were in agreement.

No exceptions were found as a result of applying this procedure.

We were engaged by the Division of State Lottery 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 reporting requirements related to Mega Millions. 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 Division of State Lottery 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 management, others within the Division of State Lottery, and other member lotteries in states that operate Mega Millions, and is not intended to be and should not be used by anyone other than these specified parties.

Mercadieu, P.C.
Certified Public Accountants

October 12, 2023

EXHIBITS

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

Exhibit I

Mega Millions New Jersey Lottery Draw Activity

For the period from April 1, 2022 to March 31, 2023

Winning State	Draw Date	Sales	Just The Jackpot	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
PB	4/1/2022	\$ 1,013,618	\$ 468	\$ 72,414	\$ 75,656	\$ -	\$ -
	4/5/2022	978,925	477	66,412	69,548	-	-
	4/8/2022	1,018,849	459	83,332	586,272	-	-
	4/12/2022	1,055,774	582	2,092,428	610,504	-	-
	4/15/2022	895,230	294	72,256	70,585	-	-
	4/19/2022	812,714	504	63,412	61,551	-	-
	4/22/2022	924,553	459	86,338	81,201	-	-
	4/26/2022	979,412	552	79,808	89,487	-	-
	4/29/2022	1,064,429	555	85,644	86,142	-	-
	5/3/2022	977,779	579	70,848	77,596	-	-
	5/6/2022	1,022,066	558	91,946	87,877	-	-
	5/10/2022	1,023,937	633	93,074	421,003	-	-
	5/13/2022	1,167,195	573	114,866	101,531	-	-
	5/17/2022	1,122,325	621	105,738	92,193	-	-
	5/20/2022	1,201,203	651	97,122	256,793	-	-
	5/24/2022	1,154,248	744	101,050	428,870	-	-
	5/27/2022	1,239,537	681	1,099,972	269,178	-	-
	5/31/2022	1,119,653	591	80,360	251,209	-	-
	6/3/2022	1,305,659	801	108,852	283,130	-	-
	6/7/2022	1,333,101	753	112,518	109,920	-	-
	6/10/2022	1,411,884	762	139,246	143,033	-	-
	6/14/2022	1,430,242	678	104,804	110,316	-	-
	6/17/2022	1,490,209	705	102,686	114,822	-	-
	6/21/2022	1,492,441	843	120,988	113,218	-	-
	6/24/2022	1,656,930	828	149,122	155,239	-	-
	6/28/2022	1,717,433	921	168,230	172,971	-	-
	7/1/2022	1,936,785	1,293	152,130	329,827	-	-
	7/5/2022	1,827,281	879	133,094	143,820	-	-
	7/8/2022	2,440,082	1,440	193,882	183,264	-	-
	7/12/2022	2,686,057	1,701	247,170	406,808	-	-
	7/15/2022	3,418,258	1,836	275,846	276,394	-	-
	7/19/2022	5,592,516	4,050	430,258	441,738	-	-
	7/22/2022	8,479,490	4,734	1,699,800	1,015,601	-	-
	7/26/2022	16,424,973	10,821	3,323,382	2,164,222	-	-
	7/29/2022	32,741,285	24,243	2,690,508	3,322,028	-	-
IL	8/2/2022	1,262,601	957	103,156	106,434	-	-
	8/5/2022	1,186,901	651	82,806	88,900	-	-
	8/9/2022	1,124,769	597	136,744	445,666	-	-
	8/12/2022	1,225,542	636	109,436	103,079	-	-
	8/16/2022	1,156,403	675	84,312	84,956	-	-
	8/19/2022	1,285,339	795	123,350	114,713	-	-
	8/23/2022	1,224,701	693	108,426	280,900	-	-
	8/26/2022	1,336,980	720	92,864	103,099	-	-
	8/30/2022	1,262,228	696	98,662	98,653	-	-
	9/2/2022	1,377,081	753	95,882	103,916	-	-
	9/6/2022	1,208,031	705	101,766	94,690	-	-

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

Exhibit I

Mega Millions New Jersey Lottery Draw Activity (Continued)

For the period from April 1, 2022 to March 31, 2023

Winning State	Draw Date	Sales	Just The Jackpot	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
CA/PB	9/9/2022	1,455,819	771	105,006	109,438	-	-
	9/13/2022	1,420,111	771	124,316	111,436	-	-
	9/16/2022	1,598,396	732	152,706	135,093	-	-
	9/20/2022	1,466,108	870	147,518	314,941	-	-
	9/23/2022	1,693,712	1,152	123,094	127,963	-	-
	9/27/2022	1,666,167	891	138,908	140,269	-	-
	9/30/2022	1,901,753	1,041	169,668	161,264	-	-
	10/4/2022	1,754,354	1,200	1,148,554	313,129	-	-
	10/7/2022	2,230,111	1,203	167,828	178,801	-	-
	10/11/2022	2,304,436	1,122	272,482	261,816	-	-
	10/14/2022	2,790,236	1,452	1,229,216	415,001	-	-
	10/18/2022	960,101	513	69,800	234,146	-	-
	10/21/2022	1,058,158	498	87,040	80,799	-	-
	10/25/2022	1,145,901	687	86,088	88,196	-	-
	10/28/2022	1,407,497	591	152,704	133,855	-	-
	11/1/2022	1,686,675	1,047	219,196	658,155	-	-
	11/4/2022	2,035,146	1,014	154,434	314,541	-	-
	11/8/2022	2,341,960	1,296	183,902	673,678	-	-
	11/11/2022	1,760,807	849	149,124	147,605	-	-
	11/15/2022	1,652,773	927	122,154	135,088	-	-
	11/18/2022	1,725,619	711	149,646	320,318	-	-
	11/22/2022	1,709,175	987	151,484	151,176	-	-
	11/25/2022	1,550,855	825	109,878	288,073	-	-
	11/29/2022	1,814,570	936	152,838	147,773	-	-
	12/2/2022	1,904,640	1,152	139,134	149,978	-	-
	12/6/2022	1,858,953	915	161,416	165,547	-	-
	12/9/2022	1,927,313	963	156,570	167,364	-	-
	12/13/2022	2,091,017	1,083	165,668	169,350	-	-
	12/16/2022	2,127,477	1,029	182,274	183,553	-	-
	12/20/2022	2,340,028	1,260	185,422	186,960	-	-
	12/23/2022	3,242,996	1,710	281,196	461,799	-	-
	12/27/2022	4,523,575	1,965	383,850	555,095	-	-
	12/30/2022	6,256,478	3,096	541,990	751,829	-	-
	1/3/2023	7,413,208	4,398	585,602	941,271	-	-
	1/6/2023	10,926,323	6,339	1,894,842	1,278,915	-	-
	1/10/2023	15,015,478	9,222	2,426,624	2,268,927	-	-
PB	1/13/2023	18,061,262	10,992	1,466,244	1,625,459	-	-
PB	1/17/2023	1,159,692	720	101,520	260,382	-	-
	1/20/2023	1,142,550	438	79,442	82,713	-	-
MA	1/24/2023	1,097,524	504	1,075,322	238,269	-	-
	1/27/2023	1,126,645	477	99,198	85,189	-	-
MA	1/31/2023	1,113,877	453	1,129,820	295,018	-	-
	2/3/2023	1,161,396	498	83,030	86,370	-	-
	2/7/2023	1,186,181	675	94,488	258,464	-	-
	2/10/2023	1,202,966	444	84,954	88,025	-	-
	2/14/2023	1,133,379	447	82,048	87,045	-	-

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

Exhibit I

Mega Millions New Jersey Lottery Draw Activity (Continued)

For the period from April 1, 2022 to March 31, 2023

Winning State	Draw Date	Sales	Just The Jackpot	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
	2/17/2023	1,202,999	483	129,318	109,999	-	-
	2/21/2023	1,254,331	519	105,452	98,618	-	-
	2/24/2023	1,397,572	534	126,456	124,798	-	-
	2/28/2023	1,293,664	492	106,346	272,157	-	-
	3/3/2023	1,488,579	519	142,542	133,806	-	-
	3/7/2023	1,452,896	696	1,136,970	291,167	-	-
	3/10/2023	1,710,613	675	145,508	143,159	-	-
	3/14/2023	1,582,813	807	126,462	132,135	-	-
	3/17/2023	1,791,585	879	162,004	319,071	-	-
	3/21/2023	1,699,690	852	170,112	154,603	-	-
	3/24/2023	1,941,920	882	167,970	161,740	-	-
	3/28/2023	1,954,060	978	156,972	157,665	-	-
	3/31/2023	2,136,522	906	168,872	162,653	-	-
	Totals	<u>\$ 269,857,291</u>	<u>\$ 155,235</u>	<u>\$ 35,660,162</u>	<u>\$ 33,120,200</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW JERSEY,
DIVISION OF STATE LOTTERY**

Exhibit II

Mega Millions New Jersey Lottery Fixed Prize Analysis

For the period from April 1, 2022 to March 31, 2023

	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In (Out)	Receivable (Payable)
Georgia	\$ 1,191,632	\$ 25,874,418	\$ 24,965,915	\$ 2,702,310	\$ (602,175)
Illinois	(2,022,332)	26,364,032	24,053,556	(940,872)	1,229,016
Massachusetts	(478,084)	17,713,496	18,334,204	(2,100,618)	1,001,826
Maryland	(460,019)	16,357,390	16,737,757	(968,865)	128,479
Michigan	796,607	22,063,646	26,416,357	(1,755,925)	(1,800,179)
New Jersey	2,224,097	35,660,162	33,120,200	3,522,423	1,241,636
Ohio	(805,343)	23,404,530	22,368,861	(335,097)	565,423
Virginia	(516,064)	21,061,346	19,666,131	1,162,668	(283,517)
Washington State	69,506	8,884,696	11,720,735	(1,286,024)	(1,480,509)
Totals	<u>\$ -</u>	<u>\$ 197,383,716</u>	<u>\$ 197,383,716</u>	<u>\$ -</u>	<u>\$ -</u>