

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

Megaplier New Jersey Lottery Draw Activity
Agreed-Upon Procedures Report

April 1, 2022 – March 31, 2023

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

MEGAPLIER 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 Megaplier 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 Megaplier, solely to assist the Division of State Lottery in connection with their reporting requirements related to Megaplier. 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 Megaplier. 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 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 Megaplier 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 Megaplier 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 Megaplier expired prize reporting.

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

- h. 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.

- i. 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 Megaplier 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.

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

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 Megaplier. 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 Megaplier, 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

Megaplier New Jersey Lottery Draw Activity

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

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
4/1/2022	\$ 75,867	\$ 35,312	\$ 40,766	\$ -	\$ -
4/5/2022	73,408	10,002	11,196	-	-
4/8/2022	76,433	24,308	25,983	-	-
4/12/2022	75,741	1,016,434	145,898	-	-
4/15/2022	67,613	28,074	33,305	-	-
4/19/2022	61,416	19,628	18,244	-	-
4/22/2022	69,475	21,808	26,177	-	-
4/26/2022	72,122	36,930	36,552	-	-
4/29/2022	78,832	12,002	12,494	-	-
5/3/2022	73,704	11,762	12,354	-	-
5/6/2022	76,413	11,668	13,362	-	-
5/10/2022	75,752	23,748	24,701	-	-
5/13/2022	85,622	25,596	29,167	-	-
5/17/2022	81,881	68,490	46,647	-	-
5/20/2022	87,721	23,220	24,951	-	-
5/24/2022	81,701	44,984	31,112	-	-
5/27/2022	88,439	27,708	31,030	-	-
5/31/2022	79,659	34,902	38,758	-	-
6/3/2022	92,712	47,388	50,773	-	-
6/7/2022	93,427	38,610	48,319	-	-
6/10/2022	97,564	79,592	88,614	-	-
6/14/2022	97,874	14,648	14,286	-	-
6/17/2022	101,471	13,128	14,714	-	-
6/21/2022	99,124	49,748	30,993	-	-
6/24/2022	109,535	22,034	21,636	-	-
6/28/2022	111,197	19,884	19,883	-	-
7/1/2022	130,484	40,736	43,311	-	-
7/5/2022	123,477	53,184	60,832	-	-
7/8/2022	162,727	41,384	44,418	-	-
7/12/2022	171,505	30,140	30,695	-	-
7/15/2022	208,316	127,768	132,253	-	-
7/19/2022	318,166	96,388	98,670	-	-
7/22/2022	457,843	2,133,948	381,838	-	-
7/26/2022	878,380	274,904	532,894	-	-
7/29/2022	1,709,994	271,772	285,475	-	-
8/2/2022	103,787	31,540	35,764	-	-
8/5/2022	97,290	27,104	31,061	-	-
8/9/2022	90,709	42,868	39,701	-	-

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

Exhibit I

Megaplier New Jersey Lottery Draw Activity (Continued)

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

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
8/12/2022	97,493	30,692	30,203	-	-
8/16/2022	93,035	12,142	14,437	-	-
8/19/2022	101,222	90,450	61,196	-	-
8/23/2022	96,935	17,614	19,502	-	-
8/26/2022	104,139	14,590	15,101	-	-
8/30/2022	98,156	29,672	32,705	-	-
9/2/2022	104,613	14,018	13,491	-	-
9/6/2022	94,344	39,744	40,059	-	-
9/9/2022	108,422	14,544	17,011	-	-
9/13/2022	104,833	47,088	44,628	-	-
9/16/2022	116,500	53,724	55,823	-	-
9/20/2022	105,808	76,088	87,655	-	-
9/23/2022	121,986	55,986	57,003	-	-
9/27/2022	118,793	35,784	39,333	-	-
9/30/2022	133,067	90,864	69,005	-	-
10/4/2022	125,091	18,842	22,369	-	-
10/7/2022	152,328	22,450	26,071	-	-
10/11/2022	150,056	74,912	70,381	-	-
10/14/2022	179,723	28,788	32,378	-	-
10/18/2022	72,717	19,564	267,727	-	-
10/21/2022	79,903	11,796	11,703	-	-
10/25/2022	84,604	24,092	23,457	-	-
10/28/2022	101,543	27,328	20,465	-	-
11/1/2022	124,710	51,848	52,231	-	-
11/4/2022	149,647	20,684	23,820	-	-
11/8/2022	170,749	69,078	451,955	-	-
11/11/2022	142,055	45,280	48,007	-	-
11/15/2022	128,864	18,554	18,871	-	-
11/18/2022	130,692	60,108	71,241	-	-
11/22/2022	128,863	46,656	43,501	-	-
11/25/2022	121,634	17,680	19,717	-	-
11/29/2022	136,483	94,218	65,606	-	-
12/2/2022	146,765	40,672	45,241	-	-
12/6/2022	139,017	48,904	54,566	-	-
12/9/2022	143,616	67,824	81,012	-	-
12/13/2022	152,538	21,664	22,590	-	-
12/16/2022	158,162	49,972	53,610	-	-
12/20/2022	164,683	70,470	76,090	-	-

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

Exhibit I

Megaplier New Jersey Lottery Draw Activity (Continued)

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

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
12/23/2022	217,862	100,758	103,311	-	-
12/27/2022	281,541	53,932	46,572	-	-
12/30/2022	370,634	129,212	144,259	-	-
1/3/2023	434,768	213,780	197,627	-	-
1/6/2023	611,134	211,704	201,615	-	-
1/10/2023	830,692	330,952	310,994	-	-
1/13/2023	1,002,997	157,930	153,275	-	-
1/17/2023	93,925	34,000	267,809	-	-
1/20/2023	90,471	36,426	37,750	-	-
1/24/2023	88,784	33,732	39,012	-	-
1/27/2023	89,387	39,360	38,600	-	-
1/31/2023	89,785	3,064,404	455,607	-	-
2/3/2023	93,893	14,966	15,134	-	-
2/7/2023	92,760	13,956	13,721	-	-
2/10/2023	96,482	26,688	27,549	-	-
2/14/2023	89,686	26,444	28,461	-	-
2/17/2023	98,825	34,952	35,586	-	-
2/21/2023	100,083	13,916	14,015	-	-
2/24/2023	108,914	55,704	57,378	-	-
2/28/2023	101,517	17,636	15,962	-	-
3/3/2023	117,814	83,568	74,735	-	-
3/7/2023	115,164	88,392	60,900	-	-
3/10/2023	133,168	21,616	22,314	-	-
3/14/2023	122,925	39,468	39,038	-	-
3/17/2023	138,877	65,208	46,944	-	-
3/21/2023	130,570	23,692	23,402	-	-
3/24/2023	147,512	65,188	52,102	-	-
3/28/2023	149,701	73,602	68,617	-	-
3/31/2023	162,036	76,038	74,996	-	-
Total	<u>\$ 17,523,077</u>	<u>\$ 11,654,952</u>	<u>\$ 7,475,873</u>	<u>\$ -</u>	<u>\$ -</u>

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

Exhibit II

Megaplier 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	\$ (421,359)	\$ 6,164,166	\$ 5,822,474	\$ (43,576)	\$ (36,091)
Illinois	(687,888)	9,506,804	8,633,323	151,507	34,086
Massachusetts	(369,056)	4,471,616	3,361,179	766,581	(25,200)
Maryland	(428,846)	3,088,100	4,210,862	(1,522,115)	(29,493)
Michigan	2,352,026	4,997,952	6,667,083	668,387	14,508
New Jersey	(690,677)	11,654,952	7,475,873	3,418,054	70,348
Ohio	1,305,217	9,622,556	10,186,384	694,814	46,575
Texas	-	-	-	-	-
Virginia	(759,383)	6,039,246	8,355,779	(3,019,928)	(55,988)
Washington State	(300,034)	2,508,726	3,341,161	(1,113,724)	(18,745)
Totals	<u>\$ -</u>	<u>\$ 58,054,118</u>	<u>\$ 58,054,118</u>	<u>\$ -</u>	<u>\$ -</u>