

**AGENCY PERFORMANCE REPORT  
FY 2018**

<b>Name of Agency:</b> Iowa Lottery Authority				
<b>Agency Mission:</b> "The Iowa Lottery continually strives to deliver value to the State of Iowa by providing entertainment to the public, maximizing revenues, and maintaining the highest standards of integrity, security, and accountability. The Iowa Lottery is a nonprofit authority that operates the state's lottery in an entrepreneurial and business-like manner, accountable to a public Board of Directors, the Governor, the General Assembly, and the People of the State."				
<b>Core Function</b>	<b>Performance Measure (Outcome)</b>	<b>Performance Target</b>	<b>Prior Year Actual</b>	<b>Link to Strategic Plan Goal(s)</b>
<b>CF: Sales &amp; Distribution</b>				
Sell and distribute lottery products		<b>338,300,000</b>	<b>370,956,887</b>	We will administer the Iowa Lottery to produce the maximum amount of net revenues in a manner that maintains the dignity of the state and general welfare of the people
<b>Desired Outcome(s):</b>				
Maximize sales	Total Sales			
<b>Services, Products, Activities</b>	<b>Performance Measures</b>	<b>Performance Target</b>		<b>Strategies/Recommended Actions</b>
<b>1. Instant ticket development &amp; management</b>  <b>Unit# 9100</b>	Total instant ticket sales	<b>209,000,000</b>	244,260,964	<ul style="list-style-type: none"> <li>• Encourage retailers to maximize number of games carried</li> <li>• Launch new games each month to leverage advertising shelf life</li> <li>• Offer variety in game choices, play styles, and themes</li> <li>• Offer promotions throughout the year to give players added opportunity to win</li> </ul>
<b>2. On-line game development &amp; management</b>  <b>Unit# 9250</b>	Total on-line game sales	<b>111,800,000</b>	106,045,463	<ul style="list-style-type: none"> <li>• Emphasize Powerball and Mega Millions as the nation's best-known lotto games that offer large jackpots</li> <li>• Emphasize Lucky for Life as game with "for life" prize options; and Lotto America as \$1 lotto game option</li> <li>• Promote other drawing games as offering better odds and diversity in playing options</li> </ul>
<b>3. Pull-tab development &amp; management</b>  <b>Unit# 9150</b>	Total pull-tab sales	<b>9,500,000</b>	10,916,692	<ul style="list-style-type: none"> <li>• Offer variety of pull-tab games at different price points</li> <li>• Offer games featuring competitive social sports (e.g., billiards, darts, bowling, etc.)</li> </ul>
<b>4. InstaPlay game development &amp; management</b>  <b>Unit# 9200</b>	Total InstaPlay sales	<b>8,000,000</b>	9,733,769	<ul style="list-style-type: none"> <li>• Emphasize progressive jackpots offered as well as games with set prizes</li> <li>• Provide a variety of games at different price points and with new features</li> <li>• Continue to educate players and retailers about the product</li> </ul>

Core Function	Performance Measure (Outcome)	Performance Target	Prior Year Actual	Link to Strategic Plan Goal(s)
<b>CF: Resource Management</b>				
Maintain secure & efficient lottery operations				We will administer the Iowa Lottery to produce the maximum amount of net revenues in a manner that maintains the dignity of the state and general welfare of the people
<b>Desired Outcome(s):</b>				
Maximize revenues transferred while ensuring the security and integrity of lottery products and operations	Total funds transferred to General Fund and Veterans Trust Fund	71,118,023	87,096,200	
<b>Services, Products, Activities</b>	Performance Measures	Performance Target		Strategies/Recommended Actions
<b>1. Lottery Operations &amp; Advertising</b> <b>Unit# 1010, 2010, 3000s, 4000</b>	Percent of operating & advertising budget to total sales	8.5%	5.64%	<ul style="list-style-type: none"> <li>• Cultivate effective employee force that is professional, ethical, knowledgeable, and skilled</li> <li>• Make efficient purchasing decisions</li> <li>• Maintain integrity and security in production and delivery of lottery products while utilizing the highest level of technology available</li> <li>• Maintain accurate, timely accounting of both incoming revenues and outgoing expenditures</li> <li>• Provide accurate, detailed information about lottery operations and products</li> <li>• Ensure internal lottery computer systems are operational at all times needed</li> <li>• Emphasize diversity of lottery products and the security behind the games</li> <li>• Detail how lottery proceeds benefit vital state causes</li> </ul>
<b>2. Transfers to State General Fund</b> <b>Unit# 7000</b>	Total funds transferred to General Fund	68,618,023	84,596,200	<ul style="list-style-type: none"> <li>• Emphasize diversity of play styles, themes and price points offered</li> <li>• Utilize accurate, open communications to provide lottery information</li> <li>• Highlight how lottery proceeds have benefited vital state causes since 1985</li> </ul>
<b>3. Transfers to Veterans Trust Fund</b> <b>Unit# 7400</b>	Total funds transferred to Veterans Trust Fund	\$2,500,000	\$2,500,000	<ul style="list-style-type: none"> <li>• Provide a stable, ongoing source of funding for Iowa Veterans Trust Fund</li> <li>• Make accurate and timely transfers to IVTF</li> <li>• Emphasize that a portion of annual lottery proceeds benefit Iowa veterans and their families</li> </ul>

*\*Lottery Operating & Advertising Budget includes all administrative & advertising expenses incurred by the Lottery, but excludes other costs including, but not limited to, prize payments, retailer compensation, lottery system and terminal communications, and instant and pull-tab ticket expense and machine maintenance.*

<b>Core Function</b>	Performance Measure (Outcome)	Performance Target	<b>Prior Year Actual</b>	Link to Strategic Plan Goal(s)
<b>CF: Enforcement &amp; Investigation</b>				
Ensure the entertainment provided to the public maintains the highest standards of integrity, security, and accountability				We will administer the Iowa Lottery to produce the maximum amount of net revenues in a manner that maintains the dignity of the state and general welfare of the people
<b>Desired Outcome(s):</b>				
Maintain the integrity and security of lottery games through inspections, monitoring, research, and investigations	Percent of investigated complaints and indicators of concern regarding lottery products	100%	100%	
<b>Services, Products, Activities</b>	Performance Measures	Performance Target		Strategies/Recommended Actions
<b>1. Provide support to law enforcement agencies and county attorney offices investigating and prosecuting crimes involving lottery products, and provide research and investigative support to other divisions in the Lottery.</b>  <b>Unit# 2010</b>	A. Percent of requests from law enforcement agencies and county attorney offices responded to by Security Division	100%	100%	<ul style="list-style-type: none"> <li>Assign an investigator within 24 hours of receiving request</li> <li>Submit reports within 15 days of investigation completion</li> <li>Continue to respond to inquiries from any sources to gather the most comprehensive information</li> <li>Review lottery information to identify trends &amp; patterns, then communicate with stakeholders as appropriate to mitigate risks</li> </ul>
	B. Percent of requests from other divisions within the Lottery responded to by Security Division	100%	100%	<ul style="list-style-type: none"> <li>Assign an investigator within 24 hours of receiving request</li> <li>Submit reports within 15 days of investigation completion</li> </ul>
<b>2. Conduct ongoing security compliance checks at retailers to ensure that players receive proper payments.</b>  <b>Unit# 2010</b>	A. Percent of all lottery retailers that underwent compliance checks during the fiscal year	20%	24%	<ul style="list-style-type: none"> <li>Meet with new retailer's management staff within 90 days of sales starting at that location</li> <li>Conduct compliance investigations at new retail locations within 90 days of sales starting there</li> <li>Conduct random compliance investigations at lottery retailers</li> </ul>
	B. Percent of retailers that underwent compliance checks following a complaint	100%	100%	<ul style="list-style-type: none"> <li>Conduct compliance investigations at retail locations that are the subject of a complaint within 45 days of receiving complaint</li> <li>Follow up with retail locations when appropriate upon completion of investigation to provide findings/input</li> </ul>