





# INTEROFFICE MEMO

*Gary Grief, Executive Director      Michael P. Farrell, Charitable Bingo Operations Director*

**To:** J. Winston Krause, Chairman  
Mark A. Franz, Commissioner  
Robert Rivera, Commissioner

**From:** Kathy Pyka, Controller *KP*

**Date:** July 18, 2019

**Re:** Transfers to the State and the Agency's Budget Status

The following document is provided for your information:

- I. Transfers to the Foundation School Fund, Texas Veterans Commission, and the allocation of unclaimed prizes for fiscal year 2019 transferred as of July 8, 2019
- II. Agency Budget Status

## Transfers to the State

Total accrued basis revenue transfers to the State for the ten-month period ending June 30, 2019 amounted to \$1.355 billion. Of the total amount transferred to the State from sales, \$1.291 billion was transferred to the Foundation School Fund; \$15.7 million was transferred to the Texas Veterans Commission with the remaining \$48.0 million transferred from unclaimed prizes. The amount transferred to the Foundation School Fund from sales represents a 16.6% increase, or \$183.4 million, over the total amount transferred in fiscal year 2018. To date, cumulative accrued revenue transfers to the Foundation School Fund are \$23.8 billion.

## Agency Budget Status

The FY 2019 Method of Financing budget summary as of May 31, 2019 is attached for your information. The Commission's Lottery Account budget for FY 2019 is \$237.0 million. Of this amount 88.5% was expended and encumbered through the end of the third quarter. The Bingo Operations budget, funded by the Bingo Administration Account, was \$17.0 million with 12.2% expended and encumbered through the end of the third quarter.

Please feel free to contact me at 512-344-5410 if you need additional information or have any questions.

Texas Lottery Commission									
Fiscal Year Detail of Accrued Revenue Transfers and Allocations to the State of Texas									
As of July 8, 2019									
Fiscal Year	Foundation School Fund	Texas Veteran's Commission	General Revenue	Multi-categorical Teaching Hospital Account	Other Beneficiaries*	Total Accrued Revenue Transfers			
FY 1992	\$	\$	\$ 249,978,109	\$	\$	\$ 249,978,109			
FY 1993			656,844,512			656,844,512			
FY 1994			927,684,072			927,684,072			
FY 1995			1,015,037,492			1,015,037,492			
FY 1996			1,098,323,023			1,098,323,023			
FY 1997	174,237,106		1,008,543,523			1,182,780,629			
FY 1998	1,097,795,590					1,097,795,590			
FY 1999	953,370,758			35,517,171		953,370,758			
FY 2000	827,328,229			4,482,829	34,456,232	862,845,399			
FY 2001	825,059,846			40,000,000	29,618,383	863,998,907			
FY 2002	859,263,426				66,993,269	928,881,809			
FY 2003	882,094,795				11,334,095	949,088,064			
FY 2004	1,009,447,487		19,465,000	10,782,342		1,051,028,924			
FY 2005	1,009,538,729		22,880,577	9,217,658	28,665,905	1,070,302,869			
FY 2006	1,036,110,469		44,222,589	10,000,000		1,090,333,058			
FY 2007	1,034,072,617		48,947,388	10,000,000		1,093,020,005			
FY 2008	980,744,256		44,134,747	10,000,000		1,034,879,002			
FY 2009	999,421,562		52,732,496	10,000,000		1,062,154,058			
FY 2010	989,139,753	7,353,334	56,591,791	10,000,000		1,063,084,879			
FY 2011	961,885,417	8,648,112	43,249,367	10,000,000		1,023,782,895			
FY 2012	1,099,034,712	5,306,574	45,431,754	5,750,000		1,155,523,040			
FY 2013	1,148,515,795	6,178,158	53,657,834	5,750,000		1,214,101,786			
FY 2014	1,203,771,931	11,539,037		5,411,953		1,220,722,920			
FY 2015	1,225,175,057	13,128,754		4,397,812		1,242,701,623			
FY 2016	1,372,719,992	14,680,974		4,904,883		1,392,305,849			
FY 2017	1,312,856,719	16,206,348		4,904,882		1,333,967,949			
FY 2018	1,431,907,289	18,127,925		439,444		1,450,474,658			
FY 2019**	1,337,939,234	16,464,312		439,442		1,354,842,987			
Cumulative Transfers	\$ 23,771,430,767	\$ 117,633,527	\$ 5,387,724,273	\$ 191,998,416	\$ 171,067,884	\$ 29,639,854,867			

\*Includes HHSC Graduate Medical Education and Tertiary Care

\*\*As of June 2019 revenue transfer

Source: with the exception of FY2019, Audited Financial Statements

**Texas Lottery Commission**  
**Unaudited Monthly Detail of Revenue Transfers and Allocations to the State of Texas**

FY 2019 Accrued Revenue Transfers Transfer Period	Transfer Date*	Foundation School Fund	Texas Veterans Commission	Unclaimed Prizes	Total Accrued Revenue Transfers	Reserve For Administration Expenditures
September-18	10/09/18	98,529,204.17	635,713.31	-	99,164,917.48	30,925,484.70
October-18	11/07/18	173,273,213.14	718,672.54	-	173,991,885.68	46,907,347.69
November-18	12/11/18	100,337,754.66	808,144.86	13,059,559.62	114,205,459.14	33,045,444.74
December-18	01/09/19	115,501,096.57	1,415,401.59	-	116,916,498.16	37,579,272.71
January-19	02/07/19	103,792,921.25	1,930,828.55	-	105,723,749.80	35,782,388.01
February-19	03/12/19	105,419,370.63	1,353,061.56	14,737,225.15	121,509,657.34	34,570,768.79
March-19	04/04/19	168,418,818.82	2,113,477.60	-	170,532,296.42	8,069,626.42
April-19	05/08/19	144,784,901.49	2,356,479.64	-	147,141,381.13	(73,000.06)
May-19	06/10/19	150,666,183.74	2,377,984.84	20,210,676.95	173,254,845.53	-
June-19	07/08/19	130,444,532.32	1,957,764.18	-	132,402,296.50	-
<b>Total FY 2019</b>		<b>1,291,167,996.79</b>	<b>15,667,528.67</b>	<b>48,007,461.72</b>	<b>1,354,842,987.18</b>	<b>226,807,333.00</b>

**FY 2019 Reserve for Administration 226,807,333.00**

**Quarterly Detail of Unclaimed Prizes Transferred to the State of Texas**

FY 2019 Accrued Revenue Transfers Transfer Period	Transfer Date	Foundation School Fund	Texas Veterans Commission	Multicategorical Teaching Hospital Account	Total Accrued Revenue Transfers
November-18	12/11/18	12,620,072.62	45.00	439,442.00	13,059,559.62
February-19	03/12/19	14,146,263.17	590,961.98	-	14,737,225.15
May-19	06/10/19	20,004,900.99	205,775.96	-	20,210,676.95
<b>Total FY 2019</b>		<b>46,771,236.78</b>	<b>796,782.94</b>	<b>439,442.00</b>	<b>48,007,461.72</b>

\* Current month transfers to Foundation School Fund and Texas Veterans Commission are due by 15th of each month.

**TEXAS LOTTERY COMMISSION**  
**Unaudited Transfer Calculation for Fund 5025**  
**For the Period June 30, 2019**

	June Final	Year-to-Date	
<b>Sales Revenue</b>			<b>% Sales by Game</b>
Scratch Tickets	\$ 396,741,132.00	\$ 4,068,893,266.00	76.93%
Lotto Texas	8,847,846.00	88,774,638.00	1.68%
Lotto Texas Extra	2,278,939.00	21,905,961.00	0.41%
Pick 3	19,878,292.50	207,069,994.00	3.92%
Pick 3- Sum It Up	-	3,278,563.50	0.06%
Pick 3 Fireball	1,754,530.00	4,175,307.00	0.08%
Cash Five	3,624,327.00	38,666,918.00	0.73%
Texas Two-Step	4,136,134.00	49,816,247.00	0.94%
Mega Millions	20,110,656.00	324,653,687.00	6.14%
Megaplier	3,300,610.00	47,694,483.00	0.90%
MM Just the Jackpot	88,887.00	1,437,539.00	0.03%
Daily 4	9,206,254.00	93,150,949.00	1.76%
Daily 4 - Sum It Up	-	4,072,163.50	0.08%
Daily 4 Fireball	1,312,447.50	2,917,889.50	0.06%
Powerball	16,547,754.00	265,433,508.00	5.02%
Power Play	2,827,907.00	41,003,154.00	0.78%
All or Nothing	2,653,186.00	26,152,769.00	0.49%
Sub-total Sales Revenue	<u>493,308,902.00</u>	<u>5,289,097,036.50</u>	100.00%
Retailer Fees	32,440.00	291,890.00	
<b>Total Sales Revenue</b>	<b>\$ <u>493,341,342.00</u></b>	<b>\$ <u>5,289,388,926.50</u></b>	
<b>Prize Expenses</b>			<b>Prize Expenses as % of Revenue</b>
Scratch Tickets	280,770,606.06	2,873,817,594.59	70.63%
Lotto Texas	4,425,733.42	44,468,636.38	50.09%
Lotto Texas Extra	1,267,326.00	11,962,108.00	54.61%
Pick 3	10,591,130.00	101,354,200.00	48.95%
Pick 3- Sum It Up	-	1,529,031.00	46.64%
Pick 3 Fireball	1,039,005.00	2,634,465.00	63.10%
Cash Five	1,864,609.00	19,299,848.80	49.91%
Texas Two-Step	2,063,584.18	25,284,372.93	50.76%
Mega Millions	10,130,700.65	168,244,044.18	51.82%
Megaplier	1,624,999.00	23,819,714.00	49.94%
MM Just the Jackpot	43,869.35	721,070.49	50.16%
Daily 4	8,617,850.00	45,394,675.00	48.73%
Daily 4 - Sum It Up	-	1,393,379.00	34.22%
Daily 4 Fireball	916,903.00	1,918,604.00	65.75%
Powerball	9,406,962.94	133,564,534.38	50.32%
Power Play	1,683,741.13	20,736,509.24	50.57%
All or Nothing	1,755,296.00	14,727,788.00	56.31%
Sub-total Prize Expenses	<u>336,202,315.73</u>	<u>3,490,870,574.99</u>	66.00%
Less:			
Unclaimed Prizes - Transferred in FY19	-	(48,007,461.72)	
Unclaimed Prizes - Prior Month(s) Accrual*	-	-	
Unclaimed Prizes - Current Month Accrual	(6,937,461.68)	(6,937,461.68)	
Sub-total Unclaimed Prizes	<u>(6,937,461.68)</u>	<u>(54,944,923.40)</u>	
<b>Sub-total Prize Expenses as Adjusted for Unclaimed Prizes</b>	<b>\$ <u>329,264,854.05</u></b>	<b>\$ <u>3,435,925,651.59</u></b>	<b>64.96%</b>
Retailer Commissions	24,736,729.77	264,875,493.05	5.01%
<b>Total Expenses</b>	<b>\$ <u>354,001,583.82</u></b>	<b>\$ <u>3,700,801,144.64</u></b>	
<b>Amount Available to Transfer</b>	<b>\$ <u>139,339,758.18</u></b>	<b>\$ <u>1,588,587,781.86</u></b>	

	June Final	Year-to-Date
<b>Amount Available to Transfer</b>	<b>\$ 139,339,758.18</b>	<b>\$ 1,588,587,781.86</b>
Less:		
Total AY19 Foundation School Fund Transfers to Date		(1,160,723,464.47)
Total AY19 Texas Veterans Commission Transfers to Date		(13,709,764.49)
Unclaimed Prizes - Transferred in FY19	-	(48,007,461.72)
Unclaimed Prizes - Prior Month(s) Accrual*	-	-
Unclaimed Prizes - Current Month Accrual	(6,937,461.68)	(6,937,461.68)
Sub-total Unclaimed Prizes	<u>(6,937,461.68)</u>	<u>(54,944,923.40)</u>
FY19 Administrative Expenses Allocation through 6/30/19	-	(226,807,333.00)
<b>Current Month Amount Available to Transfer</b>	<b>\$ <u>132,402,296.50</u></b>	<b>\$ <u>132,402,296.50</u></b>
Current Month Transfer to Texas Veterans Commission	1,957,764.18	1,957,764.18
Current Month Transfer to Foundation School Fund	130,444,532.32	130,444,532.32
<b>Total Transferred for Current Month</b>	<b>\$ <u>132,402,296.50</u></b>	<b>\$ <u>132,402,296.50</u></b>

\*Unclaimed Prizes are transferred on a quarterly basis

\*Totals may not sum due to rounding.



## Texas Lottery Commission Summary Financial Information

(Audited unless otherwise noted)

	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01
<b>SALES:</b>										
Total Sales	\$591,570,852	\$1,856,090,753	\$2,760,217,110	\$3,036,517,308	\$3,432,309,408	\$3,745,469,123	\$3,090,031,624	\$2,571,599,617	\$2,657,290,483	\$2,825,298,062
<b>EXPENSE:</b>										
Total Prize Expense	\$268,869,533	\$981,698,406	\$1,528,691,259	\$1,689,345,205	\$1,951,060,296	\$2,151,737,003	\$1,648,106,270	\$1,329,014,108	\$1,508,849,679	\$1,643,183,197
Prize Payout Percentage	45.5%	52.9%	55.4%	55.6%	56.8%	57.4%	53.3%	51.7%	56.8%	58.2%
Commissions	\$29,578,543	\$92,815,046	\$138,011,596	\$151,845,090	\$171,719,838	\$187,394,765	\$154,581,140	\$128,827,796	\$133,000,980	\$141,299,672
Retailer Payments	-	\$4,282,752	\$6,107,225	\$6,942,860	\$5,429,790	\$6,019,956	\$4,482,957	\$4,390,015	\$5,048,075	\$5,048,075
Administrative Expenses	\$45,116,542	\$124,873,791	\$166,644,017	\$188,383,295	\$217,499,396	\$236,216,507	\$198,286,932	\$169,307,159	\$172,193,140	\$172,823,281
<b>UNCLAIMED PRIZES:</b>										
Unclaimed Prizes Transferred to State	-	-	-	\$2,647,094	\$7,284,316	\$2,982,148	-	\$9,688,000	\$35,517,171	\$38,939,061
<b>ACCRUED TRANSFERS:</b>										
To General Revenue Fund	\$249,978,109	\$656,844,512	\$927,684,072	\$1,015,037,492	\$1,098,323,023	\$1,008,543,523	-	-	\$35,517,171	\$4,482,829
To Multicategorical Teaching Hospital Account	-	-	-	-	-	-	-	-	-	\$34,456,232
To Tertiary Care Facility Account	-	-	-	-	-	-	-	-	-	-
To HHSC Graduate Medical Program	-	-	-	-	-	-	-	-	-	-
To Foundation School Fund	-	-	-	-	-	\$174,237,106	\$1,097,795,590	\$953,370,758	\$827,328,229	\$825,059,846
To Texas Veterans Commission	-	-	-	-	-	-	-	-	-	-
Total Accrued Transfers to State	\$249,978,109	\$656,844,512	\$927,684,072	\$1,015,037,492	\$1,098,323,023	\$1,182,780,629	\$1,097,795,590	\$953,370,758	\$862,845,399	\$863,998,907
	<b>FY02</b>	<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
<b>SALES:</b>										
Total Sales	\$2,966,262,259	\$3,130,692,602	\$3,487,924,570	\$3,662,462,838	\$3,774,685,562	\$3,774,178,802	\$3,671,477,953	\$3,720,113,711	\$3,738,369,487	\$3,811,270,135
<b>EXPENSE:</b>										
Total Prize Expense	\$1,715,355,958	\$1,845,198,257	\$2,068,643,667	\$2,228,000,419	\$2,310,561,488	\$2,315,304,967	\$2,281,125,261	\$2,299,752,567	\$2,300,182,561	\$2,387,243,785
Prize Payout Percentage	57.8%	58.9%	59.3%	60.8%	61.2%	61.3%	62.1%	61.8%	61.5%	62.6%
Commissions	\$148,359,044	\$156,554,911	\$174,413,287	\$183,176,006	\$188,818,621	\$188,751,041	\$183,771,055	\$186,145,362	\$187,302,974	\$190,808,232
Retailer Payments	\$4,172,483	\$3,606,784	\$2,143,103	\$4,286,558	\$2,804,521	\$4,423,161	\$1,926,785	\$1,926,785	\$8,857,990	\$21,424,731
Administrative Expenses	\$166,748,438	\$158,329,321	\$180,818,463	\$178,795,994	\$184,901,385	\$182,731,292	\$167,594,560	\$192,447,630	\$185,283,677	\$184,320,962
<b>UNCLAIMED PRIZES:</b>										
Unclaimed Prizes Transferred to State	\$69,618,383	\$66,993,269	\$41,581,437	\$60,764,140	\$54,222,589	\$58,947,388	\$54,134,747	\$62,735,496	\$66,591,791	\$53,775,634
<b>ACCRUED TRANSFERS:</b>										
To General Revenue Fund	-	-	\$19,465,000	\$22,880,577	\$44,222,589	\$48,947,388	\$44,134,747	\$52,735,496	\$56,591,791	\$43,249,367
To Multicategorical Teaching Hospital Account	\$40,000,000	-	\$10,782,342	\$9,217,658	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
To Tertiary Care Facility Account	\$29,618,383	\$66,993,269	-	-	-	-	-	-	-	-
To HHSC Graduate Medical Program	-	-	\$11,334,095	\$28,665,905	-	-	-	-	-	-
To Foundation School Fund	\$859,263,426	\$882,094,795	\$1,009,447,487	\$1,009,538,729	\$1,036,110,469	\$1,034,072,617	\$980,744,256	\$999,421,562	\$989,139,753	\$961,883,417
To Texas Veterans Commission	-	-	-	-	-	-	-	-	\$7,353,334	\$8,648,112
Total Accrued Transfers to State	\$928,881,809	\$949,088,064	\$1,051,028,924	\$1,070,302,869	\$1,090,333,058	\$1,093,020,005	\$1,034,879,002	\$1,062,154,058	\$1,063,084,879	\$1,023,782,895
	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19*</b>	<b>FY20</b>	<b>Cumulative</b>
<b>SALES:</b>										
Total Sales	\$4,190,815,913	\$4,376,286,456	\$4,384,597,063	\$4,529,700,425	\$5,067,517,923	\$5,077,461,652	\$5,626,846,887	\$5,289,097,037	\$5,289,097,037	Unaudited \$100,846,155,612
<b>EXPENSE:</b>										
Total Prize Expense	\$2,632,624,266	\$2,767,359,068	\$2,741,184,820	\$2,858,319,409	\$3,186,430,316	\$3,257,375,437	\$3,666,102,586	\$3,490,870,575	\$3,490,870,575	\$61,052,190,361
Prize Payout Percentage	62.8%	63.2%	62.5%	63.1%	62.9%	64.2%	65.2%	66.0%	66.5%	60.5%
Commissions	\$209,816,328	\$218,892,925	\$219,540,166	\$226,667,064	\$253,512,424	\$253,928,168	\$281,498,020	\$264,875,439	\$264,875,439	\$5,045,905,587
Retailer Payments	\$16,061,583	\$17,940,232	\$17,959,225	\$21,897,293	\$19,793,946	\$22,368,417	\$24,222,594	\$15,402,296	\$15,402,296	\$259,544,806
Administrative Expenses	\$169,440,523	\$181,966,473	\$185,435,445	\$189,334,443	\$206,170,765	\$215,911,246	\$209,354,896	\$173,939,870	\$173,939,870	\$5,004,869,246
<b>UNCLAIMED PRIZES:</b>										
Unclaimed Prizes Transferred to State	\$51,743,502	\$59,870,140	\$78,324,661	\$76,225,020	\$83,552,791	\$69,676,919	\$71,290,369	\$48,007,462	\$48,007,462	\$1,225,110,528
<b>ACCRUED TRANSFERS:</b>										
To General Revenue Fund	\$45,431,754	\$53,657,834	-	\$4,397,812	-	-	-	\$439,444	\$439,444	\$5,387,724,273
To Multicategorical Teaching Hospital Account	\$5,750,000	\$5,750,000	\$5,411,953	-	\$4,904,883	\$4,904,883	-	-	-	\$191,998,416
To Tertiary Care Facility Account	-	-	-	-	-	-	-	-	-	\$131,067,884
To HHSC Graduate Medical Program	-	-	-	-	-	-	-	-	-	\$40,000,000
To Foundation School Fund	\$1,099,034,712	\$1,148,515,795	\$1,203,771,931	\$1,225,175,057	\$1,372,719,992	\$1,312,856,719	\$1,431,907,289	\$1,337,939,234	\$1,337,939,234	\$23,771,430,767
To Texas Veterans Commission	\$5,306,574	\$6,178,158	\$11,539,037	\$13,128,754	\$14,680,974	\$16,206,348	\$18,127,925	\$16,464,312	\$16,464,312	\$117,633,527
Total Accrued Transfers to State	\$1,155,523,040	\$1,214,101,786	\$1,220,722,920	\$1,242,701,623	\$1,392,305,849	\$1,333,967,949	\$1,450,474,658	\$1,354,842,987	\$1,354,842,987	\$29,639,854,867

\* Totals may not sum due to rounding.

Prepared by: Office of the Controller

(1) Includes transfers from sales and unclaimed prizes  
\*Through June 2019



Texas Lottery Commission  
Annual Budget Report By Strategy  
Fiscal Year 2019  
From 9/1/2018 Through 05/31/19  
(In Millions)

Fund 5025 - Lottery Dedicated Account						
Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/Encumbered
A.1.1	Lottery Operations	\$ 7.07	\$ 5.24	\$ 1.62	\$ 0.22	96.9%
A.1.2	Lottery Field Operations	3.08	2.15	0.73	0.21	93.2%
A.1.3	Marketing and Promotion	6.39	2.91	2.20	1.28	79.9%
A.1.4	Security	5.64	3.74	1.66	0.24	95.8%
A.1.5	Central Administration	12.92	8.90	3.46	0.57	95.6%
A.1.6	Lottery Operator Contract	110.92	101.22	7.19	2.50	97.7%
A.1.7	Instant Ticket Production Contract	37.70	17.44	10.02	10.23	72.9%
A.1.8	Mass Media Advertising Contract	25.93	13.19	10.59	2.15	91.7%
A.1.9	Drawing and Broadcast Contract	2.19	1.47	0.72	0.00	99.9%
A.1.10	Market Research Contract	0.09	-	-	0.09	0.0%
A.1.11	Retailer Bonus	-	-	-	-	0.0%
A.1.12	Retailer Commissions	25.10	15.40	-	9.69	61.4%
	<b>Total Fund 5025 - Lottery Dedicated Account</b>	<b>\$ 237.04</b>	<b>\$ 171.66</b>	<b>\$ 38.19</b>	<b>\$ 27.19</b>	<b>88.5%</b>
<b>Reconciliation to General Appropriations Act:</b>						
	Article IX, Section 8.02, Third Party Reimbursements	(0.47)				
	Article IX, Section 14.01, Appropriation Transfers	0.05				
	Rider 11, Appn of Increased Revenues	(9.77)				
	Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)	0.20				
	Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)	0.10				
	Unbudgeted Appropriation Authority	0.81				
	<b>Total Fund 5025, General Appropriations Act</b>	<b>\$ 227.97</b>				
Fund 5175 - Bingo Administration Fund						
Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/Encumbered
B.1.1	Bingo Licensing	\$ 0.87	\$ 0.36	\$ 0.16	\$ 0.35	59.7%
B.1.2	Bingo Education and Development	0.09	0.06	0.02	0.01	89.6%
B.1.3	Bingo Law Compliance Field Oper.	1.26	0.86	0.34	0.05	95.7%
B.1.4	Bingo Prize Fee Collection & Acct.	0.27	0.18	0.08	0.01	96.3%
B.1.4	Bingo Prize Fee Allocation	14.48	-	-	14.48	0.0%
	<b>Total Fund 5175 - Bingo Administration Fund</b>	<b>\$ 16.97</b>	<b>\$ 1.46</b>	<b>\$ 0.60</b>	<b>\$ 14.91</b>	<b>12.2%</b>
<b>Reconciliation to General Appropriations Act:</b>						
	Rider 8, Local Bingo Prize Fee (2018-19 GAA)	(14.48)				
	Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)	0.01				
	Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)	0.02				
	Article IX, Section 14.01 Appropriation Transfers	0.01				
	Unbudgeted Appropriation Authority	0.02				
	<b>Total Fund 5175, General Appropriations Act</b>	<b>\$ 2.55</b>				

Totals may not sum due to rounding.

**TEXAS LOTTERY COMMISSION**  
**FY 2019 METHOD OF FINANCING SUMMARY**  
**From 9/1/2018 Through 05/31/19**

**LOTTERY-FUND 5025**

<b>FY 2019 Original Appropriation</b>	<b>\$</b>	<b>227,966,621</b>
Add: Article IX, Section 8.02, Third Party Reimbursements		466,750
Rider 11, Appn of Increased Revenues		9,768,744
Less: Unbudgeted Appropriation Authority		(811,501)
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)		(201,241)
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)		(100,620)
Article IX, Section 14.01, Appropriation Transfers		(45,926)
<b>FY 2019 Adjusted Appropriation</b>	<b>\$</b>	<b>237,042,827</b>
YTD Expenditures/Encumbrances		(209,851,239)
<b>Remaining Budget</b>	<b>\$</b>	<b>27,191,588</b>
% of Total Budget Expended/Encumbered		88.5%

**BINGO-FUND 5175**

<b>FY 2019 Original Appropriation</b>	<b>\$</b>	<b>2,549,315</b>
Add: Rider 8, Local Bingo Prize Fee (2018-19 GAA)		14,480,500
Less: Unbudgeted Appropriation Authority		(20,905)
Article IX, Section 17.03, PR Cont-Health Ins (2018-19 GAA)		(21,773)
Article IX, Section 17.06, PR Cont - Retire (2018-19 GAA)		(10,886)
Article IX, Section 14.01, Appropriation Transfers		(5,592)
<b>FY 2019 Adjusted Appropriation</b>	<b>\$</b>	<b>16,970,659</b>
YTD Expenditures/Encumbrances		(2,064,948)
<b>Remaining Budget</b>	<b>\$</b>	<b>14,905,711</b>
% of Total Budget Expended/Encumbered		12.2%



Texas Lottery Commission  
 Encumbrance Budget Report - Annual Budget Report-Strategy  
 FY 2019  
 From 9/1/2018 Through 05/31/19

**Fund 5025 - Lottery Dedicated Account**

Account Code	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
A.1.1	Lottery Operations	7,071,236.65	5,238,485.59	1,616,931.37	215,819.69	96.9%
A.1.2	Lottery Field Operations	3,080,866.87	2,146,834.63	725,222.62	208,809.62	93.2%
A.1.3	Marketing and Promotion	6,393,641.10	2,909,742.75	2,201,445.84	1,282,452.51	79.9%
A.1.4	Security	5,641,843.32	3,742,321.55	1,663,525.48	235,996.29	95.8%
A.1.5	Central Administration	12,924,710.12	8,898,637.32	3,458,710.59	567,362.21	95.6%
A.1.6	Lottery Operator Contract	110,923,293.00	101,224,920.10	7,193,455.12	2,504,917.78	97.7%
A.1.7	Instant Ticket Production Contract	37,700,000.00	17,443,327.64	10,023,339.58	10,233,332.78	72.9%
A.1.8	Mass Media Advertising Contracts	25,933,448.00	13,192,078.66	10,586,829.53	2,154,539.81	91.7%
A.1.9	Drawing and Broadcast Contract	2,185,435.00	1,465,389.28	717,745.72	2,300.00	99.9%
A.1.10	Market Research Contract	91,450.00	0.00	0.00	91,450.00	0.0%
A.1.11	Retailer Bonus	0.00	0.00	0.00	0.00	0.0%
A.1.12	Retailer Commissions	25,096,903.00	15,402,295.69	0.00	9,694,607.31	61.4%
Total 5025 - Texas Lottery Dedicated Account		<u>237,042,827.06</u>	<u>171,664,033.21</u>	<u>38,187,205.85</u>	<u>27,191,588.00</u>	<u>88.5%</u>

Texas Lottery Commission  
 Encumbrance Budget Report - Annual Budget Report-Strategy  
 FY 2019  
 From 9/1/2018 Through 05/31/19

**5175 - Bingo Administration Fund**

Strategy	Strategy Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
B.1.1	Bingo Licensing	873,414.93	360,501.47	161,300.41	351,613.05	59.7%
B.1.2	Bingo Education and Development	87,689.84	55,578.31	22,969.75	9,141.78	89.6%
B.1.3	Bingo Law Compliance Field Oper	1,260,791.85	861,858.43	344,359.42	54,574.00	95.7%
B.1.4	Bingo Prize Fee Collection & Accting	268,262.86	182,446.43	75,933.60	9,882.83	96.3%
B.1.4	Bingo Prize Fee Allocation	14,480,500.00	0.00	0.00	14,480,500.00	0.0%
	Total Fund 5175 - Bingo Administration Fund	<u>16,970,659.48</u>	<u>1,460,384.64</u>	<u>604,563.18</u>	<u>14,905,711.66</u>	<u>12.2%</u>

Texas Lottery Commission  
 Quarterly Budget Report  
 Fiscal Year 2019  
 From 9/1/2018 Through 05/31/19

Fund 5025 - Lottery Dedicated Account

Account Code	Account Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
6001	Salaries and Wages	\$ 20,069,593	\$ 14,452,434	\$ 5,159,979	\$ 457,180	97.7%
6003	Longevity Pay	406,620	281,620	103,780	21,220	94.8%
6004	Merit Pool	50,383	-	-	50,383	0.0%
6005	Professional Fees & Services	5,621,847	3,537,097	1,945,275	139,475	97.5%
6006	Lottery Operator Contract	110,986,131	101,287,758	7,193,455	2,504,918	97.7%
6007	Advertising	25,938,448	13,192,198	10,586,830	2,159,421	91.7%
6008	Retailer Bonus	25,096,903	15,402,296	-	9,694,607	61.4%
6009	Printing and Reproduction	36,665,966	17,581,326	8,808,851	10,275,788	72.0%
6015	Other Operating Costs	11,664,662	5,631,387	4,389,036	1,644,238	85.9%
6020	Travel	295,028	152,566	-	142,462	51.7%
6021	Out of State Travel	110,000	49,394	-	60,606	44.9%
6071	Capital Expenditures	137,247	95,957	-	41,290	69.9%
<b>Total Fund 5025 - Lottery Dedicated Account</b>		<b>\$ 237,042,827</b>	<b>\$ 171,664,033</b>	<b>\$ 38,187,206</b>	<b>\$ 27,191,588</b>	<b>88.5%</b>

Texas Lottery Commission  
 Quarterly Budget Report  
 Fiscal Year 2019  
 From 9/1/2018 Through 05/31/19

Fund 5175 - Bingo Administration Fund

Account Code	Account Title	Budget	YTD Expenditures	YTD Encumbrance	Total Budget Variance	% Expended/ Encumbered
6001	Salaries and Wages	\$ 1,862,479	\$ 1,316,170	\$ 546,309	\$ -	100.0%
6003	Longevity Pay	40,680	28,440	12,240	-	100.0%
6004	Merit Pool	24,862	-	-	24,862	0.0%
6005	Professional Fees & Services	426,796	61,179	31,880	333,737	21.8%
6015	Other Operating Costs	86,259	36,363	14,134	35,762	58.5%
6020	Travel	44,082	14,847	-	29,235	33.7%
6021	Out of State Travel	5,000	3,385	-	1,615	67.7%
6030	Grants	14,480,500	-	-	14,480,500	0.0%
<b>Total Fund 5175 - Bingo Administration Fund</b>		<b>\$ 16,970,659</b>	<b>\$ 1,460,385</b>	<b>\$ 604,563</b>	<b>\$ 14,905,712</b>	<b>12.2%</b>