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# DIVISION OF SECURITY ANNUAL REPORT

*Fiscal Year 2016-2017*

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FLORIDA DEPARTMENT OF LOTTERY



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# DIVISION OF SECURITY

## ANNUAL REPORT 2016-2017

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# LETTER FROM SECRETARY JIM POPPELL

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Since opening our doors in 1988, the Florida Lottery has remained committed to its mission to generate as much revenue as possible for the benefit of our state's students. I'm pleased to share that during fiscal year 2016-17, the Lottery contributed a remarkable \$1.65 billion to the Educational Enhancement Trust Fund (EETF). Additionally, this is the fifteenth consecutive year the Lottery contributed more than \$1 billion to benefit schools and students statewide.

From K-12 funding to the Bright Futures Scholarship Program, the impact of the Florida Lottery is felt in communities across our great state. As a father and grandfather, I have an innate understanding of the importance of an affordable education. I can assure you that under my leadership, the Lottery will remain focused on helping students achieve their dreams.

With the continued support of our players, retailers and employees, and with the leadership of Governor Rick Scott, the future is bright for the Florida Lottery and our state's students and schools.

## LEADERSHIP VALUES

- Develop the Team
- Use Resources Wisely
- Do the Right Thing Every Time
- Exceed Customers Expectations

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# LETTER FROM CHIEF OF STAFF DAVID MICA, JR

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The Division of Security is a fully authorized law enforcement agency focused on protecting the integrity of the Florida Lottery and ensuring that its statutory responsibilities and commitments to honesty, accountability and service first are fulfilled.

The Security team is an essential part of the Lottery family and I applaud these men and women for the hard work they demonstrate every day on behalf of our agency.

This fiscal year, for the first time in the Lottery's 29-year history, the Division of Security received state law enforcement accreditation through the Florida Commission for Florida Law Enforcement Accreditation. Efficiencies, streamlining, and the

development of many new policies and procedures were required in the pursuit of this recognition. The Division was independently reviewed by members representing the accreditation commission and will now be up for review for re-accreditation status every three years.

Thanks to hard work and strong leadership, the Division of Security is operating under the most up-to-date industry standards. As we look forward, the Lottery remains committed to maintaining the established reputation it has earned over the past 29 years.

A handwritten signature in white ink, appearing to read "D. Mica, Jr.", with a long, sweeping underline.

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# INTRODUCTION FROM DIVISION DIRECTOR

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I am pleased to present the Florida Lottery, Division of Security, Annual Report for fiscal year 2016-17. The Florida Lottery, Division of Security's Annual Report focuses on a broad array of accomplishments, responsibilities, changes and collaborative efforts made during the 2016-2017 Fiscal Year. The Division of Security (DOS) provides eight (8) distinct services, for which the Division must prepare, protect, prevent, and respond to administrative and operational calls-for-service, fraud, other nefarious activity, and/or player complaints that may jeopardize the integrity of the Florida Lottery. The following are our eight (8) distinct services: Administrative; Background Investigations; Criminal Investigations; Forensic Laboratory; Draw Management; Facilities Security; Continuity of Operations & Safety Services; and Florida Mutual Aid.

The Division of Security, along with the consortium of other Lottery divisions, works diligently to counter the threat of potential Retailer Integrity issues. This group establishes criteria that would potentially identify trends or tactics used by retailers that may be conducting illegal activity. Each member of the Retailer Integrity team acts as a subject matter expert in their field to fuse together combined expertise and define trends or anomalies not normally picked up by any one division.

While the division has seen and continues to see a multitude of organizational changes, we will always strive for excellence and efficiencies in all operations. As we look ahead, we will continue to improve our operations utilizing analytical, advanced technology and refined methodology approaches to investigations. We will continue to strive daily to meet and exceed the expectations of our players and retailers.

*Ron Cave*

*Striving to Achieve Excellence, Promote  
Education and Ensure Integrity.*



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# DIVISION OF SECURITY

## DIVISION SUMMARY

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### DIVISION MISSION

Long Form: *Ensure the Security and Integrity of the Operation of the Florida Lottery*

Short Form: *Protect the Lottery*

Motto: *Dedicated to Preserving Integrity*

### DIVISION MISSION ESSENTIAL FUNCTIONS

1. Provide Draw Management Services for the Florida Lottery and Powerball.
2. Provide building and facility security.
3. Provide ticket authentication, ownership determination and forensic services.
4. Conduct background and criminal investigations.
5. Provide administrative, purchasing and contract administration services for the Division of Security.
6. Coordinate Continuity of Operations and Safety Services activities and implementation.

### GUIDING PRINCIPLES

The men and women of the Florida Lottery, Division of Security, commit themselves to our guiding principles and embrace these core values, which are:

- |                    |  |
|--------------------|--|
| <b>Integrity:</b>  | Maintaining and promoting personal and institutional integrity.  |
| <b>Respect:</b>    | Treating those we protect and serve with dignity and respect.    |
| <b>Fairness:</b>   | Ensuring that everyone is treated fairly and professionally.     |
| <b>Knowledge:</b>  | Constantly enhancing and sharing our base of knowledge.          |
| <b>Teamwork:</b>   | Promoting opportunities to work closely with all our partners.   |
| <b>Security:</b>   | Maintaining the appropriate level of security to ensure success. |
| <b>Excellence:</b> | Constantly striving to improve every aspect of our performance.  |

# DIVISION OF SECURITY

## DIVISION STRUCTURE

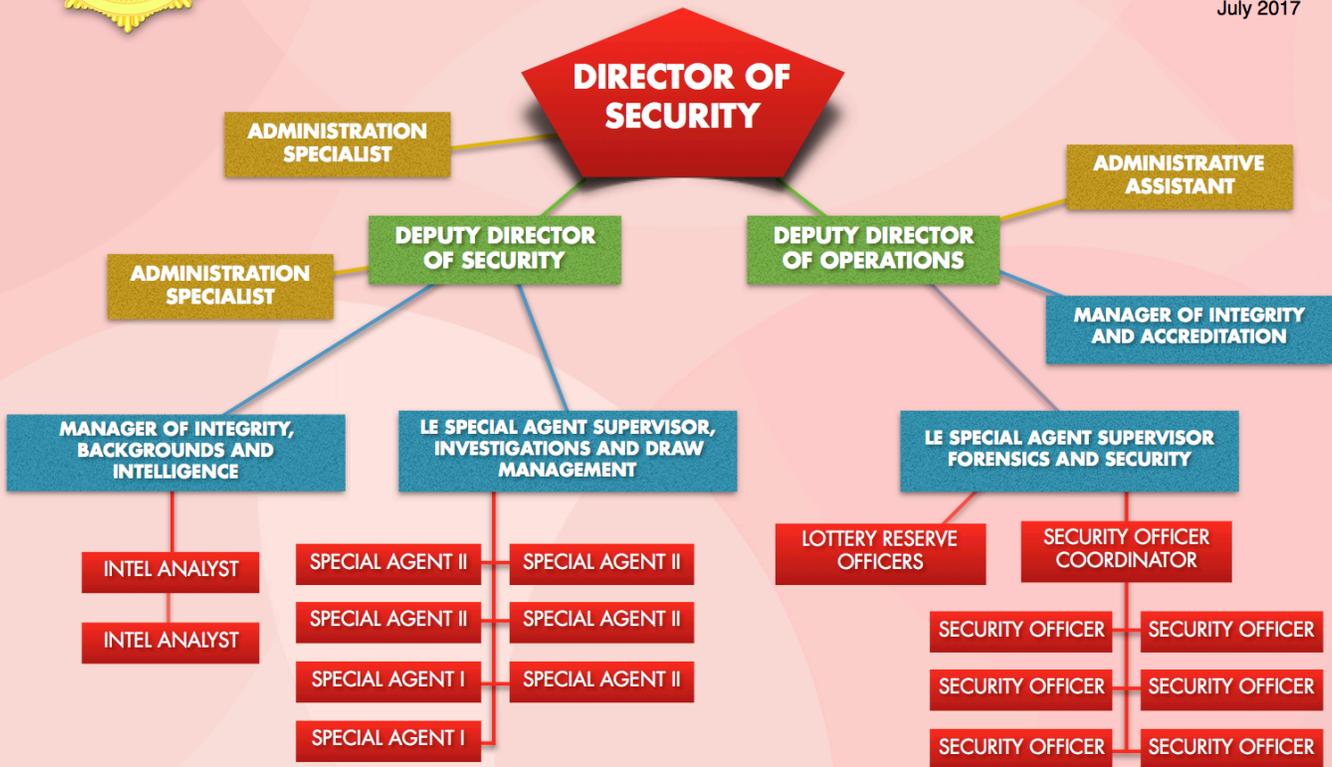


### FLORIDA DEPARTMENT OF LOTTERY - SECURITY

Organizational Structure

SAMAS Org. Code  
36.20.15.10.000  
Total Authorized FTE 27

Division of Security  
July 2017



Division of Security Organization Structure

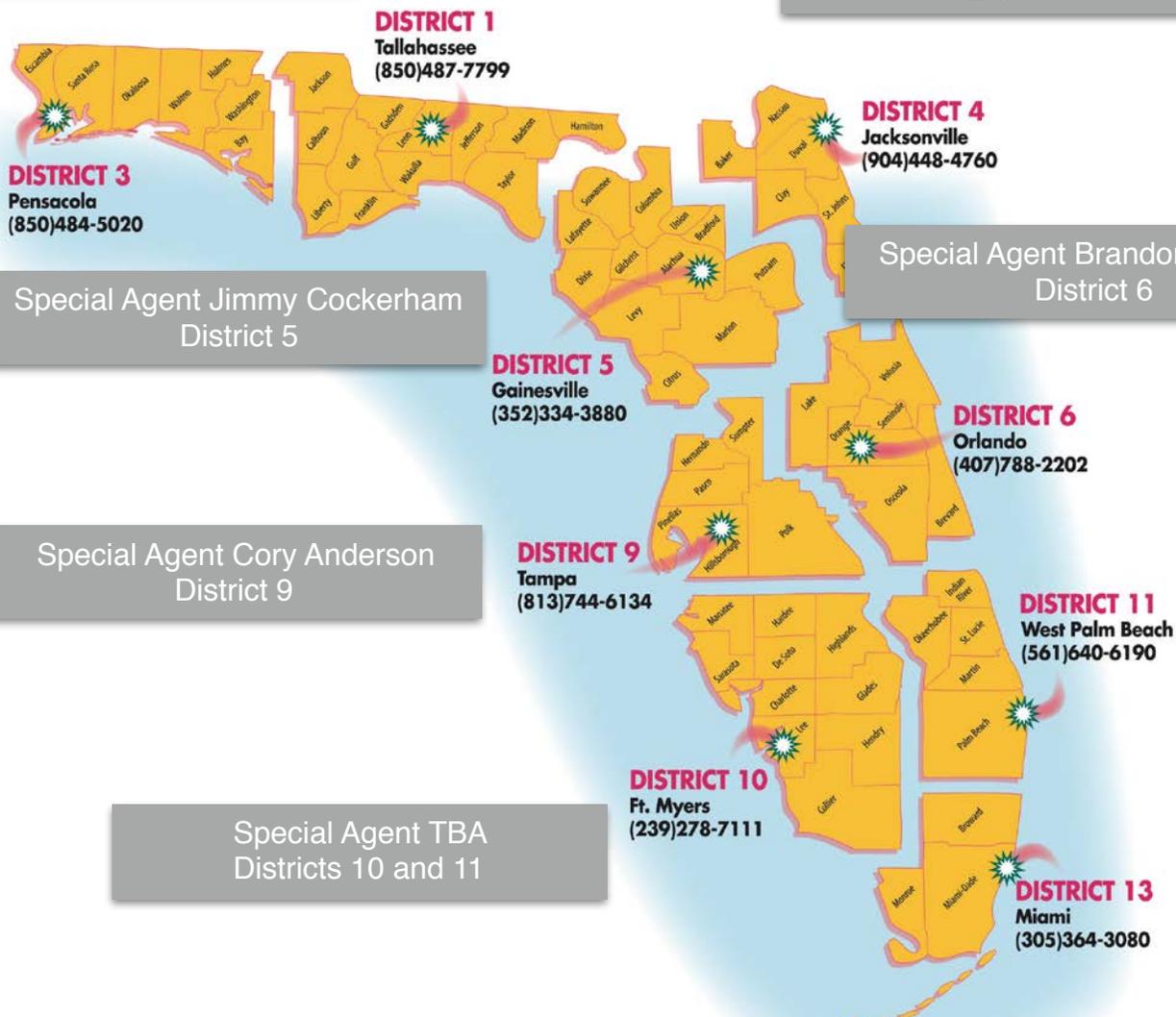
# DIVISION OF SECURITY

## LOTTERY STRUCTURE

### Special Agent District Assignments

Special Agent Richard Runyan  
Districts 1 and 3

Special Agent Jason Lazar  
District 4



Special Agent Jimmy Cockerham  
District 5

Special Agent Brandon Cutcliffe  
District 6

Special Agent Cory Anderson  
District 9

Special Agent TBA  
Districts 10 and 11

Special Agent Reggie Dudley  
District 13

All Special Agents work out of Lottery Headquarters. Chart reflects individual investigative areas.

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# OFFICE OF THE DIRECTOR

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## **Administrative Service**

Their duties include: The Administrative Service unit is responsible for providing administrative support to the Division. Screening incoming communications, visitor intake, correspondence preparation, maintaining confidential files, and creating case files for employees, vendors, retailers, and investigations. The unit is also responsible for budget issues, records retention, open records requests, archiving and purging of files.

Administrative Activity: The Division conducted a total of **23 division management staff meetings** for the fiscal year. Issues discussed regularly included weekly activities, setting priorities, accreditation, integrity, and discussion and review of updated procedures, policies, budget activity and work flow. The Division participated in the Florida Retail Federation's Loss Prevention Conference. There were a total of **3 division-wide meetings** during the same time period.

Accreditation/Policy Activity: The Division is focusing on updating and reviewing all divisional procedures and determining any necessary new procedures. There were **13 procedures, seven training documents** and **three legal bulletins** that were approved. It is the Division's goal to complete all procedure revisions and commensurate with the accreditation standards of the Commission for Florida Law Enforcement Accreditation.

Audit Activity: Pursuant to Chapter 24, Florida Statutes Delehanty Consulting LLC (DCLLC), conducted a lottery security study and evaluation of the facilities, operations, systems, games, policies, and procedures for the Florida Lottery. Pre-evaluation planning meetings were held in December 2015. Field work began December 10, 2015, and was completed May 17, 2016. This study and evaluation was performed to meet the requirements of the Florida Statutes and was conducted in accordance with the Request for Proposal issued February 18, 2010, and as amended.

Automated Training Management System Activity: During the fiscal year, the training records of **five sworn officers** were updated for submission to the Criminal Justice Standards & Training Commission for the processing of law enforcement certification and the records of **five sworn officers were audited** by the Florida Department of Law Enforcement.

Budget Activity: For FY 2016-2017 the Division was allotted **\$1,910,658.56 for Salaries & Benefits**, Expenses, Operating Capital Outlay and Contracted Services.

Personnel Activity: The Division had 0 vacancies as of June 30, 2017. Additionally, during Fiscal Year 16-17, the division hired **five employees, three of whom were certified Law enforcement officers in the State of Florida, one intern in the Fall 2016 semester, and two interns in the Summer 2017 semester.**

# OFFICE OF THE DIRECTOR

Training Activity: The Division tasked a total of **three employees to conduct Security and Safety** presentations at two Lottery 101 sessions for all new employees. Additionally, **one special agent attended the Crime Prevention Seminar** in Tampa in May 2016.

Records Management and Surplus Property: During the fiscal year the Division **archived for destruction 26 boxes** of files. There were **38 boxes** of documents that were archived, but not destroyed, in accordance with the statutory provisions of Chapters 119, and 257, Florida Statutes.

Support Activities Not Otherwise Classified: In addition to regular duties within the office, sworn officers supported more than **1,147.5 work hours** of related activities devoted to support of miscellaneous duties not elsewhere reported. Those hours were mainly spent in travel status; special events support, printing plant visits, investigation related travel, outside meetings, District Office visits, safety and security inspections, operations and required training for law enforcement certification.

Critical Issues: None.

**Lottery Arrests Made**

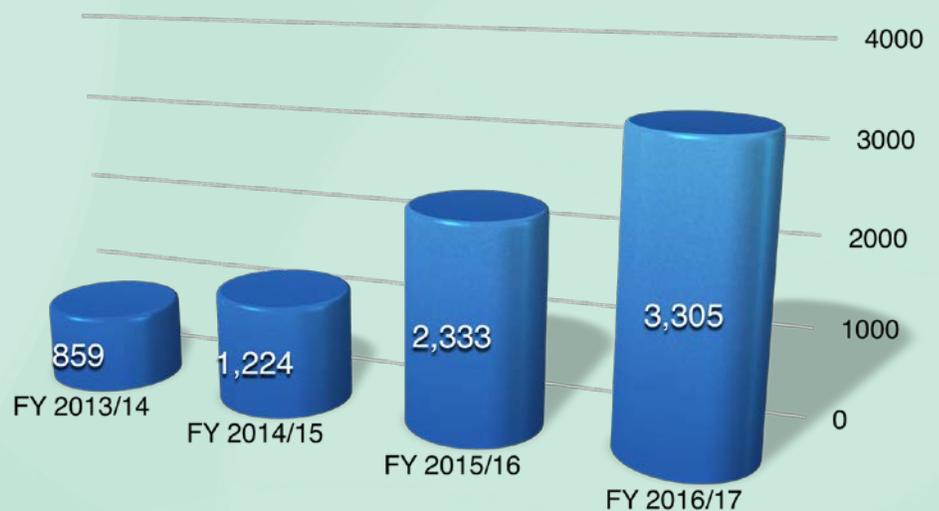


# OFFICE OF THE DIRECTOR

## Achievements:

- During FY 2016-2017, the integrity of the Florida Lottery was increased by conducting **510 Compliance visits** which resulted in **34 arrests** of retailers or employees and **31 Agency Assist arrests**.
- Reduced the completion time of background investigations.
- Increased the analytical efforts to detect, prevent, and deter fraudulent activity.
- Implemented progressive staffing resources for Draw Management to redirect resources to investigative duties.
- Implementation of a Law Enforcement Reserve Program which serves to augment staffing needs and reduce costs.
- Implementation or revision of Division Procedures for uniformity, consistency and direction.
- Implemented new scheduling with Central Alarm Station employees to better utilize resources.
- Implemented cross-training of staff for Forensic Lab.
- Created industry-standard testing of tickets.

## Investigative Case Assignments

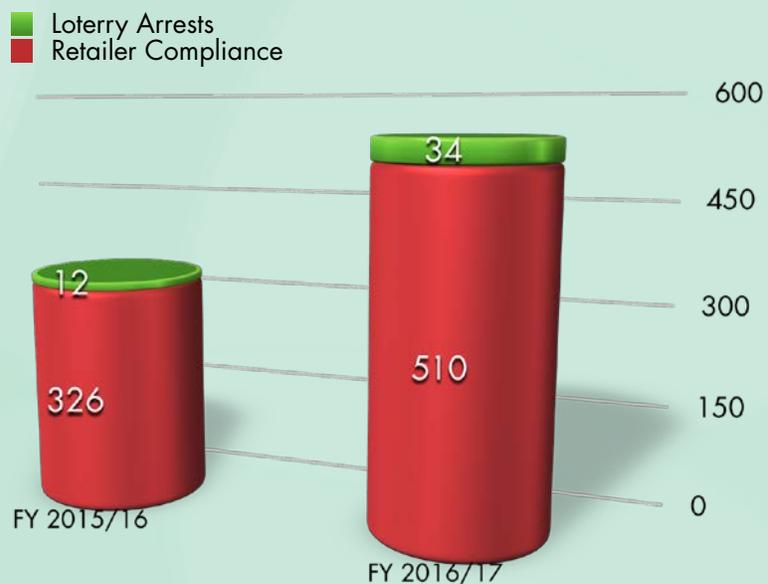


# OFFICE OF THE DIRECTOR

## Short Term Goals

- Enhancement of a rigorous Retailer Integrity program. During FY 2017-2018, continue increasing enforcement actions and aggressively pursue retailers that are not in compliance with Lottery contracts and Florida law.
- Fully implement a Proactive Prevention and Outreach Program statewide.
- Continue Retailer Symposiums.
- Complete a mock Lottery draw at the alternate relocation point in Orlando to ensure program readiness.
- Develop COOP overview training for executive staff and management.
- Continue refinement of the Return on Investment tracking.
- Implement a new case management system.
- Redesign of Forensic Lab.
- Increase partner outreach efforts.
- Implement fingerprinting in the field.

## Operations



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# OFFICE OF THE DIRECTOR

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## **Florida Mutual Aid Service:**

Summary: The Division of Security (DOS) participates in the Florida Mutual Aid Plan which coordinates state and local law enforcement's response during a declared state of emergency, including natural or man-made mass disasters. In addition, the Division participates in Florida Domestic Security efforts and works closely with the Florida Department of Law Enforcement (FDLE), Division of Emergency Management (DEM) and other federal, state, and local agencies.

Amber/Silver Alert Activity: During the FY 2016-17, there were **ten Amber Alerts** and **259 Silver Alert** notifications received from FDLE with appropriate action and response by the Division. The Division of Security has participated with FDLE in this program since March 2014.

Deployment Activity: No activity to report.

Critical Issues: None at this time.

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# DEPUTY DIRECTOR OF SECURITY

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## **Fairness of Game Operations**

The Florida Lottery's very existence and mission is predicated on the public's trust, confidence, and transparency in our operations and activities. Therefore, the Lottery continuously strives diligently in our work to ensure fairness in all game offerings. One of our top priorities is safeguarding the integrity of our games and products. The Florida Lottery takes special measures to ensure randomness in all of our game offerings, and follows strict security guidelines and procedures. The publicized odds of winning for any game are reflective of a ratio of probabilities; though they have useful mathematical properties, they cannot guarantee a winning ticket. Since all Lottery games are random, there is no specific pattern for winning Scratch-Off or Draw games. Each ticket sold has the same odds of being a winner. As with all Lottery games, there are elements of chance involved with each ticket purchased. There is no guarantee that every ticket is a winner, very player has the same odds of purchasing a winning ticket.

## **Lottery Drawings**

Florida Lottery drawings are conducted under strict security guidelines and procedures. A Lottery draw manager and an auditor from an independent auditing firm attend and participate in every drawing. These two individuals report to the draw studio at least 90 minutes prior to the actual drawing. The Lottery draw studio and draw equipment vault are located in the basement of Lottery Headquarters, a secure and limited access facility under 24-hour video surveillance. The Lottery draw manager is employed by the Florida Lottery as a special agent and is a certified law enforcement officer. The draw manager and auditor complete a detailed checklist that thoroughly scrutinizes all aspects of each drawing. Currently, there are three draw machines and six ball sets available for each of the Lottery's seven game drawings. The machine and ball set used for a particular drawing is selected at random prior to the drawing. Ball sets are weighed before and after each drawing to ensure that there has been no tampering with the ball set and a series of pre-tests are also conducted to ensure the machines are working properly. All Florida Lottery drawings are open to the public.

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# CRIMINAL INVESTIGATIONS

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## **Criminal Investigation Service**

The Division of Security investigates complaints received regarding the integrity of the Florida Lottery. The Division of Security also conducts operations to ensure Lottery retailers are properly handling, paying and instructing players on winning and non-winning tickets. Lottery retailers who are found to be involved in criminal activity, including the deception of Florida Lottery players arrested and prosecuted along with their retailer contracts being suspended and, or terminated.

Lottery special agents also offer unique assistance to other law enforcement agencies throughout the state. An important example is providing information regarding attempts to cash stolen Florida Lottery tickets which may lead to locating suspects and key witnesses in ongoing investigations. Special Agents are able to assist in providing leads in investigations when Florida Lottery tickets were present at a crime scene (i.e., assisting with the re-creation of a timeline, identifying the retailer that sold the ticket, etc.); provide forensic analysis of Florida Lottery tickets; initiate administrative cases against a retailer for major law violations (i.e., drug-related, stolen property, theft, money laundering and gambling) which may result in the suspension or termination of a Florida Lottery retailer contract; provide information and materials on lottery scams, theft of Florida Lottery tickets, or other lottery crimes; and provide testimony and evidence in court cases involving Florida Lottery tickets and operations.



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# CRIMINAL INVESTIGATIONS

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## **Criminal Investigation Service**

The Florida Lottery Division of Security (DOS) employs **12 sworn law enforcement officers** with statewide jurisdiction. These special agents offer unique assistance to other law enforcement agencies throughout the state, including providing information regarding attempts to cash stolen Florida Lottery tickets.

Additionally, special agents provide information from Florida Lottery retailer files which may lead to locating suspects and key witnesses in ongoing investigations; provide leads in investigations when Florida Lottery tickets were present at a crime scene (i.e.; assisting with the recreation of a timeline, identifying the retailer that sold the ticket, etc.); provide forensic analysis of Florida Lottery tickets; and initiate administrative cases against a retailer for major law violations (i.e.; drug-related, stolen property, theft, gambling, etc.). These instances may result in the suspension or termination of a Florida Lottery retailer contract; provide information and materials on lottery scams, theft of Florida Lottery tickets, or other lottery crimes; and provide testimony and evidence in court cases involving Florida Lottery tickets and operations.

Criminal Investigations Activity: During fiscal year 2016-17, the Unit **opened a total of 2,019 criminal investigations and closed 1,916 cases**. During the course of the Fiscal Year, special Agents averaged **337 cases per year per agent**. In the first six months of FY 16-17, Lottery special agents **made eleven arrests** and **assisted in another 20 arrests**. In the second half of the year special agents made **23 arrests** and **assisted in another 26 arrests** making for a **grand total of 34 arrests** and **46 agency assists** for FY 16-17.

Internal Affairs Investigation Activity: Over the course of Fiscal Year 2016-17, there were **two investigations** in this category in which Security assisted the Office of Inspector General.

Retailer Compliance Efforts: As part of upholding the integrity of the Florida Lottery, the DOS is responsible for enhancing and protecting the integrity of our games for all player. In order to do this, the honesty and integrity of retailers must be ensured. Based upon a review of claimant payment information and a review of player transaction details, DOS **opened 2,035 Retailer Integrity Program investigations/analysis** for FY 16-17 and **410 players reviewed**. These investigations focused on potential activity in violation of Florida Lottery Retailer Rules and Florida Statute based upon minimum criteria set by the Retailer Integrity Unit. There have been **24 Retailer Suspensions, 71 Retailer Contract Terminations, and nine Retailer Reinstatements** for the 12 months in FY16-17.

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# DRAW SERVICES

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Crime Prevention Activity: Currently, we are pursuing recertification classes for agents to update them with the latest methods, allowing them to offer leading edge crime prevention presentations to retailers, law enforcement agencies and the general public.

Financial Loss Recovery Activity: From July 2016, through June 2017, the unit opened **98 financial recovery cases** totaling **\$1,374.107.71** and **closed 97 cases collecting \$399,056.88** in the process.

## **Draw Management Service**

A Lottery draw manager and auditor from an independent auditing firm attend and participate in every drawing. The Lottery draw manager is employed as a special agent and is a certified law enforcement officer. The draw manager and auditor complete a detailed checklist that thoroughly scrutinizes all aspects of each draw.

Draw Monitoring Activity: There were **3,343 work hours** of special agent's time spent on draw management duties during the twelve months of the Fiscal Year. For payroll purposes, a special agent has 2,080 hours of work in a one year period of time. There are **seven special agents** and **three OPS special agents** who perform Draw duties with a **total of 15,520 work hours** available. It would take all the time of **1.6 special agents to perform the Draw Management work** done during the period from July 2016, through the end of June 2017.

\*Case Management, Investigations, Reports, Travel, Training, Leave, etc.

Draw Equipment Maintenance Activity: Preventative maintenance was done on draw machines on the following dates:

Tallahassee	10/18/2016
Tallahassee	02/02/2017
Orlando	03/02/2017
Tallahassee	04/20/2017

Comments: None.

Critical Issues: The blower motors for two of the FANTASY 5® machines had to be replaced. As of July 18, 2016, they are back in service.

# MANAGER OF INTEGRITY AND ACCREDITATION

The Florida Lottery operates in a fair and secure manner. The integrity of all Lottery games is of utmost importance to us, and, as provided by Section 24.102(2) (d), Florida Statutes, the Lottery is, "accountable to the Legislature and the people of Florida through a system of audits and reports and through compliance with financial disclosure, open meetings, and public records laws".

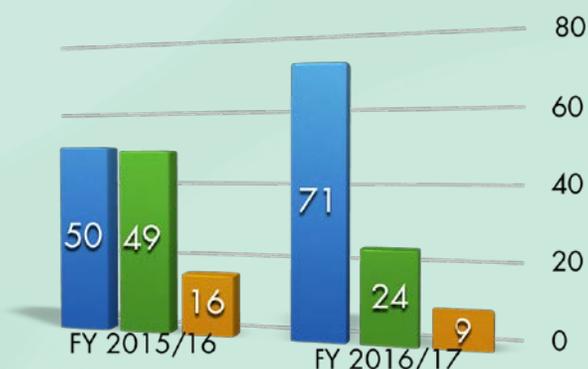
## Retailer Integrity Program

The Florida Lottery, Division of Security, in cooperation with the Lottery's Office of Inspector General, has developed a Retailer Integrity Program that involves Lottery staff visiting and testing Lottery retailers using winning Lottery tickets to ensure the retailers are properly paying prizes to players on winning Lottery tickets and are compliant with Lottery retailer rules and procedures. Through a collaborative effort of these program areas; and analyzing data, trends, anomalies and tactics of retailers that may have previously gone unnoticed, nefarious activities have been combatted. In these "sting" operations, retailers are selected for visits both at random and based upon complaints from players. In rare occasions when tickets were not correctly processed for payment and an attempt was made to steal a player's winnings, store personnel have been arrested and retailers contracts have been suspended and/or terminated.

The Division of Security also investigates every complaint received from players in an effort to ensure the integrity and fairness of the operation of the Lottery and with players' interactions with Lottery retailers. Any information regarding criminal activity that is discovered or received by the Division of Security is either acted upon by the Division or forwarded to the appropriate law enforcement agency.

The Florida Lottery prides itself on maintaining the established reputation it has earned since 1988. If a Lottery player, member of the media, or the general public witnesses any questionable practice performed by a Lottery employee, retailer or vendor we ask that they notify the Lottery Secretary's Office, Security Division or Inspector General's Office. We take these allegations seriously and are committed to providing swift action when resolving any discrepancies.

Retailer Suspensions  
Terminations Reinstatements Suspensions



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# LAW ENFORCEMENT FORENSICS AND SECURITY

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## Forensic Laboratory Service

The Security Forensic Laboratory is responsible for assuring the quality and security of more than one billion tickets printed each year by the Florida Lottery. Quality control testing is conducted by vendors on each Florida Lottery game to ensure only the highest quality printing standards of the industry are maintained. The Forensic Lab is responsible for the contract oversight of the ticket testing, ticket security design and printing. Additionally, the Forensics Lab provides customer related services, including; verification of ticket authentication and identification of ownership on questionable tickets.

Forensic Examinations Activity: The Forensics Lab **received 387 cases** for the fiscal year and **closed 375 cases**. In addition, the Lab examined **685 related exhibits**, including cases of micro-scratching, erasure, unreadable tickets, altered, torn, overwriting, quality, printing or material issues, obliteration issues and use of correction fluid.

The Lab also conducted in-house security testing on **54 Scratch-Off games** and **47 terminal paper tests**. There were security issues or corrections identified with one game. All other games tested met required specifications.



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# FACILITY SECURITY

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## Facilities Security Service

Summary: The Facilities Security Service Unit provides escorts for visitors, delivery and service personnel; issues temporary, visitor, and service ID badges; operates and monitors the surveillance closed circuit camera system, alarm and intrusion detection systems; takes stolen ticket reports from retailers and makes accurate, immediate ticket status changes.

Building Security Activity: During FY 2016-17, the Facilities Security Section supervised the admission of **5,945 visitors** at the Headquarters facility and provided **1,887 service calls** (i.e. physical escorts, unlock doors, retailer complaints, retailer requests, customer service calls, etc.).

Security Equipment Maintenance Activity: The Unit records show a total of **15 service calls** made to correct issues with either the CCTV or the door access control systems at Headquarters and District Offices. To enhance surveillance coverage at Headquarters and District Offices, an additional 15 video cameras were installed and three cameras were relocated. Additionally, an access phone was installed at the B2 West entrance. The cost of new equipment and security camera installations for the period was **\$45,513**.

Critical Issues: None at this time.

**5,945  
Visitors**

**1,887  
Calls for  
Service**

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# OPERATIONS

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## **Continuity of Operations & Safety Services**

Summary: Continuity of Operations (COOP) responsibilities include planning for contingency operations under emergency conditions due to natural or man-made incidents, (i.e.; keeping the Lottery in operation no matter the situation). A high degree of compatibility is maintained with the Information Technology Disaster Response Plan, and coordination with the Florida Division of Emergency Management. Safety Services deals with safety issues, accident prevention and Workers' Compensation case reporting. Other duties include drafting and coordinating procedures for the Division and preparation of the Annual Division Report.

Safety Committee Activity: There were **four Quarterly Safety Awareness** conference call meetings conducted with Headquarters and District Offices. Topics of discussion included situational awareness for accident prevention and avoidance, utilization of precautionary measures to keep employees safe and healthy, reports on workers' compensation cases, recommended safety tips, disaster preparedness, plus comments on workplace accidents for general discussion. There were two hurricanes during fiscal year 2016-17; Hurricane Matthew and Hurricane Hermine.

Job Related Accident Investigation Activity: There were **18 Lottery job-related accidents and 11 vehicle accidents** that were reported for workers' compensation claims investigation during the Fiscal Year. The most prevalent types of accidents at the Florida Lottery include slips, trips and falls, muscle strains, and motor vehicle accidents.

Safety Awareness Activity: CPR/AED for Community and Work Place training was conducted by two division members qualified as American Safety and Health Institute instructors and 10 personnel were certified.

During FY 2016-17, **41 Weekly Safety Minute Messages** and **12 Monthly Safety Tip Sheets** were published and distributed to promote employee safety awareness.

Other COOP Issues: There were **three Computer Data Systems Failover Exercises** conducted in FY 2016-17. The exercises were held in July 2016, January 2017, and April 2017. These exercises demonstrated the Lottery's ability to quickly transfer computer operations to the Orlando Data Center in the event of a natural or man-made disaster. In the spring of 2017, the Florida Lottery senior leadership team (SLT) participated in a table-top COOP disaster scenario.

Critical Issues: None at this time.

# INTELLIGENCE

## Background Investigation Service

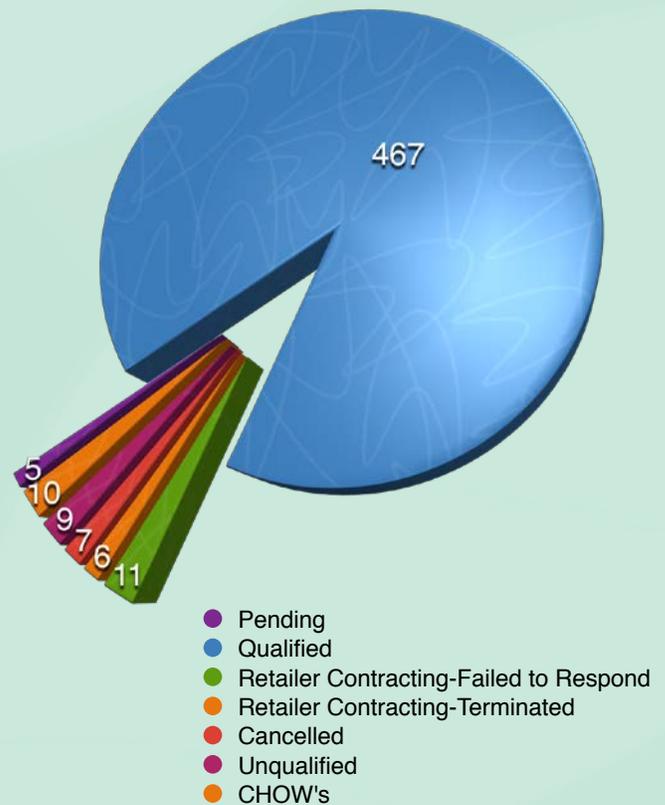
Summary: The Intelligence Unit is responsible for conducting background investigations on all Lottery applicants, 4-year updates for Lottery employees including OPS, all contractual and service employees, vendor contractors and retailers who have criminal records. The Unit also conducts background investigations on all major procurement vendors including sponsorship vendors over \$25,000. Additionally the unit is responsible for quality control of the lost/stolen ticket reports along with the online verification and online ticket stock. Other duties encompass responsibilities for issuing ID badges to all employees, including Office of Early Learning staff, and providing analytical support for investigators.

Retailer Investigation Activity: The Unit completed **515 investigations** for FY 2016-17. As a result of these investigations, **467 applicants** were qualified, **six were referred to Retailer Contracting** for termination, and **11 were referred to Retailer Contracting** for failure to respond and **seven were cancelled by the applicant**. In addition, **10 Changes of Ownership (CHOW's)** were processed, **nine did not meet Florida Statute guidelines and five are pending review.**

Vendor Background Investigations Activity: The Unit opened **two vendor backgrounds** and **closed two vendor background investigations** for FY 2016-17. In addition, the Unit completed **45 vendor officers/directors** or designated vendor employee backgrounds during the same period. As a result of these investigations, no applicants were disqualified for contracting.

Contractor Employee Background Investigations Activity (non-Lottery): During FY 2016-17, the Unit opened **451 non-Lottery background investigations** and **closed 307 non-Lottery background investigations**. In addition, there were **102 updated background investigations** on contract employees as well as **79 integrity cases**.

## Retailer Investigations



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# INTELLIGENCE

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Lottery Employee Background Investigations Activity: During the fiscal year, the Unit opened **91 employee background investigations** and **closed 89 investigations**. In addition, it processed **73 employee separations**, **41 employee transfers/promotions** and **79 new hires**. As a result of these investigations, **14 applicants were not hired or declined** the position(s).

Four-Year Update of Employee Background Investigations Activity: The Unit completed **153 updates** to existing employee background investigations for the fiscal year, based on a 4-year cycle of review. As a result, no items were flagged for referral to management for further action.

Lost and Stolen Ticket Activity: The Unit viewed a total of **410 lost and/or stolen ticket reports** for the fiscal year. As a result of these reports, a total of **2,139 books** for FY 2016-17, were placed in stolen ticket status.

Draw Game Ticket Security Activity: The Unit received **606 requests to verify** draw game ticket numbers through the GStock™ ticket stock tracking system.

Other: In April 2017, the Intelligence Unit Manager attended Basic Mandatory Supervisory Training and FDLE CJIS Cloud Training. The Intelligence Unit manager and staff attended the FALCON CLASS in December 2016.

Other members of the Intelligence Unit attended a Background Investigation Class, and Facebook for Law Enforcement Training. Members also attended the International Association of Law Enforcement Intelligence Analysts (IALEIA)-Northern Florida Chapter Meetings in February and June 2017.

In addition, the Intelligence Unit has one member who attends the Fusion meeting at FDLE to keep abreast of issues that might impact the Lottery and its operations.

**91  
Employment  
Investigations**

**Updated  
153  
Employee  
Backgrounds**

# ACKNOWLEDGEMENTS



Former Secretary Tom Delacenserie (Center, Second Row), Director Ron Cave (Second from left) and Division of Security personnel at the record-breaking PowerBall Drawing on January 13, 2016.



Lottery personnel and participants at the 2017 Retailer Symposium.

# ACKNOWLEDGEMENTS



Supervisor Kristina Reis (far left), Director Ron Cave (center left), Administrative Assistant Debra Williams (center), Special Agent Brandon Cutcliffe (center right), and Deputy Director Clyde Merritt (far right) at the SLECA award ceremony.



Special Agent Greg Lane (left), District Manager Rocky Gonzalez (center), and Special Agent Richard Runyan (right) at a Miami Dolphins game.

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# DIVISION OF SECURITY

WORKING FOR THE LOTTERY, PLAYERS AND RETAILERS

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## Publications from the Division of Security

