MESSAGE FROM THE SECRETARY

As this fiscal year comes to a close, the Florida Lottery has a lot to be proud of! We have celebrated our 27th anniversary, experienced record-breaking Scratch-Off sales and reached a tremendous milestone in transfers to the Educational Enhancement Trust Fund by hitting the $28 billion mark. And the winning moments just keep coming. We are excited to introduce new games and refresh a few favorites to keep our players coming back to your store again and again.

Your hard work and dedication is a large part of the Lottery’s success each and every year. We are extremely proud of this year’s achievements and look toward the future as we move into the next fiscal year. I encourage each of you to set your goals higher than ever so that we may continue to make a positive contribution to strengthening our state’s economy and remain a dependable source of funding for education.

MESSAGE FROM FINANCE

Steps Retailers Can Take to Avoid Debt from the Sale of Lottery Tickets

The Florida Lottery’s Retailer Contracting-Collections team has compiled a list of best practices that you can use to stay compliant with the Lottery’s rules on retailer accountability. These suggestions will help you to maintain good standing with the Lottery and not risk a suspension of Lottery ticket sales or even termination of your retailer contract. It is important to remember Lottery tickets are issued on consignment and the revenue generated from tickets sold, less commission and cashing bonus are considered to be held in trust for the Educational Enhancement Trust Fund (EETF). That means, every time you sell a Lottery ticket you are raising money for Florida’s students and schools.

Here’s what you need to know about maintaining good financial standing with the Lottery:

- The Lottery’s accounting week begins every Monday at 12:01 a.m. ET and ends on Sunday at midnight ET.
- Run a Settlement Report from your terminal each Monday morning and ensure the total amount due is in your bank account by 2:00 p.m. ET on Tuesday.
- The Lottery’s automated system sends out a transaction request to your bank every Wednesday morning. (The automated system will adjust for bank holidays and end of the month processing. The transactions request has been known to go out on Tuesday as well.)
- All bank account changes are updated by the Lottery’s automated system on Mondays at 12:01 a.m. ET and account changes must be verified with an officer of your company by a Lottery Financial Specialist over the phone. Your bank account changes must be submitted several days in advance of the new bank account effective date.
- Check your Settlement Report every Monday to verify the weekly amount due.
- Make a deposit into your bank account or verify that the funds are available in your account by Tuesday at 2:00 p.m. ET.
- If there is a problem with your bank account, notify the Retailer Contracting-Collections Unit immediately at (850) 487-7734.

Best Practices of Successful Lottery Retailers:

- **Tracking Activation Dates of Scratch-Off Books:** Retailers who keep track of the activation dates of Scratch-Off books are prepared to pay for those books when settlements are due.
- **Maintain a Daily Scratch-Off Ticket Log:** Retailers who maintain a Daily Scratch-Off Ticket Log are prepared if the unexpected happens and they need to account for which tickets have been sold and which have not. (Daily Scratch-Off Ticket Log can be found on the flalottery.com website under the For Retailers tab-Retailer Resources tab.)
- **Setting Books:** Retailers who settle their own books regularly avoid large settlement invoices.
- **Determine daily Lottery ticket sales and depositing:** To determine daily deposits, retailers run the Daily Online Sales Report and Daily Instant Report on the terminal and subtract payouts and commissions to get the daily deposit amount. Deposit Lottery sales into your bank account daily to remove the liability incurred with holding the Lottery cash on hand.
- **Other reports to run daily from your terminal:** Instant Sales Report, Online Sales Report and Active Books Report will help you better manage your Lottery account.
- **Separate Bank Account for Lottery Transactions:** You may want to consider establishing a separate bank account for Lottery electronic bank account sweeps and other transactions.

What Retailers Should Tell Players Who Win Prize Amounts of $600 or More

If a player comes into your store and presents a winning Lottery ticket valued at $600 or more, please do the following:

- Advise the player to immediately sign the ticket if they have not already done so.
- Direct the player to the local Lottery district office or Lottery headquarters to redeem the ticket or direct them to flalottery.com and select the How to Claim tab.
- Advise the player that they will have to complete a Lottery Claim Form to receive their prize. The form can be obtained at a district office or downloaded at flalottery.com.
- Please let the player know that they will have to provide state or federal issued identification such as a driver’s license or passport to claim a prize.
SALES CORNER
Utilize Lottery to Maximize Sales and Profits
Retailers often tell me that Lottery is as important as the other categories they have in their store because the Lottery’s five percent commission is too low. Ironically, many of the same retailers also tell me how strongly opposed they are to the concept of internet gaming. Why? Because, and I quote, “not having people come into my store to buy Lottery would mean they wouldn’t buy the additional items they come for when making their Lottery purchase.” Precisely right, and suddenly the five percent commission is much larger than it seems.

Let’s consider a few facts regarding the five percent (add another one percent for cashing winning prizes under $600):
• While retailers make five percent on Lottery sales, commission amounts can range from $.05 for a $1.00 ticket to $1.25 for a $25.00 ticket.
• $428,000 – the average Lottery sales for Florida Lottery retailers projected for fiscal year 2014-2015 ending in June.
• $21,000 – the average annual commissions Florida Lottery retailers will earn this fiscal year.

RETAILER REMINDERS
Terminal Maintenance
Keeping your Lottery equipment free of dust and debris is essential to successful selling! The play slip reader inside your store is worth $600. It is one of a small number of products a “pay at the pump” customer is willing to go into the store for. Additionally:
• +11 percent – the percent of increase Lottery retailers can experience in store traffic.
• $10.00 to $13.00 – the amount of non-Lottery purchases Lottery players make during store visits compared to $6.30 for non-Lottery players.
• Lottery is one of a small number of products a “pay at the pump” customer is willing to go into the store for.

Retail products can help you generate strong profits if you make sure your customer knows you sell and promote Lottery products. Promoting Lottery can turn your store into a profitable product. Retailers often tell me the Lottery’s best-selling families of Scratch-Off games.

WHAT’S INSIDE
• Secretary’s Message
• Message From Finance
• Sales Corner
• Retailer Reminders

THE WINNING TICKET
Your Source for Florida Lottery News
MONDAYS COULD TAKE ON A WHOLE NEW MEANING
When your customers play the new WEEK FOR LIFE Scratch-Off games, they could win weekly prizes from $500 to $5,000, making their Monday blues disappear.

Since the first LIFE-themed Scratch-Off game was introduced 19 years ago, the LIFE family has become one of the Lottery’s best-selling families of Scratch-Off games. These games, which range in price from $1 to $10, have the potential to carry on that tradition and help you increase your Lottery sales and commissions.

Each WEEK FOR LIFE game features the largest top prize of any Florida Lottery Scratch-Off game available in its price point:
• The $10 game, $5,000 A WEEK FOR LIFE, offers more than $181.5 million in prizes and four top prizes.
• The $5 game, $2,500 A WEEK FOR LIFE, offers more than six million winning tickets, including four top prizes.
• The $2 game, $1,000 A WEEK FOR LIFE, offers more than $56 million in prizes, including eight top prizes.
• The $1 game, $500 A WEEK FOR LIFE, has more than seven million winning tickets, including six top prizes and over 400,000 prizes from $10 to $100.

Players also have the opportunity to enter non-winning WEEK FOR LIFE Scratch-Offs into the Payday Second Chance Promotion for a chance to win cash prizes of $1,000 to $50,000! Four drawings will be held between July 17 and August 14, 2015. A total of 91 winners will collectively win over $300,000 in total cash prizes!