

RICK SCOTT
Governor



JIM POPPELL
Secretary

June 25, 2018

Eric Miller
Chief Inspector General
The Capitol
Tallahassee, FL 32399-0001

JLAC Received
6/25/2018

Dear Chief Inspector General Miller:

Section 20.055(6)(h), Florida Statutes, requires the Inspector General to monitor the implementation of the agency's response to any report on the Florida Lottery issued by the Auditor General or by the Office of Program Policy Analysis and Government Accountability (OPPAGA). The referenced statute further requires that no later than six months after the report is published, the Inspector General must provide a written response on the status of actions taken. The purpose of this letter is to provide updated information on the agency's response to the OPPAGA findings and fulfill these requirements.

OPPAGA released report #18-01, *Review of the Florida Lottery, 2017*, on January 2, 2018. The attachment details each audit finding and recommendation with the current progress of Lottery staff to address each recommendation.

If you require additional information in these matters, please feel free to contact me at your earliest convenience at (850) 487-7726.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Mompeller".

Andy Mompeller
Inspector General

cc: Joint Legislative Auditing Committee

Florida Lottery
Six-Month Status Report for OPPAGA
Review of the Florida Lottery, 2017
Report #18-01 Issued: January 2, 2018
Status as of June 25, 2018

Finding	Recommendation(s)	Management Response as of January 2, 2018	Management Response as of June 25, 2018	Anticipated Completion Date
<p>While the department and the Legislature have increased transfers to education, additional actions could increase sales and efficiency and ultimately increase transfers to education.</p>	<p>The Department of the Lottery should continue its ongoing efforts to protect the integrity of the Lottery by improving its capabilities for identifying and investigating potential ticket theft or brokering by retailers.</p>	<p>Maintaining the security and integrity of Lottery operations is critical to our continued success, and identifying and investigating potential ticket theft or brokering by retailers are fundamental to ensuring the Lottery continues to operate in a manner consistent with Florida law. In response to this option the Department will continue to conduct data collection and analytics, engage in proactive predictive modeling, and identify and implement investigative process improvements.</p>	<p>Maintaining the security and integrity of Lottery operations is critical to our continued success, and identifying and investigating potential ticket theft or brokering by retailers are fundamental to ensuring the Lottery continues to operate in a manner consistent with Florida law. In response to this option the Department will continue to conduct data collection and analytics, engage in proactive predictive modeling, and identify and implement investigative process improvements. Furthermore, we continue to engage in proactive Retailer Compliance Operations/Stings. In calendar year 2017 the Division of Security conducted 872. In the first 5-month period of 2018, the Division of Security has conducted 415 Retailer Compliance Operations/Stings.</p>	<p>Continuous/ Ongoing</p>

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<p>While the department and the Legislature have increased transfers to education, additional actions could increase sales and efficiency and ultimately increase transfers to education.</p>	<p>The Department of the Lottery should continue its ongoing efforts to protect the integrity of the Lottery by increasing the number of retailer locations with ticket self-checkers and providing a ticket scanning function in its mobile app so that players can more easily determine for themselves whether a ticket is a winner.</p>	<p>This option aligns with our values of using resources wisely and exceeding our customer’s expectations. The Department will continue to pursue opportunities to both increase the number of retailer locations with ticket self-checkers, and change the Lottery’s mobile application to include ticket scanning capability so that players can more easily determine for themselves whether a Lottery ticket is a winner.</p>	<p>The new gaming system contract has been signed and go-live has been scheduled to occur no earlier than 4/1/2019. The new mobile apps will go-live in conjunction with the gaming system launch. Additional ticket self-checkers are being installed as part of the equipment rollout. These installs are underway now and will be fully completed in conjunction with go-live.</p>	<p>April 1, 2019</p>