

RICK SCOTT
Governor



JIM POPPELL
Secretary

July 28, 2017

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

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 #17-01, *Review of the Florida Lottery, 2016*, on January 27, 2017. 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, 2016
Report #17-01 Issued: January 27, 2017
Status as of July 28, 2017**

Finding	Recommendation(s)	Management Response as of January 27, 2017	Management Response as of July 28, 2017	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>We recommend the Department of the Lottery continue its ongoing efforts to expand the retailer network.</p>	<p>The Department agrees with the recommendation and will continue its efforts to expand the retailer network. These efforts will be greatly aided by the new gaming contract, which will include a net increase in ticket vending machines of approximately 3,000 in order to provide consistent equipment throughout the network, meeting both consumer and retailer demand and include potential new retailers who require vending machines to accommodate their trade styles.</p>	<p>Lottery Sales Representatives are required to make weekly cold calls to recruit new business. In addition, the new Business Information Portal on the DBPR web site is active and includes linked information to assist new businesses to become Florida Lottery retailers.</p>	<p>Complete and 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>We recommend the Department of the Lottery continue its ongoing efforts to improve its data analysis and reporting capabilities for identifying and investigating potential ticket theft or brokering by retailers; and increase the number of retailer locations with ticket self-checkers and provide 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>The Department agrees with the recommendation and will benefit greatly by technological enhancements that will be part of the new gaming contract. These enhancements will provide significant security upgrades, which will help protect consumers by improving data analysis and reporting capabilities for identifying and investigating potential ticket theft or brokering by retailers. Additionally, the new contract will dramatically increase the number of retailers with ticket self-checkers and provide mobile app scanning capabilities so players can more easily check their tickets themselves.</p>	<p>No changes</p>	<p>To be determined</p>