

Part 1 – Agency Profile

Agency Overview

The Idaho State Lottery is established by Title 67, Chapter 74, *Idaho Code*, for the purpose of operating the state lottery at the least public expense and the smallest staffing possible. Organizationally the Idaho Lottery is located within the Department of self-governing Agencies.

The five-member Idaho Lottery Commission—the members of which are appointed by the Governor for staggered five-year terms—is responsible for setting policy for the agency and approving all major procurements. Commission members are: Mr. Roger Jones (Chairman), Ms. Teresa Deshon, Mr. James Simpson, Mr. Mel Fisher and Ms. Lydia Justice Edwards. Administrative responsibility for the agency rests with the Director, who is likewise appointed by the Governor. The Director is Mr. Roger Simmons.

The agency is organized into four divisions; Administration, Information Systems, Sales & Marketing, and Security. Lottery headquarters are located at 1199 Shoreline Lane in Boise, and a warehouse-used primarily for the storage and distribution of scratch tickets is also located in Boise. The Lottery has forty-eight authorized positions distributed as follows: headquarters 32, warehouse 3, regional sales representatives throughout Idaho 13.

Lottery products and their percentage of total sales fall into three classifications; scratch tickets (64%), pull-tab tickets (1%) and lotto tickets-which consists of three game types- Powerball (29%), Wild Card (3%) and Pick-3 (1%). Lottery tickets are sold through approximately 1000 contracted lottery retailers statewide, primarily convenience stores, supermarkets, etc. Retailers receive 5% of sales as a base commission and may earn additional payments in the form of sales and cashing bonuses. The total for such additional payments is limited to a statewide total of 1% of sales.

Net profits from lottery sales are returned to the State in the form of an annual dividend. One-half of the annual dividend goes to the Permanent Building Fund for use in building and maintaining state buildings with the other half going to the Public School Building fund, for public school capital expenditures. Since its inception in 1989, the Lottery has made seventeen annual dividend payments totaling \$333,550,000.

In addition to its lottery responsibilities, Title 67, Chapter 77, *Idaho Code*, grants the Idaho State Lottery the responsibility and authority to license and regulate Bingo and raffles conducted by charitable and non-profit organizations within the state.

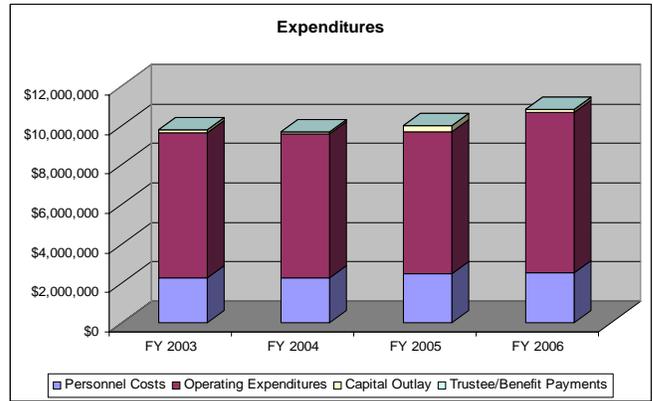
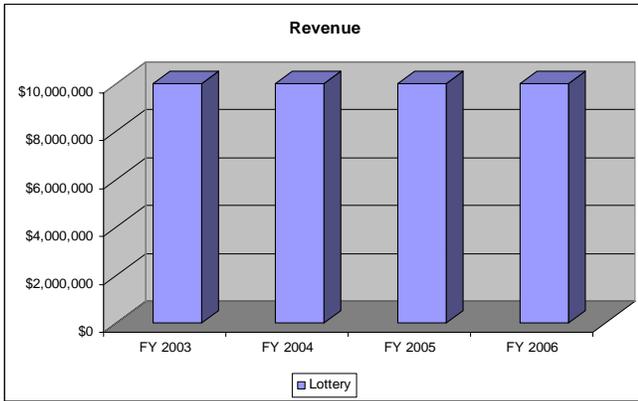
Core Functions/Idaho Code

The Idaho Lottery is established and regulated by Title 67, Chapter 74, *Idaho Code*. Among other things the chapter defines the duties of the Commission and the Director, establishes the legal age for purchasing and selling lottery tickets, prescribes the uses of lottery proceeds and places limits on certain agency expenditures.

Title 67, Chapter 77, *Idaho Code*, governs charitable and non-profit bingo and raffles within the state. Section 67-7711, *Idaho Code*, gives the Idaho State Lottery the authority license organizations conducting bingo games or raffles and to regulate how those games or raffles are to be conducted.

Revenue and Expenditures (Appropriation vs. Actual Expenditure)

Revenue	FY 2003	FY 2004	FY 2005	FY 2006
Lottery	\$10,520,100	\$10,470,700	\$10,867,300	\$10,857,000
Total	\$10,520,100	\$10,470,700	\$10,867,300	\$10,857,000
Expenditure	FY 2003	FY 2004	FY 2005	FY 2006
Personnel Costs	\$2,266,700	\$2,297,500	\$2,469,400	\$2,520,200
Operating Expenditures	\$7,376,900	\$7,264,200	\$7,189,300	\$8,153,800
Capital Outlay	\$136,200	\$107,000	\$319,400	\$123,500
Trustee/Benefit Payments	\$0	\$0	\$0	\$0
Total	\$9,779,800	\$9,668,700	\$9,978,100	\$10,797,500



Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2003	FY 2004	FY 2005	FY 2006
Lottery Sales	\$98,168,900	\$109,364,800	\$113,543,800	\$131,160,700
Total dividend declared by Commission	\$20,500,000	\$25,000,000	\$26,000,000	\$33,000,000

Part II – Performance Measures

Performance Measure	2003	2004	2005	2006	Benchmark
1. Total Sales	\$98,168,900	\$109,364,800	\$113,543,800	\$131,160,700	\$137,300,000
2. Total Operating Expenses	\$76,309,800	\$85,046,600	\$89,442,700	\$98,476,100	\$103,300,000
3. Net Operating Income	\$21,859,100	\$24,318,200	\$24,121,000	\$32,684,600	\$34,000,000

For More Information Contact

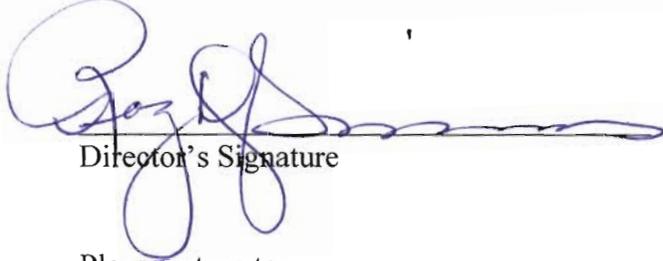
Steve Woodall
 Lottery Commission, Idaho State
 1199 Shoreline Lane Suite 100
 Boise, ID 83702
 Phone: (208) 334-2600
 E-mail: swoodall@lottery.idaho.gov

AUG 29 2006

Director Attestation for Agency Profile

In accordance with *Idaho Code 67-1904*, I certify the data provided in the Agency Profile has been internally assessed for accuracy, and, to the best of my knowledge, is deemed to be accurate.

Department: IDAHO STATE LOTTERY



Director's Signature

8-28-06

Date

Please return to:

Division of Financial Management
Attn: Anita Hamann
700 West Jefferson, Rm 122
Boise, Idaho 83720-0032

FAX: 334-2438
E-mail: info@dfm.idaho.gov

ELECTRONICALLY Submitted 8/28/06