
Office of Lottery and Charitable Games

www.lottery.dc.gov
 Telephone: 202-645-8000

Table DC0-1

Description	FY 2017	FY 2018	FY 2019	FY 2020	% Change
	Actual	Actual	Approved	Approved	from FY 2019
OPERATING BUDGET	\$218,854,202	\$210,708,426	\$225,281,568	\$211,973,874	-5.9
FTEs	74.5	0.0	76.5	76.5	0.0

The mission of the Office of Lottery and Charitable Games (OLCG) is to provide revenue-generating entertainment through the sale of innovative lottery products and promotions that directly benefits the residents and the economic vitality of the District of Columbia.

Since its inception in 1982, OLCG has contributed over \$2 billion to the District's General Fund. The OLCG annual transfer to the General Fund remains a vital component in aiding the city's economy, thereby benefiting all residents of the District of Columbia. The General Fund supports services such as education, recreation and parks, public safety, housing, and senior and child services. The OLCG directly benefits its players by paying out more than 50 percent of annual sales in prize money. It also directly benefits local businesses by providing commissions to retailers licensed to sell D.C. Lottery games and offering contracting opportunities.

The agency's FY 2020 approved budget is presented in the following tables:

FY 2020 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table DC0-2 contains the approved FY 2020 budget by revenue type compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 actual data.

Table DC0-2

(dollars in thousands)

	Dollars in Thousands							Full-Time Equivalents					
	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	% Change*	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	% Change	
Appropriated Fund													
ENTERPRISE AND OTHER													
Enterprise and Other Funds	218,854	210,708	225,282	211,974	-13,308	-5.9	74.5	0.0	76.5	76.5	0.0	0.0	
TOTAL FOR ENTERPRISE AND OTHER	218,854	210,708	225,282	211,974	-13,308	-5.9	74.5	0.0	76.5	76.5	0.0	0.0	
GROSS FUNDS	218,854	210,708	225,282	211,974	-13,308	-5.9	74.5	0.0	76.5	76.5	0.0	0.0	

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2020 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2020 Approved Operating Budget, by Comptroller Source Group

Table DC0-3 contains the approved FY 2020 budget at the Comptroller Source Group (object class) level compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 actual expenditures.

Table DC0-3

(dollars in thousands)

	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	Percentage Change*
Comptroller Source Group						
11 - Regular Pay - Continuing Full Time	5,506	6,293	7,282	7,493	211	2.9
12 - Regular Pay - Other	178	97	231	99	-133	-57.3
13 - Additional Gross Pay	56	31	16	16	0	0.0
14 - Fringe Benefits - Current Personnel	1,224	1,371	1,721	1,738	18	1.0
15 - Overtime Pay	64	49	156	156	0	0.0
SUBTOTAL PERSONAL SERVICES (PS)	7,027	7,841	9,406	9,502	96	1.0
20 - Supplies and Materials	31	63	338	325	-13	-3.8
30 - Energy, Communication and Building Rentals	111	11	49	17	-32	-65.9
31 - Telecommunications	202	231	227	252	25	11.0
32 - Rentals - Land and Structures	2,067	2,330	2,456	2,568	112	4.6
34 - Security Services	1,291	1,366	822	713	-109	-13.3
35 - Occupancy Fixed Costs	0	39	71	62	-9	-13.2
40 - Other Services and Charges	7,513	7,693	9,519	9,875	356	3.7
41 - Contractual Services - Other	10,269	10,181	14,712	15,584	872	5.9
50 - Subsidies and Transfers	190,044	180,632	187,232	172,652	-14,580	-7.8
70 - Equipment and Equipment Rental	298	323	450	425	-25	-5.6
SUBTOTAL NONPERSONAL SERVICES (NPS)	211,827	202,867	215,876	202,472	-13,404	-6.2
GROSS FUNDS	218,854	210,708	225,282	211,974	-13,308	-5.9

*Percent change is based on whole dollars.

FY 2020 Approved Operating Budget and FTEs, by Division/Program and Activity

Table DC0-4 contains the approved FY 2020 budget by division/program and activity compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table DC0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019
(1000) AGENCY MANAGEMENT										
(1010) Human Resources	649	763	784	797	13	6.1	0.0	7.0	7.0	0.0
(1015) Executive Direction and Support	772	933	1,123	1,068	-54	4.0	0.0	4.0	4.0	0.0
(1030) Property and Fleet Management	468	413	659	652	-8	3.0	0.0	3.0	3.0	0.0
(1040) Information Technology	7,675	1,003	1,582	2,276	694	3.0	0.0	3.0	4.0	1.0
(1050) Financial Services	4,288	4,698	5,256	5,230	-26	0.0	0.0	0.0	0.0	0.0
(1060) Legal Services	2	2	6	9	4	0.0	0.0	0.0	0.0	0.0
(1075) Security	839	848	1,054	1,122	68	4.0	0.0	5.0	5.0	0.0
(1080) Communications	584	608	1,424	1,617	193	5.1	0.0	4.0	4.0	0.0
SUBTOTAL (1000) AGENCY MANAGEMENT	15,277	9,269	11,887	12,770	883	25.3	0.0	26.0	27.0	1.0
(100F) AGENCY FINANCIAL OPERATIONS										
(110F) Budget Operations	108	110	132	138	5	1.0	0.0	1.0	1.0	0.0
(120F) Accounting Operations	668	701	724	754	30	6.1	0.0	6.0	6.0	0.0
(130F) Fiscal Officer	190,740	181,416	188,118	173,574	-14,545	4.0	0.0	4.0	4.0	0.0
SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS	191,516	182,227	188,974	174,465	-14,509	11.1	0.0	11.0	11.0	0.0
(6000) GAMING OPERATIONS PROGRAM										
(6200) Marketing	7,537	7,695	8,379	11,707	3,328	8.1	0.0	10.0	10.0	0.0
(6300) Trade Development	2,615	2,932	5,247	2,382	-2,865	11.2	0.0	10.0	10.0	0.0
(6400) Draw Division	596	538	1,045	675	-369	3.6	0.0	3.5	3.5	0.0
(6500) Licensing and Charitable Games	570	582	720	672	-48	5.1	0.0	5.0	5.0	0.0
(6600) Information Technology (Games)	705	7,466	9,021	9,294	272	9.1	0.0	11.0	10.0	-1.0
(6700) Claim Center	42	0	8	8	0	1.0	0.0	0.0	0.0	0.0
SUBTOTAL (6000) GAMING OPERATIONS PROGRAM	12,064	19,213	24,420	24,738	318	38.0	0.0	39.5	38.5	-1.0
(9950) AUDIT ADJUSTMENTS										
No Activity Assigned	-3	0	0	0	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (9950) AUDIT ADJUSTMENTS	-3	0	0	0	0	0.0	0.0	0.0	0.0	0.0
TOTAL APPROVED OPERATING BUDGET	218,854	210,708	225,282	211,974	-13,308	74.5	0.0	76.5	76.5	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2020 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Program Description

The Office of Lottery and Charitable Games (OLCG) operates through the following 3 programs:

Gaming Operations– provides support services to lottery retail agents and the gaming public so that they can benefit from the portfolio of games offered by OLCG. Gaming Operations oversees two types of games: Instant Games – provides a portfolio of instant lottery games to the gaming public so that they can experience the entertainment value and potential reward of playing and winning with scratch-off style lottery tickets; and Online Games - provides online lottery-type games and services, which are lottery game tickets sold to the gaming public by lottery retail agents and video gaming machines, and played by the public at social settings targeted to the gaming public, so that the District can experience a steady source of revenue through the transfer of net proceeds from lottery sales. Online games is comprised of the following 11 games: DC3, DC4, DC5, Powerball, Mega Millions, Hot Lotto, D.C. Keno, Race 2 Riches, Lucky for Life, Tap-N-Play, and D.C. Fast Play; and provides online (kiosk-based) lottery gaming experience for the gaming public so that they can experience the entertainment value of OLCG’s portfolio of games and the potential rewards of playing and winning.

This program contains the following 6 activities:

- **Marketing** –provides advertising and promotional information to eligible players. The goal is to attract eligible players to purchase lottery tickets so that they may enjoy the entertainment value offered by OLCG’s portfolio of games;
- **Trade Development (Sales Department)** – provides sales goals and retail development services to lottery retail agents. The goals are to assist lottery retail agents in reaching established minimum sales volume levels and to achieve sustained growth;
- **Draw Division** – provides draw-related services to the gaming public. The goal is to maintain the public's trust through ensuring unbiased and random draws;
- **Licensing and Charitable Games** – provides licensing and regulatory compliance services to existing and prospective lottery retail agents and non-profit charitable organizations. The goal is to ensure that lottery retail agents and non-profit charitable organizations receive appropriate licenses to sell lottery products and conduct charitable gaming activities in accordance with the laws and regulations set forth by the District;
- **Information Technology (Games)** –provides technical coordination and oversight services to lottery retail agents, customers, and internal OLCG operations. The goals are for retail agents, customers, and internal operations to deliver, play, and provide an uncompromised portfolio of lottery products; and
- **Claim Center** – provides claims processing and gaming information services to the gaming public. The goals are for the public to redeem prizes and enjoy a positive gaming experience.

Agency Management Program – provides for administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

Agency Financial Operations – provides for comprehensive and efficient financial management services to, and on behalf of, District agencies so that the financial integrity of the District of Columbia is maintained. This program is standard for all agencies using performance-based budgeting.

Program Structure Change

The Office of Lottery and Charitable Games has no program structure changes in the FY 2020 approved budget.

FY 2019 Approved Budget to FY 2020 Approved Budget, by Revenue Type

Table DC0-5 itemizes the changes by revenue type between the FY 2019 approved budget and the FY 2020 approved budget. For a more comprehensive explanation of changes, please see the FY 2020 Approved Budget Changes section, which follows the table.

Table DC0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUNDS: FY 2019 Approved Budget and FTE		225,282	76.5
Increase: To adjust the Contractual Services budget	Multiple Programs	872	0.0
Increase: To align resources with operational spending goals	Multiple Programs	389	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	96	0.0
Decrease: To align Fixed Costs with proposed estimates	Agency Management	-39	0.0
Decrease: To realize savings in nonpersonal services	Multiple Programs	-47	0.0
Decrease: To align budget with projected revenues	Agency Financial Operations	-14,580	0.0
ENTERPRISE AND OTHER FUNDS: FY 2020 Mayor's Proposed Budget		211,974	76.5
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2020 District's Approved Budget		211,974	76.5
GROSS FOR DC0 - OFFICE OF LOTTERY AND CHARITABLE GAMES		211,974	76.5

(Change is calculated by whole numbers and numbers may not add up due to rounding)

FY 2020 Approved Budget Changes

The Office of Lottery and Charitable Games' (OLCG) approved FY 2020 gross budget is \$211,973,874, which represents a 5.9 percent decrease from its FY 2019 approved gross budget of \$225,281,568. The budget is comprised entirely of Enterprise and Other funds.

Mayor's Proposed Budget

Increase: OLCG's FY 2020 proposed budget includes an increase of \$872,440 in Contractual Services in the Agency Management and Gaming Operations programs to support additional contracts for Lottery operations. The proposed budget also includes an increase of \$389,461 primarily in the Gaming Operations Program because of projected increases in advertising costs for the agency. Additionally, OLCG's budget proposal includes a personal services increase of \$96,473 across multiple programs to support salary, Fringe Benefit, and other personal services adjustments.

Decrease: OLCG's proposed budget includes a decrease of \$39,104 in the Agency Management program to properly align the budget to the latest estimates from the Department of General Services (DGS) for fixed costs. The budget proposal also includes a decrease of \$46,569 across multiple programs because of lower expenditures projected for nonpersonal services. Lastly, OLCG's proposed budget includes a decrease of \$14,580,395 to align the budget with projected revenues based on an anticipated decline in prize payouts, commissions, transfers, and lottery sales for the fiscal year.

District's Approved Budget

No Change: The Office of Lottery and Charitable Games' budget reflects no change from the Mayor's proposed budget to the District's approved budget.