
Office of Lottery and Gaming

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Table DC0-1

Description	FY 2020 Actual	FY 2021 Actual	FY 2022 Approved	FY 2023 Approved	% Change from FY 2022
OPERATING BUDGET	\$214,630,314	\$265,834,358	\$544,200,000	\$360,000,000	-33.8
FTEs	62.3	73.8	88.5	93.0	5.1
CAPITAL BUDGET	\$0	\$0	\$0	\$0	N/A
FTEs	0.0	0.0	0.0	0.0	N/A

The mission of the Office of Lottery and Gaming (OLG) is to responsibly maximize revenue generation for the District of Columbia through the sale of innovative lottery and sports wagering products, while providing gaming regulation and oversight that upholds the highest standards of integrity and public trust.

Since its inception in 1982, OLG has contributed over \$2.2 billion to the District's General Fund. The OLG 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 OLG directly benefits its players by paying out more than 50 percent of annual sales in lottery prize money, and 80 percent of annual sales in sports wagering prize money. It also directly benefits local businesses by providing commissions to retailers licensed to sell D.C. Lottery games and sports wagers, and by offering contracting opportunities.

The agency's FY 2023 approved budget is presented in the following tables:

FY 2023 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table DC0-2 contains the approved FY 2023 budget by revenue type compared to the FY 2022 approved budget. It also provides FY 2020 and FY 2021 actual data.

Table DC0-2

(dollars in thousands)

	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	% Change*	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	% Change
Appropriated Fund												
ENTERPRISE AND OTHER												
Enterprise and Other Funds	214,630	265,834	544,200	360,000	-184,200	-33.8	62.3	73.8	88.5	93.0	4.5	5.1
TOTAL FOR ENTERPRISE AND OTHER	214,630	265,834	544,200	360,000	-184,200	-33.8	62.3	73.8	88.5	93.0	4.5	5.1
GROSS FUNDS	214,630	265,834	544,200	360,000	-184,200	-33.8	62.3	73.8	88.5	93.0	4.5	5.1

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private) and Special Purpose Revenue type, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2023 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2023 Approved Operating Budget, by Comptroller Source Group

Table DC0-3 contains the approved FY 2023 budget at the Comptroller Source Group (object class) level compared to the FY 2022 approved budget. It also provides FY 2020 and FY 2021 actual expenditures.

Table DC0-3

(dollars in thousands)

	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	Percentage Change*
Comptroller Source Group						
11 - Regular Pay - Continuing Full Time	7,215	7,787	9,089	9,639	550	6.1
12 - Regular Pay - Other	27	46	96	291	195	203.5
13 - Additional Gross Pay	78	65	16	16	0	0.0
14 - Fringe Benefits - Current Personnel	1,577	1,702	1,952	2,274	322	16.5
15 - Overtime Pay	46	38	176	176	0	0.0
SUBTOTAL PERSONAL SERVICES (PS)	8,943	9,638	11,329	12,396	1,067	9.4
20 - Supplies and Materials	83	35	322	324	1	0.3
30 - Energy, Communication and Building Rentals	12	140	186	187	2	0.9
31 - Telecommunications	225	251	248	170	-78	-31.3
32 - Rentals - Land and Structures	2,568	2,579	2,716	2,786	70	2.6
34 - Security Services	632	566	745	664	-81	-10.9
35 - Occupancy Fixed Costs	15	21	1	3	3	491.3
40 - Other Services and Charges	7,663	9,561	16,224	17,691	1,466	9.0
41 - Contractual Services - Other	13,991	21,898	49,622	50,438	816	1.6
50 - Subsidies and Transfers	180,282	221,076	462,427	274,618	-187,809	-40.6
70 - Equipment and Equipment Rental	215	68	380	723	343	90.1
SUBTOTAL NONPERSONAL SERVICES (NPS)	205,687	256,196	532,871	347,604	-185,267	-34.8
GROSS FUNDS	214,630	265,834	544,200	360,000	-184,200	-33.8

*Percent change is based on whole dollars.

FY 2023 Approved Operating Budget and FTEs, by Division/Program and Activity

Table DC0-4 contains the approved FY 2023 budget by division/program and activity compared to the FY 2022 approved budget. It also provides FY 2020 and FY 2021 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 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022
(1000) AGENCY MANAGEMENT										
(1010) Human Resources	841	854	842	893	51	5.7	5.8	7.0	7.0	0.0
(1015) Executive Direction and Support	866	875	1,293	1,884	591	3.3	3.3	4.0	5.0	1.0
(1030) Property and Fleet Management	532	416	721	759	38	2.4	2.5	3.0	3.0	0.0
(1040) Information Technology	1,022	692	1,541	2,424	884	3.3	3.3	4.0	4.0	0.0
(1050) Financial Services	4,274	4,929	5,603	5,373	-230	0.0	0.0	0.0	0.0	0.0
(1060) Legal Services	4	0	9	9	0	0.0	0.0	0.0	0.0	0.0
(1075) Security	990	962	1,381	1,436	54	4.1	4.2	5.0	5.0	0.0
(1080) Communications	1,060	692	1,135	1,222	87	3.3	3.3	4.0	5.0	1.0
SUBTOTAL (1000) AGENCY MANAGEMENT	9,588	9,421	12,525	14,001	1,476	22.0	22.5	27.0	29.0	2.0
(100F) AGENCY FINANCIAL OPERATIONS										
(110F) Budget Operations	57	79	92	98	6	0.8	0.8	1.0	1.0	0.0
(120F) Accounting Operations	713	653	742	740	-2	4.9	5.0	6.0	6.0	0.0
(130F) Fiscal Officer	181,060	221,849	463,484	275,767	-187,717	3.3	3.3	4.0	4.0	0.0
SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS	181,829	222,581	464,318	276,605	-187,713	9.0	9.2	11.0	11.0	0.0
(6000) GAMING OPERATIONS PROGRAM										
(6200) Marketing	9,622	10,048	17,559	19,804	2,245	8.2	10.0	11.0	12.0	1.0
(6300) Trade Development (Sales Development)	1,722	1,538	2,583	2,686	103	8.2	8.3	10.0	10.5	0.5
(6400) Draw Division	492	516	645	675	30	2.8	2.1	3.5	3.5	0.0
(6500) Licensing and Charitable Games	620	637	637	673	36	4.1	4.2	5.0	5.0	0.0
(6600) Information Technology (Games)	9,747	19,081	40,249	40,427	178	8.1	8.3	10.0	11.0	1.0
(6700) Claim Center	0	0	8	8	0	0.0	0.0	0.0	0.0	0.0
(6900) Sports Wagering Regulations	1,009	2,013	5,676	5,121	-555	0.0	9.2	11.0	11.0	0.0
SUBTOTAL (6000) GAMING OPERATIONS PROGRAM	23,213	33,832	67,357	69,394	2,037	31.4	42.1	50.5	53.0	2.5
TOTAL APPROVED OPERATING BUDGET	214,630	265,834	544,200	360,000	-184,200	62.3	73.8	88.5	93.0	4.5

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

Note: For more detailed information regarding the approved funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2023 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 Gaming (OLG) operates through the following 3 programs:

Gaming Operations– provides support services to lottery and sports wagering retailers, and the gaming public so that they can benefit from the portfolio of gaming offered by OLG. Gaming Operations oversees three 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, and sports wagering -provides the ability for individuals to place wagers on select sporting events so that the District can experience a steady source of revenue through the transfer of net proceeds from sales. Online games is comprised of the following 12 games: The Lucky One, DC2, DC3, DC4, DC5, Powerball, Mega Millions, Keno, Race 2 Riches, Lucky for Life, Tap-N-Play and Fast Play; and provides online (kiosk-based) lottery gaming experience for the gaming public so that they can experience the entertainment value of OLG’s portfolio of games and the potential rewards of playing and winning.

This program contains the following 7 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 OLG’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 OLG operations. The goals are for retail agents, customers, and internal operations to deliver, play, and provide an uncompromised portfolio of lottery products;
- **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; and
- **Sports Wagering Regulations**– provides licensing and regulatory compliance to existing or prospective lottery operated, and non-lottery operated sports wagering licensees. The goal is to ensure that sports wagering organizations receive appropriate licenses to sell sport wagering products and conduct gaming activities in accordance with the laws and regulations set forth by the District.

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 Gaming has no program structure changes in the FY 2023 approved budget.

FY 2022 Approved Budget to FY 2023 Approved Budget, by Revenue Type

Table DC0-5 itemizes the changes by revenue type between the FY 2022 approved budget and the FY 2023 approved budget. For a more comprehensive explanation of changes, please see the FY 2023 Approved Budget Changes section, which follows the table.

Table DC0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUNDS: FY 2022 Approved Budget and FTE		544,200	88.5
Increase: To support operational requirements	Multiple Programs	2,565	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	1,067	4.5
Increase: To support operational requirements	Gaming Operations Program	1	0.0
Decrease: To align Fixed Costs with proposed estimates	Agency Management	-84	0.0
Decrease: To align budget with projected revenues	Agency Financial Operations	-187,749	0.0
ENTERPRISE AND OTHER FUNDS: FY 2023 Mayor's Proposed Budget		360,000	93.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2023 District's Approved Budget		360,000	93.0
GROSS FOR DC0 - OFFICE OF LOTTERY AND GAMING		360,000	93.0

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

Note: For more detailed information regarding the approved funding for interagency projects funded within this agency, please see Appendix J, FY 2023 Interagency Budgets, in the Executive Summary budget volume.

FY 2023 Approved Operating Budget Changes

Table DC0-6 contains the approved FY 2023 budget by fund compared to the FY 2022 approved budget.

Table DC0-6

Appropriated Fund	FY 2022 Approved	FY 2023 Approved	% Change from FY 2022
Enterprise and Other Funds	\$544,200,000	\$360,000,000	-33.8
GROSS FUNDS	\$544,200,000	\$360,000,000	-33.8

Mayor's Proposed Budget

Increase: The proposed budget reflects an increase of \$2,565,596 across multiple programs to support costs associated with operational requirements, primarily professional services and contractual services; and \$1,067,464 and 4.5 Full-Time Equivalents across multiple programs to align projected salary, step increases, Fringe Benefit costs, and other staffing needs.

Decrease: The proposed budget reflects a net reduction of \$84,228 in the Agency Management Program to align the budget with proposed fixed cost estimates provided by the Department of General Services and the Office of the Chief Technology Officer. In addition, a proposed net decrease of \$187,747,833 in the Agency Financial Operations program aligns the budget with projected revenues.

District's Approved Budget

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