

Office of Lottery and Gaming

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Table DC0-1

Description	FY 2022	FY 2023	FY 2024	FY 2025	% Change
	Actual	Actual	Approved	Proposed	from FY 2024
OPERATING BUDGET	\$274,165,205	\$291,584,913	\$350,000,000	\$352,000,000	0.6
FTEs	79.1	75.8	93.0	94.0	1.1
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 \$2.3 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 90 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 2025 proposed budget is presented in the following tables:

FY 2025 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table DC0-2 contains the proposed FY 2025 budget by revenue type compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual data.

Table DC0-2

(dollars in thousands)

	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	% Change*	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	% Change
Appropriated Fund												
ENTERPRISE AND OTHER												
Special Purpose Fund												
-Lottery's	-7	0	0	0	0	N/A	0.0	0.0	0.0	0.0	0.0	N/A
Enterprise and Other Fund-Lottery's	274,172	291,585	350,000	352,000	2,000	0.6	79.1	75.8	93.0	94.0	1.0	1.1
TOTAL FOR ENTERPRISE AND OTHER	274,165	291,585	350,000	352,000	2,000	0.6	79.1	75.8	93.0	94.0	1.0	1.1
GROSS FUNDS	274,165	291,585	350,000	352,000	2,000	0.6	79.1	75.8	93.0	94.0	1.0	1.1

*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 2025 Operating Appendices** located on the Office of the Chief Financial Officer’s website.

FY 2025 Proposed Operating Budget, by Account Group

Table DC0-3 contains the proposed FY 2025 budget at the Account Group level compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual expenditures.

Table DC0-3

(dollars in thousands)

Account Group	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Percentage Change*
701100C - Continuing Full Time	8,167	7,874	9,698	10,083	384	4.0
701200C - Continuing Full Time - Others	41	222	356	484	128	35.9
701300C - Additional Gross Pay	465	94	16	16	0	0.0
701400C - Fringe Benefits - Current Personnel	1,745	1,696	2,302	2,375	73	3.2
701500C - Overtime Pay	33	23	176	176	0	0.0
SUBTOTAL PERSONNEL SERVICES (PS)	10,451	9,911	12,549	13,134	585	4.7

Table DC0-3

(dollars in thousands)

Account Group	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change	
					from FY 2024	Percentage Change*
711100C - Supplies and Materials	40	59	326	344	18	5.5
712100C - Energy, Communications and Building Rentals	3,089	2,947	3,385	3,400	15	0.5
713100C - Other Services and Charges	8,580	11,855	17,748	18,012	264	1.5
713101C - Security Services	500	551	681	726	44	6.5
713200C - Contractual Services - Other	15,780	15,313	47,914	48,673	759	1.6
714100C - Government Subsidies and Grants	235,556	249,420	266,444	266,609	165	0.1
715100C - Other Expenses	0	15	0	0	0	N/A
716200C - Depreciation	0	116	0	0	0	N/A
716400C - Amortization - Right to Use Assets	0	1,328	0	0	0	N/A
717100C - Purchases Equipment and Machinery	112	62	953	1,102	149	15.6
717200C - Rentals Equipment and Other	58	0	0	0	0	N/A
718100C - Debt Service Payments	0	10	0	0	0	N/A
SUBTOTAL NONPERSONNEL SERVICES (NPS)	263,715	281,674	337,451	338,866	1,415	0.4
GROSS FUNDS	274,165	291,585	350,000	352,000	2,000	0.6

*Percent change is based on whole dollars.

FY 2025 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table DC0-4 contains the proposed FY 2025 budget by division/program and activity compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 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 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(AFO000) AGENCY										
FINANCIAL OPERATIONS										
(AFO002) Agency Accounting Services	237,229	250,887	268,375	268,454	79	8.9	8.2	10.0	9.0	-1.0
(AFO003) Agency Budgeting and Financial Management Services	4,515	4,726	5,596	5,659	63	0.9	0.8	1.0	1.0	0.0
(AFO019) Soar Conversion	0	0	0	15	15	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (AFO000) AGENCY	241,744	255,613	273,972	274,128	157	9.8	9.0	11.0	10.0	-1.0
(AMP000) AGENCY										
MANAGEMENT PROGRAM										
(AMP003) Communications	824	753	1,240	1,503	263	3.6	4.1	5.0	5.0	0.0
(AMP009) Fleet Management	597	428	916	895	-21	2.7	2.4	4.0	4.0	0.0
(AMP011) Human Resource Services	942	857	830	865	35	6.3	5.7	6.0	6.0	0.0
(AMP012) Information Technology Services	864	1,334	2,712	3,417	704	3.6	3.3	4.0	6.0	2.0
(AMP014) Legal Services	0	1	15	15	0	0.0	0.0	0.0	0.0	0.0
(AMP030) Executive Administration	773	1,203	1,866	1,984	118	3.6	4.1	5.0	5.0	0.0
SUBTOTAL (AMP000) AGENCY	4,000	4,576	7,579	8,679	1,100	19.6	19.6	24.0	26.0	2.0

Table DC0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(CO0010) GAMING OPERATIONS										
(C01001) Draw	539	561	690	864	175	3.1	2.8	3.5	3.5	0.0
(C01002) Information Technology - Gaming	12,101	13,212	40,360	40,020	-340	8.9	9.0	11.0	9.0	-2.0
(C01003) Marketing	9,793	12,596	19,844	19,934	90	9.8	9.8	12.0	12.0	0.0
(C01004) Security	1,141	1,186	1,486	1,458	-28	4.5	4.1	5.0	4.0	-1.0
(C01005) Sports Wagering Regulation & Oversight	2,340	1,123	2,480	2,846	366	9.8	9.0	11.0	12.0	1.0
(C01006) Trade Development/ Sales	2,508	2,718	3,582	4,062	480	13.4	12.6	15.5	17.5	2.0
(C01007) Prize Claims Center Services	0	0	8	8	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (CO0010) GAMING OPERATIONS	28,422	31,396	68,450	69,193	743	49.6	47.3	58.0	58.0	0.0
TOTAL PROPOSED OPERATING BUDGET	274,165	291,585	350,000	352,000	2,000	79.1	75.8	93.0	94.0	1.0

(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**. For detailed information on this agency’s Cost Center structure as reflected in the District’s Chart of Accounts, please see **Schedule 30-CC FY 2025 Proposed Operating Budget and FTEs, by Division/Office**. Additional information on this agency’s interagency agreements can be found in **Appendix H**. All schedules can be found in the FY 2025 Operating Appendices, Volume 6 located on the Office of the Chief Financial Officer’s website.

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), desktop computer and mobile 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:

- **Draw** - provides draw-related services to the gaming public. The goal is to maintain the public's trust through ensuring unbiased and random draws;

- **Information Technology - Gaming** – provides technical coordination and oversight services to lottery and sports wagering retailers, customers, and internal OLG operations. The goals are for retailers, customers, and internal operations to deliver, play, and provide an uncompromised portfolio of lottery gaming products;
- **Marketing** –provides advertising and promotional information to eligible players. The goal is to attract eligible players to purchase lottery and sports wagering products so that they may enjoy the entertainment value offered by OLG's portfolio of gaming;
- **Security** – provides physical and integrity protection related services to employees, customers, contractors, products and promotions;
- **Sports Wagering Regulation Oversight** –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;
- **Trade Development Sales** – provides sales goals and retail development services to lottery retail agents. The goals are to assist lottery and sports wagering retailers in reaching established minimum sales volume levels and to achieve sustained growth. It also provides licensing and regulatory compliance services to existing and prospective lottery retailers and non-profit charitable organizations. The goal is to ensure that lottery retailers 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; and
- **Prize Claims Center Services** - 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 Financial Operations - provides 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.

Agency Management - 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.

Program Structure Change

The Office of Lottery and Gaming has no program structure changes in the FY 2025 proposed budget.

FY 2024 Approved Budget to FY 2025 Proposed Budget, by Revenue Type

Table DC0-5 itemizes the changes by revenue type between the FY 2024 approved budget and the FY 2025 proposed budget. For a more comprehensive explanation of changes, please see the FY 2025 Proposed Budget Changes section, which follows the table.

Table DC0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUND-LOTTERYS: FY 2024 Approved Budget and FTE		350,000	93.0
Increase: To support operational requirements	Multiple Programs	1,415	0.0
Increase: To align personnel services and Fringe Benefits with projected costs	Multiple Programs	585	1.0
ENTERPRISE AND OTHER FUND-LOTTERYS: FY 2025 Mayor's Proposed Budget		352,000	94.0
GROSS FOR DC0 - OFFICE OF LOTTERY AND GAMING		352,000	94.0

(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 interagency projects funded within this agency, please see Appendix J, FY 2025 Interagency Budgets, in the Executive Summary budget volume.

FY 2025 Proposed Operating Budget Changes

Table DC0-6 contains the proposed FY 2025 budget by fund compared to the FY 2024 approved budget.

Table DC0-6

Appropriated Fund	FY 2024 Approved	FY 2025 Proposed	% Change from FY 2024
Enterprise and Other Fund-Lottery's	\$350,000,000	\$352,000,000	0.6
GROSS FUNDS	\$350,000,000	\$352,000,000	0.6

Mayor's Proposed Budget

Increase: OLG's proposed budget reflects an increase of \$1,415,139 across multiple programs to support costs associated with operational requirements. The budget proposal also includes an increase of \$584,861 and 1.0 Full-Time Equivalent (FTE) to align projected salary, step increase, and Fringe Benefits costs, and other staffing needs across multiple programs.