

Games That Help the Cause



Iowa Lottery Annual Report
Fiscal Year 2011



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The CEO and the Board



Recent surveys about volunteering and helping good causes show Iowans are among the most committed in the nation to causes that matter to them.

We understand that because helping worthy causes is one of our biggest goals. In fiscal year 2011, the Iowa Lottery raised a record \$68 million for state programs, including more than \$3 million for Iowa veterans and their families.

As Iowans, we know that tough economic times in our state make every additional dollar raised by the lottery that much more meaningful.

The lottery achieved record sales of more than \$271 million from its core products of lotto, instant-scratch and pull-tab games in FY 2011, but much more than sales made this year a success:

- Iowa Lottery players took home a historic \$159 million in prizes from those three core products. But, we are still searching for the holder of a \$16.5 million Hot Lotto jackpot-winning ticket from the Dec. 29, 2010, drawing.
- We found out how much Iowans are committed to veterans' causes. The Iowa Veterans Trust Fund received \$3.1 million in proceeds from lottery tickets dedicated to veterans and their families. That's the biggest annual total we've raised for the fund since legislation dedicating proceeds to it went into effect in 2008.
- We implemented a new sales and validations system for lotto tickets that began rolling out in March 2011 and became fully operational on July 3, 2011. We're excited to bring our players and retailers a state-of-the-art system that gives us new capabilities while at the same time providing the reliability and security players have always expected from us.
- Iowa businesses received more than \$17 million in commissions from the lottery for their daily work in selling lottery products in FY 2011. That's an increase of \$1.2 million from the year before.
- Regular security compliance checks have revealed an effective retailer system in our state. We're pleased that the lottery's positive impact in Iowa extends beyond the proceeds it provides for state programs.

Each year we concentrate on bringing new and innovative ideas to the market while keeping an eye on results. Record sales, proceeds to the state and prizes paid make us successful, but success comes not just in dollars. We concentrate on providing players entertainment value while operating the lottery with integrity and monitoring the social impact of what we do. We'll continue to do our best to ensure that Iowa's lottery helps Iowans every day in many ways.

— *Terry Rich, CEO, and the Members of the Board of the Iowa Lottery Authority*



At top right, Terry Rich, Iowa Lottery CEO; above from left, Iowa Lottery Authority Board members: Chairperson Brad Schroeder, Pleasant Hill; Mary Junge, Cedar Rapids; Mike Klappholz, Cedar Rapids; Deb Burnight, Sioux City; Herman Richter, Milford and Michael Fitzgerald, State Treasurer, Des Moines (ex-officio member).

Iowa's Latest Millionaires

They dreamed BIG and won!

• **Aurelia Robert Stewart**



• **Webster City Larry Dawson and Aenoi Phetxoumphone**



• **Mason City Pat Herman and Lonnie Sandberg**



• **Boone Chad and Mary Tillman**



• **Marion Eric Shaffer**



While the Iowa Lottery has hundreds of winners who dream big each day, dreams came true for these six lucky Iowans who became millionaires playing Iowa Lottery games in FY 2011.

There were winners from across the state: Two players won a million-dollar prize playing Powerball®, one won playing Mega Millions® and three players won playing the Lifetime Riches scratch game. And our biggest winner of the year won more than \$9 million playing Hot Lotto.



Lottery Helps Veterans

More than \$3 million!



Iowans want to assist veterans and their families.

A highlight of the lottery's FY 2011 results is the \$3.1 million it raised for the Iowa Veterans Trust Fund to benefit our state's veterans and their families. That's the highest total for the cause since proceeds from select lottery games were first dedicated to the Veterans Trust Fund in 2008. It also is the first time that annual lottery proceeds for veterans' causes have topped \$3 million.

Since July 2008, a portion of lottery proceeds has been dedicated to the Iowa Veterans Trust Fund, where they are used to support our state's veterans. The proceeds from two instant-scratch games and two pull-tab games each year are directed into the Veterans Trust Fund.

The Iowa Veterans Trust Fund was created to provide assistance to qualified veterans to help pay for expenses such as job training or college tuition assistance; some dental, vision and hearing assistance; and individual or family counseling programs.

Players Rediscover ialottery.com

The lottery's website has increasingly become its public face that players depend upon for information and access to contests and promotions, so a recent makeover of the site was a high priority.

After more than 18 months of planning and testing, the lottery debuted a new redesigned website in November 2010.

Utilizing valuable player input, lottery employee suggestions, data from live testing of website users, and statistics and creative input from the lottery's advertising agencies, the Iowa Lottery developed a cleaner, sleeker and easier-to-navigate website.

One of the main reasons players visit ialottery.com is to check the winning lotto numbers after each drawing. So, the new home page prominently features the current jackpot amounts for Powerball®, Mega Millions® and Hot Lotto® followed by the most recent winning numbers.

By clicking on the "Show more games" tab, players can see the winning numbers for the Iowa's \$100,000 Cash Game, Pick 3 and Pick 4 daily drawings.

A new rotating banner on the home page features current promotions, contests and winners. And the new tabs above the rotating banner make it even easier for visitors to find what they're looking for, whether it's games, promotions, winners, winning numbers, etc.

Also, there are buttons to get to the lottery's social media sites such as Facebook, Twitter, a blog and more.



ialottery.com statistics (July 1, 2010 - June 30, 2011)

Total sessions: 5,819,381 (Session = a series of hits to the site over a specific time period by one visitor)
Total pageviews: 30,338,060 (Pageview = a request to the web server by a visitor's browser for any web page)
Average sessions per day: 15,944
Average pageviews per day: 83,118
Average pageviews per session: 5.21
Average length of session: 3 minutes 50 seconds
Blog: Averages 69 views per day

Promotions



Rock of Ages Hits Iowa!

In February, the Iowa Lottery became the first in the nation to offer an instant-scratch game based upon a hit Broadway musical.

Sales in the "Rock of Ages" instant-scratch game began Feb. 14. The \$2 scratch ticket featured artwork from the Broadway musical "Rock of Ages." The Iowa Lottery teamed up with the Tony®-nominated hit show and the Civic Center of Greater Des Moines to bring a new experience to Iowa unlike any other. The Civic Center presented the hit musical April 19 - 24 as part of its Willis Broadway Series.

The lottery worked with the Rock of Ages producers and the Civic Center for more than eight months to prepare for the release of this one-of-a-kind scratch game.

The Rock of Ages stage production stars Tony award-nominated Constantine Maroulis of "American Idol" fame. The show is set in 1987 on the Sunset Strip, when a small-town girl meets a big city rocker and in L.A.'s most famous rock club, they fall in love to the greatest songs of the '80s.

In addition to the instant prizes, players could use non-winning Rock of Ages scratch tickets to enter two second-chance drawings. Ten players won a concert ticket/hotel package for a Rock of Ages performance in Des Moines in the first drawing. In the second drawing one lucky player won a trip package to New York City to see the production on Broadway, including hotel and travel and spending cash, and two others each won an awesome electric guitar signed by members of the production's cast. The lottery received more than 35,000 entries in the promotion.



Photos (from top): Rock of Ages scratch ticket; Diane Morgan, winner of a cast-signed electric guitar; Iowa Lottery Rock of Ages T-shirts; Civic Center of Des Moines package winner Shirley Grillet of West Des Moines poses with Nick Cordero of the Rock of Ages cast at a meet-and-greet event after the show; Kevin Stewart of Des Moines, winner of the grand prize trip package to New York to see the Rock of Ages production on Broadway; and Constantine Maroulis from the Rock of Ages cast (center) pals around with Civic Center of Des Moines Director of Marketing Barb Preuss (left) and Iowa Lottery Vice President of Marketing Teri Wood.



Non-winning holiday scratch tickets are the key to great electronics prizes or cash

Players' enthusiastic response to the Iowa Lottery's 2009 holiday promotion prompted the lottery to bring back the contest in 2010, with even more electronics and cash prizes up for grabs.

Players again responded very favorably, posting more than 844,000 entries and shattering the record for the number of entries in an online Iowa Lottery promotion during FY 2011. The lottery received more than 405,000 entries in the original version of the promotion in 2009.

Iowa Lottery players had the chance to win some of the season's hottest electronics and cash prizes in the "Tech The Halls" holiday promotion that ran Oct. 4, 2010, through through Jan. 18, 2011. Players entered their nonwinning holiday-themed scratch tickets in the promotion for a chance to win one of 250 Sony® electronics prizes or one of 25 cash prizes ranging from \$500 to \$5,000. Seven holiday-themed instant-scratch games available for the season in Iowa (shown below) were eligible for entry.

Different levels of prizes were involved for different tickets. Players could win a cash prize or one of these Sony® prizes: BRAVIA® HDTV, Cyber-shot® camera, VAIO® laptop computer, Reader Touch Edition™ reader or PlayStation®3 package.



New Lottery Sales System

Iowa's lottery has gotten an upgrade.

The terminals that print and cash lottery tickets and the look of lotto tickets themselves were updated as the Iowa Lottery transitioned to a new statewide computerized gaming system. Installations began in some locations in March, and full conversion to the new system was completed July 3, 2011.

As the new system went in, the familiar red lottery terminals that have been in use for the past decade in Iowa were replaced with new, smaller terminals. Three other features of the new system are self-checkers that lottery players can use to check their own tickets, lighted signs that automatically update the latest big jackpot amounts in Powerball® and Mega Millions®, and flat-screen display monitors that display jackpot and game information.

The lottery received proposals in 2010 from companies interested in operating the statewide gaming system that's used to sell lotto tickets and cash and validate all lottery tickets at about 2,500 retail locations. In September 2010, the Iowa Lottery Board accepted the recommendation of a proposal from Scientific Games International, a Georgia-based company.

Because Scientific Games was the vendor supporting the previous statewide gaming system, the changeover to the new system allowed the old lottery terminals to be removed from retail locations as the new equipment was installed. The statewide roll-out began in March and the entire new system became operational in July. It is anticipated that the new equipment will be in use in Iowa for seven to 10 years.

While consumers will notice new machines at the store level, the lottery system also includes cellular and satellite communications to provide a statewide link and a centralized datacenter to run it all.

The new lottery terminals feature touch-screen technology and thermal printers that use heat instead of ink to print lotto tickets on a new style of paper, so the tickets in games like Powerball look a little different here in Iowa than they have in the past. Customers also will notice flat-screen monitors in many locations that display jackpot information and game details at the point of sale.

Self-checkers have been installed away from the cash registers in a lot of retail locations, allowing lottery customers to check their own tickets rather than having store personnel check them.



Enhanced VIP Club

The lottery also updated its player loyalty program as part of the conversion. That program, called the VIP Club, got a new website (www.ialotteryvip.com) and special coupons, merchandise and prize drawings exclusively available to members of the club, which is free to join.

“The lottery has had a player loyalty program since 1994, and we think this latest upgrade will offer players a lot more value for the tickets they buy,” Iowa Lottery CEO Terry Rich said. “Hang onto those nonwinning tickets - they’ll really help you stretch your fun.”

“We’re excited to bring our players and retailers a state-of-the-art system. It gives us new capabilities while at the same time providing the reliability and security players have always expected from the Iowa Lottery.” —

Terry Rich, Iowa Lottery CEO



Left: The first new Iowa Lottery Wave terminal was installed at the Kum & Go, 1915 Princeton in Grimes, on March 29. Right: (from left) Iowa Lottery CEO Terry Rich, Shar Quarberg of Kum & Go, and Mark Hoffman, Scientific Games Regional Director stand proudly next to the Wave terminal installed in Grimes.



Ticket self-checkers can check both lotto and instant-scratch tickets.



Flat-screen monitors in many locations display jackpot information and game details at the point of sale.



New lighted jackpot signs were installed in the windows of many stores, allowing customers to see the latest Powerball and Mega Millions jackpot amounts while they're still outside.

Overview

The Iowa Lottery's Mission:

The Iowa Lottery is a nonprofit authority that operates the state's lottery in an entrepreneurial and business-like manner, accountable to a public Board of Directors, the Governor, the General Assembly, and the People of the State while providing entertainment to the public and maximizing revenues for the state.

The Iowa Lottery was established in 1985 and began ticket sales on Aug. 22 of that year. Since the lottery's inception, its players have won more than \$2.7 billion in prizes while the lottery has raised more than \$1.3 billion for the state programs that benefit all Iowans.

The guiding principles of the Iowa Lottery are:

- Develop and distribute products that are fun and exciting to Iowans;
- Maintain integrity and security in production and delivery of those products while utilizing the highest level of technology available;
- Educate and motivate the public to play Lottery games responsibly;
- Maintain the dignity of the Lottery through truthful, tasteful, and informative advertising;
- Develop an effective employee workforce that is professional, knowledgeable, skilled, and offers maximum service and reliability to retailers and players; and
- Maximize net revenues to the state.

Today, lottery proceeds in Iowa have three main purposes: They provide help for a variety of significant projects through the state General Fund, support for veterans and backing for the Vision Iowa program, which was implemented to create tourism destinations and community attractions in the state and build and repair schools.

The Lottery has approximately 114 employees in the following departments: external relations, finance, marketing, operations, sales and security. The Lottery has approximately 65 employees at its headquarters in Des Moines. The lottery also maintains a warehouse facility in Ankeny and four regional offices in Cedar Rapids, Council Bluffs, Mason City and Storm Lake. There are five board members.

The lottery has three product categories: instant-scratch tickets, pull-tab tickets and lotto games. Lottery products are sold through approximately 2,500 licensed retailers around Iowa.

In 2003 the Legislature recognized that as an entrepreneurial entity, the Iowa Lottery could operate more efficiently and established the Iowa Lottery Authority, a public instrumentality of the state. As a result of that change, combined sales for the Lottery's traditional products have continued to climb in the fiscal years since then.

The Iowa Lottery discusses three core functions in this report: sales; distribution and resource management; and enforcement and investigation.



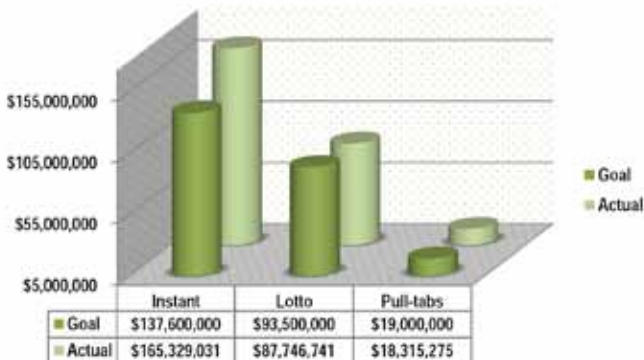
The Iowa Lottery's headquarters building houses approximately 65 employees in Des Moines.

Goals and Results

Sales

	<u>Goal</u>	<u>Actual</u>
Instant-Scratch Tickets	\$137.6M	\$165.3M
Lotto Tickets	\$93.5M	\$87.7M
Pull-tab Tickets	\$19.0M	\$18.3M

The Legislature, the governor and the public use sales data to generally determine how the lottery is performing. Sales of different products are analyzed by the Lottery on a yearly basis in order to assess progress.

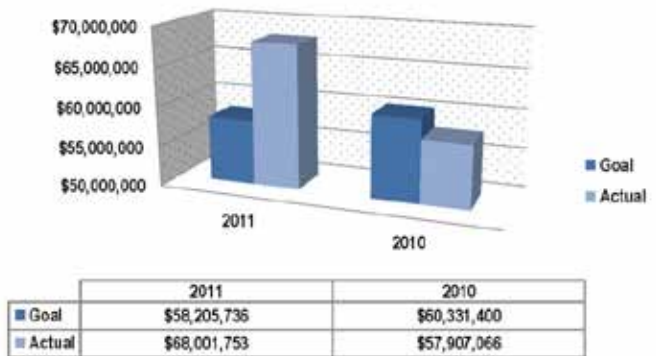


See more sales information on pages 14-15.

Resource Management

	<u>Goal</u>	<u>Actual</u>
Proceeds to the state (General Fund and Veterans Trust Fund)	\$58.2M	\$68.0M

Total proceeds is the ultimate measure of how well the lottery is operating because it accounts not only for sales, but also for how well resources are being used. The Lottery must ensure its resources are managed wisely in order to achieve maximum benefits for the state.



Enforcement and Investigation

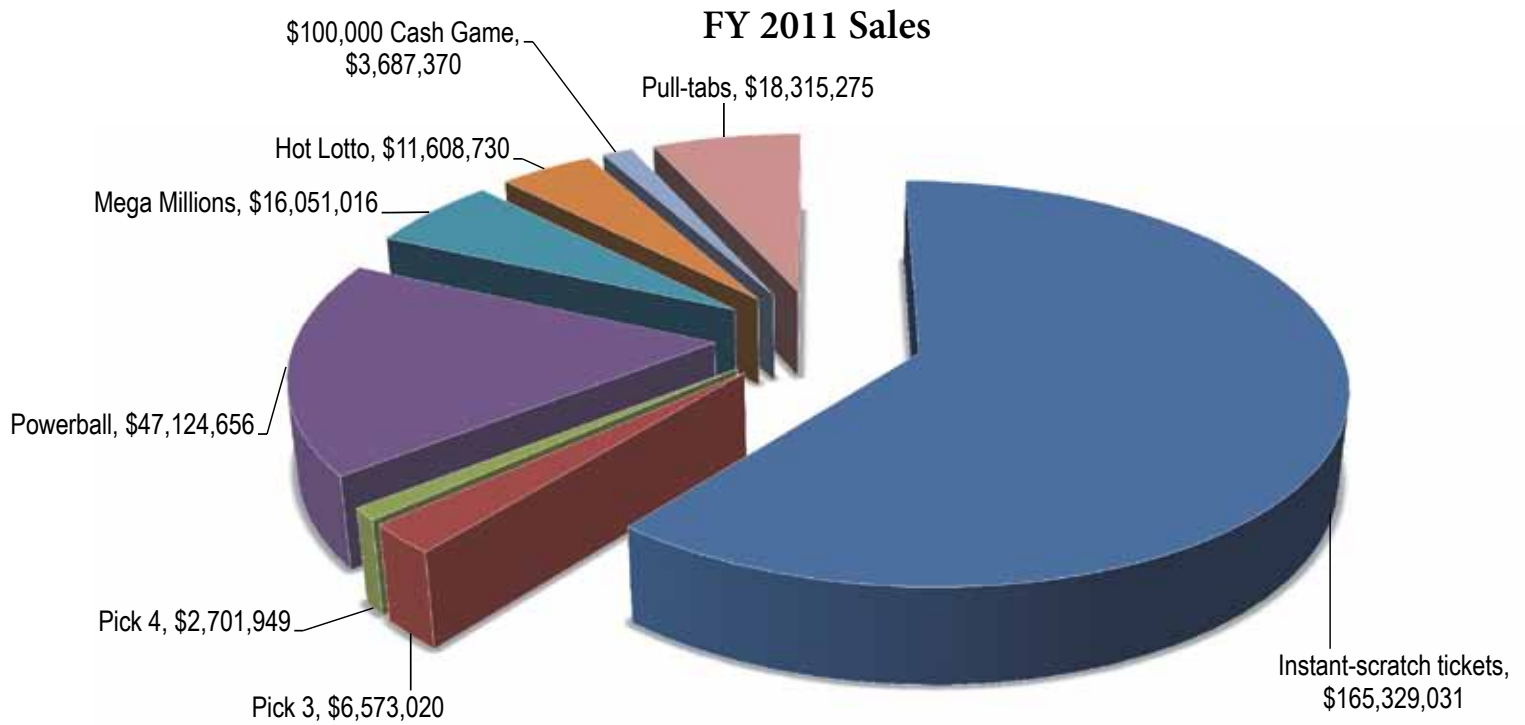
Our goal is to protect and maintain the integrity and security of all of the Iowa Lottery games, and to accomplish this goal we engage in several activities. Security personnel provide substantial assistance to state and local law enforcement agencies who are investigating crimes involving the theft of Iowa Lottery products. In addition Security personnel initiate proactive compliance investigations, research anomalies, respond to complaints, validate high-tier payouts, monitor and test our vendors, as well as provide oversight of our retail licensing. All of these efforts are designed to protect our customers and retailers, and ensure that everyone has a fair chance of winning.

In FY 2011 Iowa Lottery investigators conducted 289 inspections of retailers and found only minor administrative procedural errors that were corrected on the spot. Investigators completed follow-up on 100 percent of 233 reports of contact received, and provided assistance to law enforcement agencies that resulted in 26 arrests for theft of lottery products. Lottery Security personnel traveled to each of the instant ticket printing vendors and performed inspections and testing of tickets to ensure proper security measures are performed by our vendors and that technological security measures are used on the instant tickets. Additionally Lottery Security personnel were decisively engaged in the test of security and integrity measures during the conversion of our lotto games.

Our goal is to prevent the sale of Lottery tickets to minors and ensure the integrity of the Lottery's products and operation.

	<u>Goal</u>	<u>Actual</u>
Number of complaints filed	1	4
Percent of complaints investigated	100%	100%

Analysis and Results



Important Notes:

- Lottery sales totaled \$271.4 million in FY 2011, which marks the highest sales total from lotto, instant-scratch and pull-tab games since the lottery's start in 1985.
- Lottery players took home a record \$158.9 million in prizes from the lottery's core products, a 5.6 percent increase from the previous record of \$150.5 million in FY 2010.
- The lottery raised more than \$68 million in proceeds for state causes during FY 2011, up more than 17 percent from the previous year's \$57.9 million. The lottery's profits in FY 2010 were impacted on two fronts that didn't occur in its latest year. In FY 2010, the lottery saw \$1.5 million in expenses related to a state employee retirement program that hadn't been foreseen in the lottery's budget for the year; and prize payouts, which are cyclical and vary over time, were ahead of projections for the year.

Top 10 Retailers (total net sales of lotto, instant-scratch and pull-tabs)

<u>Name/Address</u>	<u>City</u>	<u>County</u>	<u>Amt. Sold</u>
1. Hy-Vee, 20 Wilson Ave. S.W.	Cedar Rapids	Linn	\$1,060,029
2. Hy-Vee, 1843 Johnson Ave. N.W.	Cedar Rapids	Linn	872,319
3. Hy-Vee, 1107 S.E. Army Post Rd.	Des Moines	Polk	728,678
4. Quick Shop Foods, 405 S. Madison	Ottumwa	Wapello	670,055
5. Kum & Go, 115 N. 22nd St.	Fort Dodge	Webster	605,645
6. Hy-Vee, 4000 University Ave.	Waterloo	Black Hawk	583,026
7. Dahl's, 4343 Merle Hay Rd.	Des Moines	Polk	576,510
8. Quik Trip, 900 E. University Ave.	Des Moines	Polk	560,089
9. Hy-Vee Drugstore, 1520 6th St. S.W.	Cedar Rapids	Linn	554,864
10. Hy-Vee, 2540 E. Euclid Ave.	Des Moines	Polk	549,993

Sales By County

Rounded to nearest 100,000

Adair	1,200,000	Fremont	1,100,000	O'Brien	1,100,000
Adams	400,000	Greene	800,000	Osceola	500,000
Allamakee	1,400,000	Grundy	700,000	Page	900,000
Appanoose	1,400,000	Guthrie	400,000	Palo Alto	900,000
Audubon	400,000	Hamilton	2,400,000	Plymouth	1,400,000
Benton	1,800,000	Hancock	1,100,000	Pocahontas	600,000
Blackhawk	14,600,000	Hardin	1,600,000	Polk	43,000,000
Boone	2,200,000	Harrison	1,300,000	Pottawattamie	8,700,000
Bremer	1,700,000	Henry	1,600,000	Poweshiek	1,800,000
Buchanan	2,000,000	Howard	800,000	Ringgold	200,000
Buena Vista	3,000,000	Humboldt	1,200,000	Sac	800,000
Butler	1,200,000	Ida	500,000	Scott	15,600,000
Calhoun	600,000	Iowa	1,100,000	Shelby	800,000
Carroll	2,200,000	Jackson	1,900,000	Sioux	900,000
Cass	1,200,000	Jasper	2,700,000	Story	4,500,000
Cedar	1,400,000	Jefferson	1,100,000	Tama	1,100,000
Cerro Gordo	6,200,000	Johnson	7,500,000	Taylor	400,000
Cherokee	1,200,000	Jones	1,900,000	Union	1,400,000
Chickasaw	1,100,000	Keokuk	700,000	Van Buren	500,000
Clarke	800,000	Kossuth	1,300,000	Wapello	5,400,000
Clay	1,900,000	Lee	3,000,000	Warren	2,900,000
Clayton	1,600,000	Linn	20,800,000	Washington	1,800,000
Clinton	5,600,000	Louisa	900,000	Wayne	500,000
Crawford	1,500,000	Lucas	800,000	Webster	5,800,000
Dallas	3,400,000	Lyon	400,000	Winnebago	1,000,000
Davis	400,000	Madison	1,200,000	Winneshiek	1,700,000
Decatur	300,000	Mahaska	1,800,000	Woodbury	7,400,000
Delaware	1,400,000	Marion	2,600,000	Worth	700,000
Des Moines	3,500,000	Marshall	3,900,000	Wright	1,600,000
Dickinson	2,100,000	Mills	1,000,000		
Dubuque	7,800,000	Mitchell	1,000,000		
Emmet	1,100,000	Monona	500,000		
Fayette	2,000,000	Monroe	1,300,000		
Floyd	1,900,000	Montgomery	1,100,000		
Franklin	1,100,000	Muscatine	4,600,000		

Financials

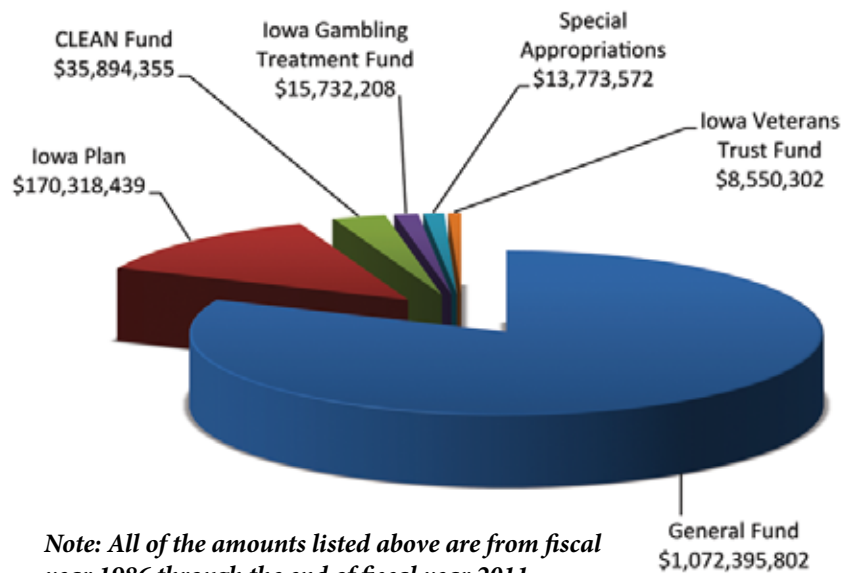
Statement of Net Assets - June 30, 2011

Assets	
Current assets:	
Cash	\$ 19,424,555
Restricted assets - cash	301,941
Prepaid expense	197,965
Interest receivable	6,894
Accounts receivable, net	4,294,069
Ticket inventories	1,524,132
Investment in prize annuities	<u>1,430,029</u>
Total current assets	<u>27,179,585</u>
Noncurrent assets:	
Prize reserve	4,854,952
Investment in prize annuities	7,436,761
Capital assets, net	<u>3,571,683</u>
Total noncurrent assets	<u>15,863,396</u>
Total assets	<u>43,042,981</u>
Liabilities	
Current liabilities:	
Lotto prizes payable	2,111,083
Annuity prizes payable	1,430,029
Accounts payable and accruals	18,692,749
Interest payable	3,284
Bonds payable	100,000
Deferred revenue	331,284
Salary and benefits payable	143,140
Compensated absences	<u>722,602</u>
Total current liabilities	<u>23,534,171</u>
Long-term liabilities:	
Accounts payable and accruals	931,322
Prize reserve	4,854,952
Bonds payable	1,100,000
Compensated absences and OPEB	1,001,036
Annuity prizes payable	<u>7,436,761</u>
Total long-term liabilities	<u>15,324,071</u>
Total liabilities	<u>38,858,242</u>
Net Assets	
Invested in capital assets, net of related debt	2,371,683
Unrestricted	<u>1,813,056</u>
Total net assets	<u>\$ 4,184,739</u>

Statement of Revenues, Expenses and Changes in Net Assets - Year ended June 30, 2011

Operating revenues:	
Instant-scratch ticket sales	\$165,329,031
Pick 3 sales	6,573,020
Pick 4 sales	2,701,949
Powerball sales	47,124,656
Mega Millions sales	16,051,016
Hot Lotto sales	11,608,730
\$100,000 Cash Game sales	3,687,370
Pull-tab sales	18,315,275
Application fees	5,575
Other	<u>138,133</u>
Total operating revenues	<u>271,534,755</u>
Operating expenses:	
Prizes:	
Scratch ticket	103,652,725
Pick 3	3,894,422
Pick 4	1,596,054
Powerball	22,553,385
Mega Millions	8,365,976
Hot Lotto	5,608,729
\$100,000 Cash Game	1,745,257
Pull-tab	11,458,672
Promotional	<u>85,858</u>
Total prizes	158,961,078
Retailer compensation	17,285,881
Advertising production and media purchases	6,647,468
Retailer lottery system/terminal communications	6,246,090
Instant/pull-tab ticket expense and machine maintenance	3,380,320
Terminal equipment/ticket dispensers	185,670
Other operating expenses	<u>10,947,455</u>
Total operating expenses	<u>203,653,962</u>
Operating income	<u>67,880,793</u>
Non-operating revenues (expenses):	
Proceeds deposited to State General Fund	(64,896,382)
Proceeds deposited to Veteran's Trust Fund	(3,105,371)
Interest income	146,178
Interest expense	<u>(42,418)</u>
Net non-operating expenses	<u>(67,897,993)</u>
Change in net assets	(17,200)
Net assets beginning of year	<u>4,201,939</u>
Net assets end of year	<u>\$ 4,184,739</u>

Where the Money Goes



General Fund: \$1,072,395,802 — Since 1992, a majority of lottery profits have been directed into the state general fund, where they are used to pay for programs that benefit all Iowans. In the Iowa Lottery's latest fiscal year, the lottery raised \$64.9 million in proceeds that were deposited in the state general fund. Some of the programs that receive money from the general fund include education, natural resources, health and family services and public safety. The Governor and Iowa Legislature allocate money from the general fund based on where they believe those funds are needed most.

Iowa Veterans Trust Fund \$8,550,302 — Since July 2008, a portion of lottery proceeds has been dedicated to the Iowa Veterans Trust Fund, where they are used to support our state's veterans. The proceeds from two instant-scratch games and two pull-tab games each year are directed into the Veterans Trust Fund. The Iowa Lottery estimates that the games will provide about \$2 million to \$3 million in proceeds annually for the Veterans Trust Fund.

The Iowa Veterans Trust Fund was created to provide assistance to qualified veterans to help pay for expenses such as job training or college tuition assistance; some dental, vision and hearing assistance; and individual or family counseling programs.

Iowa Plan: \$170,318,439 — The Iowa Plan was a long-term economic development program. It was divided into four basic areas: a Jobs Now program designed to put people to work; government construction programs; community and economic betterment; and educational and agricultural research. Lottery profits were dedicated to the Iowa Plan from fiscal year 1986 through fiscal year 1990.

CLEAN Fund: \$35,894,355 — The CLEAN Fund stood for Committing the Lottery to Environment, Agriculture and Natural Resources. The program dedicated money to environmental and cultural causes. Lottery profits were dedicated to the CLEAN Fund during fiscal year 1991.

Iowa Gambling Treatment Fund: \$15,732,208 — The Iowa Gambling Treatment Program provides treatment, counseling and outreach programs for those concerned about gambling as well as the 1-800-BETSOFF helpline. The Iowa Lottery is committed to responsible play and helps address the issue of problem gambling. Each year, the lottery provides the public with information about 1-800-BETSOFF by including messages about the helpline on millions of lottery tickets, brochures and point-of-sale materials as well as other publications. In 2009, the Gambling Treatment Fund was eliminated, with the Gambling Treatment Program now receiving its funding from the state General Fund.

Special Appropriations: \$13,773,572 — A portion of lottery profits have been earmarked for specific purposes within the state budget.

Backing For Vision Iowa

In addition to those direct uses of Lottery proceeds, lottery profits are also linked to the Vision Iowa program. Vision Iowa was implemented in 2000 to create tourism destinations in the state, assist with community attractions, and build and repair schools. Direct funding for Vision Iowa comes from gaming revenues. However, as the program was being initiated, investors indicated there was a need to strengthen the Vision Iowa bonds by dedicating \$20 million annually in lottery revenues as a backup.

Legislation was approved that dedicates \$15 million in lottery revenues to programs for community attractions in Iowa and another \$5 million to Vision Iowa programs to build and repair schools if gambling revenues don't reach that amount. Lottery funding will continue to be linked to Vision Iowa over the 20-year payback period of the program's bonds.

Contacting Us

Headquarters:

Des Moines

2323 Grand Ave., Des Moines, IA 50312

Phone: 515-725-7900

Regional Offices:

Cedar Rapids

2345 Blairs Ferry Road NE, Cedar Rapids, IA 52402

Phone: 319-395-9313

Mason City

2900 Fourth St. SW, Mason City, IA 50401

Phone: 641-424-6011

Storm Lake

822 Flindt Dr., Storm Lake, IA 50588

Phone: 712-732-6662

Council Bluffs

Omni Centre Business Park, Suite 8

300 W. Broadway, Council Bluffs, IA 51503

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