



# Legislative Post Audit Financial Audit Report Highlights

Kansas Lottery: Fiscal Year 2017

December 2017 • R-17-025

**Audit Objectives:** *Financial audits done in accordance with government audit standards assess (1) whether the audited organization's financial statements are fairly presented in accordance with applicable accounting principles, (2) whether there are any significant problems with the organization's internal controls, and (3) whether the organization complied with applicable legal requirements.*

## Summary of Legal Requirements

State law requires an annual financial audit of the Kansas Lottery. This year's audit was conducted by RubinBrown, a CPA firm under contract with the Legislative Division of Post Audit.

## Background Information

Kansas Lottery products are sold at thousands of retail locations statewide. The Lottery sells scratch tickets and instant pull tab games. Players may also purchase online game tickets through the Multi-State Lottery Association.

The Expanded Lottery Act authorizes operation of one gaming facility in each of four gaming zones. The locations and opening dates of the four casinos are as follows:

- Dodge City – 2009
- Kansas City – 2011
- Mulvane – 2012
- Pittsburg - 2017

- The auditors expressed an unmodified opinion on the financial statements, meaning that the financial statements present the Kansas Lottery's financial position fairly in all material respects and in conformity with generally accepted accounting principles.
- The audit disclosed no deficiencies in the Kansas Lottery's internal control over financial reporting and applicable compliance areas.
- The audit disclosed no instances of noncompliance with applicable legal requirements that were material to the Kansas Lottery's financial statements.

## Summary of Recommendations:

The auditors made no recommendations.

#### HOW DO I REQUEST AN AUDIT?

By law, individual legislators, legislative committees, or the Governor may request an audit, but any audit work conducted by the division must be directed by the Legislative Post Audit Committee. Any legislator who would like to request an audit should contact the division directly at (785) 296-3792.

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