



# Legislative Post Audit Financial Audit Report Highlights

Highlights

Kansas Lottery: Fiscal Year 2015

## Report Highlights

December 2015 • R-15-015

### **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 approximately 2,000 retail locations. 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 first casino opened in Dodge City in December 2009. The second casino opened in Kansas City in 2011 and the third in the Wichita area in 2012. A contract has been awarded for a fourth casino in Southeast Kansas. However, construction has been delayed due to pending litigation.*

**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.

- The auditors expressed an unmodified opinion on the financial statements, meaning that, after the adjusting journal entries were made, 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.

### Legislative Division of Post Audit

800 SW Jackson Street  
Suite 1200  
Topeka, Kansas 66612-2212  
Telephone (785) 296-3792  
Fax: (785) 296-4482  
Website:  
<http://www.kslpa.org/>

Scott Frank  
Legislative Post Auditor

For more information on this  
audit report, please contact  
**Julie Pennington**  
(785) 296-3792  
Julie.Pennington@lpa.ks.gov