

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2017-18 POS	AMOUNT	AGY REQ N/R FY 2017-18 POS	AMOUNT	AG REQ ANZ FY 2017-18 POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE							36000000
PGM: LOTTERY OPERATIONS							36010000
GOV OPERATIONS/SUPPORT							16
GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
ESTIMATED EXPENDITURES							1000000
ESTIMATED EXPENDITURES - OPERATIONS							1001000
SALARY RATE							000000
SALARY RATE.....		14,402,213					
=====							
SALARIES AND BENEFITS							010000
OPERATING TRUST FUND -STATE		365.00					
		22,437,525					2510 1
=====							
OTHER PERSONAL SERVICES							030000
OPERATING TRUST FUND -STATE		138,296					
							2510 1
=====							
EXPENSES							040000
OPERATING TRUST FUND -STATE		2,402,342					
							2510 1
=====							
OPERATING CAPITAL OUTLAY							060000
OPERATING TRUST FUND -STATE		1,177,200					
							2510 1
=====							
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
OPERATING TRUST FUND -STATE		2,400,905					
							2510 1
=====							
INSTANT TICKET PURCHASE							101740
OPERATING TRUST FUND -STATE		51,597,164					
							2510 1
=====							
ADVERTISING AGENCY FEES							102378
OPERATING TRUST FUND -STATE		3,237,939					
							2510 1
=====							

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2017-18 POS	AMOUNT	AGY REQ N/R FY 2017-18 POS	AMOUNT	AG REQ ANZ FY 2017-18 POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE							36000000
PGM: LOTTERY OPERATIONS							36010000
GOV OPERATIONS/SUPPORT							16
GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
ESTIMATED EXPENDITURES							1000000
ESTIMATED EXPENDITURES - OPERATIONS							1001000
SPECIAL CATEGORIES							100000
PAID ADVERTISING/PROMOTION							102380
OPERATING TRUST FUND -STATE		36,312,514					2510 1
=====							
TERMINAL GAMES FEES							102381
OPERATING TRUST FUND -STATE		26,646,545					2510 1
=====							
LOTTERY ITVM							102382
OPERATING TRUST FUND -STATE		5,010,600					2510 1
=====							
LOTTERY FSVM							102383
OPERATING TRUST FUND -STATE		2,940,000					2510 1
=====							
RETAILER INCENTIVES							102388
OPERATING TRUST FUND -STATE		2,325,000					2510 1
=====							
SALARY INCENTIVE PAYMENTS							103290
OPERATING TRUST FUND -STATE		14,060					2510 1
=====							
CONTRACTED LEGAL SERVICES							103884
OPERATING TRUST FUND -STATE		120,000					2510 1
=====							
LEASE/PURCHASE/EQUIPMENT							105281
OPERATING TRUST FUND -STATE		375,000					2510 1
=====							

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
DATA PROCESSING SERVICES				210000
STATE DATA CENTER - AST				210001
OPERATING TRUST FUND -STATE		27,866		2510 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		365.00		
TOTAL ISSUE.....		157,162,956		
TOTAL SALARY RATE.....		14,402,213		
FLORIDA RETIREMENT SYSTEM				
ADJUSTMENT FOR FY 2016-17 - NORMAL				
COST, UNFUNDED ACTUARIAL LIABILITY				
AND EDUCATIONAL EXPENSES				1001490
SALARIES AND BENEFITS				010000
OPERATING TRUST FUND -STATE		34,544		2510 1
DATA PROCESSING SERVICES				210000
STATE DATA CENTER - AST				210001
OPERATING TRUST FUND -STATE		12		2510 1
TOTAL: FLORIDA RETIREMENT SYSTEM				1001490
ADJUSTMENT FOR FY 2016-17 - NORMAL				
COST, UNFUNDED ACTUARIAL LIABILITY				
AND EDUCATIONAL EXPENSES				
TOTAL ISSUE.....		34,556		
FLORIDA RETIREMENT SYSTEM				
ADJUSTMENT FOR FY 2016-17 - DEATH				
BENEFITS FOR SPECIAL RISK CLASS				
(CH 2016-213, LOF)				1001500
SALARIES AND BENEFITS				010000
OPERATING TRUST FUND -STATE		2,436		2510 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
	POS AMOUNT	POS AMOUNT	POS AMOUNT	CODES
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ESTIMATED EXPENDITURES				1000000
STATE HEALTH INSURANCE ADJUSTMENTS				
- FY 2016-17 - EFFECTIVE 1/1/2017				1001840
SALARIES AND BENEFITS				010000
OPERATING TRUST FUND -STATE	211,542			2510 1
DATA PROCESSING SERVICES				210000
STATE DATA CENTER - AST				210001
OPERATING TRUST FUND -STATE	49			2510 1
TOTAL: STATE HEALTH INSURANCE ADJUSTMENTS				1001840
- FY 2016-17 - EFFECTIVE 1/1/2017				
TOTAL ISSUE.....	211,591			
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
LEASE OR LEASE PURCHASE OF				
EQUIPMENT - DEDUCT				160M010
SPECIAL CATEGORIES				100000
LEASE/PURCHASE/EQUIPMENT				105281
OPERATING TRUST FUND -STATE	150,000-			2510 1

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

The Lottery requests to reprioritize \$150,000 from the Lease/Lease-Purchase of Equipment Appropriation Category base budget to the Expense Appropriation Category base budget in an effort to assist funding necessary operational needs. The Lottery continuously faces challenges of having available Expense budget to sufficiently fund necessary operational needs. Approximately \$5 million or 93% of the Lottery's Expense budget is used for fixed expenses including rent, utilities, and vehicle maintenance and repairs for Headquarters and all nine District Offices, leaving very minimal Expense budget for other operational needs. In FY 2015-16, the Lottery reverted close to 0% in total Expense Appropriations. In FY 2016-17, it is estimated that total fixed expenses will increase by 4.5%.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

Companion issue code for this request is 2001840.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
POS	AMOUNT	POS	AMOUNT	POS AMOUNT
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ESTIMATED EXPENDITURES REALIGNMENT				2000000
REALIGNMENT OF LEASE OR LEASE				
PURCHASE OF EQUIPMENT TO EXPENSE -				
ADD				2001840
EXPENSES				040000
OPERATING TRUST FUND -STATE	150,000			2510 1

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 The Lottery requests to reprioritize \$150,000 from the Lease/Lease-Purchase of Equipment Appropriation Category base budget to the Expense Appropriation Category base budget in an effort to assist funding necessary operational needs. The Lottery continuously faces challenges of having available Expense budget to sufficiently fund necessary operational needs. Approximately \$5 million or 93% of the Lottery's Expense budget is used for fixed expenses including rent, utilities, and vehicle maintenance and repairs for Headquarters and all nine District Offices, leaving very minimal Expense budget for other operational needs. In FY 2015-16, the Lottery reverted close to 0% in total Expense Appropriations. In FY 2016-17, it is estimated that total fixed expenses will increase by 4.5%.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

Companion issue code for this request is 160M010.

NONRECURRING EXPENDITURES				2100000
INFORMATION TECHNOLOGY				
INFRASTRUCTURE REPLACEMENT				2103007
OPERATING CAPITAL OUTLAY				060000
OPERATING TRUST FUND -STATE	570,700-			2510 1

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2017-18 POS	AMOUNT	AGY REQ N/R FY 2017-18 POS	AMOUNT	AG REQ ANZ FY 2017-18 POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE							36000000
PGM: LOTTERY OPERATIONS							36010000
GOV OPERATIONS/SUPPORT							16
GOVERNMENTAL OPERATIONS							1601.00.00.00
NONRECURRING EXPENDITURES							2100000
TERMINAL GAMES DRAW MACHINES							2103018
OPERATING CAPITAL OUTLAY							060000
OPERATING TRUST FUND -STATE		119,700-					2510 1
=====							
ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF EMAIL SERVICES EXPENSES							2103022 040000
OPERATING TRUST FUND -STATE		60,000-					2510 1
=====							
EQUIPMENT NEEDS							2400000
LOTTERY OPERATIONS INFRASTRUCTURE REPLACEMENT OPERATING CAPITAL OUTLAY EXPENSES							24011C0 040000
OPERATING TRUST FUND -STATE		213,381		213,381			2510 1
=====							
OPERATING CAPITAL OUTLAY							060000
OPERATING TRUST FUND -STATE		458,379		458,379			2510 1
=====							
SPECIAL CATEGORIES CONTRACTED SERVICES							100000 100777
OPERATING TRUST FUND -STATE		90,000		90,000			2510 1
=====							
TOTAL: LOTTERY OPERATIONS INFRASTRUCTURE REPLACEMENT OPERATING CAPITAL OUTLAY							24011C0
TOTAL ISSUE.....		761,760		761,760			
=====							

AGENCY ISSUE NARRATIVE:
 2017-2018 BUDGET YEAR NARRATIVE:
 ISSUE SUMMARY

IT COMPONENT? YES

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
EQUIPMENT NEEDS						2400000
LOTTERY OPERATIONS INFRASTRUCTURE						
REPLACEMENT OPERATING CAPITAL						
OUTLAY						24011C0

 The Lottery requests \$761,760 to replace outdated IBM Power7 Servers with current, more robust Servers in Headquarters (HQ), Orlando Data Center (ODC) and the AST State Data Center.

BUSINESS PROBLEM BEING ADDRESSED

 The Lottery's mission to sell tickets, process claims, and pay prizes is dependent on the success of its critical business applications. The IBM AIX servers are the backbone of the Department's website, prize payment system, business accounting system, reporting system, automated backup solution, and all Oracle databases. The current servers are IBM Power7 series (introduced in 2010), and they struggle to meet the growing requirements of the Department's daily business demands. The current server's resources are shared between multiple virtual servers. At peak business times, the server's resources are at 80 - 90% allocation level, leaving little to no space to accommodate future Department needs. Newer, more robust servers would be superior to Power7 servers in numerous ways. Upgrading the servers will increase reliability and speed by using next generation server technology. Upgrading the servers allows the Department to redesign the architecture of the website and move databases to a more reliable and secure location.

ADVERSE IMPACT IF NOT FUNDED

 If this request is not funded, the Lottery would be required to operate mission essential functions on less secure and inefficient server hardware. Continued use of these servers substantially increases the risk of failure, loss of productivity and cyber-attacks. This declining reliability could result in increased maintenance and administrative time, and lost revenue due to outages. These systems support the Lottery's responsibilities as required by Ch. 24, Florida Statutes.

ASSUMPTIONS/CONSTRAINTS

 The Lottery provides availability to its business applications 24 hours a day, 7 days a week. Any interruption to these services requires prior notification to all Lottery users. Installation and maintenance is required during the Lottery's standard maintenance hours to minimize system downtime.

PLANNED HIGH-LEVEL IMPLEMENTATION TIMELINE

 The Lottery will procure professional services to implement the proposed solution.

Projected Server Replacement Schedule

- Procure Hardware August 2017
- Procure Vendor Professional Services September 2017
- Configure/Install ODC hardware September 2017
- Configure/Install HQ hardware October 2017

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
EQUIPMENT NEEDS						2400000
LOTTERY OPERATIONS INFRASTRUCTURE						
REPLACEMENT OPERATING CAPITAL						
OUTLAY						24011C0

--Configure/Install AST hardware November 2017

TOTAL ESTIMATED COSTS:

 OCO Non-Recurring - \$458,379 EXP - Non-Recurring - \$213,381 CS Non-Recurring - \$90,000

Item	Qty	Description	Unit Price	Total Price
1	1	IBM Scale-Out Power Systems IBM Power Systems Hardware Management Console Config/Location: Orlando.	84,939.43	84,939.43
2	1	IBM ServiceElite 24x7 WSU, 5yr HWMA/SWMA/AA	48,454.69	48,454.69
3	1	Install/Migrate/Train SOW	30,000.00	30,000.00
4	1	IBM Scale-Out Power Systems IBM Power Systems Hardware Management Console Config/Location: AST	105,480.00	105,480.00
5	1	IBM ServiceElite 24x7 WSU, 5yr HWMA/SWMA/AA	66,034.55	66,034.55
6	1	Install/Migrate/Train SOW	30,000.00	30,000.00
7	1	IBM Scale-Out Power Systems IBM Power Systems Hardware Management Console Config/Location: Tallahassee	267,960.00	267,960.00
8	1	IBM ServiceElite 24x7 WSU, 5yr HWMA/SWMA/AA	98,891.33	98,891.33
9	1	Install/Migrate/Train SOW	30,000.00	30,000.00

ALTERNATIVE SOLUTIONS

 The alternate solution is to continue operating on the existing Power7 servers in a less efficient and less secure capacity. Additional funding will be required for hardware upgrades on the outdated equipment.

CONCLUSION

 To better fulfill its mission, the Lottery's critical business applications and systems need to be capable of satisfying

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
EQUIPMENT NEEDS						2400000
LOTTERY OPERATIONS INFRASTRUCTURE						
REPLACEMENT OPERATING CAPITAL						
OUTLAY						24011C0

the growing demands of this challenging industry. Operating on outdated hardware leaves the Department in an at-risk state. By replacing these servers with current technology, the Lottery will realize increased performance, security and efficiency resulting in fewer hardware failures, less downtime, lower cyber-attack risk, and reduced costs.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

ANNUALIZATION OF ADMINISTERED FUNDS APPROPRIATIONS						26A0000
ANNUALIZATION OF STATE HEALTH INSURANCE ADJUSTMENTS FOR FISCAL YEAR 2016-17 - FIVE MONTHS						
ANNUALIZATION SALARIES AND BENEFITS						26A6520 010000
OPERATING TRUST FUND -STATE		151,101				2510 1
=====						
DATA PROCESSING SERVICES STATE DATA CENTER - AST						210000 210001
OPERATING TRUST FUND -STATE		35				2510 1
=====						
TOTAL: ANNUALIZATION OF STATE HEALTH INSURANCE ADJUSTMENTS FOR FISCAL YEAR 2016-17 - FIVE MONTHS ANNUALIZATION						26A6520
TOTAL ISSUE.....		151,136				
=====						

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2017-18	POS	AGY REQ N/R FY 2017-18	POS	AG REQ ANZ FY 2017-18	POS	
LOTTERY, DEPARTMENT OF THE							36000000
PGM: LOTTERY OPERATIONS							36010000
GOV OPERATIONS/SUPPORT							16
GOVERNMENTAL OPERATIONS							1601.00.00.00
WORKLOAD							3000000
FLORIDA LOTTERY SALES GOALS							3000A00
INITIATIVES							010000
SALARIES AND BENEFITS							
OPERATING TRUST FUND							2510 1
-STATE	761,000		761,000				

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

The Lottery requests \$761,000 for a Sales Incentive Plan (Plan) to increase sales of lottery tickets, which will in turn generate additional revenue to be transferred to the Educational Enhancement Trust Fund (EETF). The Lottery reached record breaking sales totaling \$6.06 billion and transfers to EETF totaling \$1.69 billion in FY 2015-16. Based on projection by the Revenue Estimating Conference (REC), sales and transfers to EETF will continue to grow.

A top performing and seasoned sales force is necessary in order to effectively generate and support the increase in sales. The Department's current turnover for Sales Representative is 8.8%, District Manager is 25%, and Corporate Account Manager is 33.3%. Separating employees have indicated that salary is a motivating factor in their departures. These employees are being recruited by consumer product companies in the private sector that generally offer sales incentives like those being proposed in this Plan.

This plan will help the Lottery to stay competitive in sales force recruitment and talent retention. The Plan will be based primarily on a predetermined level of achievement of established sales goals. The Plan also allows for competition between districts and provides incentive for managers to cultivate top performing sales staff. The total amount of this request is needed if every employee eligible for the Plan achieves the highest goal for the respective position.

The Plan consists of five tiers - Sales Representative, Field Sales Manager, District Manager, Corporate Account Manager, and Marketing Leadership. The targeted incentive criteria are discussed below.

Sales Representative:

Each sales representative has an annual sales goal which comprises of the amounts of revenue generated from selling draw game lottery tickets and scratch-off lottery tickets. The sale of draw game lottery tickets is impacted by large jackpots independent of the sales representative's effort. Therefore, to maximize the challenge of achieving the incentive amount, the current criteria include: 1) the achievement of the annual total sales goal; and 2) the sales goal pertaining to scratch-off lottery tickets (scratch-off sales goal). Incentive amounts will be tied to achieving total annual sales goal plus exceeding the scratch-off sales goal by predetermined growth percentages.

Field Sales Manager:

Each field sales manager plays a vital role in recruiting, training, and retaining top performing sales representatives, who are crucial to generating sales. Incentive amounts will be tied to specific goals related to the performance and goal achievement of the sales representatives reporting to the field sales manager.

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
WORKLOAD						3000000
FLORIDA LOTTERY SALES GOALS						
INITIATIVES						3000A00

District Manager:

Each district manager oversees the operations of the district and ensures the district staff maximizes sales effort. Incentive amounts will be tied to specific sales goal achievements which reward the highest performing district(s) within the state.

Corporate Account Manager:

A corporate account manager is established for a retailer that has multiple stores or locations. It is crucial that corporate accounts are properly managed to maximize sales generated from each location. Incentive amounts will be tied to achieving the assigned corporate accounts' total sales goal plus exceeding the scratch-off sales goal by predetermined growth percentages.

Marketing Leadership:

This tier group includes staff from other critical sales support areas such as Marketing, Product Development, and Brand Management. Incentive amount will be tied to the achievement of the Department's annual sales goal plus exceeding the scratch-off sales goal by predetermined growth percentages.

The Lottery is steadfast in its mission to increase sales and transfers to the EETF. To accomplish this mission, the Lottery must have a top performing and seasoned sales force and the ability to stay competitive in talent recruitment and retention. The Sales Incentive Plan being proposed will help the Lottery to achieve that. If this issue is not funded, the Lottery may be at risk of experiencing stagnation or loss of sales resulting in less revenue to be transferred to the EETF.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

COL A03		COL A04		COL A05		CODES
AGY REQUEST	AGY REQ N/R	AGY REQ N/R	AGY REQ N/R	AG REQ ANZ	AG REQ ANZ	
FY 2017-18	FY 2017-18	FY 2017-18	FY 2017-18	FY 2017-18	FY 2017-18	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
WORKLOAD						3000000
FLORIDA LOTTERY SALES GOALS						
INITIATIVES						3000A00

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2017-18							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2510 OPERATING TRUST FUND							761,000
							761,000
							=====

A04 - AGY REQ N/R FY 2017-18

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2510 OPERATING TRUST FUND							761,000
							761,000
							=====

FLORIDA LOTTERY INDEPENDENT							
SECURITY AUDIT							3009300
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
OPERATING TRUST FUND	-STATE	224,500	224,500				2510 1
		=====	=====	=====			

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

The Lottery requests \$224,500 to contract with an independent firm to conduct a comprehensive security evaluation of the Department as required by Section 24.108(7)(a), Florida Statutes. Section 24.108(7)(c), Florida Statutes, requires the

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
WORKLOAD						3000000
FLORIDA LOTTERY INDEPENDENT						
SECURITY AUDIT						3009300

security evaluation be conducted at least every 2 years. The last evaluation was completed in June 2016. The next evaluation must be conducted in FY 2017-18.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

STATE FUNDING REDUCTIONS						3300000
REDUCTION TO INSTANT TICKET VENDING						
MACHINE BASE						3302380
SPECIAL CATEGORIES						100000
LOTTERY ITVM						102382
OPERATING TRUST FUND	-STATE	2,505,300-				2510 1

=====

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

The Lottery requests a base reduction in the Lottery Instant Ticket Vending Machines Appropriation Category in the amount of \$2,505,300. The Lottery's new draw game contract, when fully implemented, will eliminate the need for appropriation in this category as vending machines will be provided by the contracted vendor. The amount of reduction takes into consideration the budget need for the contract transition period.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

REDUCTION TO FULL SERVICE VENDING						3303830
MACHINE BASE APPROPRIATION						
SPECIAL CATEGORIES						100000
LOTTERY FSVM						102383
OPERATING TRUST FUND	-STATE	1,470,000-				2510 1

=====

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
STATE FUNDING REDUCTIONS						3300000
REDUCTION TO FULL SERVICE VENDING						
MACHINE BASE APPROPRIATION						3303830

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 The Lottery requests a base reduction in the Lottery Full Service Vending Machines Appropriation Category in the amount of \$1,470,000. The Lottery's new draw game contract, when fully implemented, will eliminate the need for appropriation in this category as vending machines will be provided by the contracted vendor. The amount of reduction takes into consideration the budget need for the contract transition period.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
BUSINESS SYSTEM ENHANCEMENTS						36210C0
OPERATING CAPITAL OUTLAY						060000
OPERATING TRUST FUND	-STATE	123,375	7,875	115,500		2510 1
SPECIAL CATEGORIES						100000
CONTRACTED SERVICES						100777
OPERATING TRUST FUND	-STATE	39,000	39,000			2510 1
TOTAL: BUSINESS SYSTEM ENHANCEMENTS						36210C0
TOTAL ISSUE.....						162,375 46,875 115,500

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE: IT COMPONENT? YES
 ISSUE SUMMARY

 The Lottery requests \$162,375 to implement an Enterprise/Web Content Management (ECM/WCM) system at Headquarters (HQ). Currently, the Web Development Team manages and maintains all aspects of the Lottery's websites. This system provides non-technical users (business users) the ability to create, organize, store and distribute content on their own, without depending on day-to-day support from the Web Development Team. In addition, the Department desires to improve the user experience interface in a device agnostic approach to support the multitude of devices used by customers to interact with the Lottery.

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
BUSINESS SYSTEM ENHANCEMENTS						36210C0

BUSINESS PROBLEM BEING ADDRESSED

An effective ECM/WCM solution will reduce the time, cost and complexity associated with storing, locating and collaborating on documents and data throughout the information life cycle. Also, it will improve operational efficiency and access to critical content, as well as address quality and compliance activities and requirements.

Potential benefits of an ECM/WCM solution implementation include the following:

- Increased productivity and efficiency using workflow to automate routine or low-value task leaves more time and resources to execute the high-value tasks.
- Workflow Management and Automation provides the facility to control how and when content is published.
- Maintain user-experience and brand consistency.
- Search Engine Optimization friendly, making it easier for users to find information.
- Accelerated time to market by faster content creation and updates.
- Improved record-keeping by providing an essential audit trail.
- Improved security by providing tighter control of Web publishing.

ADVERSE IMPACT IF NOT FUNDED

Not funding the ECM/WCM will leave the Department's websites without multi device digital experiences. Also, the Web Development Team would have to continue to manage and maintain the sites including content updates which generally results in a slower time to market, and increased cost and maintenance time. ECM/WCM helps improve changing digital experiences and also allows publishing, editing and modifying content; as well as maintenance from a centralized user-friendly interface.

ASSUMPTIONS/CONSTRAINTS

Completion of WebSphere 8.5 (or higher version) upgrade is required prior to ECM/WCM implementation. The Lottery provides availability to its business applications 24 hours a day, 7 days a week. Any interruption to these services requires prior notification to all Lottery users. Installation and maintenance is required during the Lottery's standard maintenance hours to minimize system downtime.

PLANNED HIGH-LEVEL IMPLEMENTATION TIMELINE

The Lottery will utilize in-house staff and vendor services to implement the proposed solution.

Projected ECM/WCM implementation schedule:

- Architecture review and planning September 2017 - October 2017
- Implementation and conversion of websites November 2017 - April 2018

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE	36000000
PGM: LOTTERY OPERATIONS	36010000
GOV OPERATIONS/SUPPORT	16
GOVERNMENTAL OPERATIONS	1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY	3620000
BUSINESS SYSTEM ENHANCEMENTS	36210C0

TOTAL ESTIMATED COSTS

OCO Non-Recurring - \$7,875; OCO Recurring - \$115,500; Contracted Services Non-Recurring - \$39,000

Item	Qty	Description	Unit Price	Total Price
1	1	Consulting - Architecture Review (3 weeks)	\$30,000	\$30,000
2	40	Consulting - Senior Consultant Installation SME	\$225	\$9,000
3	1	Enterprise Search - Non-Production	\$1,575	\$1,575
4	1	Enterprise Search - Production	\$6,300	\$6,300
5	2	Installation and Configuration Platinum Non-Production	\$8,250	\$16,500
6	3	Digital Experience Platform Subscription - Platinum Production	\$33,000	\$99,000

ALTERNATIVE SOLUTIONS

An alternative solution would be to implement some of the features using custom development. However, the alternative solution presents many limitations. Specifically, it will not allow business users to be in control of online communications and will also limit the Department's ability to provide a better digital experience without major effort.

CONCLUSION

The mandate to operate as a business requires the Lottery to improve the efficiency and effectiveness of the Department at all levels. To better fulfill its mission, the Department's business systems/websites must be capable of satisfying the growing demands of this challenging industry. With ECM/WCM implementation, the Department will improve productivity and efficiency, and provide a better digital experience to the Lottery's customers.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
	POS AMOUNT	POS AMOUNT	POS AMOUNT	CODES
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY				3620000
REPLACEMENT OF ARCHIVAL STORAGE				
SYSTEM				36215C0
EXPENSES				040000
OPERATING TRUST FUND -STATE	6,813			2510 1
OPERATING CAPITAL OUTLAY				060000
OPERATING TRUST FUND -STATE	27,450	27,450		2510 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
OPERATING TRUST FUND -STATE	5,400	5,400		2510 1
TOTAL: REPLACEMENT OF ARCHIVAL STORAGE				36215C0
SYSTEM				
TOTAL ISSUE.....	39,663	32,850		

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:
 ISSUE SUMMARY

IT COMPONENT? YES

The Lottery requests \$39,663 to replace the Department's outdated archival storage system for Retail Contracting, Claims Processing, and Finance, located in the Headquarters (HQ) and Orlando Data Center (ODC) offices.

BUSINESS PROBLEM BEING ADDRESSED

The Lottery uses a document archival storage system for critical information scanned by Retailer Contracting, Claims Processing, and Finance. The HQ system duplicates the scanned information immediately to the backup system in ODC which is essential for maintaining player information, retailer application information, and financial information. The current system was procured in 2011 and is no longer supported at current operating system revision levels, which expose the system to a greater risk of attack or compromise. In addition, the system is complex to maintain and administer, regularly in need of paid support to resolve problems, and uses costly storage media. The current technology also does not support the level of security required by Rule 74-2, Florida Administrative Code. Newer technology and hardware will provide the Department with a more robust and secure solution for safe and timely archival and encryption of critical scanned information for the duration of its mandated retention period.

ADVERSE IMPACT IF NOT FUNDED

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
						36000000
						36010000
						16
						<u>1601.00.00.00</u>
						3620000
						36215C0

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 AGENCY-WIDE INFORMATION TECHNOLOGY
 REPLACEMENT OF ARCHIVAL STORAGE
 SYSTEM

36000000
 36010000
 16
1601.00.00.00
 3620000
 36215C0

 Failure to fund this request will prevent the Lottery from fully realizing operational efficiencies and may result in breached data. System interruptions and delays affect the Lottery's ability to fulfill requirements pursuant to Chapter 24, Florida Statutes, and the Lottery's ability to provide the maximum amount of sales and revenues to the Educational Enhancement Trust Fund.

ASSUMPTIONS/CONSTRAINTS

The Lottery provides availability to its business applications 24 hours a day, 7 days a week. Any interruption to these services requires prior notification to all Lottery users. Installation and maintenance is required during the Lottery's standard maintenance hours to minimize system downtime.

PLANNED HIGH-LEVEL IMPLEMENTATION TIMELINE

The Lottery will utilize in-house staff to implement the proposed solution.

Projected InfiniVault Replacement Schedule:

- Procure Hardware and Software August 2017
- Configure and Install Hardware and Software September 2017

TOTAL ESTIMATED COSTS:

OCO Non-Recurring - \$27,450; Expense Recurring - \$6,813; Contracted Service Non-Recurring - \$5,400

Item	Qty	Description	Unit Price	Total Price
1	1	Servers. Includes 1 processing node with internal storage with 16TB of available archive	\$27,430.00	\$27,430.00
2	1	Annual On-site Support	\$5,213.00	\$5,213.00
3	1	Encryption Key Annual Fee	\$1,620.00	\$1,620.00
4	2	1-day on-site Professional Services	\$2,700.00	\$5,400.00

ALTERNATIVE SOLUTIONS

The alternate solution is to continue operating with the existing archival technology that does not meet the Department's business and security requirements, exposing the Lottery to greater risk. Additionally, funding will be required for upgrades on outdated and unreliable equipment.

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
REPLACEMENT OF ARCHIVAL STORAGE						
SYSTEM						36215C0

CONCLUSION

The Lottery relies on its ability to successfully and securely archive retailer, player, and financial information. The Lottery's investment in an updated archiving solution will support the Department in meeting business requirements as well as improve staff productivity and essential storage, security, retention, redundancy, and availability of critical data.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

STORAGE AREA NETWORK ENCLOSURE						
UPGRADE						36217C0
EXPENSES						040000
OPERATING TRUST FUND	-STATE	18,737	18,737			2510 1
=====						
OPERATING CAPITAL OUTLAY						060000
OPERATING TRUST FUND	-STATE	2,201	2,201			2510 1
=====						
TOTAL: STORAGE AREA NETWORK ENCLOSURE						36217C0
UPGRADE						
TOTAL ISSUE.....						20,938
=====						

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:
 ISSUE SUMMARY

IT COMPONENT? YES

The Lottery requests \$20,938 to upgrade the existing Storage Area Network (SAN) used for business data storage by both Headquarters (HQ) and District staff.

BUSINESS PROBLEM BEING ADDRESSED

The Lottery has an increasing demand to provide an enterprise solution for the growing storage needs of the Department's user-based business data. The current storage environment consists of a Microsoft Windows based Hewlett-Packard

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
STORAGE AREA NETWORK ENCLOSURE						
UPGRADE						36217C0

(HP)Storage Area Network (SAN) with a 25 disk enclosure that is currently populated with twelve (12) 900 GB Hard Drives. This SAN contains the data for 420 Department staff. Due to the steadily increasing storage demands of their daily business, users are regularly exceeding their space allocations. In an effort to provide adequate space for future anticipated storage requirements, the Department plans to upgrade the capacity of this SAN by purchasing additional disks to fully populate the existing enclosure as well as purchasing a fully populated second disk enclosure. The requested upgrade will allow for more manageable, scalable, and efficient storage of essential data.

ADVERSE IMPACT IF NOT FUNDED

If this request is not funded, the maximum storage capacity will be reached, and the Lottery will be unable to maintain essential business data. As its capacity continues to decline, Department staff will experience system errors and failures with business applications. A significant loss of productivity may result from unavailability of critical documents. This declining reliability could also result in increased maintenance and administrative time, and lost revenue due to outages. This system supports the Department's responsibilities required by Ch. 24, Florida Statutes.

ASSUMPTIONS/CONSTRAINTS

The Lottery provides availability to its business applications 24 hours a day, 7 days a week. Any interruption to these services requires prior notification to all Lottery users. Installation and maintenance is required during the Lottery's standard maintenance hours to minimize system downtime.

PLANNED HIGH-LEVEL IMPLEMENTATION TIMELINE

The Lottery will utilize in-house staff to implement the proposed solution.

Projected Server Replacement Schedule

--Procure Hardware August 2017
 --Configure/Install Hardware September 2017

TOTAL ESTIMATED COSTS:

OCO Non-Recurring - \$2,201 EXP - Non-Recurring - \$18,737

Item	Qty	Description	Unit Price	Total Price
1	1	Disk Enclosure	\$2,201.00	\$2,201.00
2	25	900GB 12G SAS 10K 2.5IN ENT HDD FACTORY INTEGRATED	\$450.30	\$11,257.50
3	1	3YR FOUNDATION CARE 24X7 SERVICE	\$1,625.60	\$1,625.60

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
STORAGE AREA NETWORK ENCLOSURE						
UPGRADE						36217C0

4	13	900GB 12G SAS 10K 2.5IN ENT HDD Additional Drives	\$450.30	\$5,853.90	
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ALTERNATIVE SOLUTIONS

The alternate solution is to continue operating on the existing SAN configuration in a less efficient capacity.

CONCLUSION

The Lottery's investment in a SAN upgrade would lead to improved essential business data storage and availability for the Department's user community.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

FLORIDA LOTTERY STATEWIDE DOCUMENT						36218C0
MANAGEMENT SYSTEM						040000
EXPENSES						
OPERATING TRUST FUND	-STATE	577,000	527,000	50,000		2510 1
=====						
OPERATING CAPITAL OUTLAY						060000
OPERATING TRUST FUND	-STATE	35,000	35,000			2510 1
=====						
SPECIAL CATEGORIES						100000
CONTRACTED SERVICES						100777
OPERATING TRUST FUND	-STATE	225,000	125,000	100,000		2510 1
=====						
TOTAL: FLORIDA LOTTERY STATEWIDE DOCUMENT						36218C0
MANAGEMENT SYSTEM						
TOTAL ISSUE.....						
		837,000	687,000	150,000		
=====						

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
FLORIDA LOTTERY STATEWIDE DOCUMENT						
MANAGEMENT SYSTEM						36218C0

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE: IT COMPONENT? YES
 ISSUE SUMMARY

 This request for the purchase and implementation of an enterprise-wide Electronic Document Management System (EDMS) is to support the Florida Lottery's goal of becoming the most efficient lottery in the nation. EDMS will eliminate laborious, paper-based processes, workflows, and document retention, enabling Lottery staff to complete tasks more efficiently and effectively while providing the best customer service possible. Forms data will be stored electronically; statewide access to critical information will be nearly instantaneous, allowing for more accurate decision making and faster task completion.

The three long-range primary business applications that are currently being planned underneath EDMS implementation include: (a) prize claims processing (CP), (b) retailer contracting (RC), and (c) procurement through contracting (PL). Importantly, the initial implementation will be providing a solution to fully eliminate the need for paper prize claims and related documentation. As sales continue to increase, the number of prize claims to be processed increases, accordingly. Implementation of an electronic paperless claims system will reduce the Lottery's need for additional FTEs to handle increased prize claims processed in the Lottery's nine district offices. Electronic processes will greatly improve the output and efficiency of each existing FTE, reducing the need for added headcount as the workload volume increases.

Prize claim data entered through an internet portal and via scanning devices will automatically populate an electronic claim form. The process will then be supported by workflow within EDMS, allowing for more accurate decision making and faster processing times. The time needed to process each claim will be significantly reduced, data storage will be less costly, and security of the data will be significantly enhanced.

When EDMS is implemented for the RC business application, it is projected that additional revenue will be generated as a result of a faster retailer application approval process, thus allowing retailers to begin sales activities sooner.

BUSINESS PROBLEM BEING ADDRESSED

 In FY 2016, the Lottery generated \$6.06 billion in ticket sales, a 36% increase since FY 2012. During this same four year period, the number of prize claims presented to the Lottery for payment increased by 19%; however, the number of Lottery staff processing claims remained constant. The number of claims processed per staff member increased 19% from approximately 5,500 per FTE in FY 2012 to a full capacity of nearly 6,600 per FTE in FY 2016. Total sales in FY 2018 are projected to reach \$7.2 billion under the Lottery's new gaming system contract (a 62% increase since FY 2012.) The number of corresponding prize claims is projected to increase from 270,000 in FY 2012 to over 405,000 in FY 2018, or 8,300 per existing FTE. The Lottery must find a cost effective solution to handle the projected increase in workload.

Retailers go through a thorough and lengthy application process before receiving approval to sell lottery tickets. The

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY				3620000
FLORIDA LOTTERY STATEWIDE DOCUMENT				
MANAGEMENT SYSTEM				36218C0

current retailer application review process is paper-based and heavily dependent upon manual processing and fluctuations in staffing levels. Accelerating the retailer application review process using EDMS should result in increased revenue generation by new retailers by enabling them to sell lottery tickets earlier.

ADVERSE IMPACT IF NOT FUNDED

If this request is not funded, the Lottery will need to request up to 13 additional FTEs to process the increasing number of prize claims resulting from the projected sales increase in order to efficiently and effectively process claims and adequately support additional sales-generating activities. Document workflow, storage and retrieval would continue to be accomplished manually, resulting in increased staff time and administrative expense. The projected amount in salary and benefits for 13 additional FTEs needed to handle the increased workload for processing prize claims, based on the current average salary, is approximately \$507,000 per year.

When EDMS is implemented for the RC business application, it is projected that \$596,472 in additional revenue will be generated as a result of a faster retailer application approval process, thus allowing new retailers to begin sales activities sooner.

ASSUMPTIONS/CONSTRAINTS

The Lottery provides availability to its business applications 24 hours a day, 7 days a week. Any interruption to these services requires prior notification to all Lottery users. Installation and maintenance is required during the Lottery's standard maintenance hours to minimize system downtime.

PLANNED HIGH-LEVEL IMPLEMENTATION TIMELINE

The Lottery plans to utilize in-house staff and vendor services to implement the proposed EDMS solution and primary business applications over a 30 month period with the following timeline:

- Discovery and process map functional applicationsJan 2017 - June 2017
- Applications software requirements gatheringJuly 2017 - Nov 2017
- Procure EDMS Hardware and SoftwareAugust 2017
- Configure/Install EDMS Hardware and SoftwareSept 2017 - Nov 2017
- Procure functional applications equipmentDec 2017 - Jan 2018
- Configure/Install functional application (CP)Feb 2018 - Apr 2018
- Staff Training and Go Live (CP)May 2018 - Sept 2018
- Configure/Install functional application (RC)Oct 2018 - Nov 2018
- Staff Training and Go Live (RC)Dec 2018 - Feb 2019
- Configure/Install functional application (PL)Mar 2019 - Apr 2019
- Staff Training and Go Live (PL)May 2019 - July 2019

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
FLORIDA LOTTERY STATEWIDE DOCUMENT						
MANAGEMENT SYSTEM						36218C0

TOTAL ESTIMATED COSTS

FY 2017-18 (Year 1) Costs:

OCO (Non-recurring) - \$35,000
 Expense (Non-recurring) - \$577,000
 Expense (Recurring) - \$50,000
 Contracted Services (Non-recurring) - \$225,000
 Contracted Services (Recurring) - \$100,000

Total Year 1 Cost: \$837,000

OCO and Expense costs are for equipment, software, licenses, and the necessary annual maintenance on equipment and software. Contracted Services costs are for vendor support in installation, configuration, and application implementation.

FY 2018-19 (Year 2) Costs:

Expense (Recurring) - \$50,000
 Contracted Services (Recurring) - \$100,000

Total Year 2 Cost: \$150,000

Expense costs are for the necessary annual maintenance on equipment and software. Contracted Services costs are for vendor support primarily in application implementation.

ALTERNATIVE SOLUTIONS

The alternate solution is for the Lottery to continue operating as is, manually managing document workflow and retention. The increase in sales and the number of claims to be processed will result in the need for additional FTE's to maintain productivity level. If neither solution is funded, turnaround time for processing prize claims will increase due to greatly increasing workload per FTE, decreasing customer satisfaction, and negatively impacting sales. Also, the Lottery will forego the opportunity to generate additional revenue from new retailers by implementing EDMS.

CONCLUSION

The Lottery's investment in an enterprise-wide Electronic Document Management System supports the agency's goal of becoming the most efficient lottery in the nation. In addition to efficiencies gained, the return on this investment (ROI) includes savings from costs associated with the need for additional FTEs resulting in future increase in sales and

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
FLORIDA LOTTERY STATEWIDE DOCUMENT						
MANAGEMENT SYSTEM						36218C0

the number of claims to be processed. The ROI also includes the generation of additional revenue from new retailers resulting from a more efficient retailer application approval process. Additionally, data storage will be less costly, and the security of the data will be greatly enhanced. The system will not only enable existing staff to complete daily tasks more efficiently and effectively, access to critical information will be almost instantaneous, which will in turn allow decisions be made more timely and accurately.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

AUDIT MANAGEMENT SOFTWARE						
REPLACEMENT						36219C0
EXPENSES						040000

OPERATING TRUST FUND	-STATE	53,265	43,470	9,795		2510 1
		=====	=====	=====		

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? YES

ISSUE SUMMARY

The Lottery requests \$53,265 to replace the audit management software utilized by the Office of Inspector General (OIG).

BUSINESS PROBLEM BEING ADDRESSED

The existing audit management software is no longer supported by the vendor. The company abruptly disbanded without notification to its customers. The current software is not compatible with the Lottery's 64-bit environment, has poor reporting functionality, and is challenged by changing audit methodology. New software is needed to better organize and track audits and investigations, and ensure the documentation necessary to meet compliance with standards required by Florida Statutes and the Commission for Florida Law Enforcement Accreditation.

ADVERSE IMPACT IF NOT FUNDED

Reliable audit management software is critical in carrying out the responsibilities of the OIG. Impediments to the ability to document, track, and report on audits and investigations could have an adverse impact on OIG functions and compliance with standards and Florida Statutes.

ASSUMPTIONS/CONSTRAINTS

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY				3620000
AUDIT MANAGEMENT SOFTWARE				
REPLACEMENT				36219C0

 The Lottery provides availability to its business applications 24 hours a day, 7 days a week. Any interruption to these services requires prior notification to all Lottery users. Installation and maintenance is required during the Lottery's standard maintenance hours to minimize system downtime.

PLANNED HIGH-LEVEL IMPLEMENTATION TIMELINE

 The Lottery will utilize vendor services to implement the proposed solution.

Projected Software Conversion Schedule

- Procure Software August 2017
- Install Software September 2017
- Implementation and Training October 2017

TOTAL ESTIMATED COSTS:

 EXP - Non-Recurring - \$43,470 EXP - Recurring - \$9,795

Item	Qty	Description	Unit Price	Total Price
1	1	Audit Management Software	\$21,970.00	\$21,970.00
2	1	Set-up, implementation and training in the use of the software	\$21,500.00	\$21,500.00
3	1	Annual cloud hosting	\$5,400.00	\$5,400.00
4	1	Annual maintenance and support	\$4,395.00	\$4,395.00

ALTERNATIVE SOLUTIONS

 Continued use of unsupported software puts the Department at risk of not being able to meet its statutory obligations defined in Chapter 24 and Section 20.055, Florida Statutes.

CONCLUSION

 The Lottery's investment in replacing the unsupported and outdated audit management software would provide the functionality necessary to meet compliance with standards required by Florida Statutes and the Commission for Florida Law Enforcement Accreditation. The new audit management software would lead to increased effectiveness and efficiency of OIG resources.

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2017-18 POS	AMOUNT	AGY REQ N/R FY 2017-18 POS	AMOUNT	AG REQ ANZ FY 2017-18 POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE							36000000
PGM: LOTTERY OPERATIONS							36010000
GOV OPERATIONS/SUPPORT							16
GOVERNMENTAL OPERATIONS							1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY							3620000
AUDIT MANAGEMENT SOFTWARE							
REPLACEMENT							36219C0

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

VIDEO SPECTRAL COMPARATOR							36220C0
REPLACEMENT							060000
OPERATING CAPITAL OUTLAY							
OPERATING TRUST FUND	-STATE	75,000		75,000			2510 1
=====							
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
OPERATING TRUST FUND	-STATE	12,650					2510 1
=====							
TOTAL: VIDEO SPECTRAL COMPARATOR							36220C0
REPLACEMENT							
TOTAL ISSUE.....		87,650		75,000			
=====							

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? YES

The Lottery requests \$87,650 to replace a Video Spectral Comparator (VSC) that has reached end of life, and the vendor has discontinued necessary upgrades and maintenance. The Lottery's Division of Security uses a VSC to analyze questionable or damaged Lottery tickets to determine ticket ownership, altered tickets and official documents, unreadable tickets, winning ticket authentication, chemically treated tickets, and ticket printing security issues. The VSC serves a critical role in maintaining the integrity of the Lottery and its games by supporting the Lottery in protecting the public from fraud related claims. During FY 2015-16, the VSC was used in over 500 investigative cases and was responsible for detecting an estimated \$12,561,024 in altered tickets that were examined for false claims.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

	COL A03	COL A04	COL A05		
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ		
	FY 2017-18	FY 2017-18	FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
LOTTERY, DEPARTMENT OF THE					36000000
PGM: LOTTERY OPERATIONS					36010000
GOV OPERATIONS/SUPPORT					16
GOVERNMENTAL OPERATIONS					1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY					3620000
REPLACEMENT OF NETWORK SECURITY					36221C0
EXPENSES					040000
OPERATING TRUST FUND -STATE	19,057	9,954	9,103		2510 1
OPERATING CAPITAL OUTLAY					060000
OPERATING TRUST FUND -STATE	48,861				2510 1
TOTAL: REPLACEMENT OF NETWORK SECURITY					36221C0
TOTAL ISSUE.....	67,918	9,954	9,103		

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:
 ISSUE SUMMARY

IT COMPONENT? YES

The Lottery requests \$67,918 to replace the Department's aging firewalls located in Headquarters (HQ), Orlando Data Center (ODC), and the District Offices.

BUSINESS PROBLEM BEING ADDRESSED

The firewalls located in HQ, ODC, and the District Offices will reach end of life and end of support in 2018 after 10 years in service. These firewalls secure and encrypt data to and from each District Office, data to and from ODC, data to and from the Department's Internal Control Systems (system used to audit the gaming system by securely and independently reprocessing all relevant transactions), and data to and from HQ. These firewalls provide critical protection against cyber-attacks on our information, keeping the Department secure against external threats. The Department plans to replace the existing firewalls with next generation firewalls which utilize up to date technology to provide advanced protection for the increasing capacity of the statewide network.

ADVERSE IMPACT IF NOT FUNDED

The Lottery's network provides the underlying communications infrastructure for all Department equipment and applications, including access to administer, monitor and audit the gaming systems, Internal Control Systems, prize payment system, business intelligence and sales reporting, management of the public web site, and all financial and accounting systems. A secure and reliable network is critical to carrying out these responsibilities. Intrusions and other data interruptions resulting in downtime of the firewalls could have a significant, adverse impact on sales. Not funding the firewall replacement could result in the Department's inability to operate or expose the Department to a costly cyber breach of protected information. These systems support the Department's responsibilities required by Ch. 24, Florida Statutes.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY				3620000
REPLACEMENT OF NETWORK SECURITY				36221C0

ASSUMPTIONS/CONSTRAINTS

The Lottery provides availability to its business applications 24 hours a day, 7 days a week. Any interruption to these services requires prior notification to all Lottery users. Installation and maintenance is required during the Lottery's standard maintenance hours to minimize system downtime.

PLANNED HIGH-LEVEL IMPLEMENTATION TIMELINE

The Lottery will utilize in-house staff and vendor services to implement the proposed solution.

Projected Server Replacement Schedule

- Procure Hardware September 2017
- Configure/Install HQ Hardware October 2017
- Configure/Install ODC Hardware November 2017
- Configure/Install District Hardware December 2017/January 2018

TOTAL ESTIMATED COSTS:

OCO Non-Recurring - \$48,861 EXP - Non-Recurring - \$9,954 EXP - Recurring - \$9,103

Item	Qty	Description	Unit Price	Total Price
1	8	300 Mbps firewall multiservice capable, 8 X 1 GE	\$646.75	\$5,174.00
2	8	SNTC-8X5XNBD Support for Firewall, 8 X 1 GE,	\$107.10	\$856.80
3	8	Firewall License, w/ HA, DMZ, VLAN trunk, more conns.	\$597.50	\$4,780.00
4	2	2 Gbps firewall multiservice capable, 8 X 1 GE, AC, 3DES/AES, 2SSD	\$16,637.20	\$33,274.40
5	2	SNTC-8X5XNBDSupport for Firewall, 8 X 1GE	\$2,828.70	\$5,657.40
6	4	900 Mbpb firewall multiservice capable, 8 X 1 GE, 3DES/AES	\$3,896.75	\$15,587.00
7	4	SNTC-8X5XNBD Support for Firewall, 8 X 1 GE	\$647.10	\$2,588.40

ALTERNATIVE SOLUTIONS

This is a replacement of existing aging infrastructure equipment and technology that is reaching end of life and end of support. Operating on unsupported, out of date technology and equipment will leave the Lottery at risk of cyber-attacks

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2017-18		FY 2017-18		FY 2017-18		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36010000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
REPLACEMENT OF NETWORK SECURITY						36221C0

and not being able to meet its statutory obligations.

CONCLUSION

The Lottery's investment in replacing the firewalls located in HQ, ODC, and the District Offices would provide the essential network security and reduce the potential for a significant loss of data and productivity resulting from an unavailability of mission critical functions.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

FLORIDA LOTTERY OPERATIONS FUNDING						5000000
INCREASE TO INSTANT TICKET PURCHASE						
APPROPRIATION						5000110
SPECIAL CATEGORIES						100000
INSTANT TICKET PURCHASE						101740
OPERATING TRUST FUND	-STATE	1,341,704				2510 1

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

The Lottery requests \$1,341,704 to pay the Department's scratch-off ticket vendor based on projected increase in ticket sales, adopted by the July 2016 Revenue Estimating Conference. The Department's scratch-off ticket vendor, by contract, is paid based on a percentage of scratch-off ticket sales. Therefore, vendor fee increases in proportion with increase in sales, providing the vendor incentive to support the Department's effort in achieving sales goals. The requested amount will only be used if the projected increase in sales is achieved. Based on the July 2016 Revenue Estimating Conference, the Department's scratch-off ticket sales in FY 2017-18 is \$4.09 billion, an increase of 1.5% from FY 2016-17.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
FLORIDA LOTTERY OPERATIONS FUNDING				5000000
INCREASE TO TERMINAL GAMES				
FEE APPROPRIATION				5000210
SPECIAL CATEGORIES				100000
TERMINAL GAMES FEES				102381
OPERATING TRUST FUND -STATE		16,942,963		2510 1

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

The Lottery requests \$16,942,963 to pay the Department's gaming system vendor based on projected ticket sales, as adopted by the July 2016 Revenue Estimating Conference (REC). This request is made considering the Department's new gaming system contract which will take effect Fall 2017, upon completed implementation. Under the new contract, which replaces the previous draw game contract, the vendor is paid based on a fixed percentage of total sales for all included systems, equipment and services. Vendor fees dollars increase (or decrease) in proportion with sales results, as a fixed percentage of sales, providing the vendor incentive to support the Department's achievement of sales goals. The requested amount will only be used if the REC projected increase in sales is achieved.

Based on the July 2016 REC, the Department's ticket sales in FY 2017-18 are projected at \$5.9987 Billion, an increase of 0.63% from FY 2016-17. Under the new gaming system (draw game) contract, the Department's projected annual increase in sales is \$359 million, and projected annual increase in transfers to EETF is \$97 million.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

TOTAL: GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	365.00			
SALARY RATE.....	174,137,711	2,663,347	284,398	2000
	14,402,213			
	=====	=====	=====	

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2017-18 POS	AMOUNT	AGY REQ N/R FY 2017-18 POS	AMOUNT	AG REQ ANZ FY 2017-18 POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE							36000000
PGM: LOTTERY OPERATIONS							36010000
GOV OPERATIONS/SUPPORT							16
EXEC LEADERSHIP/SUPPRT SVC							1602.00.00.00
ESTIMATED EXPENDITURES							1000000
ESTIMATED EXPENDITURES - OPERATIONS							1001000
SALARY RATE							000000
SALARY RATE.....	3,497,433						
=====							
SALARIES AND BENEFITS							010000
OPERATING TRUST FUND -STATE	55.00	4,786,825					2510 1
=====							
OTHER PERSONAL SERVICES							030000
OPERATING TRUST FUND -STATE	61,704						2510 1
=====							
EXPENSES							040000
OPERATING TRUST FUND -STATE	3,086,538						2510 1
=====							
OPERATING CAPITAL OUTLAY							060000
OPERATING TRUST FUND -STATE	1,000						2510 1
=====							
SPECIAL CATEGORIES							100000
ACQUISITION/MOTOR VEHICLES							100021
OPERATING TRUST FUND -STATE	340,000						2510 1
=====							
CONTRACTED SERVICES							100777
OPERATING TRUST FUND -STATE	814,749						2510 1
=====							
RISK MANAGEMENT INSURANCE							103241
OPERATING TRUST FUND -STATE	719,447						2510 1
=====							

	COL A03		COL A04		COL A05		CODES
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE							36000000
PGM: LOTTERY OPERATIONS							36010000
GOV OPERATIONS/SUPPORT							16
EXEC LEADERSHIP/SUPPRT SVC							1602.00.00.00
ESTIMATED EXPENDITURES							1000000
ESTIMATED EXPENDITURES - OPERATIONS							1001000
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
OPERATING TRUST FUND -STATE		145,536					2510 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS							1001000
TOTAL POSITIONS.....		55.00					
TOTAL ISSUE.....		9,955,799					
TOTAL SALARY RATE.....		3,497,433					
CASUALTY INSURANCE PREMIUM							1001090
ADJUSTMENT							100000
SPECIAL CATEGORIES							103241
RISK MANAGEMENT INSURANCE							
OPERATING TRUST FUND -STATE		372,750-					2510 1
FLORIDA RETIREMENT SYSTEM							1001490
ADJUSTMENT FOR FY 2016-17 - NORMAL							010000
COST, UNFUNDED ACTUARIAL LIABILITY							
AND EDUCATIONAL EXPENSES							
SALARIES AND BENEFITS							
OPERATING TRUST FUND -STATE		9,333					2510 1
FLORIDA RETIREMENT SYSTEM							1001500
ADJUSTMENT FOR FY 2016-17 - DEATH							010000
BENEFITS FOR SPECIAL RISK CLASS							
(CH 2016-213, LOF)							
SALARIES AND BENEFITS							
OPERATING TRUST FUND -STATE		756					2510 1

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2017-18 POS	AMOUNT	AGY REQ N/R FY 2017-18 POS	AMOUNT	AG REQ ANZ FY 2017-18 POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE							36000000
PGM: LOTTERY OPERATIONS							36010000
GOV OPERATIONS/SUPPORT							16
EXEC LEADERSHIP/SUPPRT SVC							1602.00.00.00
ESTIMATED EXPENDITURES							1000000
STATE HEALTH INSURANCE ADJUSTMENTS							1001840
- FY 2016-17 - EFFECTIVE 1/1/2017							010000
SALARIES AND BENEFITS							
OPERATING TRUST FUND -STATE		29,864					2510 1
=====							
REALLOCATION OF HUMAN RESOURCES							
OUTSOURCING							1005900
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
OPERATING TRUST FUND -STATE		3,773-					2510 1
=====							
NONRECURRING EXPENDITURES							2100000
HUMAN RESOURCES SUPPLEMENTAL							
APPROPRIATION - CHAPTER 2016-3, LOF							
(HB 7003)							2100360
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
OPERATING TRUST FUND -STATE		102-					2510 1
=====							
ANNUALIZATION OF ADMINISTERED							
FUNDS APPROPRIATIONS							26A0000
ANNUALIZATION OF STATE HEALTH							
INSURANCE ADJUSTMENTS FOR FISCAL							
YEAR 2016-17 - FIVE MONTHS							
ANNUALIZATION							26A6520
SALARIES AND BENEFITS							010000
OPERATING TRUST FUND -STATE		21,331					2510 1
=====							

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2017-18	FY 2017-18	FY 2017-18	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
LOTTERY, DEPARTMENT OF THE				36000000
PGM: LOTTERY OPERATIONS				36010000
GOV OPERATIONS/SUPPORT				16
EXEC LEADERSHIP/SUPPRT SVC				<u>1602.00.00.00</u>
WORKLOAD				3000000
INCREASE TO LOTTERY OTHER PERSONAL				
SERVICES BASE				3007100
OTHER PERSONAL SERVICES				030000
OPERATING TRUST FUND -STATE	100,000			2510 1

=====

AGENCY ISSUE NARRATIVE:

2017-2018 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

The Lottery requests \$100,000 in Other Personal Services (OPS) funds to support the Department's continued effort to increase sales and transfers to education. In FY 2016, the Lottery generated \$6.06 billion in ticket sales, a 36% increase since FY 2012. The funds will be used to hire OPS personnel primarily to assist with the increasing workload related to prize claims processing and sales activities, resulting in increase in sales, in the Department's nine district offices. In addition to providing the needed support, successful OPS personnel that are fully trained can become good candidates for permanent positions in the Department.

This issue supports the Governor's Area-Specific Strategy - Expand access to education and training programs for talent in distressed markets.

TOTAL: EXEC LEADERSHIP/SUPPRT SVC				<u>1602.00.00.00</u>
BY FUND TYPE				
	55.00			
TRUST FUNDS.....	9,740,458			2000
SALARY RATE.....	3,497,433			
	=====	=====	=====	
TOTAL: PGM: LOTTERY OPERATIONS				36010000
BY FUND TYPE				
	420.00			
TRUST FUNDS.....	183,878,169	2,663,347	284,398	2000
SALARY RATE.....	17,899,646			
	=====	=====	=====	