

Approved 2-7-89
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by SENATOR AUGUST "GUS" BOGINA at
Chairperson

11:10 a.m./~~PM~~ on JANUARY 30, 1989 in room 123-S of the Capitol.

All members were present except:

All members present

Committee staff present:

Research Department: Kathy Porter, Alan Conroy, Julian Efird

Revisor: Norman Furse

Committee Staff: Judy Bromich, Pam Parker

Conferees appearing before the committee:

Stan Koplick, Executive Director, Board of Regents, presented an overview of the Regents system. He reviewed some of the demonstratable accomplishments with the first year of funding for the Margin of Excellence provided by the 1988 legislature. He also reviewed requests by the Board of Regents and the Governor's response to their requests for second year funding for FY 1990. Mr. Koplick distributed and reviewed a booklet entitled, "Margin of Excellence 2, Kansas Board of Regents." (Attachment 1)

Mr. Koplick stated that the Margin of Excellence is a three-year effort to enable the state Regents institutions to get into the competitive mainstream of the leading colleges and Universities around the nation and they believe that with two more years of the same level of funding they will accomplish their Margin of Excellence goals. He noted that the first year of funding for the Margin of Excellence has provided a renewed feeling of hope and optimism for the future throughout the Regents system.

Mr. Koplick reviewed briefly the current status of relative comparisons. (Attachment 2)

Mr. Koplick reviewed the Governor's response to the Board's requests for the Margin of Excellence. He stated that the Governor's recommendations for the Board are substantial in terms of putting them on the right track and giving the Board the ability to come to the Senate Ways and Means Committee from a position of strength. Where there is some difference with the Governor's recommendation relates to their mission related enhancements where the Governor provided roughly half of their request. He stated that overall, the Governor's recommendations provided the Board with 92 percent of their total budget requests, and 81 percent of the Margin of Excellence component.

Mr. Koplick discussed a partnership between students and the Board of Regents which directs itself at increasing the fees as partial payment for improved education which they believe will benefit Kansans. For FY 1988 the fee cost ratio was approximately 28 percent across the Regents system ranging from about 20 percent at Pittsburg State University to 32 percent at the University of Kansas. The systemwide average was 28 percent. The students have agreed to fund a substantial portion of the Margin of Excellence through increased fees. For example, already approved as a fee increase effective for the fall of 1989 is a six percent increase in resident tuition and fees and a 12 percent increase in non-resident tuition and fees. In the fall of 1988, the non-resident fees increased by nine percent with a resident increase of three percent. In the fall of 1987, non-resident fees increased by 10 percent as opposed to a resident increase of three percent.

In answer to questions, Mr. Koplick stated that there are opportunities for program review for the elimination of program duplications in the future. This year's review will focus on the discipline of education. He stated that the Board has given informal consideration of the potential of Washburn University coming into the Regents system. The Board would like any

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON SENATE WAYS AND MEANS,
room 123-S, Statehouse, at 11:10 a.m./~~PM~~ on January 30, 1989

consideration of the Washburn question not to provide any strings to the Washburn affiliation and its law school.

Ray Hauck, Board of Regents, answered a question by stating that the cost study depends on actual expenditures at the end of the fiscal year to show where Kansas stands with its peers and nationally. About all they can point to currently is the preliminary statistics that result from comparing our appropriations to other state appropriations. Those are the figures reflected in Attachment 2. Additional data will be available in about 30 days.

Larry Montgomery, Executive Director, introduced his staff present at the meeting and presented an overview of the Kansas Lottery. (Attachment 3) Mr. Montgomery stated that in the first year of the Lottery, they sold \$19 million over their projected estimate. He said that came about because of a grassroots market strategy. He said that if they followed the same trend which has been followed across the nation for the second year they thought they would sell only \$42 million. They now feel the \$59,300,000 figure is more logical.

Mr. Montgomery reviewed the national entertainment profile of lottery players by groups, i.e., anticipation and good odds, adventure and sporting, and the passive group. They feel the market strategy of grassroots participation is successful. Their market strategy also includes multiple game options. He reviewed areas of the state they have visited and the areas they plan to visit in the future. He stated that 60 percent of their players are younger women who make more money and only buy once per week. In regard to economic development advantages from the Lottery, Mr. Montgomery stated that there are eight companies in Chanute who have received funds for Kansas Industrial Training with lottery funds.

The meeting was adjourned.

GUEST LIST

COMMITTEE: SENATE WAYS AND MEANS

DATE: 1-30-89

| NAME (PLEASE PRINT) | ADDRESS | COMPANY/ORGANIZATION |
|---------------------|------------|-----------------------|
| Ellen Johnson | Lawrence | Am Assoc. Univ. Prof. |
| Chris Graves | Topeka | ASK |
| Mark Tallman | Topeka | ASK |
| CRAIG PEAVLER | TOPEKA | Ks. Lottery |
| LARRY MONTGOMERY | " | " " |
| Jim Huff | " | " " |
| Stanley Z. Kuplik | Topeka | Regents |
| Ruth Wilkin | " | AAUP |
| Ray Hauler | " | Regents |
| Bob Kelly | Topeka | KICA |
| Alan Conway | Topeka | Leg. Research |
| Mary Entwistle | Topeka | DOB |
| WALT DARLINGS | Topeka | DIVISION OF BUDGET |
| Fred Suedemann | Wichita KS | WSU |
| Stephen J. Shuler | Topeka | CTech |
| Gerald Spahr | Topeka | USA |
| David Monical | " | Washburn |
| Jon Josseland | Lawrence | KU |
| Eel Wallemann | Topeka | Washburn |
| Ral Green | Topeka | SOS |
| Gloria Timmer | Topeka | Washburn |
| Linger Miller | Manhattan | Kansas State College |
| Robert A. McVey | Topeka | RPR |
| Ken Baker | Topeka | Peterson Assoc. |
| Paula Ann Heathouse | Lawrence | Antenn |
| Christopher T. Huff | Manhattan | Kansas State College |
| Jim Carpenter | Lawrence | Journal - world |
| Dena Wallace | Topeka | Ks Lottery |
| Barbara Frick | Topeka | Kansas Lottery |

**MARGIN
OF
EXCELLENCE
2**

KANSAS BOARD
OF REGENTS



ATTACHMENT 1
SWAM 1-30-89

ASSESSING THE FIRST YEAR

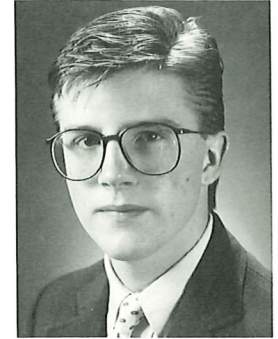
Hope and optimism are replacing despair and gloom on our Kansas Regents institution campuses. This turnaround can be attributed to last year's endorsement by the Legislature and the Governor of the Board of Regents' Margin of Excellence, a three-year plan to bolster Kansas higher education. The Margin was adopted quickly into the vocabulary of Kansas higher education. This plan and its passage dramatically improved faculty and student morale.

The Margin is more than a simple formula for monetary investment in the Regents institutions. It is a resourceful plan to strengthen their effectiveness as catalysts for economic development. It is a strategy to revitalize their resources, which enrich the intellectual and cultural climate of the state.

The Margin reaffirms the importance of fine teaching, research, and public service to our state. As the past year illustrated, Kansans are deeply committed to maintaining a collection of public higher education institutions of the finest caliber. If the Margin is sustained through its third year, Fiscal Year 1991, Kansans will be able to boast that their Regents institutions rank among the best universities and colleges in America. This is an achievable goal.

The seeds of optimism sown among the Regents institutions this first year of the Margin must be carefully cultivated. Nurtured the second year, the seeds will grow. With continuing support of the Margin, Kansans will harvest a rich yield for years to come.

The highlights from the first year of the Margin presented in this brochure show tangible benefits to our citizens. They are by no means a complete inventory. But they begin to explain why we look to the future of Kansas higher education with a new confidence.



"The Margin of Excellence is important for the students because it makes us better able to compete with students from other institutions around the country. When the Regents institutions turn out better graduates, they benefit in the long run because someday we will be contributing to the quality of life in Kansas. I feel I'm getting a better education now because of the Margin. And, of course, the more money we put into education, the happier I am about going to school in Kansas."

Michael Hubert, ESU student from Emporia and director of Associated Students of Kansas at ESU

BRINGING THE BEST TO KANSAS

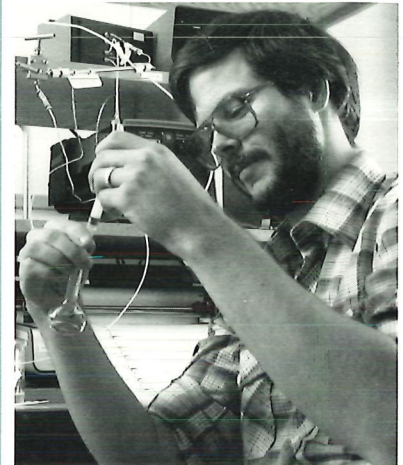
Athletic teams aren't the only ones that must recruit talented players today for success tomorrow. For academic institutions, hiring top faculty is vital to maintaining solid academic programs.

Emporia State University had tried unsuccessfully for five years to hire more doctoral-level accounting faculty for its School of Business, one of ESU's strongest areas but a field in high demand. With the infusion of Margin funds, ESU has been able to hire two blue-chip faculty members with doctoral degrees, adding significantly to the quality of the accounting program.

Pittsburg State University knew it needed someone the caliber of Robert Susnik, plastics manufacturing expert at North American Rockwell in Tulsa, for the PSU School of Technology and Applied Science plastics program. But Susnik was out of PSU's salary range. The Margin made him reconsider. Susnik joined the PSU faculty this fall.

The pharmaceutical industry was a bright spot in the 1986 Kansas Economic Development Report issued by the Midwest Research Institute. **The University of Kansas**, with renowned pharmaceutical science departments and research units, holds a key to that bright future. Despite KU's reputation, attracting a leading pharmaceutical chemist would not have been feasible without the salary enrichment portion of the Margin.

KU recruited distinguished scientist Daryle Busch, a chemist who works with blood substitutes, from Ohio State University. He is expected to bring to Kansas more than \$300,000 in initial research funding and at least nine postdoctoral and graduate students.



Carl Kindberg, a KU post-doctoral student in pharmaceutical science, works with a High-Performance Liquid Chromatograph, an instrument used to detect the concentration of drugs in body fluids.



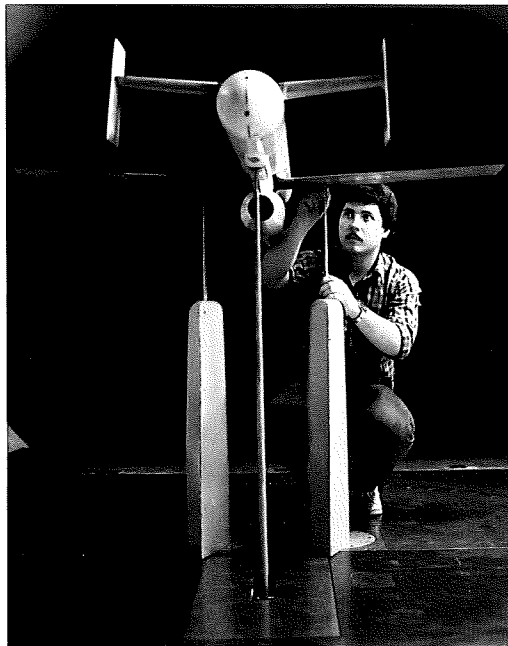
"Salary was certainly not the only consideration for my coming to Pittsburg State, but it was an important one. Obviously, the more you narrow the gap between salaries in education and industry, the more successful education will be in recruiting individuals with extensive industrial experience."

Robert Susnik, plastics manufacturing expert and new PSU faculty member

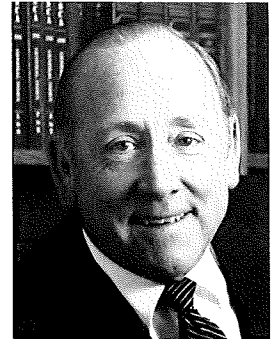
With Margin funding, **Wichita State University** launched a national search for distinguished faculty in math, computer science, business, engineering, and other areas vital to economic development. Of three positions in engineering, a professorship in human factors has been filled by Randall M. Chambers, principal scientist and program director at the U.S. Army Research Institute headquarters in Alexandria, Virginia.

These positions will strengthen WSU's ability to support the state's largest manufacturing industry—aviation—and to develop the WSU Institute for Aviation Research, which currently is conducting \$7.5 million in research grants and contracts.

With Margin of Excellence Funds, **Kansas State University** was able to attract John Staver, a nationally recognized leader in science education from the University of Illinois. With an impressive record of obtaining funding support from outside sources like the National Science Foundation, Staver will direct K-State's newly established Center for Science Education. Using faculty from six of the university's colleges, this center will create a rich resource to serve secondary schools in Kansas in this area of critical educational need.



Wichita State's facilities include the Walter H. Beech wind tunnel, used by faculty and students for academic aerodynamics research as well as for sponsored research programs for local aviation industries.



"The first phase of funding for the Margin of Excellence has enabled Regents institutions to become even more effective in research programs relevant to Kansas business and industry. Wichita State's Institute for Aviation Research, for example, can continue now with even greater capabilities to provide research support for our state's aviation industry."

Robert Dryden, president of Boeing Military Airplanes

KEEPING TALENT IN KANSAS

Losing senior faculty to “raids” from out-of-state institutions is an expensive proposition. Senior faculty represent an investment on the part of our institutions and the state. They are the seasoned advisors and teachers. Their presence recruits top-flight students. When senior faculty leave, they often take federal grants and bright graduate students with them. It is projected that 40 percent of the nation’s 108,000 tenured faculty will reach retirement age by 1995; hiring replacement talent will become even harder.



Thanks to the Margin, all seven Regents institutions were better able to fend off raids.



“There’s hardly a bag of flour or a box of cereal in the United States that K-State research has not affected. Continuing research in the grain and food processing industry and the development of new wheat varieties and technologies for industrial utilization benefit producers and consumers in Kansas and throughout the nation.”

**Charles W. Deyoe,
professor and head,
K-State Department of
Grain Science and
Industry**

Kansas State University’s Department of Grain Science, a prime resource for the state’s grain utilizers, tapped Margin resources to keep Dr. Carl Hosenev, a productive researcher who has brought in more than \$200,000 in industry grants. A Big Ten university offered him a 50 percent salary increase to chair a new program in cereal science.

At Kansas College of Technology, the Margin helped convince an electronics engineering technology faculty member that Kansas Tech could provide the same incentives as another larger university that was courting him. This faculty member is essential to the department’s continued accreditation with the National Technology Accreditation Commission of the Accreditation Board for Engineering and Technology.

Sajjad Hashmi, dean of **Emporia State University's** School of Business and well-known insurance expert, received a lucrative offer from another institution. The Margin persuaded him to stay. Hashmi says the Margin gives him the flexibility, as an administrator, to attract to ESU new and more highly qualified faculty with doctorates in business.

The national nursing shortage threatens health care. At academic institutions, high-quality nursing faculty who teach well and contribute to research are a valued commodity. With Margin salary funds, **Wichita State** and the **University of Kansas Medical Center** retained a total of five nursing faculty who had been offered attractive packages elsewhere.

The Medical Center also could reward faculty in its Schools of Medicine and Allied Health, highly productive faculty who are constant targets of external offers. For example, a total of \$104,000 went to increases for 21 basic science faculty who hold grants totaling more than \$3 million annually.



“A year ago, before the Margin, my department and others lost excellent teachers. I know of two HOPE [teaching] Award winners who left because of salaries. It’s demoralizing to faculty and students to see good people leave. Margin salary raises have already kept some faculty here. For that reason alone the Margin boosted morale among faculty. What we’ve got to do in the next two years is see that we continue to make progress on salaries, that the faculty we have stay, and that we improve our ability to attract, in a competitive market, young academics who are in demand.”

Daryl Evans, KU assistant professor of sociology and project leader of a \$550,000 National Institutes on Disability and Rehabilitation Research grant.

PRIMING THE STATE'S ECONOMIC PUMP

Economic development is a long-term exercise that relies on human capital and cutting-edge expertise in everything from grain to computer sciences. With the Margin, the Regents institutions will be able to refine resources for the state.

When western Kansas businesses need help, they call on the **Fort Hays State Small Business Development Center** for one-on-one counseling and training sessions. Last year the center counseled 350 business people in northwest Kansas. Thanks to the Margin, the center is expanding services to include residents in the southwestern area of the state. The center is partially funded by the Small Business Administration, a federal agency.



“Because of first-year funding from the Margin, our Small Business Development Center has been able to put a full-time consultant in southwest Kansas. Due to the vast area that our Center covers in western Kansas, this was a much-needed position and has greatly helped the citizens of western Kansas.”

Clare A. Gustin, director of the FHSU Small Business Development Center

Since the Legislature established the **Pittsburg State Center for Technology Transfer** two years ago, PSU faculty have assisted area industry in obtaining more than \$413,000 in grants and have provided technical assistance to 30 regional companies.

With the Margin, PSU hired three faculty for its programs in woods, plastics, and mechanical engineering technology. On campus for only a few months, they've already worked on manufacturing problems with industries in Oswego, Independence, and Coffeyville.

Kansas is the air capital of the world. With help from the Margin, **Kansas College of Technology** will add another dimension to that reputation. Kansas Tech is pursuing negotiations with a major airline to establish an International Professional Pilot Entry Program. The program should bring up to 200 new students to campus in the next three years. Kansas Tech also will be able to expand high-tech outreach programs with the Kansas National Guard, at Fort Riley and McConnell Air Force Base, and, through a cooperative program with Wichita State, at other Wichita sites.

Through Margin support, new agricultural research staff positions were funded to improve **K-State's** continued ability to generate millions of dollars for the Kansas economy. Expanded work in only two areas, red meat processing and forage-based livestock systems, assures added annual gains of well over \$100 million in state agricultural revenues.

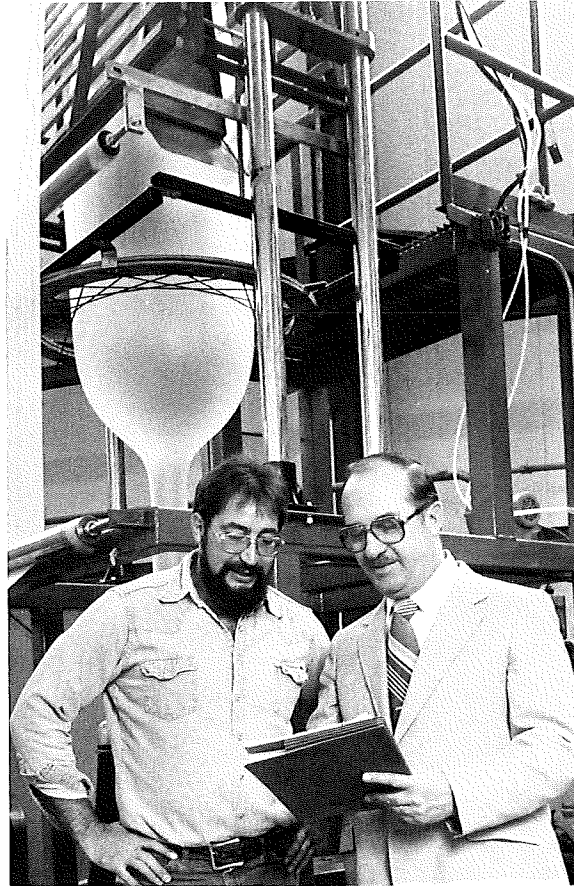
Metropolitan Kansas City has educational needs in engineering and architecture. In the telecommunications, defense, and electronics industries, staff need to stay on top of developments in satellite, radar, microwave, and other communications systems. With Margin funds, **KU** will broadcast to Kansas City electrical and computer engineering graduate courses taught on the Lawrence campus.

Mid-career architects in large firms need training not only in design but also in management topics such as personnel, marketing, law, and financing. With first-year Margin funds, **KU** is offering architectural management courses at the Regents Center in Overland Park. **KU** and **K-State** also used Margin funds to support full-time faculty in Kansas City to teach fifth-year studio and run their cooperative urban design program at Epperson House, located on the University of Missouri-Kansas City campus.

With the Margin, **Wichita State** has funded a director for its Center for Economic Development and Business Research. The center has been able to complete, a year ahead of schedule, a comprehensive growth analysis for the Wichita metropolitan area. The center will be able to respond effectively to the more than 140 monthly requests it receives for economic data and analyses on development, business formation, and location from the Wichita/Sedgwick County (WI/SE) coalition.

Fort Hays State acquired \$6 million in federal grants and corporate aid to speed the computerization of its campus. With the Margin, FHSU added a technical position to its Computer Center staff. FHSU's computer and training resources played a major role in the decision this year by Exide Corporation, an injected-mold plastics manufacturer and distributor, and Yuasa-Exide Battery Corporation, a battery manufacturer, to open plants in Hays.

FHSU will provide personnel development, computer training, a flexible high-tech work force, and other resources for these corporations. Within the next three years in Hays, Exide expects to employ about 200 people in its plastics section and 130 in its batteries section.



PSU faculty member George Graham (right) provides technical assistance to a Pitt Plastics employees.



“Through Kansas College of Technology, the Kansas Army National Guard has established an outstanding training program for soldiers in the utilization of microcomputers. Without this cooperative effort, the quality and scope of training for such a large number of people could never have been achieved. We owe a tremendous amount of thanks to Kansas Tech.”

**Major John Foster,
director of information
systems for the Kansas
Army National Guard**

KEEPING KANSANS WELL AND WELL-EDUCATED

Higher education serves the everyday needs of Kansans, too. These include basics like health care, information services, and educational opportunities that give ambitious high school graduates a fine college education in their home state.

Organ transplants offer the gift of life to many Kansans with life-threatening illnesses. In 1984 the **KU Medical Center** became the first Kansas hospital to offer heart transplants. Kidney, bone marrow, and heart transplants are now long-standing programs at the Medical Center. With Margin funding, the Medical Center will increase the number of transplants it can undertake and will offer liver transplants—a first for Kansas.



“Libraries have a two-fold problem: domestic inflation and the weakening dollar abroad. KU spends about 40 percent of its acquisitions budget overseas, buying materials in all languages to stay current for our academic programs. Over the past decade, domestic periodicals and books have risen more rapidly than inflation and the cost of higher education. We’re facing the worst threat to library collections since World War II. The Margin of Excellence, as far as we’re concerned, centers on addressing this crisis.”

Jim Ranz, dean of the KU libraries

In Kansas we’ve worried about the “brain drain.” Loss of young high-achieving students is a migration with serious consequences for our state’s future. The Margin is playing a part in keeping native talent in-state. In 1985 less than one-third of the state’s 156 National Merit semifinalists stayed in-state. This fall, in a strong reversal, more than half of our 150 semifinalists accepted offers from Kansas institutions.

Pittsburg State used the Margin to establish an Honors College. Fifteen outstanding high school seniors (average ACT scores of 29, average GPAs approaching 4.0) were awarded full scholarships. Nine of the 15 said the scholarships were the critical factor in their decision to stay in Kansas.



James O. Hale, who in July 1984 became KU Medical Center’s first heart transplant recipient, said, “It meant a great deal to me and my family to be able to obtain my life-saving heart transplant within the state of Kansas. The KUMC staff there know you by your name, not by a number. I think it’s great that the Margin of Excellence will expand and add to the transplant services.

As a nation, we are alarmed at declining test scores in math and science among our young people. The **K-State** Departments of Mathematics and Physics are developing a computer-assisted teaching laboratory with Margin funds. The lab's computers provide innovative methods of teaching numerical analysis to math majors, and, used with video, let physics majors study natural events that can't otherwise be reproduced in the classroom. Preliminary studies show student interest and learning are markedly enhanced. Methods developed in this modern laboratory will be adapted for use within Kansas elementary and secondary schools as further Margin funds become available.

We live in an information age. Access to libraries with up-to-date collections is crucial to everyone, from public school students to technical researchers.

At **Emporia State** a model library is being developed over a three-year period, a joint project of the ESU White Library and School of Library and Information Management. The project will help fulfill a part of ESU's unique mission since it has the only accredited library school in the region.

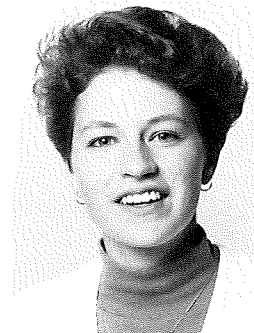
Margin funds will ensure that the library catalog goes on-line, the first step for ESU's participation in the Regents Library Network. The Margin also provided the staff to add one-half million scientific books and journals to KU's computerized library catalog. Once the ESU and KU catalogs are available through the Regents' network, Kansas public libraries will be able to access them.

Long-term inflation and the decline of the dollar have created an alarming reduction in book-buying power at home and abroad for all libraries. **KU** has struggled to maintain collections and hold on to its 19th-place ranking among U.S. public university research libraries. Since the 1985-86 academic year, KU's purchasing power has declined \$900,000 while overall the Regents system's dropped \$2.1 million. Allowing for budget increases, KU's book-buying power decreased 29 percent and the Regents system's dropped 26 percent over the three years. The Margin is taking steps to address this problem.

Electronic exchange of information between libraries is particularly critical to **Fort Hays State** and its western Kansas constituency. The Margin funded two positions and operating expenses for FHSU's computerized catalog project and for the expansion of its interlibrary loan services.



Sally Conard, circulation librarian at the William Allen White Library at ESU, assists Terrance Goode, a sophomore from Leavenworth.



"I had been accepted by and was thinking very seriously about going to Washington University (in St. Louis) until I received the PSU presidential scholarship. Then I considered the benefits of a full-ride scholarship and looked at PSU's well-respected pre-med program. The scholarship was an important factor in my final decision, and I must say I have been extremely happy with my decision to stay in Kansas."

Meg Locher, PSU freshman from Shawnee Mission, Kansas

MARGIN OF EXCELLENCE REQUEST

Cost Projection and Financing Plan FY 1989-FY 1991

| | FY 1989 Approved | FY 1990 Request | FY 1991 Projected | Three-Year Total |
|---------------------------------|---------------------|---------------------|----------------------|----------------------|
| Base Budget Improvements | \$29,443,418 | \$29,150,114 | \$24,400,000 | \$ 82,993,532 |
| Margin of Excellence | | | | |
| Faculty Salary Parity | 5,320,974 | 6,883,000 | 6,900,000 | 19,103,974 |
| Mission Related Enhancements | 6,672,042 | 9,064,316 | 9,100,000 | 24,836,358 |
| Subtotal-Margin of Excellence | <u>\$11,993,016</u> | <u>\$15,947,316</u> | <u>\$16,000,000</u> | <u>\$ 43,940,332</u> |
| TOTAL | \$41,436,434 | \$45,097,430 | \$40,400,000 | \$126,933,864 |
| Source of Funding | | | | |
| State General Fund | 9,480,128 | 51,717,526 | 27,500,000 | 88,697,654 |
| Tuition and Other | 10,416,319 | 2,792,692 | 8,200,000 | 21,409,011 |
| Hospital Revenue | 21,539,987 | (9,412,788) | 4,700,000 | 16,827,199 |
| TOTAL | \$41,436,434 | \$45,097,430 | \$40,400,000 | \$126,933,864 |

Notes concerning financing estimates

1. FY 1990 base budget improvements include:

| | |
|-----------------------------------|----------------|
| Unclassified salaries | \$14.3 million |
| Student salaries | \$.4 million |
| Classified pay plan step movement | \$ 3.0 million |
| Other operating expenditures | \$ 3.8 million |
| Enrollment adjustment | \$ 2.9 million |
| New building support | \$ 1.4 million |

2. The FY 1989 budget was partially supported by special revenue funds—accumulated balances of approximately \$7.1 million from the KUMC hospital operating fund and approximately \$4.2 million from tuition funds. These funds lightened considerably the state general fund requirements for the FY 1989 budget. FY 1990 revenues from tuition will increase by approximately \$7.1 million and hospital revenues by approximately \$4 million. However, similar use of these funds is not likely to be repeated for the FY 1990 budget. This will result in a disproportionately higher FY 1990 state general fund requirement.

T ING THE NEXT STEP: THE SECOND YEAR

The availability of liver transplants for ill Kansans. Imports of talent-rich faculty. Provisions to attract more bright young Kansans to our Regents institutions. Helping small firms package new products. Holding on to national rankings of academic excellence. Sharing library collections throughout the state by computer. Seven campuses of students, faculty, and staff—more than 100,000 people—rebuilding pride in our state's educational future.

The benefits from the first year of the Margin have touched lives in profound ways. Building upon the foundation of the first year, our institutions will be able to meet the demands of a rapidly changing and increasingly complex technological society.

For FY 1990 the Board of Regents request for the Margin again focuses on faculty salary parity and program improvements for each institution. Comparisons with our peer institutions show significant underfunding in non-salary components of the budget. Accordingly, our FY 1990 budget targets about half of the mission-related program enhancements to non-salary expenditures, with special emphasis on equipment (\$2.5 million), libraries (\$553,000), and institutional evaluation (\$95,000).

Examples of library and equipment improvements in our FY 1990 request include the following:

University of Kansas Medical Center
Hospital Equipment
\$1,000,000

The KU Medical Center is requesting \$1.0 million to allow an orderly schedule of equipment replacement. KUMC competes in a hospital industry characterized by high technology and rapid obsolescence of equipment. Although the hospital has benefited from several special acquisitions, it is in serious need of new equipment to maintain patient care and produce the revenue generation expected of the Medical Center. An equipment replacement reserve of 6 to 8 percent of revenues is common in the hospital industry. KUMC is spending approximately 3 percent of its revenues for equipment.

Kansas State University
Equipment for undergraduate classrooms and labs
\$221,000

Kansas State University is budgeting \$221,000 for improved equipment in undergraduate instructional areas. Computing facilities, scientific laboratories, and audiovisual equipment are increasingly used in undergraduate instruction. This reliance on technology has created a need for larger budgets to acquire and maintain equipment. The FY 1990 request is directed toward equipment in scientific, art, music, and computing laboratories. In the long term, this request will provide an adequate equipment base from which to support basic instructional programs.

Wichita State University
Library support
\$100,000

Wichita State University is requesting \$100,000 for improved library support, with emphasis upon the research requirements of the university's doctoral programs. Inflation and currency devaluation have dramatically reduced the purchasing power of institutional library budgets. Through this request, WSU seeks to partially recoup this loss of purchasing power.

Other examples include:
University of Kansas
Library acquisitions
\$250,000

Kansas State University Veterinary Medical Center
Equipment and operating support for accreditation requirements
\$344,484

Emporia State University
Increased faculty resources for the School of Education
\$68,400

Pittsburg State University
Equipping the School of Technology and Applied Science
\$146,500

Fort Hays State University
Computerizing the liberal arts
\$87,000

Kansas College of Technology
Campus computer network
\$20,000

CONTINUING THE SUCCESS

The Governor and Legislature substantially improved funding with the first year of the Margin of Excellence. This momentum must be sustained in the Margin's second and third years.

One-time improvements in higher education funding are in abundant supply throughout our nation. However, the ultimate mark of the outstanding universities and colleges, and one to which our institutions aspire, is evidence of continuous, prolonged, and *deliberate* investment as a matter of state public policy. We are now on the right course to move a group of very good institutions to the ranks of the very best.

The Margin of Excellence represents an opportunity for all Kansans to sow the seeds of prosperity and reap a dramatically improved quality of life in future generations. Together we can make this happen.



KANSAS BOARD OF REGENTS

Norman W. Brandeberry
Great Bend

Robert A. Creighton
Atwood

Richard W. Dodderidge
Kansas City

Norman W. Jeter
Hays

Shirley Palmer
Fort Scott

Richard P. Senecal
Atchison

Linwood Sexton
Sedgwick

Donald C. Slawson
Wichita

Stanley Z. Koplik
Executive Director

THE REGENTS INSTITUTIONS

Emporia State University
Robert E. Glennen, President

Fort Hays State University
Edward Hammond, President

Kansas College of Technology
Anthony L. Tilmans, President

Kansas State University
Jon Wefald, President

Pittsburg State University
Donald W. Wilson, President

The University of Kansas
Gene A. Budig, Chancellor

The Wichita State University
Warren B. Armstrong, President

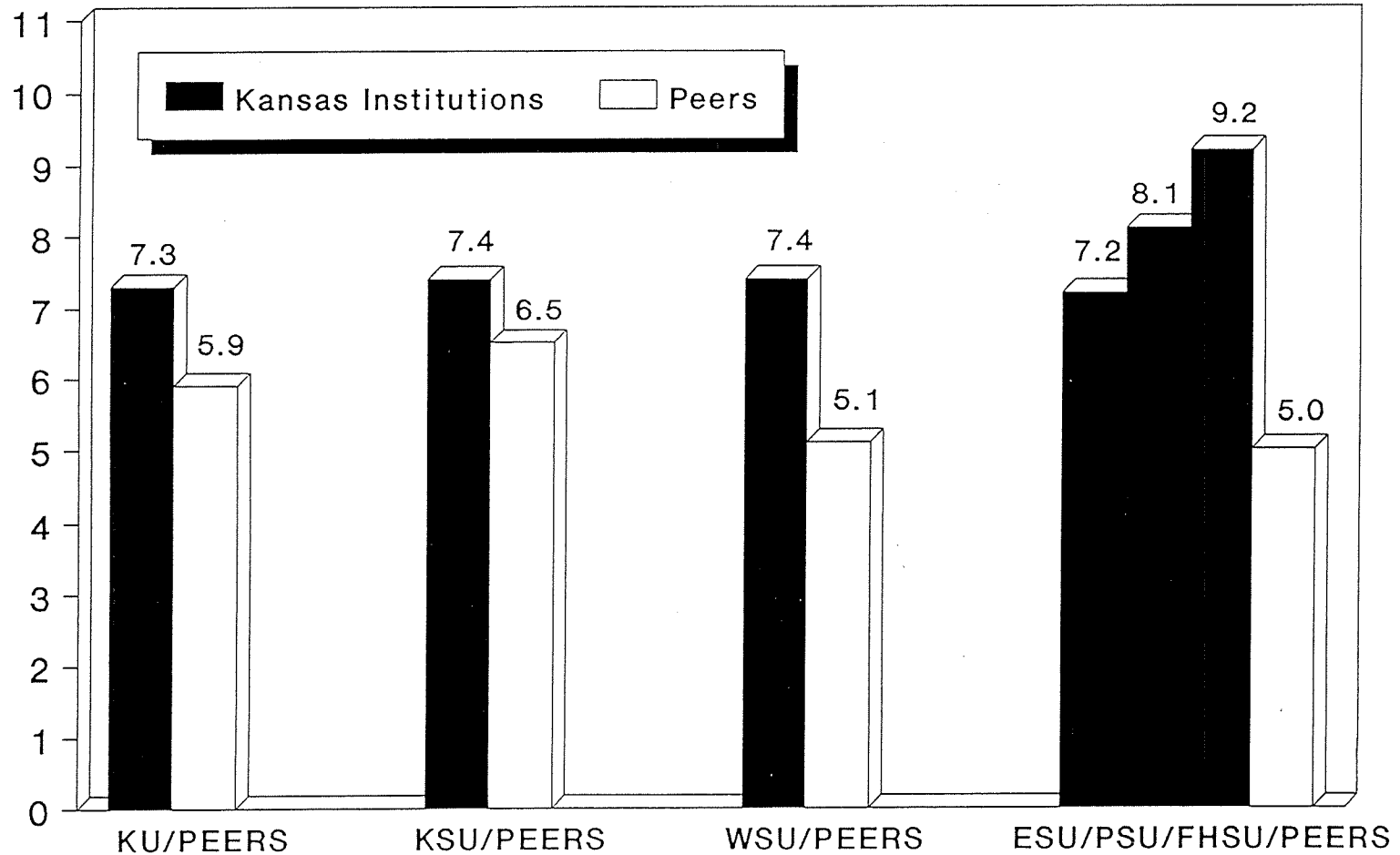
Photo credits

P. 1, Rob Clark, Jr., *A Week at Kansas State* photographer; p. 3, Steve Brown; p. 4, Steve Wolgast, *A Week at Kansas State* photographer; p. 5, Jeff A. Taylor, *A Week at Kansas State* photographer; p. 7, Rob Poole; p. 8, Hank Young; p. 12, Brad Nading, *A Week at Kansas State* photographer.

**This brochure has been paid for by
alumni and friends of the Regents
institutions.**

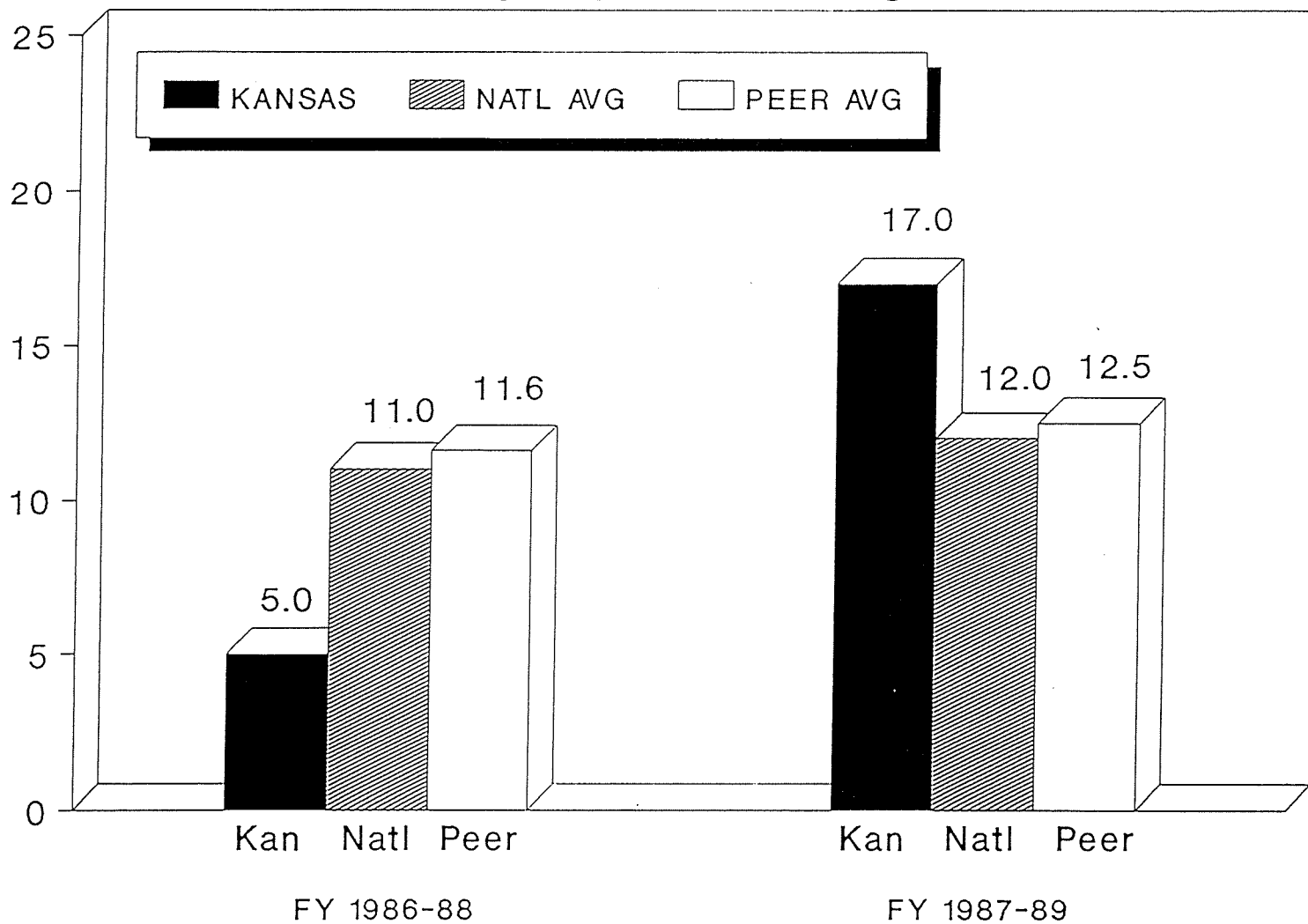
Appropriated Percentage of Increase Faculty Salaries - FY 1989

Kansas Institutions and Peers



ATTACHMENT 2
SWAM 1-30-89

Percentage of Increase Appropriation of State Tax Funds For Operating Expenses of Higher Education



LOTTERY UPDATE

PRESENTED TO

SENATE WAYS and MEANS COMMITTEE

January 30, 1989

ATTACHMENT 3

SWAM 1-30-89

KANSAS . . . ON THE MOVE

The Chamber of Commerce and the City of La Crosse
Present

LA CROSSE CONFERENCE ON ECONOMIC DEVELOPMENT

For Rush and Neighboring Counties
in coordination with

Kansas Department of Commerce
Kansas inc.
Kansas Technology Enterprise Corp.

U.S. Department of Commerce
U.S. Small Business Administration
Mid-America District Export Council

The Kansas Lottery

Co-sponsored by

Kansas Chamber of Commerce and Industry

Kansas Bankers Association

Kansas Oil Marketers Association

Tuesday, February 7, 1989 - - - City Auditorium - - 5th and Main Street

8:00 Special session for Kansas Lottery Retailers
9:00 Coffee Break
9:15 Introduction to Conference
9:30 Opening Session
10:00 Bringing Topeka to You
Programs for Community and Business Development
Presented By
Kansas Department of Commerce
Kansas Technology Enterprise Corporation
Kansas inc.

11:00 Bringing Washington D.C. to You
Programs for Community and Business Development
Presented By
U.S. Department of Commerce
U.S. Small Business Administration
Mid-America District Export Council
12:00 Luncheon - Keynote Speaker
1:30-3:30 Individual meetings scheduled during lunch for
conference participants to meet personally with Kansas
and U.S. agency representatives to discuss areas of
small business and community interest.

(cut along dotted line)

Please complete and return with your check to:
Response needed by February 2, 1989

Peggy Kay
817 Poplar
La Crosse, Kansas 67548

NAME _____
BUSINESS _____
ADDRESS _____
CITY/ZIP _____

- Yes, I will attend the conference, I have enclosed \$5.00 for lunch
 Yes, I will attend the conference, but cannot stay for lunch
 No, I am unable to attend

KANSAS . . . ON THE MOVE

The Chamber of Commerce and the City of La Cygne
Present

LA CYGNE CONFERENCE ON ECONOMIC DEVELOPMENT For Linn and Neighboring Counties

in coordination with

Kansas Department of Commerce
Kansas inc.
Kansas Technology Enterprise Corp.

U.S. Department of Commerce
U.S. Small Business Administration
Mid-America District Export Council

The Kansas Lottery

Wednesday, February 1, 1989 --- La Cygne Community Building

8:00 Special session for Kansas Lottery Retailers
9:00 Coffee Break
9:15 Introduction to Conference
9:30 Opening Session
10:00 Bringing Topeka to You
Programs for Community and Business Development
Presented By
Kansas Department of Commerce
Kansas Technology Enterprise Corporation
Kansas inc.

11:00 Bringing Washington D.C. to You
Programs for Community and Business Development
Presented By
U.S. Department of Commerce
U.S. Small Business Administration
Mid-America District Export Council
12:00 Luncheon - Keynote Speaker
1:30-3:30 Individual meetings scheduled during lunch for
conference participants to meet personally with Kansas
and U.S. agency representatives to discuss areas of
small business and community interest.

.....
(cut along dotted line)

Please complete and return with your check to:
Response needed by January 26, 1989

Nate Harris
P.O. Box 630
216 N. Broadway
La Cygne, Ks. 66040

NAME _____
BUSINESS _____
ADDRESS _____
CITY/ZIP _____

- Yes, I will attend the conference, I have enclosed \$5.00 for lunch
 Yes, I will attend the conference, but cannot stay for lunch
 No, I am unable to attend

**KANSAS ECONOMIC
DEVELOPMENT CONFERENCE**

**KANSAS LOTTERY
LIVE**

CONFIRMED

| | | |
|---------------|--------------|------|
| 2/1 | LaCygne | 2/11 |
| 2/7 (Tuesday) | LaCrosse | 2/18 |
| 2/15 | Pomona | 2/25 |
| 2/22 | Chase County | 3/4 |

PROPOSED

| | | |
|------|---------------------|------|
| 3/1 | Hays (tentative) | 3/11 |
| 3/8 | Wellington | 3/18 |
| 3/15 | Wamego (tentative) | 3/25 |
| 3/22 | Seneca | 4/1 |
| 3/29 | Iola | 4/8 |
| 4/5 | Wichita (tentative) | 4/15 |
| 4/12 | Hoisington | 4/22 |
| 4/19 | Garden City | 4/29 |
| 4/26 | Winfield | 5/6 |

FY 89 MONTHLY SALES PROJECTIONS

November 9, 1989

| MONTH | INSTANT | ON-LINE | PULL TABS | TOTAL |
|-----------|------------|------------|-----------|------------|
| July | 3,600,000 | 2,200,000 | | 5,800,000 |
| August | 3,600,000 | 2,200,000 | | 5,800,000 |
| September | 1,400,000 | 2,400,000 | | 3,800,000 |
| October | 2,200,000 | 2,500,000 | 100,000 | 4,800,000 |
| November | 3,250,000 | 2,800,000 | 350,000 | 6,400,000 |
| December | 2,250,000 | 2,500,000 | 675,000 | 5,425,000 |
| January | 3,000,000 | 2,500,000 | 800,000 | 6,300,000 |
| February | 2,750,000 | 2,300,000 | 725,000 | 5,775,000 |
| March | 2,750,000 | 2,500,000 | 875,000 | 6,125,000 |
| April | 2,750,000 | 2,800,000 | 650,000 | 6,200,000 |
| May | 2,750,000 | 3,100,000 | 850,000 | 6,700,000 |
| June | 2,500,000 | 3,400,000 | 975,000 | 6,875,000 |
| Total | 32,800,000 | 31,200,000 | 6,000,000 | 70,000,000 |



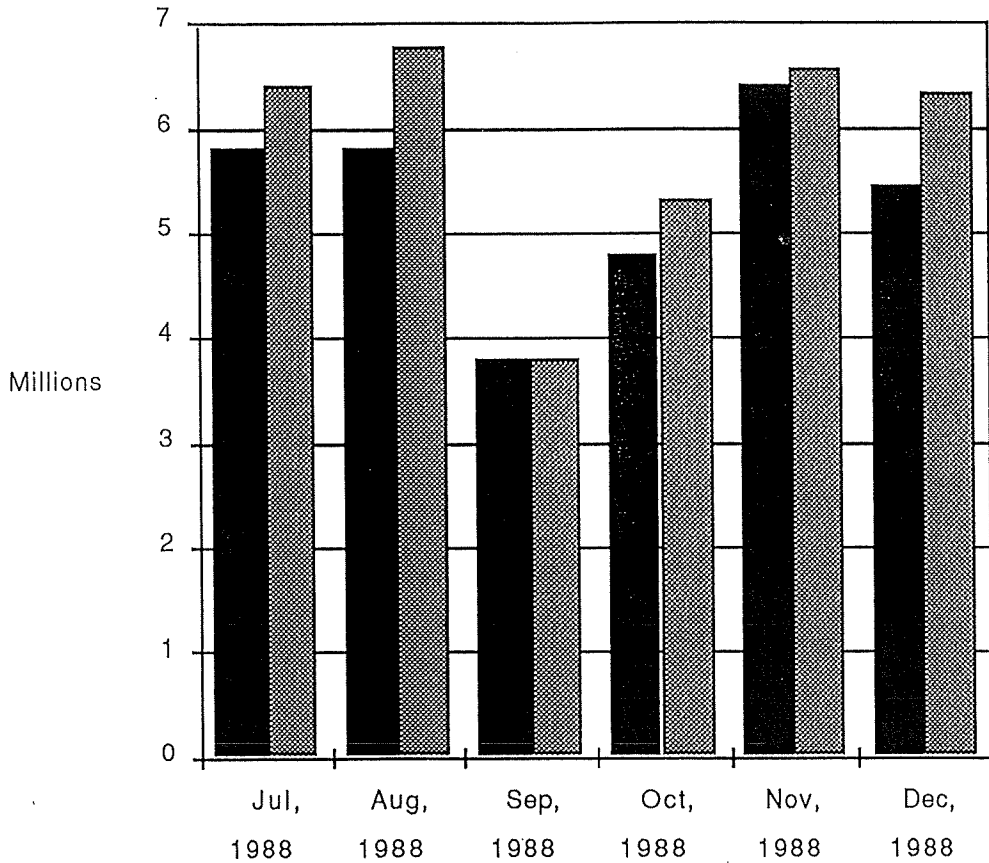
Craig Peavler
Budget and Finance Officer

January 4, 1989

CB

| | PROJECTED | ACTUAL | DIFFERENCE |
|-----------------------|------------|------------|------------|
| JULY | | | |
| On Line | 2,200,000 | 2,239,814 | 39,814 |
| Instant | 3,600,000 | 4,165,486 | 565,486 |
| Pull Tabs | 0 | 0 | 0 |
| TOTAL | 5,800,000 | 6,405,300 | 605,300 |
| AUGUST | | | |
| On Line | 2,200,000 | 2,271,630 | 71,630 |
| Instant | 3,600,000 | 4,488,392 | 888,392 |
| Pull Tabs | 0 | 0 | 0 |
| TOTAL | 5,800,000 | 6,760,022 | 960,022 |
| SEPTEMBER | | | |
| On Line | 2,400,000 | 2,485,533 | 85,533 |
| Instant | 1,400,000 | 1,298,589 | (101,411) |
| Pull Tabs | 0 | 0 | 0 |
| TOTAL | 3,800,000 | 3,784,122 | (15,878) |
| OCTOBER | | | |
| On Line | 2,500,000 | 2,544,529 | 44,529 |
| Instant | 2,200,000 | 2,664,299 | 464,299 |
| Pull Tabs | 100,000 | 113,652 | 13,652 |
| TOTAL | 4,800,000 | 5,322,480 | 522,480 |
| NOVEMBER | | | |
| On Line | 2,800,000 | 2,897,936 | 97,936 |
| Instant | 3,250,000 | 3,245,913 | (4,087) |
| Pull Tabs | 350,000 | 399,012 | 49,012 |
| TOTAL | 6,400,000 | 6,542,861 | 142,861 |
| DECEMBER | | | |
| On Line | 2,500,000 | 2,828,058 | 328,058 |
| Instant | 2,250,000 | 3,178,472 | 928,472 |
| Pull Tabs | 675,000 | 286,289 | (388,711) |
| TOTAL | 5,425,000 | 6,292,819 | 867,819 |
| TOTAL TO DATE: | | | |
| On Line | 14,600,000 | 15,267,499 | 667,499 |
| Instant | 16,300,000 | 19,041,152 | 2,741,152 |
| Pull Tabs | 1,125,000 | 798,953 | (326,047) |
| TOTAL | 32,025,000 | 35,107,604 | 3,082,604 |
| | | | 3,082,604 |

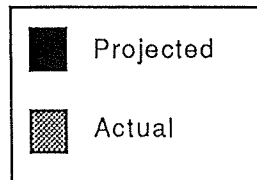
FISCAL YEAR 1989 PERFORMANCE BY MONTH



Projected: \$32,025,000

Actual: \$35,107,604

Difference: \$3,082,604



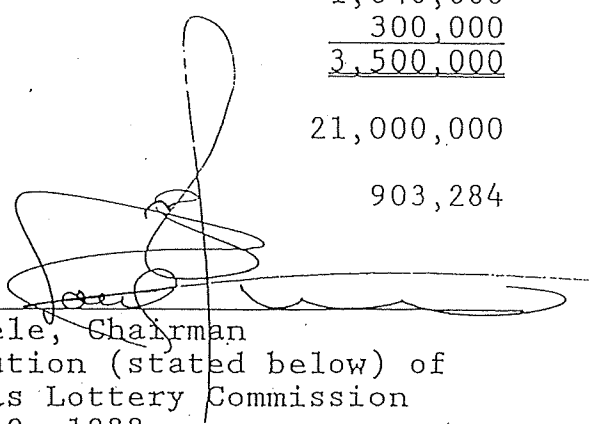
KANSAS LOTTERY
 FY 89 BUDGET COMPARISON

| OBJECT CODE | SUBJECT | FY 89 BUDGET APPROVED BY GOV. & 88 LEG. | FY 89 LOTTERY REVISED BUDGET EST. | FY 89 REVISED BUDGET SUBMITTED BY GOV. |
|----------------|-------------------------|---|---|--|
| | Personnel costs | | | |
| 100 | Salaries-wages | <u>2,972,182</u> | <u>2,964,896</u> | <u>2,929,199</u> |
| | Total Personnel costs | 2,972,182 | 2,964,896 | 2,929,199 |
| | Administrative costs | | | |
| 200 | Communications | 290,000 | 350,400 | 350,400 |
| 210 | Freight & express | 131,500 | 214,800 | 165,000 |
| 220 | Printing & advertising | 325,000 | 40,000 | 20,000 |
| 230 | Rents | 352,300 | 395,885 | 393,005 |
| 240 | Repair & Service | 65,000 | 193,000 | 193,000 |
| 250 | Travel & subsistence | 477,300 | 501,200 | 396,850 |
| 260 | Other fees | 325,000 | 103,085 | 103,085 |
| 270 | Professional services | 1,481,000 | 1,110,800 | 1,095,800 |
| 275 | Advertising | 3,451,247 | 2,621,525 | 2,621,525 |
| 280 | Utilities | 41,400 | 72,000 | 72,000 |
| 290 | Contractual services | 4,000 | 28,000 | 15,500 |
| 300 | Clothing | -0- | 2,000 | 2,000 |
| 340 | Materials & supplies | -0- | 25,000 | 20,000 |
| 350 | Vehicle supplies | -0- | 17,000 | 15,000 |
| 360 | Professional supplies | -0- | 36,300 | 20,000 |
| 370 | Office supplies | 250,000 | 530,815 | 500,000 |
| 390 | Other supplies | 2,000 | 20,500 | 4,000 |
| 400 | Capital outlay | <u>312,000</u> | <u>207,110</u> | <u>117,000</u> |
| | TOTAL ADMIN. COSTS | <u>7,507,747</u> | <u>6,469,420</u> | <u>6,104,165</u> |
| | Cost of Sales | | | |
| 279 | Vendor commissions | 2,436,876 | 3,962,000 | 3,962,400 |
| 202 | On-line communications | 1,000,000 | 1,000,000 | 1,000,000 |
| 229 | Instant tickets | 1,342,151 | 1,250,000 | 1,250,000 |
| | On-line lease equipment | <u>387,760</u> | <u>-0-</u> | <u>-0-</u> |
| | TOTAL COST OF SALES | <u>5,166,787</u> | <u>6,212,400</u> | <u>6,212,400</u> |
| | TOTAL OPERATING COST | 15,646,716 | 15,646,716 | 15,245,764 |

KANSAS LOTTERY FISCAL YEAR 1989

SALES AND EXPENDITURES ANALYSIS

| | |
|-------------------------------|-------------------|
| CARRY FORWARD | 2,750,000 |
| SALES | |
| On-Line | 31,200,000 |
| Instant | 32,800,000 |
| Pull-Tab | <u>6,000,000</u> |
| TOTAL SALES | <u>70,000,000</u> |
| OTHER INCOME | |
| Retailer Applications | 200,000 |
| On-Line Communication Charges | 500,000 |
| TOTAL AVAILABLE | <u>73,450,000</u> |
| ADMINISTRATIVE COSTS | 9,434,316 |
| COST OF SALES (No-Limit) | |
| Vendor Commissions | 3,962,400 |
| On-Line Communication Charges | 1,000,000 |
| Ticket Printing | <u>1,250,000</u> |
| TOTAL COST OF SALES | <u>6,212,400</u> |
| TOTAL OPERATING COSTS | <u>15,646,716</u> |
| PRIZE FUND (No-Limit) | |
| On-Line | 14,040,000 |
| Instant | 14,760,000 |
| Pull-Tab | <u>3,600,000</u> |
| TOTAL PRIZE FUND | <u>32,400,000</u> |
| COMMISSIONS (No-Limit) | |
| On-Line | 1,560,000 |
| Instant | 1,640,000 |
| Pull-Tab | <u>300,000</u> |
| TOTAL COMMISSIONS | <u>3,500,000</u> |
| GAMING FUND (30%) | 21,000,000 |
| FY 89 ENDING BALANCE | 903,284 |

Approved 
Paul Steele, Chairman
by resolution (stated below) of
The Kansas Lottery Commission
November 9, 1988

Revise the FY89 sales projection to \$70,000,000 under the budget approved by the 1988 legislature, and revise the FY90 sales projection to 71,000,000 for level A, 75,000,000 for level B, and 80,000,000 for level C assuming the 1989 legislature accepts the budget approved by the Kansas Lottery Commission, and assuming the 1989 legislature authorizes a no limit fund for "cost of sales" items for FY89 and subsequent years.

KANSAS LOTTERY
SUMMARY OF BUDGETED VS. EXPENDITURES
As of 1-23-89

| OBJECT CODE | SUBJECT | BUDGETED | EXPENDITURES to DATE | % of BUDGET |
|-------------|------------------------|-----------------|----------------------|-------------|
| | Personnel costs | | | |
| 100 | Salaries-wages | \$2,929,199.00 | \$1,461,063.17 | 49.88% |
| | Total personnel costs | \$2,929,199.00 | \$1,461,063.17 | 49.88% |
| | Administrative costs | | | |
| 200 | Communications | \$350,400.00 | \$154,980.96 | 44.23% |
| 210 | Freight & express | \$165,000.00 | \$44,530.03 | 26.99% |
| 220 | Printing & advertising | \$20,000.00 | \$17,837.37 | 89.19% |
| 230 | Rents | \$393,005.00 | \$213,265.48 | 54.27% |
| 240 | Repair & service | \$193,000.00 | \$46,712.59 | 24.20% |
| 250 | Travel & subsistence | \$396,850.00 | \$246,754.73 | 62.18% |
| 260 | Other fees | \$103,085.00 | \$87,765.14 | 85.14% |
| 270 | Professional services | \$1,095,800.00 | \$445,599.83 | 40.66% |
| 275 | Advertising | \$2,621,525.00 | \$1,303,555.26 | 49.73% |
| 280 | Utilities | \$72,000.00 | \$41,027.16 | 56.98% |
| 290 | Contractural services | \$15,500.00 | \$21,120.63 | 136.26% |
| 300 | Clothing | \$2,000.00 | 0 | |
| 340 | Materials & supplies | \$20,000.00 | \$3,251.57 | 16.26% |
| 350 | Vehicle supplies | \$15,000.00 | \$7,565.69 | 50.44% |
| 360 | Professional supplies | \$20,000.00 | \$22,617.16 | 113.09% |
| 370 | Office supplies | \$500,000.00 | \$44,036.99 | 8.81% |
| 390 | Other supplies | \$4,000.00 | \$7,279.44 | 181.99% |
| 400 | Capital outlay | \$117,000.00 | \$117,026.76 | 100.02% |
| | TOTAL ADMIN. COSTS | \$6,104,165.00 | \$2,824,926.79 | 46.28% |
| | Cost of Sales | | | |
| 279 | Vendor commissions | \$3,962,400.00 | \$1,867,812.69 | 47.14% |
| 202 | On-line communications | \$1,000,000.00 | \$591,088.58 | 59.11% |
| 229 | Instant tickets | \$1,250,000.00 | \$419,698.33 | 33.58% |
| | TOTAL COST of SALES | \$6,212,400.00 | \$2,878,599.60 | 46.34% |
| | TOTAL OPERATING COST | \$15,245,764.00 | \$7,164,589.56 | 46.99% |

KANSAS LOTTERY

FY90 Summary of Governor's Recommendations vs. Lottery Estimates

| OBJECT CODE | SUBJECT | LOTTERY ESTIMATE LEVEL A | LOTTERY ESTIMATE LEVEL B | LOTTERY ESTIMATE LEVEL C | GOVERNOR RECOMMENDATION |
|----------------------|------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| Administrative Costs | | | | | |
| Personnel costs | | | | | |
| 100 | Salaries-wages | <u>3,121,808</u> | <u>3,121,808</u> | <u>3,121,808</u> | <u>3,239,858</u> |
| | TOTAL PERSONNEL COSTS | 3,121,808 | 3,121,808 | 3,121,808 | 3,239,858 |
| Administrative costs | | | | | |
| 200 | Communications | 309,520 | 309,520 | 309,520 | 309,520 |
| 210 | Freight & express | 163,560 | 163,560 | 163,560 | 165,000 |
| 220 | Printing & advertising | 40,000 | 40,000 | 40,000 | 20,000 |
| 230 | Rents | 386,357 | 386,357 | 386,357 | 382,997 |
| 240 | Repair & service | 193,000 | 193,000 | 193,000 | 193,000 |
| 250 | Travel & subsistence | 501,200 | 501,200 | 501,200 | 396,850 |
| 260 | Other fees | 147,500 | 147,500 | 147,500 | 147,500 |
| 270 | Professional services | 1,055,000 | 1,055,000 | 1,055,000 | 1,040,000 |
| 275 | Advertising | 3,050,144 | 3,557,406 | 4,222,800 | 3,050,144 |
| 280 | Utilities | 72,000 | 72,000 | 72,000 | 72,000 |
| 290 | Contractual services | 8,000 | 8,000 | 8,000 | 7,000 |
| 300 | Clothing | 2,000 | 2,000 | 2,000 | 2,000 |
| 340 | Materials & supplies | 25,000 | 25,000 | 25,000 | 20,000 |
| 350 | Vehicle supplies | 17,000 | 17,000 | 17,000 | 15,000 |
| 360 | Professional supplies | 35,500 | 35,500 | 35,500 | 15,000 |
| 370 | Office supplies | 540,400 | 540,400 | 540,400 | 390,000 |
| 390 | Other supplies | 15,500 | 15,500 | 15,500 | 4,000 |
| 400 | Capital outlay | <u>213,655</u> | <u>213,655</u> | <u>213,655</u> | <u>65,000</u> |
| | TOTAL ADMIN. COSTS | 6,775,336 | 7,282,598 | 7,947,992 | 6,295,011 |
| Cost of Sales | | | | | |
| 279 | Vendor commissions | 2,546,000 | 2,572,800 | 2,666,600 | a) 2,720,200 |
| 202 | On-line communications | 1,050,000 | 1,200,000 | 1,350,000 | a) 1,050,000 |
| 229 | Instant tickets | <u>699,206</u> | <u>762,194</u> | <u>789,600</u> | <u>1,079,390</u> |
| | TOTAL COST OF SALES | 4,295,206 | 4,534,994 | 4,806,200 | 4,849,590 |
| | TOTAL OPERATING COST | 14,192,350 | 14,939,400 | 15,876,000 | 14,384,459 |
| | Projected Sales | 71,000,000 | 75,000,000 | 80,000,000 | 70,000,000 |

a) No-limit fund in fiscal year 90 for vendor commission and on-line communication charges.

KANSAS LOTTERY FISCAL YEAR 1990
SALES & EXPENDITURE ANALYSIS

| | LEVEL A | LEVEL B | LEVEL C |
|--------------------------|-------------------|-------------------|-------------------|
| CARRY FORWARD | 903,284 | 903,284 | 903,284 |
| SALES | | | |
| On-Line | 38,000,000 | 38,400,000 | 39,800,000 |
| Instant | 26,000,000 | 28,600,000 | 31,200,000 |
| Pull-Tab | 7,000,000 | 8,000,000 | 9,000,000 |
| TOTAL SALES | <u>71,000,000</u> | <u>75,000,000</u> | <u>80,000,000</u> |
| OTHER INCOME | | | |
| Retailer Application | 300,000 | 300,000 | 300,000 |
| On-Line Comm. Charge | 500,000 | 500,000 | 500,000 |
| TOTAL AVAILABLE | <u>72,703,284</u> | <u>76,703,284</u> | <u>81,703,284</u> |
| ADMINISTRATIVE COSTS | 9,897,144 | 10,404,406 | 11,069,800 |
| COST OF SALES (No-Limit) | | | |
| Vendor Commission | 2,546,000 | 2,572,800 | 2,666,600 |
| On-Line Comm. Chgs | 1,050,000 | 1,200,000 | 1,350,000 |
| Ticket Printing | 699,206 | 762,194 | 789,600 |
| TOTAL COST OF SALE | <u>4,295,206</u> | <u>4,534,994</u> | <u>4,806,200</u> |
| TOTAL OPERATING COSTS | <u>14,192,350</u> | <u>14,939,400</u> | <u>15,876,000</u> |
| PRIZE FUND (No-Limit) | | | |
| On-Line | 17,100,000 | 17,280,000 | 17,910,000 |
| Instant | 11,700,000 | 12,870,000 | 14,040,000 |
| Pull-Tab | 4,200,000 | 4,800,000 | 5,400,000 |
| TOTAL PRIZE FUND | <u>33,000,000</u> | <u>34,950,000</u> | <u>37,350,000</u> |
| COMMISSIONS (No-Limit) | | | |
| On-Line | 1,900,000 | 1,920,000 | 1,990,000 |
| Instant | 1,300,000 | 1,430,000 | 1,560,000 |
| Pull Tab | 350,000 | 400,000 | 450,000 |
| TOTAL COMMISSIONS | <u>3,550,000</u> | <u>3,750,000</u> | <u>4,000,000</u> |
| GAMING FUND (30%) | 21,300,000 | 22,500,000 | 24,000,000 |
| FY 90 ENDING BALANCE | 660,934 | 563,884 | 477,284 |

Approved _____
Paul Steele, Chairman
by resolution (stated below) of the
Kansas Lottery Commission
November 9, 1988

Revise the FY89 sales projection to \$70,000,000 under the budget approved by the 1988 legislature, and revise the FY90 sales projection to 71,000,000 for level A, 75,000,000 for level B, and 80,000,000 for level C assuming the 1989 legislature accepts the budget approved by the Kansas Lottery Commission, and assuming the 1989 legislature authorizes a no limit fund for "cost of sales" items for FY 1989 and subsequent years.

KANSAS LOTTERY
ESTIMATED INSTANT TICKET SALES
BASED ON VALIDATIONS
FY 89
01/20/89

Page 1
of 2

Game # 6 (Double Dollars)

| | | | |
|---------------|-----------|--------|----|
| Prize Amount | \$50 | \$100 | NA |
| Odds | 1: 10,000 | 45,000 | NA |
| Total in Game | 794 | 176 | NA |

Validations

| | | | |
|---------------------|-------------|-------------|-------------|
| Day's Change | 0 | 0 | NA |
| 07/01/88 - 01/20/88 | 514 | 120 | NA |
| Total Validations | 514 | 120 | NA |
| % of Total | 64.74% | 68.18% | NA |
| Estimated Sales | \$5,140,000 | \$5,400,000 | NA |
| Less: Free Tickets | | | 0 |
| Net Estimated Sales | | | \$5,140,000 |

Game # 7 (Hometown Cash)

| | | | |
|---------------|----------|---------|----|
| Prize Amount | \$50 | \$1,000 | NA |
| Odds | 1: 1,895 | 90,000 | NA |
| Total in Game | 4,750 | 100 | NA |

Validations

| | | | |
|---------------------|-------------|-------------|-------------|
| Day's Change | 4 | 0 | NA |
| 07/01/88 - 01/20/88 | 3,017 | 64 | NA |
| Total Validations | 3,017 | 64 | NA |
| % of Total | 63.52% | 64.00% | NA |
| Estimated Sales | \$5,717,215 | \$5,760,000 | NA |
| Less: Free Tickets | | | 0 |
| Net Estimated Sales | | | \$5,717,215 |

KANSAS LOTTERY
ESTIMATED INSTANT TICKET SALES
BASED ON VALIDATIONS
FY 89
01/20/89

Page 2
of 2

Game # 8 (Instant Dough)

| | | | |
|---------------|----------|-------|---------|
| Prize Amount | \$50 | \$100 | \$5,000 |
| Odds | 1: 3,046 | 5,882 | 400,000 |
| Total in Game | 3,273 | 2,145 | 32 |

Validations

| | | | |
|---------------------|-------------|-------------|-------------|
| Day's Change | 2 | 4 | 0 |
| 07/01/88 - 01/20/88 | 1,279 | 890 | 13 |
| Total Validations | 1,279 | 890 | 13 |
| % of Total | 39.08% | 41.49% | 40.63% |
| Estimated Sales | \$4,919,034 | \$5,234,980 | \$5,200,000 |
| Less: Free Tickets | | | 803,442 |
| Net Estimated Sales | | | \$4,115,592 |

Game # 9 (Bonanza Bonus)

| | | | |
|---------------|--------|--------|----|
| Prize Amount | \$50 | \$500 | NA |
| Odds | 1: 282 | 75,000 | NA |
| Total in Game | 36,956 | 139 | NA |

Validations

| | | | |
|---------------------|-------------|-------------|-------------|
| Day's Change | 493 | 3 | 0 |
| 07/01/88 - 01/20/88 | 4,300 | 17 | 0 |
| Total Validations | 4,300 | 17 | 0 |
| % of Total | 11.64% | 12.23% | NA |
| Estimated Sales | \$1,212,600 | \$1,275,000 | NA |
| Less: Free Tickets | | | 149,554 |
| Net Estimated Sales | | | \$1,063,046 |

Net Estimated Instant Sales for all Games (1989) \$20,958,628

Change from Previous Day \$135,895

Kansas Lottery
Estimated Tickets Sales Based on Winning Ticket Validation

| GAME #7 | \$50 | \$1,000 |
|------------------|---------|----------|
| Prize Amount | | |
| Odds | 1/1,895 | 1/90,000 |
| Total in Game #7 | 4,750 | 100 |

| Period | Number of \$50 Validations | Number | | Estimated Ticket Sales Based Upon \$50 Validations | Estimated Ticket Sales Based Upon \$1000 Validations | Estimated Ticket Sales | Less: Free Tickets | Net Estimated Ticket Sales |
|-----------------------------|----------------------------------|--------------------|---------------------------|--|--|---------------------------|--------------------------|-------------------------------------|
| | | Cumulative Pct. | of \$1,000 Validations | | | | | |
| 09/16/88 | 314 | | 10 | 595,030 | 900,000 | 900,000 | 0 | 900,000 |
| Cumulative through 09/16/88 | 314 | 6.61% | 10 | \$595,030 | \$900,000 | \$900,000 | 0 | \$900,000 |
| 09/23/88 | 254 | | 6 | \$481,330 | \$540,000 | \$540,000 | 0 | \$540,000 |
| Cumulative through 09/23/88 | 568 | 11.96% | 16 | \$1,076,360 | \$1,440,000 | \$1,440,000 | 0 | \$1,440,000 |
| 09/30/88 | 223 | | 4 | \$422,585 | \$360,000 | \$360,000 | 0 | \$360,000 |
| Cumulative through 09/30/88 | 791 | 16.65% | 20 | \$1,498,945 | \$1,800,000 | \$1,800,000 | 0 | \$1,800,000 |
| 10/07/88 | 245 | | 6 | \$464,275 | \$540,000 | \$540,000 | 0 | \$540,000 |
| Cumulative through 10/07/88 | 1,036 | 21.81% | 26 | \$1,963,220 | \$2,340,000 | \$2,340,000 | 0 | \$2,340,000 |
| 10/14/88 | 201 | | 2 | \$380,895 | \$180,000 | \$180,000 | 0 | \$180,000 |
| Cumulative through 10/14/88 | 1,237 | 26.04% | 28 | \$2,344,115 | \$2,520,000 | \$2,520,000 | 0 | \$2,520,000 |
| 10/21/88 | 234 | | 7 | \$443,430 | \$630,000 | \$630,000 | 0 | \$630,000 |
| Cumulative through 10/21/88 | 1,471 | 30.97% | 35 | \$2,787,545 | \$3,150,000 | \$3,150,000 | 0 | \$3,150,000 |
| 10/28/88 | 230 | | 3 | \$435,850 | \$270,000 | \$270,000 | 0 | \$270,000 |
| Cumulative through 10/28/88 | 1,701 | 35.81% | 38 | \$3,223,395 | \$3,420,000 | \$3,420,000 | 0 | \$3,420,000 |
| 11/04/88 | 271 | | 4 | \$513,545 | \$360,000 | \$360,000 | 0 | \$360,000 |
| Cumulative through 11/04/88 | 1,972 | 41.52% | 42 | \$3,736,940 | \$3,780,000 | \$3,780,000 | 0 | \$3,780,000 |
| 11/10/88 | 199 | | 7 | \$377,105 | \$630,000 | \$630,000 | 0 | \$630,000 |
| Cumulative through 11/10/88 | 2,171 | 45.71% | 49 | \$4,114,045 | \$4,410,000 | \$4,410,000 | 0 | \$4,410,000 |
| 11/18/88 *** | 253 | | 3 | \$479,435 | \$270,000 | \$183,480 | 0 | \$183,480 |
| Cumulative through 11/18/88 | 2,424 | 51.03% | 52 | \$4,593,480 | \$4,680,000 | \$4,593,480 | 0 | \$4,593,480 |
| 11/23/88 | 76 | | 0 | \$144,020 | \$0 | \$144,020 | 0 | \$144,020 |
| Cumulative through 11/23/88 | 2,500 | 52.63% | 52 | \$4,737,500 | \$4,680,000 | \$4,737,500 | 0 | \$4,737,500 |
| 12/02/88 | 94 | | 3 | \$178,130 | \$270,000 | \$178,130 | 0 | \$178,130 |
| Cumulative through 12/02/88 | 2,594 | 54.61% | 55 | \$4,915,630 | \$4,950,000 | \$4,915,630 | 0 | \$4,915,630 |
| 12/09/88 | 85 | | 2 | \$161,075 | \$180,000 | \$161,075 | 0 | \$161,075 |
| Cumulative through 12/09/88 | 2,679 | 56.40% | 57 | \$5,076,705 | \$5,130,000 | \$5,076,705 | 0 | \$5,076,705 |
| 12/16/88 | 66 | | 1 | \$125,070 | \$90,000 | \$125,070 | 0 | \$125,070 |
| Cumulative through 12/16/88 | 2,745 | 57.79% | 58 | \$5,201,775 | \$5,220,000 | \$5,201,775 | 0 | \$5,201,775 |
| 12/23/88 | 80 | | 0 | \$151,600 | \$0 | \$151,600 | 0 | \$151,600 |
| Cumulative through 12/23/88 | 2,825 | 59.47% | 58 | \$5,353,375 | \$5,220,000 | \$5,353,375 | 0 | \$5,353,375 |
| 12/31/88 | 68 | | 2 | \$128,860 | \$180,000 | \$128,860 | 0 | \$128,860 |
| Cumulative through 12/31/88 | 2,893 | 60.91% | 60 | \$5,482,235 | \$5,400,000 | \$5,482,235 | 0 | \$5,482,235 |
| 01/06/89 | 49 | | 1 | \$92,855 | \$90,000 | \$92,855 | 0 | \$92,855 |
| Cumulative through 01/06/89 | 2,942 | 61.94% | 61 | \$5,575,090 | \$5,490,000 | \$5,575,090 | 0 | \$5,575,090 |
| 01/13/89 | 57 | | 3 | \$108,015 | \$270,000 | \$108,015 | 0 | \$108,015 |
| Cumulative through 01/13/89 | 2,999 | 63.14% | 64 | \$5,683,105 | \$5,760,000 | \$5,683,105 | 0 | \$5,683,105 |
| 01/20/89 | 18 | | 0 | \$34,110 | \$0 | \$34,110 | 0 | \$34,110 |
| Cumulative through 01/20/89 | 3,017 | 63.52% | 64 | \$5,717,215 | \$5,760,000 | \$5,717,215 | 0 | \$5,717,215 |

Kansas Lottery
 Estimated Tickets Sales Based on Winning Ticket Validation

| GAME # 8 | | | |
|-------------------|--------|--------|----------|
| Prize Amount | \$50 | \$100 | \$5,000 |
| Odds | 1/3846 | 1/5882 | 1/400000 |
| Total in Game # 8 | 3,273 | 2,145 | 32 |

| Period | Number of \$50 | | Number of \$100 | | Number of \$5,000 | | Estimated Ticket Sales Based Upon \$50 | Estimated Ticket Sales Based Upon \$100 | Estimated Ticket Sales Based Upon \$5,000 | Estimated Ticket Sales | Less: Free Tickets | Net Estimated Ticket Sales |
|-----------------------------|----------------|-----------------|-----------------|-----------------|-------------------|-----------------|--|---|---|------------------------|--------------------|----------------------------|
| | Validations | Cumulative Pct. | Validations | Cumulative Pct. | Validations | Cumulative Pct. | Validations | Validations | Validations | | | |
| 11/18/88 | 30 | | 13 | | 1 | | \$115,380 | \$76,466 | \$400,000 | \$115,380 | \$18,845 | \$96,535 |
| Cumulative through 11/18/88 | 30 | 0.92% | 13 | 0.61% | 1 | 3.13% | \$115,380 | \$76,466 | \$400,000 | \$115,380 | \$18,845 | \$96,535 |
| 11/23/88 | 113 | | 55 | | 0 | | 434,598 | 323,510 | 0 | 434,598 | \$70,984 | 363,614 |
| Cumulative through 11/23/88 | 143 | 4.37% | 68 | 3.17% | 1 | 3.13% | \$549,978 | \$399,976 | \$400,000 | \$549,978 | \$89,830 | \$460,148 |
| 12/02/88 | 157 | | 124 | | 0 | | 603,822 | 729,368 | 0 | 603,822 | \$98,624 | 505,198 |
| Cumulative through 12/02/88 | 300 | 9.17% | 192 | 8.95% | 1 | 3.13% | \$1,153,800 | \$1,129,344 | \$400,000 | \$1,153,800 | \$188,454 | \$965,346 |
| 12/09/88 | 180 | | 126 | | 2 | | 692,280 | 741,132 | 800,000 | 692,280 | \$113,072 | 579,208 |
| Cumulative through 12/09/88 | 480 | 14.67% | 318 | 14.83% | 3 | 9.38% | \$1,846,080 | \$1,870,476 | \$1,200,000 | \$1,846,080 | \$301,526 | \$1,544,554 |
| 12/16/88 | 110 | | 95 | | 0 | | 423,060 | 558,790 | 0 | 423,060 | \$69,100 | 353,960 |
| Cumulative through 12/16/88 | 590 | 18.03% | 413 | 19.25% | 3 | 9.38% | \$2,269,140 | \$2,429,266 | \$1,200,000 | \$2,269,140 | \$370,626 | \$1,898,514 |
| 12/23/88 | 134 | | 95 | | 3 | | 515,364 | 558,790 | 1,200,000 | 515,364 | \$84,176 | 431,188 |
| Cumulative through 12/23/88 | 724 | 22.12% | 508 | 23.68% | 6 | 18.75% | \$2,784,504 | \$2,988,056 | \$2,400,000 | \$2,784,504 | \$454,802 | \$2,329,702 |
| 12/31/88 | 202 | | 116 | | 1 | | 776,892 | 682,312 | 400,000 | 776,892 | \$126,892 | 650,000 |
| Cumulative through 12/31/88 | 926 | 28.29% | 624 | 29.09% | 7 | 21.88% | \$3,561,396 | \$3,670,368 | \$2,800,000 | \$3,561,396 | \$581,695 | \$2,979,701 |
| 01/06/89 | 163 | | 135 | | 3 | | 626,898 | 794,070 | 1,200,000 | 626,898 | \$102,393 | 524,505 |
| Cumulative through 01/06/89 | 1,089 | 33.27% | 759 | 35.38% | 10 | 31.25% | \$4,188,294 | \$4,464,438 | \$4,000,000 | \$4,188,294 | \$684,088 | \$3,504,206 |
| 01/13/89 | 131 | | 96 | | 3 | | 503,826 | 564,672 | 1,200,000 | 503,826 | \$82,292 | 421,534 |
| Cumulative through 01/13/89 | 1,220 | 37.27% | 855 | 39.86% | 13 | 40.63% | \$4,692,120 | \$5,029,110 | \$5,200,000 | \$4,692,120 | \$766,380 | \$3,925,740 |
| 01/20/89 | 59 | | 35 | | 0 | | 226,914 | 205,870 | 0 | 226,914 | \$37,063 | 189,851 |
| Cumulative through 01/20/89 | 1,279 | 39.08% | 890 | 41.49% | 13 | 40.63% | \$4,919,034 | \$5,234,980 | \$5,200,000 | \$4,919,034 | \$803,442 | \$4,115,592 |

Kansas Lottery

Estimated Tickets Sales Based on Winnings Ticket Validation

| | | |
|-------------------|--------|---------|
| GAME # 9 | | |
| Prize Amount | \$50 | \$500 |
| Odds | 1/282 | 1/75000 |
| Total in Game # 9 | 36,956 | 139 |

| Period | Number of \$50 Validations | Number | | Estimated Ticket Sales Based Upon \$50 Validations | Estimated Ticket Sales Based Upon \$500 Validations | Estimated Ticket Sales | Less: Free Tickets | Net Estimated Ticket Sales |
|-----------------------------|----------------------------------|--------------------|-------------------------|--|---|---------------------------|--------------------------|-------------------------------------|
| | | Cumulative Pct. | of \$500 Validations | | | | | |
| 01/13/89 | 834 | | 0 | 235,188 | 0 | 235,188 | \$29,007 | 206,181 |
| Cumulative through 01/13/89 | 834 | 2.26% | 0 | 0.00% | \$235,188 | \$0 | 29,007 | \$206,181 |
| 01/20/89 | 3,466 | | 17 | 977,412 | 1,275,000 | 977,412 | \$120,547 | 856,865 |
| Cumulative through 01/20/89 | 4,300 | 11.64% | 17 | 12.23% | \$1,212,600 | \$1,275,000 | \$149,554 | \$1,063,046 |

Kansas Lottery
 Daily Instant Ticket Orders
 For the Period: July 1, 1988 -

| Date | Gross | | Orders | Adjustments | | | Returns | Net Orders | To-Date | | |
|-------------------|---------------|---------------|--------------|---------------|------------|-----------|--------------|---------------|------------|------------|---------------|
| | Normal | Special | Walkin | Total | Debits | Credits | | | Week | Month | Year |
| Total for FY 1988 | 21,594,647.00 | 13,751,112.00 | 5,927,503.00 | 41,273,262.00 | 68,637.15 | 29,903.75 | 4,259,922.27 | 37,173,481.79 | | | 37,173,481.79 |
| Total for 7/88 | 2,033,554.00 | 721,957.00 | 288,133.00 | 3,043,644.00 | 0.00 | 0.00 | 712,144.95 | 2,331,499.05 | | | 2,331,499.05 |
| Total for 8/88 | 2,425,222.00 | 219,308.00 | 252,898.00 | 2,897,428.00 | 0.00 | 0.00 | 603,462.45 | 2,293,965.55 | | | 4,625,464.60 |
| Total for 9/88 | 1,012,169.00 | 210,429.00 | 160,751.00 | 1,383,349.00 | 324.00 | 0.00 | 758,872.58 | 624,800.42 | | | 5,250,265.02 |
| Total for 10/88 | 1,235,259.00 | 95,679.00 | 148,104.00 | 1,479,042.00 | 166.25 | 0.00 | 70,212.47 | 1,408,995.78 | | | 6,659,260.80 |
| Total for 11/88 | 868,440.00 | 970,915.00 | 240,387.00 | 1,583,180.00 | 0.00 | 0.00 | 311,792.57 | 1,767,949.43 | | | 8,427,210.23 |
| Total for 12/88 | 1,453,376.00 | 541,600.00 | 222,106.00 | 2,217,082.00 | 12,266.00 | 0.00 | 306,691.04 | 1,922,656.96 | | | 10,349,867.19 |
| 01/03/89 | 99 174,840.00 | 18,042.00 | 10,044.00 | | | | | 202,926.00 | 202,926.00 | 202,926.00 | 10,552,793.19 |
| | 98 22,984.00 | 4,352.00 | 11,424.00 | | | | 952.90 | 37,807.10 | 240,733.10 | 240,733.10 | 10,590,600.29 |
| | 97 | | 324.00 | | | | 1,049.22 | (725.22) | 240,007.88 | 240,007.88 | 10,589,875.07 |
| | 96 | | | | | | | 0.00 | 240,007.88 | 240,007.88 | 10,589,875.07 |
| | 95 | | | | | | | 0.00 | 240,007.88 | 240,007.88 | 10,589,875.07 |
| 01/04 | 99 166,284.00 | 12,276.00 | 2,046.00 | | | | | 180,606.00 | 420,613.88 | 420,613.88 | 10,770,481.07 |
| | 98 18,088.00 | 2,312.00 | 6,528.00 | | | | 319.60 | 26,608.40 | 447,222.28 | 447,222.28 | 10,797,089.47 |
| | 97 | | | | | | 799.74 | (799.74) | 446,422.54 | 446,422.54 | 10,796,289.73 |
| | 96 | | | | | | 661.98 | (661.98) | 445,760.56 | 445,760.56 | 10,795,627.75 |
| | 95 | | | | | | | 0.00 | 445,760.56 | 445,760.56 | 10,795,627.75 |
| 01/05 | 99 94,302.00 | 8,742.00 | 10,044.00 | | | | | 113,088.00 | 558,848.56 | 558,848.56 | 10,908,715.75 |
| | 98 20,672.00 | 1,224.00 | 7,072.00 | | | | 4,405.94 | 24,562.06 | 583,410.62 | 583,410.62 | 10,933,277.81 |
| | 97 | | 324.00 | | | | 1,647.00 | (1,323.00) | 582,087.62 | 582,087.62 | 10,931,954.81 |
| | 96 | | | | | | 153.00 | (153.00) | 581,934.62 | 581,934.62 | 10,931,801.81 |
| | 95 | | | | | | | 0.00 | 581,934.62 | 581,934.62 | 10,931,801.81 |
| 01/06 | 99 28,458.00 | 8,184.00 | 7,812.00 | | | | | 44,454.00 | 626,388.62 | 626,388.62 | 10,976,255.81 |
| | 98 22,168.00 | 1,360.00 | 13,056.00 | | | | 408.00 | 36,176.00 | 662,564.62 | 662,564.62 | 11,012,431.81 |
| | 97 | | 1,296.00 | | | | 2,550.42 | (1,254.42) | 661,310.20 | 661,310.20 | 11,011,177.39 |
| | 96 | | | | | | 227.97 | (227.97) | 661,082.23 | 661,082.23 | 11,010,949.42 |
| | 95 | | | | | | | 0.00 | 661,082.23 | 661,082.23 | 11,010,949.42 |
| | | 547,796.00 | 56,492.00 | 69,970.00 | 674,258.00 | 0.00 | 0.00 | 13,175.77 | 661,082.23 | | |
| 01/09/89 | 99 53,010.00 | | | | | | | 53,010.00 | 53,010.00 | 714,092.23 | 11,063,959.42 |
| | 98 32,912.00 | | | | | | 1,496.00 | 31,416.00 | 84,426.00 | 745,508.23 | 11,095,375.42 |
| | 97 | | 162.00 | | | | 4,962.60 | (4,800.60) | 79,625.40 | 740,707.63 | 11,090,574.82 |
| | 96 | | | | | | 367.71 | (367.71) | 79,257.69 | 740,339.92 | 11,090,207.11 |
| | 95 | | | | | | | 0.00 | 79,257.69 | 740,339.92 | 11,090,207.11 |
| 01/10/89 | 99 13,392.00 | 4,092.00 | 18,042.00 | | | | | 35,526.00 | 114,783.69 | 775,865.92 | 11,125,733.11 |
| | 98 11,016.00 | 1,632.00 | 6,256.00 | | | | 1,699.54 | 17,204.46 | 131,988.15 | 793,070.38 | 11,142,937.57 |
| | 97 | | | | | | 4,717.98 | (4,717.98) | 127,270.17 | 788,352.40 | 11,138,219.59 |
| | 96 | | | | | | | 0.00 | 127,270.17 | 788,352.40 | 11,138,219.59 |

| | | | | | | | | | | |
|----------------|----|---------------|--------------|--------------|---------------|-----------|-------------|--------------|---------------|---------------|
| | 95 | | | | | | 0.00 | 127,270.17 | 788,352.40 | 11,138,219.59 |
| 01/11 | 99 | 15,624.00 | 6,696.00 | 18,786.00 | | | 41,106.00 | 168,376.17 | 829,458.40 | 11,179,325.59 |
| | 98 | 2,720.00 | 3,672.00 | 4,080.00 | | 136.00 | 10,336.00 | 178,712.17 | 839,794.40 | 11,189,661.59 |
| | 97 | | | | | 1,663.74 | (1,663.74) | 177,048.43 | 838,130.66 | 11,187,997.85 |
| | 96 | | | | | | 0.00 | 177,048.43 | 838,130.66 | 11,187,997.85 |
| | 95 | | | | | | 0.00 | 177,048.43 | 838,130.66 | 11,187,997.85 |
| 01/12 | 99 | 54,126.00 | 23,436.00 | 34,224.00 | | 2,418.00 | 109,368.00 | 286,416.43 | 947,498.66 | 11,297,365.85 |
| | 98 | 17,136.00 | 3,536.00 | 2,720.00 | | 615.62 | 22,776.38 | 309,192.81 | 970,275.04 | 11,320,142.23 |
| | 97 | | | | | 5,688.36 | (5,688.36) | 303,504.45 | 964,586.68 | 11,314,453.87 |
| | 96 | | | | | 435.54 | (435.54) | 303,068.91 | 964,151.14 | 11,314,018.33 |
| | 95 | | | | | | 0.00 | 303,068.91 | 964,151.14 | 11,314,018.33 |
| 01/13 | 99 | 76,074.00 | 17,670.00 | 44,826.00 | | 930.00 | 137,640.00 | 440,708.91 | 1,101,791.14 | 11,451,658.33 |
| | 98 | 6,664.00 | 680.00 | 6,120.00 | | 1,553.11 | 11,910.89 | 452,619.80 | 1,113,702.03 | 11,463,569.22 |
| | 97 | | | | | 10,774.08 | (10,774.08) | 441,845.72 | 1,102,927.95 | 11,452,795.14 |
| | 96 | | | | | 1,446.36 | (1,446.36) | 440,399.36 | 1,101,481.59 | 11,451,348.78 |
| | 95 | | | | | | 0.00 | 440,399.36 | 1,101,481.59 | 11,451,348.78 |
| | | 282,674.00 | 61,576.00 | 135,054.00 | 479,304.00 | 0.00 | 0.00 | 38,904.64 | 440,399.36 | |
| 01/17/89 | 99 | 93,744.00 | 49,662.00 | 144,708.00 | | 1,488.00 | 286,626.00 | 286,626.00 | 1,388,107.59 | 11,737,974.78 |
| | 98 | 4,760.00 | 3,128.00 | 6,120.00 | | 1,721.26 | 12,286.74 | 298,912.74 | 1,400,394.33 | 11,750,261.52 |
| | 97 | | | | | 7,327.26 | (7,327.26) | 291,585.48 | 1,393,067.07 | 11,742,934.26 |
| | 96 | | | | | 1,636.59 | (1,636.59) | 289,948.89 | 1,391,430.48 | 11,741,297.67 |
| | 95 | | | | | | 0.00 | 289,948.89 | 1,391,430.48 | 11,741,297.67 |
| 01/18 | 99 | 64,542.00 | 20,088.00 | 98,022.00 | | 2,976.00 | 179,676.00 | 469,624.89 | 1,571,106.48 | 11,920,973.67 |
| | 98 | 5,440.00 | 1,496.00 | 8,160.00 | | 775.64 | 14,320.36 | 483,945.25 | 1,585,426.84 | 11,935,294.03 |
| | 97 | | | | | 20,482.74 | (20,482.74) | 463,462.51 | 1,564,944.10 | 11,914,811.29 |
| | 96 | | | | | | 0.00 | 463,462.51 | 1,564,944.10 | 11,914,811.29 |
| | 95 | | | | | | 0.00 | 463,462.51 | 1,564,944.10 | 11,914,811.29 |
| 01/19 | 99 | 113,460.00 | 1,302.00 | 47,988.00 | | 5,394.00 | 157,356.00 | 620,818.51 | 1,722,300.10 | 12,072,167.29 |
| | 98 | 5,168.00 | 136.00 | 2,856.00 | | 7,172.53 | 987.47 | 621,805.98 | 1,723,287.57 | 12,073,154.76 |
| | 97 | | | | | 42,330.06 | (42,330.06) | 579,475.92 | 1,680,957.51 | 12,030,824.70 |
| | 96 | | | | | 686.97 | (686.97) | 578,788.95 | 1,680,270.54 | 12,030,137.73 |
| | 95 | | | | | | 0.00 | 578,788.95 | 1,680,270.54 | 12,030,137.73 |
| 01/20 | 99 | 127,986.00 | 4,278.00 | 29,574.00 | | 186.00 | 161,652.00 | 740,440.95 | 1,841,922.54 | 12,191,789.73 |
| | 98 | 5,304.00 | 544.00 | 136.00 | | 4,325.64 | 1,658.36 | 742,099.31 | 1,843,580.90 | 12,193,448.09 |
| | 97 | | | | | 16,066.62 | (16,066.62) | 726,032.69 | 1,827,514.28 | 12,177,381.47 |
| | 96 | | | | | 43.86 | (43.86) | 725,988.83 | 1,827,470.42 | 12,177,337.61 |
| | 95 | | | | | | 0.00 | 725,988.83 | 1,827,470.42 | 12,177,337.61 |
| | | 420,404.00 | 80,634.00 | 337,564.00 | 838,602.00 | 0.00 | 0.00 | 112,613.17 | 725,988.83 | |
| Total for 1/89 | | 1,250,874.00 | 198,702.00 | 542,588.00 | 1,153,562.00 | 0.00 | 0.00 | 164,693.58 | 1,827,470.42 | |
| Total Y T D | | 10,278,894.00 | 2,958,590.00 | 1,854,967.00 | 13,757,287.00 | 12,756.25 | 0.00 | 2,927,869.64 | 12,177,337.61 | |

Kansas Lottery
 Daily Retail Sales based on Ticket Orders
 For the Period: July 1, 1988 -

| Date | Net Orders | Packs | Gross Sales | Free Tickets | Net Sales | To-Date | | |
|-------------------|---------------|-----------|---------------|--------------|---------------|------------|--------------|---------------|
| | | | | | | Week | Month | Year |
| Total for FY 1988 | 37,173,481.79 | 223,920 | 67,176,009.09 | 6,717,600.90 | 60,458,408.18 | | | |
| Total for 7/88 | 2,331,499.05 | 14,497 | 4,349,069.67 | 183,583.35 | 4,165,486.32 | | | 4,165,486.32 |
| Total for 8/88 | 2,293,965.55 | 14,807 | 4,441,960.47 | (46,431.32) | 4,488,391.79 | | | 8,653,878.11 |
| Total for 9/88 | 624,800.42 | 3,996 | 1,198,826.91 | (99,762.53) | 1,298,589.43 | | | 9,952,467.54 |
| Total for 10/88 | 1,408,995.78 | 8,866.9 | 2,660,060.74 | (4,238.21) | 2,664,298.96 | | | 12,616,766.50 |
| Total for 11/88 | 1,767,949.43 | 12,645.37 | 3,793,610.04 | 547,696.74 | 3,245,913.29 | | | 15,862,679.79 |
| Total for 12/88 | 1,922,656.96 | 12,657.41 | 3,797,222.02 | 607,178.16 | 3,190,043.86 | | | 19,052,723.65 |
| 01/03/89 | 99 202,926.00 | 1,091.0 | 327,300.00 | 40,367.00 | 286,933.00 | 286,933.00 | 286,933.00 | 19,339,656.65 |
| | 98 37,807.10 | 277.99 | 83,398.01 | 13,621.68 | 69,776.34 | 356,709.34 | 356,709.34 | 19,409,432.99 |
| | 97 (725.22) | (4.5) | (1,343.00) | | (1,343.00) | 355,366.34 | 355,366.34 | 19,408,089.99 |
| | 96 0.0 | 0.0 | 0.00 | | 0.00 | 355,366.34 | 355,366.34 | 19,408,089.99 |
| | 95 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 355,366.34 | 355,366.34 | 19,408,089.99 |
| 01/04 | 99 180,606.00 | 971.0 | 291,300.00 | 35,927.00 | 255,373.00 | 610,739.34 | 610,739.34 | 19,663,462.99 |
| | 98 26,608.40 | 195.65 | 58,695.00 | 9,586.85 | 49,108.15 | 659,847.49 | 659,847.49 | 19,712,571.14 |
| | 97 (799.74) | (4.9) | (1,481.00) | | (1,481.00) | 658,366.49 | 658,366.49 | 19,711,090.14 |
| | 96 (661.98) | (4.3) | (1,298.00) | | (1,298.00) | 657,068.49 | 657,068.49 | 19,709,792.14 |
| | 95 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 657,068.49 | 657,068.49 | 19,709,792.14 |
| 01/05 | 99 113,088.00 | 608.0 | 182,400.00 | 22,496.00 | 159,904.00 | 816,972.49 | 816,972.49 | 19,869,696.14 |
| | 98 24,562.06 | 180.60 | 54,181.01 | 8,849.57 | 45,331.45 | 862,303.94 | 862,303.94 | 19,915,027.59 |
| | 97 (1,323.00) | (8.2) | (2,450.00) | | (2,450.00) | 859,853.94 | 859,853.94 | 19,912,577.59 |
| | 96 (153.00) | (1.0) | (300.00) | | (300.00) | 859,553.94 | 859,553.94 | 19,912,277.59 |
| | 95 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 859,553.94 | 859,553.94 | 19,912,277.59 |
| 01/06 | 99 44,454.00 | 239.0 | 71,700.00 | 8,843.00 | 62,857.00 | 922,410.94 | 922,410.94 | 19,975,134.59 |
| | 98 36,176.00 | 266.00 | 79,800.00 | 13,034.00 | 66,766.00 | 989,176.94 | 989,176.94 | 20,041,900.59 |
| | 97 (1,254.42) | (7.7) | (2,323.00) | | (2,323.00) | 986,853.94 | 986,853.94 | 20,039,577.59 |
| | 96 (227.97) | (1.5) | (447.00) | | (447.00) | 986,406.94 | 986,406.94 | 20,039,130.59 |
| | 95 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 986,406.94 | 986,406.94 | 20,039,130.59 |
| | 661,082.23 | 3,797.11 | 1,139,132.03 | 152,725.09 | 986,406.94 | | | |
| 01/09 | 99 53,010.00 | 285.0 | 85,500.00 | 10,545.00 | 74,955.00 | 74,955.00 | 1,061,361.94 | 20,114,085.59 |
| | 98 31,416.00 | 231.00 | 69,300.00 | 11,319.00 | 57,981.00 | 132,936.00 | 1,119,342.94 | 20,172,066.59 |
| | 97 (4,800.60) | (29.6) | (8,890.00) | | (8,890.00) | 124,046.00 | 1,110,452.94 | 20,163,176.59 |
| | 96 (367.71) | (2.4) | (721.00) | | (721.00) | 123,325.00 | 1,109,731.94 | 20,162,455.59 |
| | 95 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 123,325.00 | 1,109,731.94 | 20,162,455.59 |
| 01/10 | 99 35,526.00 | 191.0 | 57,300.00 | 7,067.00 | 50,233.00 | 173,558.00 | 1,159,964.94 | 20,212,688.59 |
| | 98 17,204.46 | 126.50 | 37,951.01 | 6,198.67 | 31,752.35 | 205,310.35 | 1,191,717.29 | 20,244,440.94 |
| | 97 (4,717.98) | (29.1) | (8,737.00) | | (8,737.00) | 196,573.35 | 1,182,980.29 | 20,235,703.94 |
| | 96 0.0 | 0.0 | 0.00 | | 0.00 | 196,573.35 | 1,182,980.29 | 20,235,703.94 |
| | 95 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 196,573.35 | 1,182,980.29 | 20,235,703.94 |
| 01/11 | 99 41,106.00 | 221.0 | 66,300.00 | 8,177.00 | 58,123.00 | 254,696.35 | 1,241,103.29 | 20,293,826.94 |

| | | | | | | | | | |
|----------------|----|---------------|-----------|---------------|--------------|---------------|--------------|--------------|---------------|
| | 98 | 10,336.00 | 76.00 | 22,800.00 | 3,724.00 | 19,076.00 | 273,772.35 | 1,260,179.29 | 20,312,902.94 |
| | 97 | (1,663.74) | (10.3) | (3,081.00) | | (3,081.00) | 270,691.35 | 1,257,098.29 | 20,309,821.94 |
| | 96 | | 0.0 | 0.00 | | 0.00 | 270,691.35 | 1,257,098.29 | 20,309,821.94 |
| | 95 | | 0.0 | 0.00 | 0.00 | 0.00 | 270,691.35 | 1,257,098.29 | 20,309,821.94 |
| 01/12 | 99 | 109,368.00 | 588.0 | 176,400.00 | 21,756.00 | 154,644.00 | 425,335.35 | 1,411,742.29 | 20,464,465.94 |
| | 98 | 22,776.38 | 167.47 | 50,242.01 | 8,206.20 | 42,035.82 | 467,371.17 | 1,453,778.11 | 20,506,501.76 |
| | 97 | (5,688.36) | (35.1) | (10,534.00) | | (10,534.00) | 456,837.17 | 1,443,244.11 | 20,495,967.76 |
| | 96 | (435.54) | (2.8) | (854.00) | | (854.00) | 455,983.17 | 1,442,390.11 | 20,495,113.76 |
| | 95 | | 0.0 | 0.00 | 0.00 | 0.00 | 455,983.17 | 1,442,390.11 | 20,495,113.76 |
| 01/13 | 99 | 137,640.00 | 740.0 | 222,000.00 | 27,380.00 | 194,620.00 | 650,603.17 | 1,637,010.11 | 20,689,753.76 |
| | 98 | 11,910.89 | 87.58 | 26,274.02 | 4,291.42 | 21,982.60 | 672,585.77 | 1,658,992.70 | 20,711,716.35 |
| | 97 | (10,774.08) | (66.5) | (19,952.00) | | (19,952.00) | 652,633.77 | 1,639,040.70 | 20,691,764.35 |
| | 96 | (1,446.36) | (9.5) | (2,836.00) | | (2,836.00) | 649,797.77 | 1,636,204.70 | 20,688,928.35 |
| | 95 | | 0.0 | 0.00 | 0.00 | 0.00 | 649,797.77 | 1,636,204.70 | 20,688,928.35 |
| | | 440,399.36 | 2,528.21 | 758,462.05 | 108,664.29 | 649,797.77 | | | |
| 01/17/89 | 99 | 286,626.00 | 1,541.0 | 462,300.00 | 57,017.00 | 405,283.00 | 405,283.00 | 2,041,487.70 | 21,094,211.35 |
| | 98 | 12,286.74 | 90.34 | 27,103.10 | 4,426.84 | 22,676.26 | 427,959.26 | 2,064,163.97 | 21,116,887.62 |
| | 97 | (7,327.26) | (45.2) | (13,569.00) | | (13,569.00) | 414,390.26 | 2,050,594.97 | 21,103,318.62 |
| | 96 | (1,636.59) | (10.7) | (3,209.00) | | (3,209.00) | 411,181.26 | 2,047,385.97 | 21,100,109.62 |
| | 95 | | 0.0 | 0.00 | 0.00 | 0.00 | 411,181.26 | 2,047,385.97 | 21,100,109.62 |
| 01/18 | 99 | 179,676.00 | 966.0 | 289,800.00 | 35,742.00 | 254,058.00 | 665,239.26 | 2,301,443.97 | 21,354,167.62 |
| | 98 | 14,320.36 | 105.30 | 31,589.03 | 5,159.54 | 26,429.49 | 691,668.75 | 2,327,873.46 | 21,380,597.10 |
| | 97 | (20,482.74) | (126.4) | (37,931.00) | | (37,931.00) | 653,737.75 | 2,289,942.46 | 21,342,666.10 |
| | 96 | | 0.0 | 0.00 | | 0.00 | 653,737.75 | 2,289,942.46 | 21,342,666.10 |
| | 95 | | 0.0 | 0.00 | 0.00 | 0.00 | 653,737.75 | 2,289,942.46 | 21,342,666.10 |
| 01/19 | 99 | 157,356.00 | 846.0 | 253,800.00 | 31,302.00 | 222,498.00 | 876,235.75 | 2,512,440.46 | 21,565,164.10 |
| | 98 | 987.47 | 7.26 | 2,178.24 | 355.78 | 1,822.46 | 878,058.21 | 2,514,262.92 | 21,566,986.57 |
| | 97 | (42,330.06) | (261.3) | (78,389.00) | | (78,389.00) | 799,669.21 | 2,435,873.92 | 21,488,597.57 |
| | 96 | (686.97) | (4.5) | (1,347.00) | | (1,347.00) | 798,322.21 | 2,434,526.92 | 21,487,250.57 |
| | 95 | | 0.0 | 0.00 | 0.00 | 0.00 | 798,322.21 | 2,434,526.92 | 21,487,250.57 |
| 01/20 | 99 | 161,652.00 | 869.1 | 260,729.03 | 32,156.58 | 228,572.45 | 1,026,894.67 | 2,663,099.37 | 21,715,823.02 |
| | 98 | 1,658.36 | 12.19 | 3,658.15 | 597.50 | 3,060.65 | 1,029,955.32 | 2,666,160.02 | 21,718,883.67 |
| | 97 | (16,066.62) | (99.2) | (29,753.00) | | (29,753.00) | 1,000,202.32 | 2,636,407.02 | 21,689,130.67 |
| | 96 | (43.86) | (0.3) | (86.00) | | (86.00) | 1,000,116.32 | 2,636,321.02 | 21,689,044.67 |
| | 95 | | 0.0 | 0.00 | 0.00 | 0.00 | 1,000,116.32 | 2,636,321.02 | 21,689,044.67 |
| | | 725,988.83 | 3,889.58 | 1,166,873.55 | 166,757.24 | 1,000,116.32 | | | |
| Total for 1/89 | | 1,827,470.42 | 10,214.89 | 3,064,467.64 | 428,146.62 | 2,636,321.02 | | | |
| Total for FY89 | | 12,177,337.61 | 77,684.54 | 23,305,217.49 | 1,616,172.81 | 21,689,044.67 | | | |

PULL-TABS SALES
First Sales 10/10/88

CB

| Date | G | Acc't Rec | # Boxes | Gross Sale | Comm | Prizes |
|-----------------|---|------------|---------|--------------|-----------|------------|
| OCT total | | 41,044.92 | 231 | 113,652.00 | 4,546.08 | 68,061.00 |
| NOV Total | | 122,937.44 | 692 | 340,464.00 | 13,618.56 | 203,908.00 |
| Promotion | | 21160.58 | 119 | 58,548.00 | 2,341.42 | 35,046.00 |
| NOV GRAND TOTAL | | | 811 | 399,012.00 | 15,959.98 | 238,954.00 |
| YTD TOTAL | | 185142.94 | 1042 | 512,664.00 | 20,506.06 | 307,015.00 |
| DEC Total | | 103,344.24 | 582 | 286,288.82 | 11,451.55 | 171,493.03 |
| Promotions | | 17,554.68 | 99 | 48,708.00 | 1,948.32 | 29,205.00 |
| DEC GRAND TOTAL | | | 681 | 334,996.82 | 13,399.87 | 200,698.03 |
| YTD TOTAL | | 306,041.86 | 1,723 | 847,660.82 | 33,905.93 | 507,713.03 |
| | | | | | | |
| 01/03/88 | 1 | 5,349.60 | 30 | 14,760.00 | 590.40 | 8,820.00 |
| | 2 | 10,993.84 | 62 | 30,504.00 | 1,220.16 | 18,290.00 |
| 01/04/88 | 1 | 1,069.92 | 6 | 2,952.00 | 118.08 | 1,764.00 |
| | 2 | 2,482.48 | 14 | 6,888.00 | 275.52 | 4,130.00 |
| 01/05/88 | 1 | 891.60 | 5 | 2,460.00 | 98.40 | 1,470.00 |
| | 2 | 2,305.16 | 13 | 6,396.00 | 255.84 | 3,835.00 |
| 01/06/88 | 1 | 178.32 | 1 | 492.00 | 19.68 | 294.00 |
| | 2 | 1,418.56 | 8 | 3,936.00 | 157.44 | 2,360.00 |
| Week Total | | 24,689.48 | | 68,388.00 | 2,735.52 | 40,963.00 |
| 01/09/89 | 1 | 4,101.36 | 23 | 11,316.00 | 452.64 | 6,762.00 |
| | 2 | 8,688.68 | 49 | 24,108.00 | 964.32 | 14,455.00 |
| 01/10/89 | 1 | 2,496.48 | 14 | 6,888.00 | 275.52 | 4,116.00 |
| | 2 | 6,206.20 | 35 | 17,220.00 | 688.80 | 10,325.00 |
| 01/11/89 | 1 | 713.28 | 4 | 1,968.00 | 78.72 | 1,176.00 |
| | 2 | 3,901.04 | 22 | 10,824.00 | 432.96 | 6,490.00 |
| 01/12/89 | 1 | 356.64 | 2 | 984.00 | 39.36 | 588.00 |
| | 2 | 3,546.40 | 20 | 9,840.00 | 393.60 | 5,900.00 |
| 01/13/89 | 1 | 713.28 | 4 | 1,968.00 | 78.72 | 1,176.00 |
| | 2 | 2,305.16 | 13 | 6,396.00 | 255.84 | 3,835.00 |
| Week Total | | 33,028.52 | | 91,512.00 | 3,660.48 | 54,823.00 |
| 01/17/89 | 1 | 1,426.56 | 8 | 3,936.00 | 157.44 | 2,352.00 |
| | 2 | 5,674.24 | 32 | 15,744.00 | 629.76 | 9,440.00 |
| 01/28/89 | 1 | 3,566.40 | 20 | 9,840.00 | 393.60 | 5,880.00 |
| | 2 | 6,206.20 | 35 | 17,220.00 | 688.80 | 10,325.00 |
| 01/19/89 | 1 | 713.28 | 4 | 1,968.00 | 78.72 | 1,176.00 |
| | 2 | 2,127.84 | 12 | 5,904.00 | 236.16 | 3,540.00 |
| 01/20/89 | 1 | 2,139.84 | 12 | 5,904.00 | 236.16 | 3,528.00 |
| | 2 | 5,319.60 | 30 | 14,760.00 | 590.40 | 8,850.00 |
| Week Total | | 27,173.96 | | 75,276.00 | 3,011.04 | 45,091.00 |
| | | | | | | |
| JAN Total | | 84,891.96 | 478 | 235,176.00 | 9,407.04 | 140,877.00 |
| | | | | | | |
| Promotions | | 0.00 | | | 0.00 | 0.00 |
| JAN GRAND TOTAL | | | 478 | 235,176.00 | 9,407.04 | 140,877.00 |
| YTD TOTAL | | 390,933.82 | 2,201 | 1,082,836.82 | 43,312.97 | 648,590.03 |

CB

KANSAS LOTTERY

LOTTO-AMERICAN AND CASH LOTTO

| DATE | WEEKLY SALES, EXPENSES AND LIABILITIES | | | | | LIABILITY | | |
|-----------|--|----------------|---------------|----------------|----------------|--------------|----------------|--------------|
| | CASH-LOTTO | LOTTO-AM | Adjust | ADJUSTED SALES | RETAILER COMM. | CASH-LOTTO | LOTTO-AMERICAN | MUSL POOL |
| JUL TOTAL | \$1,039,295.00 | \$1,222,969.00 | (\$22,450.02) | \$2,239,813.98 | \$113,113.55 | \$692,489.00 | \$487,248.00 | \$104,494.80 |
| AUG TOTAL | 1,064,224.00 | 1,203,131.00 | 4,274.60 | 2,271,629.60 | 112,045.70 | 306,750.00 | 196,543.00 | 332,228.20 |
| 09/01-03 | 172,282.00 | 201,890.00 | (1,937.80) | 372,234.20 | 18,708.60 | 44,650.00 | 35,677.00 | 72,771.65 |
| 09/04-10 | 320,928.00 | 245,697.00 | 1,047.40 | 567,672.40 | 28,331.25 | 79,460.00 | 26,099.00 | 84,952.90 |
| 09/11-17 | 344,008.00 | 243,492.00 | 5.70 | 587,505.70 | 29,520.00 | 88,420.00 | 35,833.00 | 73,336.10 |
| 09/18-24 | 361,685.00 | 239,382.00 | (518.10) | 600,548.90 | 29,944.00 | 143,430.00 | 31,815.00 | 75,433.50 |
| 09/25-30 | 246,878.00 | 111,347.00 | (653.10) | 357,571.90 | 30,591.25 | 615,854.00 | 30,257.00 | 80,536.60 |
| SEP TOTAL | 1,445,781.00 | 1,041,808.00 | (2,055.90) | 2,485,533.10 | 137,095.10 | 971,814.00 | 159,681.00 | 387,030.75 |
| 10/01-07 | 289,694.00 | 252,192.00 | (1,054.05) | 540,831.95 | 28,391.10 | 100,914.00 | 32,391.00 | 84,642.75 |
| 10/08-15 | 416,726.00 | 553,765.00 | (482.45) | 970,008.55 | 24,815.60 | 119,060.00 | 33,543.00 | 85,442.40 |
| 10/16-22 | 185,653.00 | 275,937.00 | (848.40) | 460,741.60 | 25,510.70 | 123,967.00 | 42,581.00 | 81,590.65 |
| 10/23-29 | 235,001.00 | 302,788.00 | (134.50) | 537,654.50 | 25,610.20 | 53,540.00 | 36,600.00 | 99,242.85 |
| 10/30-31 | 17,607.00 | 17,685.00 | | 35,292.00 | | | | |
| OCT TOTAL | 1,144,681.00 | 1,402,367.00 | (2,519.40) | 2,544,528.60 | 104,327.60 | 397,481.00 | 145,115.00 | 350,918.65 |
| 11/01-05 | 250,231.00 | 349,176.00 | 669.60 | 600,076.60 | 28,489.70 | 182,240.00 | 47,485.00 | 117,217.25 |
| 11/06-12 | 239,559.00 | 390,619.00 | (255.65) | 629,922.35 | 31,027.20 | 96,168.00 | 45,541.00 | 129,803.30 |
| 11/13-19 | 235,224.00 | 448,300.00 | (122.08) | 683,401.92 | 31,497.75 | 43,680.00 | 63,979.00 | 137,387.00 |
| 11/20-26 | 242,895.00 | 541,321.00 | (147.35) | 784,068.65 | 38,197.90 | 116,535.00 | 74,334.00 | 168,689.40 |
| 11/27-30 | 98,788.00 | 102,055.00 | (376.72) | 200,466.28 | 36,771.50 | 25,370.00 | | |
| NOV TOTAL | 1,066,697.00 | 1,831,471.00 | (232.20) | 2,897,935.80 | 165,984.05 | 463,993.00 | 231,339.00 | 553,096.95 |
| 12/01-03 | 151,409.00 | 515,506.00 | | 666,915.00 | | 36,600.00 | 84,417.00 | 192,801.45 |
| 12/04-10 | 268,197.00 | 278,352.00 | 122.75 | 546,671.75 | 41,543.25 | 70,070.00 | 40,218.00 | 84,695.25 |
| 12/11-17 | 258,294.00 | 281,696.00 | 2,718.62 | 542,708.62 | 28,223.20 | 248,294.00 | 30,921.00 | 95,433.60 |
| 12/18-24 | 223,766.00 | 306,087.00 | 433.35 | 530,286.35 | 25,842.95 | 80,290.00 | 52,818.00 | 84,921.15 |
| 12/25-31 | 227,492.00 | 314,024.00 | (40.00) | 541,476.00 | 25,752.10 | 158,771.00 | 38,080.00 | 102,871.70 |
| DEC TOTAL | 1,129,158.00 | 1,695,665.00 | 3,234.72 | 2,828,057.72 | 121,361.50 | 594,025.00 | 246,454.00 | 560,723.15 |
| 01/1-7 | 243,204.00 | 314,984.00 | (440.00) | 557,748.00 | 27,200.95 | 212,861.00 | 45,416.00 | 95,957.80 |
| 01/8-14 | 230,557.00 | 334,321.00 | 3,591.95 | 568,469.95 | 28,256.15 | 56,260.00 | 51,561.00 | 98,844.30 |
| 01/15-21 | 230,948.00 | 333,073.00 | (6,052.13) | 557,968.87 | 27,854.85 | 46,400.00 | 46,229.00 | 103,706.05 |
| JAN TOTAL | 704,709.00 | 982,378.00 | (2,900.18) | 1,684,186.82 | 83,311.95 | 315,521.00 | 143,206.00 | 298,508.15 |
| 89 TOTAL | 7,594,545.00 | 9,379,789.00 | (22,648.38) | 16,951,685.62 | 837,239.45 | 3,742,073.00 | 1,609,586.00 | 2,587,000.65 |

Kansas Lottery
Budget vs Ticket Orders vs Validations Statement
July 1, 1988 - January 20, 1989

| | Budget | Pct. Budget | (Net) | | Retail Sales | | Percent Net Sales to Budget |
|--|------------------------|----------------|---------------------------------------|----------------|-------------------------------------|----------------|-----------------------------------|
| | | | Retail Sales from Ticket Orders | Pct. Sales | Retail Sales from Validations | Pct. Valid. | |
| Revenue and Other Income Items | | | | | | | |
| Operating Revenue | | | | | | | |
| Instant Games: | | | | | | | |
| Scratch | \$32,800,000.00 | 46.86% | \$21,689,044.67 | 56.74% | \$20,958,628.00 | 53.75% | 66.13% |
| Pull-Tabs | 6,000,000.00 | 8.57% | 1,082,836.82 | 2.83% | 1,082,836.82 | 2.78% | |
| On-Line Games | 31,200,000.00 | 44.57% | 16,951,685.62 | 44.35% | 16,951,685.62 | 43.47% | 54.33% |
| Less: Reserve for Ticket Returns | 0.00 | | 1,500,000.00 | -3.92% | 0.00 | 0.00% | |
| Total Revenue (Tickets & Shares) | \$70,000,000.00 | 100.00% | \$38,223,567.11 | 100.00% | \$38,993,150.44 | 100.00% | |
| Other Income Items | | | | | | | |
| FY 1988 Carry forward | \$2,750,000.00 | 3.74% | \$2,750,000.00 | 6.61% | \$2,750,000.00 | 6.49% | 100.00% |
| FY 88 Money for Encumbrances | | 0.00% | 276,924.75 | 0.67% | 276,924.75 | 0.65% | |
| Retailer Application Fees | 200,000.00 | 0.27% | 21,625.00 | 0.05% | 21,625.00 | 0.05% | |
| On-Line Communication Charges | 500,000.00 | | 250,143.36 | 0.60% | 250,143.36 | 0.59% | |
| Miscellaneous | 0.00 | 0.00% | 92,632.03 | 0.22% | 92,632.03 | 0.22% | |
| Total Other Income | \$3,450,000.00 | 4.02% | \$3,391,325.14 | 8.15% | \$3,391,325.14 | 8.00% | |
| Total Revenues | \$73,450,000.00 | 104.02% | \$41,614,892.25 | 108.15% | \$42,384,475.58 | 108.00% | 56.66% |
| Cost of Sales | | | | | | | |
| Operating Funds | | | | | | | |
| Lotto Online Phone Charges | \$1,000,000.00 | 1.43% | \$565,850.42 | 1.48% | \$565,850.42 | 1.45% | 56.59% |
| Instant Tickets | 1,250,000.00 | 1.79% | 415,302.35 | 1.09% | 415,302.35 | 1.07% | 33.22% |
| Vendor Commission | 3,962,400.00 | 5.66% | 1,787,821.58 | 4.68% | 1,787,821.58 | 4.58% | 45.12% |
| Subtotal-Cost of Sales-Operating Funds | \$6,212,400.00 | 8.87% | \$2,768,974.35 | 7.24% | \$2,768,974.35 | 7.10% | 44.57% |
| Prize Funds | | | | | | | |
| Instant Game | 3,936,000.00 | 5.62% | 2,695,603.63 | 7.05% | 2,695,603.63 | 6.91% | 68.49% |
| On-Line Game | 14,040,000.00 | 20.06% | 4,199,105.27 | 10.99% | 4,199,105.27 | 10.77% | 29.91% |
| Instant Retailer Paid-Mid Tier | | | 330,735.00 | | 330,735.00 | | |
| On-Line Retailer Paid | | | 2,619,337.00 | | 2,619,337.00 | | |
| MUSL Reimbursement | | | (204,098.25) | | (204,098.25) | | |
| Subtotal-Cost of Sales-Prize Funds | \$17,976,000.00 | 25.68% | \$9,640,682.65 | 18.04% | \$9,640,682.65 | 17.68% | 53.63% |
| Nonrevenue Items | | | | | | | |
| Retailer Paid Prizes (GLEPS) | 10,824,000.00 | 15.46% | 8,346,446.17 | 21.84% | 8,346,446.17 | 21.40% | 77.11% |
| Retailer Paid Prizes (Pull-Tabs) | 3,600,000.00 | 5.14% | 648,590.03 | 1.70% | 648,590.03 | 1.66% | 18.02% |
| Retailer Commission (Instant) | 1,640,000.00 | 2.34% | 1,165,260.87 | 3.05% | 1,165,260.87 | 2.99% | 71.05% |
| Retailer Commission (Pull-Tabs) | 300,000.00 | 0.43% | 43,312.97 | 0.11% | 43,312.97 | 0.11% | 14.44% |
| Retailer Commission (On-Line) | 1,560,000.00 | 2.23% | 837,239.45 | 2.19% | 837,239.45 | 2.15% | 53.67% |
| Subtotal-Cost of Sales-Nonrevenue Items | \$17,924,000.00 | 25.61% | \$11,040,849.49 | 28.88% | \$11,040,849.49 | 28.31% | |

| | Budget | | Retail Sales from Ticket Orders | Pct. Sales | Retail Sales from Validations | Pct. Valid. | Percent Net Sales to Budget |
|-------------------------------------|-----------------|--------|---------------------------------------|---------------|-------------------------------------|----------------|-----------------------------------|
| Total Cost of Sales | \$42,112,400.00 | 60.16% | \$23,450,506.49 | 61.35% | \$23,450,506.49 | 60.14% | 55.69% |
| Gross Margin | \$31,337,600.00 | 44.77% | \$18,164,385.76 | 43.65% | \$18,933,969.09 | 44.67% | 57.96% |
| Administrative Costs | \$9,434,316.00 | 13.48% | \$4,172,081.34 | 10.03% | \$4,172,081.34 | 9.84% | 44.22% |
| Payment to Gaming Fund | \$21,000,000.00 | 30.00% | 10,238,001.97 | 26.78% | 10,238,001.97 | 26.26% | 48.75% |
| Gross Income | \$903,284.00 | 1.29% | \$3,754,302.45 | 9.02% | \$4,523,885.78 | 10.67% | |
| Less: | | | | | | | |
| Prize Fund Liability-FY89 | | | 1,083,013.81 | 2.60% | 754,326.31 | 1.78% | |
| Prize Fund Liability-FY88 | | | | 0.00% | | 0.00% | |
| Firm & Contingent Encumbrances-FY88 | | | 276,924.75 | 0.67% | 276,924.75 | 0.67% | |
| Firm & Contingent Encumbrances-FY89 | 0.00 | | 2,267,590.63 | 5.45% | 2,267,590.63 | 5.45% | |
| Gaming Fund Liability | | | 1,229,068.16 | 2.95% | 1,459,943.16 | 3.51% | |
| Net Income | \$903,284.00 | 1.29% | (\$825,370.15) | -2.65% | \$42,025.68 | -0.73% | |

PRIZE FUND TRANSFERS FOR 1989

PAGE 11

| Date | Voucher # | INSTANT WIN | | ON-LINE LOTTO | | Balance in Prize Fund | Total Prizes Paid |
|-----------------|-----------|-------------|-------------|---------------|--------------|--------------------------|----------------------|
| | | TRANSFERS | Withdrawal | TRANSFERS | Withdrawal | | |
| BALANCE FORWARD | | | | | | \$100,050.85 | \$6,109,467.14 |
| 01/03/89 | 8177 | \$36,405.28 | \$36,405.28 | | | \$100,050.85 | \$6,145,872.42 |
| | 7061 | | | \$38,047.96 | \$38,047.96 | \$100,050.85 | \$6,183,920.38 |
| ST WH | 8179 | \$13,796.52 | \$13,796.52 | | | \$100,050.85 | \$6,197,716.90 |
| FED WH | 8178 | \$8,304.20 | \$8,304.20 | | | \$100,050.85 | \$6,206,021.10 |
| 01/04/89 | 8180 | \$7,745.00 | \$7,745.00 | | | \$100,050.85 | \$6,213,766.10 |
| | 7062 | | | \$102,871.70 | \$102,871.70 | \$100,050.85 | \$6,316,637.80 |
| 01/05/89 | 8185 | \$5,182.00 | \$5,182.00 | | | \$100,050.85 | \$6,321,819.80 |
| | 8186 | \$50.00 | \$50.00 | | | \$100,050.85 | \$6,321,869.80 |
| | 8183 | \$1,623.12 | \$1,623.12 | | | \$100,050.85 | \$6,323,492.92 |
| | 8184 | \$8,115.60 | \$8,115.60 | | | \$100,050.85 | \$6,331,608.52 |
| 01/06/89 | 8189 | \$62,400.28 | \$62,400.28 | | | \$100,050.85 | \$6,394,008.80 |
| ST WH | 8190 | \$2,023.12 | \$2,023.12 | | | \$100,050.85 | \$6,396,031.92 |
| FED WH | 8191 | \$10,115.60 | \$10,115.60 | | | \$100,050.85 | \$6,406,147.52 |
| 01/09/89 | 8192 | \$9,950.00 | \$9,950.00 | | | \$100,050.85 | \$6,416,097.52 |
| | 7063 | | | \$95,957.80 | \$95,957.80 | \$100,050.85 | \$6,512,055.32 |
| st wh | 8195 | \$400.00 | \$400.00 | | | \$100,050.85 | \$6,512,455.32 |
| fed wh | 8194 | \$2,000.00 | \$2,000.00 | | | \$100,050.85 | \$6,514,455.32 |
| 01/10/89 | 8196 | \$7,267.00 | \$7,267.00 | | | \$100,050.85 | \$6,521,722.32 |
| 01/11/89 | 8197 | \$2,803.00 | \$2,803.00 | | | \$100,050.85 | \$6,524,525.32 |
| | 7064 | | | \$70,424.68 | \$70,424.68 | \$100,050.85 | \$6,594,950.00 |
| 01/12/89 | 8198 | \$15,500.00 | \$15,500.00 | | | \$100,050.85 | \$6,610,450.00 |
| 01/13/89 | 8199 | \$3,827.00 | \$3,827.00 | | | \$100,050.85 | \$6,614,277.00 |
| fed wh | | \$15,093.60 | \$15,093.60 | | | \$100,050.85 | \$6,629,370.60 |
| st wh | | \$3,018.72 | \$3,018.72 | | | \$100,050.85 | \$6,632,389.32 |
| 01/17/89 | 8205 | \$54,939.28 | \$54,939.28 | | | \$100,050.85 | \$6,687,328.60 |
| | 7066 | | | \$7,303.00 | \$7,303.00 | \$100,050.85 | \$6,694,631.60 |
| | 7065 | | | \$98,844.30 | \$98,844.30 | \$100,050.85 | \$6,793,475.90 |
| st wh | 8203 | \$2,423.12 | \$2,423.12 | | | \$100,050.85 | \$6,795,899.02 |
| fed wh | 8204 | \$12,115.60 | \$12,115.60 | | | \$100,050.85 | \$6,808,014.62 |
| 01/18/89 | 8208 | \$52,326.28 | \$52,326.28 | | | \$100,050.85 | \$6,860,340.90 |
| | 7067 | \$100.00 | \$100.00 | | | \$100,050.85 | \$6,860,440.90 |
| | 8209 | \$500.00 | \$500.00 | | | \$100,050.85 | \$6,860,940.90 |
| 01/19/89 | 8210 | \$17,198.00 | \$17,198.00 | | | \$100,050.85 | \$6,878,138.90 |
| 01/20/89 | 8111 | \$16,570.00 | \$16,570.00 | | | \$100,050.85 | \$6,894,708.90 |

KANSAS LOTTERY
 FUND 2212 CASH BALANCE WORKSHEET
 For the month of January 1988

| | MONDAY holiday | TUESDAY 3 | WEDNESDAY 4 | THURSDAY 5 | FRIDAY 6 | WEEKS GRAND TOTAL | MONTHS GRAND TOTAL |
|--------------|-------------------|--------------|----------------|---------------|--------------|-------------------|--------------------|
| BAL FORWARD | | 7,068,398.62 | 6,971,844.66 | 6,623,590.38 | 7,299,287.82 | | 7,068,398.62 |
| RECEIPTS | | | 1,525.00 | 8,429.70 | 350.00 | 10,304.70 | 10,304.70 |
| INST W SWEEP | | | 29,257.73 | 263,691.08 | 3,848.54 | 296,797.35 | 296,797.35 |
| ONLINE SWEEP | | | | 420,451.85 | 8,523.36 | 428,975.21 | 428,975.21 |
| EFT RECOVERY | | | | | 0.00 | 0.00 | 0.00 |
| EFT REJECT | | | 3,963.65 | | 1,651.25 | 5,614.90 | 5,614.90 |
| EXPENSES | | | 264,456.66 | 1,904.47 | 7,230.01 | 273,591.14 | 273,591.14 |
| TRANSFER-IW | | 36,405.28 | 7,745.00 | 5,182.00 | 62,400.28 | 111,732.56 | 111,732.56 |
| TRANSFER-OL | | 60,148.68 | 102,871.70 | 9,788.72 | 12,138.72 | 184,947.82 | 184,947.82 |
| END BALANCE | 0.00 | 6,971,844.66 | 6,623,590.38 | 7,299,287.82 | 7,228,589.46 | | 7,228,589.46 |

| | MONDAY 9 | TUESDAY 10 | WEDNESDAY 11 | THURSDAY 12 | FRIDAY 13 | THIS WEEKS TOTALS | MONTHLY GRAND TOTAL |
|--------------|--------------|----------------|-----------------|----------------|--------------|----------------------|---------------------|
| BAL FORWARD | 7,228,589.46 | 7,106,920.65 | 4,989,658.07 | 4,903,007.43 | 5,448,831.78 | | 7,068,398.62 |
| RECEIPTS | 31.23 | (1,951,685.52) | 11.00 | 8,563.86 | | (1,943,079.43) | (1,932,774.73) |
| INST W SWEEP | | | 1,778.00 | 163,369.97 | | 165,147.97 | 461,945.32 |
| ONLINE SWEEP | | | 8,529.36 | 388,291.73 | | | 825,796.30 |
| EFT RECOVERY | | | | 1,270.35 | | 1,270.35 | 1,270.35 |
| EFT REJECT | 3,033.62 | | 136.00 | | | 3,169.62 | 8,784.52 |
| EXPENSES | 10,358.62 | 158,310.06 | 23,605.32 | 171.56 | 5,976.51 | 198,422.07 | 472,013.21 |
| TRANSFER-IW | 9,950.00 | 7,267.00 | 2,803.00 | 15,500.00 | 3,827.00 | 35,347.00 | 151,079.56 |
| TRANSFER-OL | 98,357.80 | | 70,424.68 | | 18,112.32 | | 371,842.62 |
| END BALANCE | 7,106,920.65 | 4,989,658.07 | 4,903,007.43 | 5,448,831.78 | 5,420,915.95 | | 5,420,915.95 |

| | MONDAY 16 | TUESDAY 17 | WEDNESDAY 18 | THURSDAY 19 | FRIDAY 20 | THIS WEEKS TOTALS | MONTHLY GRAND TOTAL |
|--------------|--------------|---------------|-----------------|----------------|--------------|----------------------|---------------------|
| BAL FORWARD | 5,420,915.95 | 5,420,915.95 | 5,239,874.92 | 5,197,213.30 | 5,180,015.30 | | 7,068,398.62 |
| RECEIPTS | | 3,015.00 | 522.11 | | | 3,537.11 | (1,929,237.62) |
| INST W SWEEP | | | | | | 0.00 | 461,945.32 |
| ONLINE SWEEP | | | 13,048.86 | | | | 838,845.16 |
| EFT RECOVERY | | | | | | 0.00 | 1,270.35 |
| EFT REJECT | | 2,411.35 | 272.00 | | | 2,683.35 | 11,467.87 |
| EXPENSES | | 6,019.38 | 3,034.31 | 17,198.00 | 573.46 | 26,825.15 | 498,838.36 |
| TRANSFER-IW | | 54,939.28 | 52,326.28 | | 16,570.00 | 123,835.56 | 274,915.12 |
| TRANSFER-OL | | 120,686.02 | 600.00 | | | | 495,128.64 |
| END BALANCE | 5,420,915.95 | 5,239,874.92 | 5,197,213.30 | 5,180,015.30 | 5,162,871.84 | | 5,162,871.84 |