MiScorecard Performance Summary

Department Name: Bureau of State Lottery
Executive/Director: Scott Bowen
March 2012

Legend:

Green	90% or greater of target
Yellow	>=75% to <90% of target
Red	less than 75% of target

Metric	Status	Trend	Target	Current	Previous	Frequency	Metric Definition
Financial							
F-1 Adm- Maximize Return to the School Aid Fund		↑	0.76%	0.91%	-3.35%	Monthly	Year to date amount transferred from the Lottery to the School Aid Fund for the current fiscal year. Measured monthly as a percent increase compared to the same period for the prior fiscal year.
F-2 Adm-Maximize Sales		↑	2.7%	1.70%	-1.22%	Monthly	Year to date Lottery sales total for the current fiscal year. Measured monthly as a percent increase compared to the same period for the prior fiscal year.
F-3 Adm-Controllable cost efficiencies		→	0.1200	0.12	0.12	Monthly	Focusing on cost efficiencies increases return to the School Aid Fund. Includes all costs except prize expense, per dollar of Lottery ticket sales. **Goal is to remain below target.**
F-4 Sales-Maximize terminal efficiencies		↑	99%	97.62%	93.82%	Quarterly	Proper placement of terminals and self-service equipment in retailer base is necessary to maximize sales, return on investment, and customer satisfaction. Measured by percent of equipment performing above minimum sales requirements.
F-5 Mkt-Maximize media buying efficiencies		→	90%	96.00%	96.00%	Semi-Annually	Analysis conducted by a third-party media auditor. With effective media buys, the Lottery will receive more media for dollars spent. Measured as percent of delivered TRPs vs purchased TRPs of total monitored expenditures.
F-6 Mkt-Increase value added (or bonused) media		↓	13%	15.00%	18.00%	Semi-Annually	Free media or bonus buy media allows the lottery to receive more media for dollars spent. Measured as a percentage of all TV and radio buys.
Customer/Constituent							
C-1 Sales-Hold times for retailer calls		→	30	16	16	Monthly	Retailers utilize the Call Center when they have questions or problems. Shorter wait times reflect positively on the Bureau. **Target is maximum seconds on hold.**
C-2 Sales-Number of retailer calls abandoned		↑	10%	3.80%	3.31%	Monthly	Retailers utilize the Call Center when they have questions or problems. We wish to consistently handle their issues and have a low percentage of abandoned calls. **Goal is to remain below target.**
C-3 Sales-Market penetration by $1 and $2 price point		↑	100%	99.95%	99.94%	Quarterly	Penetration by instant game price point insures that retailer has necessary product inventory for customer satisfaction and to maximize sales. Participation measured as a percent of retailers that carry product to total number of retailers.
C-3b Sales-Market penetration by $3 price point		↑	98%	99.32%	99.31%	Quarterly	Penetration by price point insures that retailer has necessary product inventory for customer satisfaction and to maximize sales.
C-4 Sales-Market penetration by $5 price point		↓	98%	99.37%	99.51%	Quarterly	Penetration by instant game price point insures that retailer has necessary product inventory for customer satisfaction and to maximize sales. Participation measured as a percent of retailers that carry product to total number of retailers.
C-5 Sales-Market penetration by $10 price point		↑	90%	98.94%	98.91%	Quarterly	Penetration by instant game price point insures that retailer has necessary product inventory for customer satisfaction and to maximize sales. Participation measured as a percent of retailers that carry product to total number of retailers.
C-6 Sales-Market penetration by $20 price point		↑	80%	93.47%	93.34%	Quarterly	Penetration by instant game price point insures that retailer has necessary product inventory for customer satisfaction and to maximize sales. Participation measured as a percent of retailers that carry product to total number of retailers.
C-7 CG-Improve area training attendance of Charitable Gaming licensees		↑	250	346	266	Semi-annually	Use of enterprise wide one stop shopping and social media applications (such as Michigan.gov, Facebook , YouTube, and Twitter). This will provide staff with the ability to publish information, notify licensees of training meetings, announce new charity game tickets, request feedback on pending issues, provide training videos, send out special informational bulletins, receive feedback from the public, and create a public awareness of our programs and available information. Effectiveness measured by the number of attendees at area training sessions.

Internal Business Processes							
P-1 Adm-Process weekly EFT to collect accounts receivable		➡	100%	100.00%	100.00%	Monthly	Lottery sales are collected weekly from retailers through the EFT process. Must be collected timely to maximize cash flow and minimize bad debt. Measured as percent of EFT files transmitted to bank within 10 hours of invoice availability.
P-2 Adm-Unqualified audit opinion for every semi-annual audit		➡	100%	100.00%	100.00%	Semi-Annually	Sends a message to the Governor, Legislature, and public that the Lottery is run with integrity. Measured as a percent of audits receiving unqualified audit opinion.
P-3 Adm-Prepare Comprehensive Annual Financial Report (CAFR) to meet GFOA requirements for their Certificate of Achievement for Excellence in Financial Reporting		➡	100%	100.00%	100.00%	Annually	This award is only for those CAFRs with the highest standards in government accounting and financial reporting, and indicates integrity and transparency in financial reporting.
P-4 IT Sec-Maintain the security and integrity of lottery transactions through effective IT security access controls		➡	90%	100.00%	100.00%	Monthly	System oversight of Lottery gaming system transactions through the Internal Control System (ICS). Measurable through daily monitoring of system logs and enforcement of security policies. Controllable through authorizing access to transaction systems through request forms and verification of who accessed what from logs out of the firewalls, transaction servers, and the access control server. Measured as a percent of access problems discovered (e.g., violations and other issues).
P-6 CG-Improve Charitable Gaming license processing time.		➡	15	5	5	Semi-Annually	Streamline efficiencies in processing applications and licenses by further utilization of technology and software (i.e. HP Trim implementation.) These systems will provide the ability to process applications at a much faster pace. It will allow us to expand enterprise wide to enable us to reach a larger group to provide awareness and information to our customers. It will give CG the ability to allow electronic payment to significantly cut processing time and operating costs, i.e. less incoming mail, eliminate processing of hard copy checks, less data entry, quick licensing turn around time. Measured as the number of days to process an application. **Goal is to remain below target.**
P-7 P&O-Increase the average daily volume of test transactions generated within a single batch cycle (sales, cancels, validations, adjustments, promotions, reports, etc.)		➡	705	1140	1140	Quarterly	Testing a greater volume of transactions increases the likelihood that errors will be detected and the software being tested will be more accurate at implementation. Error-free software directly impacts customer satisfaction and Lottery integrity.
P-8 P&O-Balance daily and weekly test gaming systems between vendors, this includes all the following transactions: sales, cancels, validations, adjustments, promotions, reports.		➡	100%	100.00%	100.00%	Quarterly	It is necessary to balance all financial transactions between vendors, in order to verify that the software is functioning as intended. Error-free software directly impacts customer satisfaction and Lottery integrity. Measured as percent of days and weeks in balance during testing for that quarter.
P-9 Sec-Processing security checks for Lottery retailer licensing applications within 3 business days.		⬇	90%	98.00%	100.00%	Monthly	All Lottery retailer licensing applicants are subject to a security check by Lottery Security. Efficient processing of these applications helps potential new retailers become operational and begin selling tickets. Measured as a percent of applications processed in 3 days.
Learning & Growth							
O-1 CG-Decrease number of Charitable Gaming violations.		⬇	80	132	207	Quarterly	Provide inspectors the authority to impose minor penalties. Develop parameters and criteria to assist inspectors to impose minor penalties on site. This will eliminate the number of formal and compliance meetings. Reducing the number of formal and compliance meetings at central office will allow staff to focus on more serious matters. In addition, providing inspectors this authority will bring a higher level of incentive from the locations, suppliers and organizations to be in compliance. This will be used as a tool to develop and enhance employee growth for potential advancement in the future. Effectiveness measured by a reduction in the number of violations. **Goal is to remain below target.**