



Audit Committee

Minutes of Special Meeting

Held on
February 13, 2018 at 1:30 p.m.
at
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut

- Committee Members: Michael Thompson, Chair of the Audit Committee (via teleconference); Patrick Birney; and Robert Morgan (via teleconference).
- CLC Staff Members: Chelsea Turner, Interim President and CEO; Paul Granato; Michael Hunter; Matthew Stone; Annmarie Daigle; and Bryan Figueroa.
- Call to Order: Mr. Thompson called the meeting to order at 1:32 p.m.

Mr. Thompson thanked the Audit Committee members for their participation in today's meeting.

I. Approval of Minutes:

On motion made by Mr. Morgan and seconded by Mr. Birney, the minutes of the November 15, 2017 and November 21, 2017 Special Meetings of the Audit Committee were approved, with Mr. Morgan abstaining.

II. Lotto Augmentation Notice:

Ms. Turner provided the Committee notice that the Classic Lotto game was augmented on January 2, 2018 in the amount of \$465,000.

III. Executive Session:

Mr. Thompson asked for a motion to enter into Executive Session to discuss the following agenda items:

- Discussion of attorney-client privileged information regarding contractual matter.

On motion made by Mr. Morgan, seconded by Mr. Birney, and unanimously approved, the Audit Committee entered into Executive Session at 1:33 p.m. Ms. Turner, Mr. Stone, Mr. Granato, and Mr. Hunter were invited to stay for Executive Session.

At 2:41 p.m., the Audit Committee reconvened in regular session.

IV. Discussion and action, if any, on items discussed during Executive Session:

Mr. Thompson stated that no actions or votes had taken place during Executive Session.

V. Old Business:

PATs Update:

Ms. Turner stated that the Corporation is looking to purchase approximately 200 PATs to replace existing ITVMs and plans are underway to accomplish this by this fall.

Compliance Checks:

Ms. Turner informed the Audit Committee of an upcoming program that the Corporation is implementing in collaboration with Department of Consumer Protection to perform compliance checks on a limited number of retailers.

VI. New Business:

State Audit:

The State Audit commenced on January 30th. The Auditors are expected to be on site for several weeks and so far the audit is going smoothly.

Ineligible Players Database:

The Corporation is in the process of updating a database of players who are prohibited from playing lottery games such as employees and family members; Board of Directors; vendors etc.

Lucky for Life News:

The Corporation has acted as lead director for the Lucky for Life game for the past four years and plans to pass the baton to another state at the end of the fiscal year. At a recent Lucky for Life directors' meeting, two other New England states expressed interest in becoming the lead director at the end of the fiscal year.

VII. Adjournment:

On motion made by Mr. Birney, seconded by Mr. Morgan, and unanimously approved, the meeting was adjourned at 3:00 p.m.

Respectfully submitted,

Matthew Stone
Corporate Secretary
Connecticut Lottery Corporation