



DRAFT MEETING TRANSCRIPTION

Audit Committee

Regular Meeting

January 26, 2021 at 9:00 a.m.

via teleconference

Committee Members: Michael Thompson, Chair of the Audit Committee; Wilfred Blanchette, Jr.; John Flores; and Patti Maroney (all via teleconference).

Staff Members: Greg Smith, President & CEO; Matthew Stone; Lauren Perrotti; Steve Wagner; and Annmarie Daigle.

I. Welcome:

(M. Thompson): Welcome everyone. I'd like to call to order our Regular Meeting of the Audit Committee on Tuesday, January 26, 2021 at 9:00 a.m. Before we begin I'll turn it over to General Counsel, Matt Stone, to go over our meeting procedures.

(M. Stone): Thank you. This is Matt Stone, General Counsel for the Lottery. We continue to operate under Governor Lamont's Executive Order regarding public access to meetings. The primary thing that I want to remind members of is the need to identify yourself before speaking. I know this can be awkward in a conversation but it is a requirement of the Executive Order, so please do your best. That is all, back to you Mr. Chair.

(M. Thompson): Thank you very much Matt. I know Greg wanted to take a few minutes now and introduce a new member of the management team, Greg?

(G. Smith): Yes, this is Greg Smith. I'd like to introduce to you Lauren Perrotti, our new Senior Director of Operations. We had a tough field of candidates for the position but Lauren rose to the top and we are pleased to have her on board; she started with us just this week so I've asked her to join us today to say a quick hello and to introduce her to the Committee Members, as much of her work that requires Board interaction will filter through the Audit Committee. She will have responsibility for the warehouse operations and purchasing; recruitment and retailer relations; as well as vendor compliance. Lauren, would you like to say a few words?

(L. Perrotti): Thank you, yes, this Lauren Perrotti. I am very happy to be here in this new role, it's nice to meet you all. Everyone here at the Lottery has been great so far. The senior staff has been very warm and welcoming and everyone is willing to help me get acclimated. The interview and onboarding process here as well was very impressive, a very positive experience. I am looking forward to working with everyone and getting started right away.

(M. Thompson): Welcome, Lauren, glad to hear that. We look forward to working with you.

[Lauren Perrotti left the meeting at 9:02 a.m.]

II. Approval of December 1, 2020 Audit Committee Special Meeting Minutes:

(M. Thompson): This is Michael Thompson, the first item on the agenda is the approval of the December 1, 2020 Audit Committee Special Meeting Minutes, do I have a motion?

(M. Stone): This is Matt Stone. A couple of items that I noticed when reviewing the minutes: Rob Simmelkjaer, Board Chair, was at that meeting so his name should be added at the top under "Board Members", and second, there is a typo in Section V, towards the end, it should read "RFP" not "RPF". Otherwise they look good.

(M. Thompson): Thank you for that Matt. Any other changes or comments from anyone? Hearing none, do I have a motion to approve the December 1, 2020 Audit Committee Special Meeting Minutes, as amended?

(W. Blanchette): Blanchette, so moved.

(P. Maroney): Second, Patti Maroney.

(M. Thompson): Thank you, all in favor?

(All): Aye.

(M. Thompson): Any opposed? Any abstentions?

(M. Thompson): Hearing none, thank you. Minutes are passed. It looks like our next agenda item is to go into Executive Session for the purposes to hear updates on cyber security, current litigation with a former vendor and former employee, and to discuss a draft outline of the gaming system procurement. Greg, who will you have joining you for this?

(G. Smith): Matt Stone and I will attend the full Executive Session; Steve Wagner, our Director of Information Technology, will join us for the first item, the cyber security update.

(M. Thompson): Thank you Greg. Do we have a motion to go into Executive Session?

(W. Blanchette): Blanchette, so moved.

(P. Maroney): Patti Maroney, second.

(M. Thompson): Thank you. All in favor?

(All): Aye.

(M. Thompson): Ok. Into Executive Session at 9:04 a.m.

III. Executive Session:

- a. Update on Cyber Security
- b. Update on Current Litigation with Former Vendor and Former Employee

c. Discussion of Draft Outline of Gaming System Procurement

[Executive Session]

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

(M. Thompson): This is Michael Thompson and we are out of Executive Session at 10:03 a.m. and for the record no votes or other actions were taken during that session.

V. Adjournment:

(M. Thompson): If there is nothing else, I'll ask for a motion to adjourn the meeting?

(W. Blanchette): Will Blanchette, so moved.

(P. Maroney): Second, Patti Maroney.

(M. Thompson): Thank you. All in favor?

(All): Aye.

(M. Thompson): Any opposed? Ok, we adjourn at 10:03 a.m. Thank you everyone.

Respectfully submitted,

Matthew Stone
Corporate Secretary
Connecticut Lottery Corporation