



Audit Committee
Minutes of Special Meeting

Held on
November 15, 2018 at 10:00 a.m.
at
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut

Committee Members: Michael Thompson, Chair of the Audit Committee (via teleconference); Patti Maroney; and Robert Morgan.

CLC Staff Members: Gregory Smith, President and CEO; Deborah Davis; Paul Granato; Michael Hunter; Matthew Stone; Chelsea Turner; Annmarie Daigle; and Bryan Figueroa.

Invited Guests: Vanessa Rossitto and Jessica Aniskoff of Blum Shapiro & Company, PC.

Call to Order: Mr. Thompson called the meeting to order at 10:02 a.m.

I. Welcome:

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

II. Approval of Minutes:

On motion made by Mr. Morgan and seconded by Ms. Maroney, the minutes of the October 4, 2018 Special Meeting of the Audit Committee were approved, with Ms. Maroney abstaining.

III. New Business:

Notice of Purchasing Justification:

Ms. Turner provided the Committee with notice of one purchasing justification with Smart Play for the purchase of 53 new ball sets.

Vendor Performance Reporting:

The Committee had a general discussion and wants the CLC to take advantage of all contractual remedies available for inadequate performance, including liquidated damages. Mr. Smith will report back to the Committee at least quarterly or as needed with any actions taken, if any.

Alumni Road Facility Update:

Ms. Turner informed the Committee that the CLC has received notice of a potential sale of the Alumni Road facility. The sale could happen within the next few months, and may require a new lease if the new owner decides to keep the CLC as tenants. Ms. Turner will keep the Committee informed on any new updates.

Sports Betting and Lottery Operations:

Mr. Smith provided the Committee with a preliminary overview of sports betting and its potential effects on CLC operations since the CLC is being considered as a potential operator.

IV. Executive Session:

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

- a. FY18 Financial Audit Review (Blum Shapiro)
- b. Pending Claims and Litigation, CHRO Matters
- c. Attorney Client Communications Re: Marcum
- d. Discussion and review of draft documents regarding Board Committee Structure, Areas of Cognizance

On motion made by Mr. Morgan, seconded by Ms. Maroney, and unanimously approved, the Audit Committee entered into Executive Session at 10:34 a.m. Blum Shapiro attendees were invited to stay for the first item and Mr. Smith, Ms. Turner and Mr. Stone were invited to stay for the last three agenda items.

At 11:40 a.m., the Audit Committee reconvened in regular session.

VIII. 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.

IX. Adjournment:

On motion made by Mr. Morgan, seconded by Ms. Maroney, and unanimously approved, the meeting was adjourned at 11:40 a.m.

Respectfully submitted:

Matthew Stone
Corporate Secretary
Connecticut Lottery Corporation