

North Carolina Education Lottery Commission Meeting
Minutes
Wednesday, March 26, 2025
In-Person & WebEx/Teleconference

Commissioner Members in Attendance: Ripley Rand
Cari Boyce
Lindsey Griffin
Pamela Whitaker
Jason Roth
Chris Hayes
Nigel Long
Randy Jones

Commissioners in Remote Attendance: Joshua Malcolm

<i>Select Staff:</i>	Mark Michalko	Chief Executive Officer and Executive Director
	William Taurig	Chief Legal Officer
	Eric Snider	Chief Regulatory Officer
	Frances Little	Executive Assistant to CEO & Executive Director
	Randy Spielman	Chief Product Officer
	Terri Rose	Chief Brand Officer
	Daniel Rose	Regional Sales Director - East
	Marbet Cuthbert	Director of Human Resources
	Greg Bowers	Chief Financial Officer
	Kimberly Thomas	Director of Internal Audit
	Sterl Carpenter	Chief Business Officer
	Hayden Bauguess	Chief Government Affairs Officer
	Madison Mackenzie	Director of Regulatory Affairs

The North Carolina State Lottery Commission meeting was held on Wednesday, March 26, 2025, at 10:00 a.m. in-person and via WebEx.

Chair Ripley Rand opened the meeting by calling on William Taurig, Chief Legal Officer, to proceed with the remote meeting announcements.

Chair Rand made the standard ethics announcements. Chair Rand asked if anyone had a known conflict of interest with respect to any matter coming before the Commission at the current meeting. No conflicts were identified.

Roll call of the Commissioners was taken. Commissioner Joshua Malcolm attended remotely.

Approval of Minutes

Commissioner Cari Boyce moved to approve the meeting minutes from the December 18, 2024, Commission meeting. Commissioner Lindsey Griffin seconded the motion, which passed unanimously.

Closed Session

Commissioner Boyce moved for the Commission to enter closed session to confer with legal counsel regarding certain privileged and confidential legal matters, pursuant to North Carolina General Statute §143-318.11(a)(3). Commissioner Chris Hayes seconded the motion, which passed unanimously.

The Commission entered closed session at 10:04 a.m. and resumed open session at 10:17 a.m.

Regulated Gaming Committee Report

Commissioner Cari Boyce reported that the Regulated Gaming Committee met on March 19, 2025, and covered standard departmental reports and one action item.

Sports Wagering Revenue Update

Sterl Carpenter, Chief Business Development Officer, presented the Sports Wagering Revenue update to the Commission, which covered details for Sports Wagering Revenue from March 11, 2024, through March 10, 2025.

Annual Attestation of Compliance for Licensees

Eric Snider, Chief Regulatory Officer, discussed details related to the proposed Annual Attestation of Compliance form which is required pursuant to Commission Rule 24 NCAC 06A.0221 Attestation of Compliance, including the proposed form's purpose, the first year approach and timeline, a guidance memorandum for Licensees, and the actual proposed Annual Attestation of Compliance form.

Commissioner Boyce moved on behalf of the Regulated Gaming Committee that the Commission approve, in accordance with Commission Rule 24 NCAC 06A .0221, the proposed Annual Attestation of Compliance form for Interactive Sports Wagering Operators, Sports Wagering Service Providers, and Sports Wagering Suppliers as presented by staff. With no questions or discussion, the motion passed unanimously.

Revenue Generating Committee

Commissioner Nigel Long reported that the Revenue Generating Committee met on March 19, 2025, and covered the standard reports and three action items.

Product Development

Randy Spielman, Chief Product Officer, gave a Product Development Update. The update covered Digital Instants' YTD performance and its continued growth and; Q3 scratch-off launches; Instant Win Games' performance; Cash POP performance and ongoing promotional support; and upcoming changes to Mega Millions. Mr. Spielman answered a question from Commissioner Randy Jones.

Mr. Spielman presented the proposed Jurassic Park Scientific Games Licensing Agreement in detail. There were no questions from the Commission.

Commissioner Long moved on behalf of the Revenue Generating Committee that the Commission approve the proposed Jurassic Park Licensing Agreement as presented, and direct staff to execute an agreement with terms in the best interest of the Lottery, and the motion passed unanimously.

Brand Management

Terri Rose, Chief Brand Officer, provided an update to the Commission. The update covered several campaigns: the Winners Club, Multiply the Cash, Cash POP, Play Smart, and the new scratch-off Max-a-Million. Also presented were social media benchmarks, sponsorship impact, winners' stories and the benefit of the FY24 \$1 billion contribution to education. Ms. Rose encouraged Commissioners to join lottery staff for upcoming groundbreaking ceremonies.

Sales

Daniel Rose, Regional Sales Director, provided a Sales update to the Commission covering the debit card pilot; prize pay cards; new retailer promotion; and retailer advisory panel. Mr. Rose also presented proposed revisions to the Mega Millions Retailer Incentive Award (Commission Policy 8.01(A)). action item was presented in detail.

Commissioner Long moved on behalf of the Revenue Generating Committee that the Commission approve the proposed staff edits to the Mega Millions Retailer Incentive Award (Commission Policy 8.01A), which passed unanimously.

Purchasing Policy Revisions

Commissioner Long provided an overview of the benefits regarding the proposed revisions to Purchasing Policy (Policy 3.00). Mr. Traurig, explained the intent and necessity for the proposed changes; updates to the policy; Commission delegation; and the CEO's delegation authority. There was discussion from Commissioner Jones.

Commissioner Long moved on behalf of the Revenue Generating Committee that the Commission approve the proposed revisions to the Purchasing Policy (Policy 3.00) as presented by staff. The motion passed with a vote of 8 yeas and 1 nay.

Operations and Personnel

Commissioner Pamela Whitaker reported that the Operations and Personnel Committee met on March 19, 2025, and covered standard departmental reports.

Human Resources

Marbet Cuthbert, Director of Human Resources, provided an update covering the agency's current total employee headcount of 309 employees; current employee demographics; the "Souper Bowl" cookoff contest; a community resource group volunteer event; and information regarding the succession planning project.

Finance and Audit

Finance

Greg Bowers, Chief Financial Officer, gave a finance update, which included a comparison of unaudited information for FY25 sales with FY24 sales and budget; FY25 sales revenue YTD through February 2025; a comparison of FY25 distribution of revenue YTD through January 2025 with FY24 between July 2023 and January 2024; a comparison of schedule of net earnings between FY25 and FY24; and a FY25 YTD financial summary through February 2025.

Internal Audit

Kimberly Thomas, Director of Internal Audit, provided details of the following audit reports: Audit of Continuous Monitoring (Web Development/HR/Finance/Sales), Contract Compliance, and Human Resources.

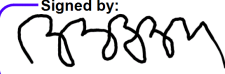
Executive Office

Legislative

Mr. Bauguess presented a legislative update.

Adjournment

Commissioner Lindsey Griffin moved to adjourn the meeting. Commissioner Roth seconded the motion, which passed unanimously. The meeting adjourned at 11:52 a.m.

Signed by:

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Chair Ripley Rand

6/24/2025

Date