



STATE OF OKLAHOMA  
OKLAHOMA LOTTERY COMMISSION  
OFFICIAL MINUTES

March 19, 2013

*Date*

The Oklahoma Lottery Commission, established pursuant to the provisions of the Oklahoma Education Lottery Act, Sections 701 et seq. of Title 3A of the Oklahoma Statutes, held its regularly scheduled meeting March 19, 2013 at 1:30 p.m. The Meeting was held in the Conference Room of the offices of the Oklahoma Lottery Commission at 3817 North Santa Fe Avenue, Oklahoma City, Oklahoma. In compliance with the Open Meetings Act, 25 O.S. § 301 et seq., the agenda for this meeting was posted at the main and side building entrances, in addition to the main internal office window of the Centennial Business Building at 3817 North Santa Fe Avenue, Oklahoma City, Oklahoma on March 18, 2013 at 12:00 p.m. and was mailed or hand delivered to the offices of the Board members on March 18, 2013 and was posted to the website on March 18, 2013. The agenda is attached as Exhibit A.

**AGENDA ITEM 1:**

CALL TO ORDER. Chairperson George R. Charlton Jr. called the meeting to order 1:30 p.m. The roll of Board members was called to establish quorum.

Board members present were:                   George R. Charlton Jr.;  
James Orbison;  
R. Deane Wymer;  
William Paul;  
Cindy Ball;  
Charlotte Edwards.

Board members absent were:                   Blake Virgin.

Based on the result of the roll call, a quorum was declared present by the Chair.

Others in attendance were: Rollo Redburn, Executive Director; David Kinney, Assistant Attorney General; and Shannon N. Gabbert, Board Assistant. Others present were: Emily Summars; Mary Martha Ford; Jay Finks; Megan Densow; Sean Athey; Bryan Colbert; John Hayes; Doug Parker; and Sheila Franklin.

**AGENDA ITEM 2:**

ANNOUNCEMENT OF FILING OF REGULAR MEETING NOTICE AND POSTING OF THE AGENDA IN ACCORDANCE WITH THE OPEN MEETINGS ACT. The Chair called upon Ms. Gabbert to verify that proper public notice was made with regard to the March 19, 2013 Board meeting, in accordance with the Open Meetings Act. Ms. Gabbert verified that all necessary steps had been taken to remain in compliance with the Act.

**AGENDA ITEM 3:**

READING AND APPROVAL OF MINUTES. (Exhibit B) Ms. Edwards moved that the reading of the minutes of the December 4, 2012 session be waived and approved as published and distributed. The motion was seconded by Mr. Paul. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Abstain
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS FIVE VOTES IN THE AFFIRMATIVE, ONE ABSTAINED AND NONE OPPOSED. THE MOTION PASSED.

**AGENDA ITEM 4:**

EXECUTIVE DIRECTOR'S REPORT: Mr. Redburn gave an oral presentation regarding MUSL updates, state additions to Hot Lotto and the Hot Lotto matrix change, upcoming promotional games, and an overview of upcoming activities and events in and around the office. No action was taken.

**AGENDA ITEM 5:**

LEGISLATIVE UPDATE. Mr. Redburn gave an oral presentation regarding legislative updates, the current status of Lottery Commission proposed rule changes and Bills, SB863 regarding privatization of the Lottery and the potential ramifications as a result of such an action. No action was taken.

**AGENDA ITEM 6:**

REPORT OF AUDIT & FINANCE COMMITTEE. Mr. Wymer offered an oral report regarding the Lottery Commission's current financial standing and the results of the internal audit. No action was taken.

**AGENDA ITEM 7:**

DISCUSSION AND POSSIBLE ACTION REGARDING THE FY'2013 BUDGET FOR THE OKLAHOMA LOTTERY COMMISSION. Mr. Finks gave a PowerPoint presentation regarding the Lottery Commission's current budget and projected budgetary expectations and potential issues. No action was taken.

**AGENDA ITEM 8:**

DISCUSSION AND POSSIBLE ACTION REGARDING LOTTERY COMMISSION RULE CHANGES. (Exhibit C) A motion was made by Mr. Paul and seconded by Ms. Ball to adopt the proposed rule changes as presented. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

**AGENDA ITEM 9:**

DISCUSSION AND POSSIBLE ACTION REGARDING CONTRACT RENEWALS:

- a. (Exhibit D) A motion was made by Ms. Edwards and seconded by Mr. Wymer to approve the HR / Payroll Services renewal contract with the Office of Management and Enterprise Services as presented, not to exceed \$30,000 for the next one year period. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

- b. (Exhibit E) A motion was made by Mr. Paul and seconded by Ms. Ball to approve the Legal Services contract renewal with the Attorney General's Office as presented, not to exceed \$30,000 for fiscal year 2014. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

- c. (Exhibit F) A motion was made by Ms. Edwards and seconded by Mr. Orbison to approve the Office Lease renewal contract with 38th & Santa Fe, LLC as presented, not to exceed \$160,000 for the next one year period. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

- d. (Exhibit G) A motion was made by Mr. Wymer and seconded by Ms. Edwards to approve the External Auditor contract renewal with Cole and Reed as presented, not to exceed \$40,000 for the next one year period. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

- e. (Exhibit H) A motion was made by Mr. Orbison and seconded by Mr. Wymer to approve the Internal Auditor contract renewal with HBC CPA's and Advisors as presented, not to exceed \$40,800 for fiscal year 2014. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

- f. (Exhibit I) A motion was made by Mr. Paul and seconded by Mr. Wymer to approve the Draw Auditor Services contract with Wright McAfee and Company as presented, not to exceed \$17,000 for fiscal year 2014. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

**AGENDA ITEM 10:**

DISCUSSION AND POSSIBLE ACTION REGARDING THE HOLDING OF AN EXECUTIVE SESSION, PURSUANT TO TITLE 25 O.S. §307 B.7 AND 51 O.S. 24A.10(B)(1) FOR THE PURPOSE OF DISCUSSING THE LOTTERY'S RFP FOR GAMING SERVICES, PROPOSALS FROM VENDORS AND THE ISSUANCE OF A GAMING CONTRACT. Mr. Paul made a motion to enter executive session. The motion was seconded by Mr. Orbison. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

**AGENDA ITEM 11:**

ROLL CALL AND ANNOUNCEMENT OF QUORUM TO RETURN TO OPEN MEETING.  
The Chair declared the Board to be back in open session. The Chair ordered a roll call to establish quorum.

Board members present were:	George R. Charlton Jr.;
	James Orbison;
	R. Deane Wymer;
	William Paul;
	Cindy Ball;
	Charlotte Edwards.

Based on the result of the roll call, a quorum was declared present by the Chair.

David Kinney, Assistant Attorney General for the Oklahoma Attorney General's Office, confirmed that only appropriate topics were discussed in the Executive Session.

**AGENDA ITEM 12:**

DISCUSSION AND POSSIBLE ACTION REGARDING EXECUTIVE SESSION. A motion was made by Mr. Orbison and seconded by Mr. Paul to accept Offer #2, from Vendor A. The Chair ordered a roll call with the following results:

ROLL CALL VOTE:	Ms. Ball	Yes
	Mr. Wymer	Yes
	Ms. Edwards	Yes
	Mr. Orbison	Yes
	Mr. Paul	Yes
	Mr. Charlton	Yes

THE RESULT WAS SIX VOTES IN THE AFFIRMATIVE AND NONE OPPOSED.  
THE MOTION PASSED.

**AGENDA ITEM 13:**

NEW BUSINESS. No new business.

**AGENDA ITEM 14:**

ADJOURNMENT. The Board adjourned by general consent.

OFFICIAL MINUTES:

The action taken by the Oklahoma Lottery Commission on the items for consideration after motion duly made and seconded has been noted herein and made a part of these minutes. The Board caused the entire proceeding of the meeting, excepting any executive sessions, to be recorded on a digital audio recording device to be retained as a record in the office of the Board.

Exhibits are A through I.

Minutes Approved by Board of Trustees on June 28, 2013.