

OKLAHOMA LOTTERY COMMISSION

Minutes of Meeting
June 14, 2005
1:30 pm

Members present:

Ms. Cindy Ball
Mr. George R. Charlton, Jr.
Dr. Linda Dzialo
Mr. Ron Norick
Mr. James Orbison
Mr. William Paul

Members not present:

Mr. Thomas Riley, Jr.

Others attending:

Jim Scroggins, Executive Director of Lottery Commission
Becky Wilson, Office of State Finance, Recording Secretary
Rollo Redburn, Office of State Finance
David Kinney, Office of the Attorney General
Bobby Stem, GTech
Pat Hall, Scientific Games
Charlie Scannella, Scientific Games
Angie Atauvich, GIT/Capitol Network News
Tim Martin, Oklahoma State Bond Advisor's Office
Michael McNutt, The Oklahoman
Barbara Hoberock, Tulsa World
Harold Roberts

The Oklahoma Lottery Commission met on June 14, 2005, at approximately 1:30 pm, in the Governor's Large Conference Room, 2nd Floor of the State Capitol. The meeting was held in accordance with the Open Meeting Act.

ITEM 1

Call to Order

The Chairman asked Becky Wilson to call the roll. Ms. Wilson called roll and the Chairman declared a quorum.

ITEM 2

Announcement of filing of special meeting notice and positing of the agenda in accordance with the Open Meeting Act

The Chairman asked Becky Wilson to confirm that the agenda was posted in accordance with the Open Meeting Act. Ms. Wilson did confirm the agenda was posted within 24 hours notice.

ITEM 3

Approval of Minutes of the June 8, 2005 Special Meeting

The Chairman asked if there were any comments on the Minutes and there being none, the Chairman asked if there was a motion to approve the minutes. Mr. Paul so moved and Dr. Dzialo seconded. Ms. Wilson then called roll and all were in favor so the motion passed.

ITEM 4

Executive Director Report

The Chairman asked Mr. Scroggins to give a brief report. Mr. Scroggins formally introduced Beverly Hughes on staff as the Director of Sales and Marketing. He also noted the staff opened the mailbox earlier in the day and found approximately 100 indications of people interested in being retailers, which adds to the 621 indications received the previous week. He also noted the lottery staff will be meeting with Vance McSpadden of the Oklahoma Petroleum Marketers Association later in the week. The staff has also been meeting with the Purchasing department of DCS to work on various RFPs for the Lottery Commission.

ITEM 5

Discussion and Possible Action Regarding Financing for the Lottery Commission

The Chairman asked Mr. Paul to give an update on financing since Mr. Riley was not present at the meeting. Mr. Paul then asked Mr. Charlton to give an update. Mr. Charlton noted that the Committee has received 5 proposals that will be narrowed down to 3. Mr. Riley will give more of an update at the next meeting. The Chairman reiterated that the selection process is still taking place. The Chairman also noted he had spoken with Mr. Riley and Mr. Riley requested the Commission formally apply with the Bond Oversight Council to get on the agenda at their next meeting. Dr. Dzialo motioned the Commission file an application with the Bond Oversight Council and authorize Mr. Riley to sign on behalf of the Commission and Mr. Norick seconded. Ms. Wilson then called roll and all were in favor so the motion passed.

ITEM 6

Discussion and Possible Action Regarding Commission Office Space-Building Exterior and Interior Design

The Chairman asked Mr. Redburn to give an update on the office space building exterior and interior design. Mr. Redburn presented pictures of the current exterior elevation as well as a draft drawing of the new exterior elevation. Mr. Redburn also asked the Commission to consider the name/wording/lettering to be placed on the exterior. Dr. Dzialo motioned for Mr. Redburn and Mr. Scroggins continue negotiations, proceed with sketches and present additional information at the next meeting and Mr. Charlton seconded. Ms. Wilson then called roll and all were in favor so the motion passed.

ITEM 7

Discussion and Possible Action Regarding Request for Proposals for Legal Services

The Chairman asked Mr. Paul to give an update on the RFP for legal services. Mr. Paul noted the RFP was completed and placed on the lottery website. All firms who had expressed interest in providing legal services were notified by the Office of State Finance via telephone that the RFP was available on the website. The deadline for all RFP submissions is 4:00 pm on June 24, 2005.

ITEM 8

Discussion and Possible Action Regarding Employment of Additional Personnel

The Chairman asked Mr. Scroggins to update the Commission on employment of additional personnel. Mr. Scroggins referred each Commission member to the organizational chart that was passed out. Mr. Paul then motioned Mr. Scroggins hire all future employees of the Commission that have been approved by the Commission in advance subject to him reporting at the next meeting after the hiring so the Commission members can acknowledge the new hires. Mr. Scroggins would need to include job title, salary and any other information that can be provided. Mr. Norick seconded. The Chairman asked for additional discussion and Mr. Charlton asked if the intent was every time personnel changed if they would have to come before the Commission. The Chairman answered that it would just be a list. The Chairman also noted it is a good accounting concept and the Board is to approve all hires. Mr. Charlton said he disagreed and thought the Board should give the authority to Mr. Scroggins to hire employees. Mr. Norick then withdrew his second on the motion. Mr. Paul then motioned to approve the hires by Mr. Scroggins as Executive Director and he will report to the Board members who those hires are. Mr. Charlton seconded. Ms. Wilson then called roll and all were in favor so the motion passed.

ITEM 9

Discussion and Possible Action Regarding Commission Organizational Chart

Mr. Scroggins passed out a draft organizational chart containing each employee under different division directors. Mr. Scroggins noted he is waiting on additional input from the HR director of the Office of State Finance regarding titles and salaries for each employee. Discussion was held regarding the various positions and possible modifications of the organizational chart. The Chairman then deferred this item to the next meeting.

ITEM 10

Discussion and Possible Action Regarding Background Checks of Commission Employees

Mr. Scroggins passed out a chart with the different levels (I, II and III) of security background checks each employee will undergo. Dr. Dzialo motioned the background checks be contracted by Mr. Scroggins on behalf of the Commission and the level be determined by him. Mr. Norick seconded. Ms. Wilson then called roll and all were in favor so the motion passed.

ITEM 11

Discussion and Possible Action Regarding the Lottery Commission Time Line and Task List

Mr. Scroggins passed out a time line and task list to each Commission member. This time line will be updated once the RFP process is completed.

ITEM 12

Discussion and Possible Action Regarding Budget Projections, Expenditures and Approval of Budget

The Chairman asked Mr. Redburn if there was anything the Commission needed to look at regarding the budget, and Mr. Redburn noted that he will have budget projections at the next meeting. This item was then deferred to the next meeting.

ITEM 13

Next Scheduled Special Meeting: June 27, 2005

The Chairman announced the next scheduled special meeting will be at 10:00 am on June 27, 2005 in the Governor's Large Conference Room, 2nd floor of the State Capitol building.

ITEM 14

Adjournment

There being no further business, the Chairman asked if there was a motion to adjourn. Mr. Charlton moved for adjournment and Mr. Paul seconded. Roll was called and all were in favor so the meeting was adjourned.

Submitted by:

Linda Dzialo, Secretary

Approved by:

James Orbison, Chairman

Linda Dzialo, Secretary