

**North Carolina Education Lottery  
Commission Meeting**

**Meeting Minutes**

Tuesday, January 28, 2020

*Commissioners in Attendance:* Courtney Crowder, Chairman  
Nick Picerno  
Jody Tyson  
Chris Shew  
Morgan Beam  
Randy Jones  
Morgan Beam  
Pam Whitaker – New Member

Absent Jason Roth

*Staff in Attendance:* Mark Michalko Randy Spielman  
Hayden Bauguess Mike Suggs  
Bill Jourdain Tony Chung  
Quan Kirk Joe Cosgriff  
Frank Suarez, Jr.  
Terri Avery  
Van Denton

*Participant on Call:* Benjamin T. Spangler, Assistant Attorney General

*The North Carolina Education Lottery meeting was held on Tuesday, January 28, 2020 at 10:00 a.m. at North Carolina Education Lottery Headquarters located at 2728 Capital Boulevard, Suite 144, Raleigh, NC 27604.*

Chairman Courtney Crowder opened the meeting and greeted all Commissioners and meeting attendees. He also introduced two new Commissioners, Pamela Whitaker (in attendance) and Brad Adcock.

**Approval of Minutes**

Chairman Crowder asked Commissioners to review minutes from the December 3, 2019 meeting. A motion was made by Commissioner Nick Picerno to approve the minutes. The motion was seconded by Commissioner Chris Shew. The minutes were accepted and approved as presented.

**FY2020 Financial Updates**

Bill Jourdain, Deputy Executive Director of Finance, Administration and Security, presented the FY2020 Financial Update to Commissioners.

**Digital Instants Draft Implementation Plan Review**

Randy Spielman, Deputy Executive Director of Product Development & Digital Gaming, presented the digital instants draft implementation plan.

**Discussion/Concerns**

Commissioner Picerno inquired about potential hacking of the online play system and what recourse does the NCEL have in such situation. General Counsel Quan Kirk responded that there is an indemnification provision built into all gaming system providers’ contracts, including the online play system provider. In addition, the online play system provider’s contract has mandatory data breach response plan. Bill Jourdain also assured Commissioners that the NCEL is looking into acquiring cyber insurance coverage.

Commissioner Tyson inquired whether the Executive Director or any NCEL staff received any letters protesting the deployment of digital instants. Mark Michalko responded that he was only aware of the two letters that were received at NCEL Headquarters the morning of the meeting and a letter that Commissioner Tyson received. Commissioner Tyson brought forth two (2) additional letters that were brought to his attention. Staff informed the Commission that they did not receive those specific letters.

Chairman Crowder informed Commissioners that they would need to enter into closed session, “Pursuant to North Carolina General Statutes Section 143-318.11 (a)(1) to Discuss a confidential personnel matter or prevent disclosure of privileged or confidential information. A motion was made by Commissioner Morgan Beam to enter into closed session. The motion was seconded by Commissioner Nick Picerno. Commissioners entered into closed session.

Chairman Crowder reconvened the open session of the Commission meeting.

With no other business to discuss, the meeting was adjourned.



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Chairman

4/24/2020

Date

Minutes were approved on April 7, 2020 during the Commission meeting (WebEx/Conference Call)