

**North Carolina Education Lottery
Teleconference Commission Meeting**

Meeting Minutes

August 18, 2009

Commissioners on Call: Robert A. Farris Jr., Chairman
Carla N. Archie
Max O. Cogburn
William F. Dowdy
Bridget-Anne Hampden
Lawrence M. Spears
Pamela M. Whitaker

Commissioner not on Call: Norwood G. Clark, Jr.

Staff in Attendance: Tom Shaheen
Quan Kirk

The North Carolina Education Lottery Commission teleconference meeting was held on Tuesday, August 18, 2009, at 10:00 a.m. in the Dr. Charles Sanders Conference Room of the North Carolina Education Lottery located at 2100 Yonkers Road, Raleigh, NC.

- Chairman Farris called the meeting to order and restated the Commission's commitment to the citizens of North Carolina to provide funds for education that are truly additive and supplemental.
- Tom Shaheen, Executive Director, provided a historical overview of events leading up to the North Carolina Education Lottery (NCEL) issuing a Request for Proposals (RFP) for Dual Function Lottery Terminals/Machines, Advertising/Game Display Devices and Related Services. The RFP was issued to three major gaming vendors and issued publically through various sources. The NCEL received one proposal submitted by GTECH Corporation which offered two different pricing formulas. Scientific Games International submitted a letter expressing its lack of intent to submit a proposal.
- Upon complete review of the GTECH Proposal and recommendation by the Evaluation Committee, the NCEL negotiated with GTECH to provide the following equipment and associated services:
 - 250 Lottery-To-Go (LTV)
 - 300 Lottery Ticket Vending Machines (LTVM)
 - 3,200 Enterprise Series Multi-Media Monitors (ESMM)
- These machines would be provided at no charge to the NCEL in return for extending GTECH's contractual agreement with the NCEL by four years at the current rate of 1.599% of sales. The current contract with GTECH will extend from 2013 to 2017.
- Commissioner Hampden moved to accept the revised proposal as presented. Commissioner Dowdy seconded the motion. The motion passed unanimously by all Commissioners.

There being no further business, the meeting adjourned.

Robert A. Farris, Jr., Chairman

Date