

NORTH CAROLINA LOTTERY COMMISSION

Meeting Minutes

Members in Attendance: Dr. Charles Sanders, chair
Secretary Bryan Beatty
Linda Carlisle
Robert Farris
John McArthur
James Woodward

Meeting was Held:
Nov. 17 at 10:00am, ABC Commission Room, 116 W. Jones Street

I. Opening

- Dr. Sanders welcomed everyone to the meeting. He acknowledged the continued media interest surrounding the North Carolina Education Lottery and reiterated his commitment to keep the proceedings of the commission transparent and accountable to the public.

II. Approval of Minutes

- Mr. McArthur moved to approve the minutes of the November 9, 2005 meeting. Mr. Farris seconded. The minutes were approved.

III. Retailer Committee

- Ms. Carlisle informed the commission that to date, 600 retailers, representing 3500 locations, have registered on the lottery's website.
- She indicated that she believes the commission does not have the authority to ban establishments with video poker from participating in the lottery. She suggested the commission leave that decision to the legislature.
- The commissioners agreed that the commission will take no official action banning video poker.
- Dr. Woodward stated that he believes the strict requirements, enacted by the commission upon retailers, will help weed out establishments involved in controversial video poker situations.

IV. Vendor Selection Committee

- Mr. Farris commented that Mike Mangum, State Purchasing Officer, and his team are working steadily on the draft of the RFP document. He indicated that they hope to have it near completion when the new director is hired.

IV. Other Business

- Dr. Sanders referred to a handout containing images of other state lottery's logos along with suggestions for the North Carolina Education Lottery. He stated that a decision would be postponed until a director is in place.
- Ms. Carlisle requested other commission members to join her on the Retailer Committee due to the resignation of Mr. Greene and Mr. Myers. Dr. Woodward volunteered.
- Dr. Sanders acknowledged the loss of three commission members and welcomed Dr. Woodward. He noted that though they are disappointed by the loss, the commission has continued to work diligently. He also stated that the controversy has in no way hampered the commission's plan for an expeditious lottery start up.
- Dr. Sanders stated that the new director would be working around the clock for three to four months to put the lottery in place. He indicated that the commission has looked for someone with lottery start-up experience who was characterized by honesty and integrity.
- Dr. Sanders made the motion that the commission hires Tom Shaheen as the North Carolina Education Lottery's executive director. Mr. Farris seconded. Mr. Shaheen was selected by a unanimous vote.
- Dr. Sanders introduced Mr. Shaheen.
- Mr. Shaheen addressed the meeting and stated that he is in North Carolina to raise as much money as possible for education.
- He indicated that most of his staff would be from North Carolina and would consist of bright, hardworking individuals with integrity. He spoke briefly on his ideas for advertising and answered several questions from the commissioners.
- Dr. Sanders stated that Mr. Shaheen's salary would include a base salary of \$235,000 with an incentive bonus of \$50,000 if the lottery were operational within four months of his start date.
- Mr. Shaheen said that he is contractually bound to give 30 days notice to New Mexico's lottery but hoped to be released from that obligation and be able to start sooner.
- Dr. Sanders informed the media that Mr. Shaheen would participate in a press conference following the meeting.

The meeting was adjourned.