

**Security Operations Committee Meeting**  
**New Mexico Lottery Authority**  
**February 27, 2015**  
**MINUTES**

**Call to Order:** Operations Committee Chair S. Baragiola called the meeting to order at 9:05 a.m., and asked for a roll call. Present and constituting a quorum were Salvatore Baragiola, Paul Guerin and Claude Austin, who attended by telephone.

Present from NMLA were David Barden and Wilma Atencio.

**Approve Proposed Agenda:** S. Baragiola called for a motion to approve the proposed agenda. P. Guerin moved to accept the proposed agenda as presented; second by C. Austin. All in favor, 3-0.

**Public Comment:** No public comment.

**Executive Closed Session:** D. Barden reported that a vendor contract matter will be discussed with the full board in the executive closed session during the Feb. 27 meeting in the executive closed session. D. Barden reported that a document from the lottery's attorney will be distributed during the executive closed session. The document deals with a contract issue with the online vendor. The lottery feels that it should have an additional 11 months in its current contract, which may result in legal action by the online vendor. With an anticipated cost savings of approximately \$2 million, it is in the lottery's best interest to get the additional 11 months.

**Online Game Rules Resolution:** D. Barden reported that in this resolution, the Board recognizes the importance of technology and mobile advancements to provide new or alternative gaming platforms and solutions such as "Play at the Pump" to grow sales and revenue for the Legislative Lottery Scholarship fund.

D. Barden reported that the lottery is working with a possible new cable television retailer that could offer an application for players to purchase tickets from home. If the lottery is successful in obtaining this feature, it will be an industry first.

D. Barden reported that the lottery is preparing new online game rules. They will be forwarded to the committee possibly in the next 30 days and placed on the agenda for approval at the next board meeting.

Per the committee, the lottery will proceed with developing an advanced technology and mobile environment

P. Guerin requested information on current and emerging technology used by other US lotteries. D. Barden said he will obtain and forward the information. D. Barden advised that four lotteries use the "Play at the Pump" feature and have seen a sales increase of 3-4% increase.

**Other:** The committee discussed a process to annually review the lottery's 70+ external policies. The committee recommended that staff review policies and submit any proposed changes to the appropriate board committee for vetting. Thereafter, policies would be forward to the full board for final consideration and adoption.

**ADJOURNMENT:** S. Baragiola moved to adjourn the Operations Committee meeting; second by P. Guerin. All in favor, 3-0. Meeting adjourned at 9:30 a.m.

*Sal Baragiola*  
Sal Baragiola, Committee Chairman  
Date 4/9/15