

**Security and Operations Committee Meeting**  
**New Mexico Lottery Authority**  
**August 22, 2018**  
**MINUTES**

**Call to Order:** S. Baragiola called the meeting to order at 11:00 a.m. and asked for a roll call. Present and constituting a quorum were Sal Baragiola, Aubrey McGowen and Paul Guerin.

Present from NMLA were; David Barden, Carolyn Cabell and Wilma Atencio.

**Approve Proposed Agenda:** S. Baragiola entertained a motion to approve the proposed agenda. P. Guerin moved to approve the agenda as presented; second by A. McGowen. Carried; 3-0.

**Public Comment:** None.

**OPERATIONS Committee Report – S. Baragiola, Committee Chair:**

**NMLA Board of Director's Bylaws:** D. Barden reported that it was discussed at the previous meeting that the lottery would review the Bylaws in its entirety to ensure conformity on how the Board conducts its meetings and follow the structure the Chairman had adopted. The committee and Board have been provided a memo that outlines the changes, most are minor and editorial changes. The changes are:

- On page 1, a definition of “Board” was added as item 3.2.
- On page 2, item 4.4 was updated to clarify that the item refers only to members of the Board.
- On page 2, item 5.1 was updated to indicate the Board must hold annual elections as set by the Chairman, which reverses a two-year term provision added in the previous (June 2018) revision. The statement that an Officer may be selected for successive years has been moved to item 5.9. The last sentence was revised to clarify officers other than those listed need not be members of the “Board”.
- Throughout, including items 5.1; 5.4; 5.5; 7.3; 7.11; 8.1; and the Certificate, “Secretary/Treasurer” and “Assistant Secretary/Treasurer” were renamed.
- On page 3, the duties of the Secretary/Treasurer and Assistant Secretary/Treasurer were updated to reflect the previously-revised consolidation of the Secretary and Treasurer roles. The Assistant Officers section was removed; the Assistant Secretary/Treasurer duties are included in item 5.5.
- On page 4, item 5.9 was revised to remove specific terms from the Board’s founding and to replace that wording with the statement that the Board must annually elect a Chairman and such other officers as may be necessary for the efficient and effective governance of the Authority.
- On page 5, item 7.1 was updated to indicate regular meetings are set by the Chairman.
- On page 7, item 7.12 was updated to reflect existing protocol that the Chief Executive Officer may authorize press releases.
- On page 7, item 8.2.b was updated to reflect existing protocol that the Chief Executive Officer or designee will prepare and report on the referenced annual reports, records, and budget.
- On page 8, Article XI (Conflicts of Interest) was removed as the contents are covered by policy.

P. Guerin asked if any of the changes are controversial. D. Barden stated no. For example: Page 6, item 7.5 states the agenda will be mailed, new language inserted shall be “transmitted” to members in advance of a meeting. This allows the lottery to utilize any method of notification. Provides more flexibility.

D. Barden reported that with assistance from Carolyn Cabell, all processes will be reviewed and updated for streamlining with efficiency and practicality in mind.

S. Baragiola asked for clarification on the duties for section 5.4 for Secretary/Treasurer. It appears that some of the duties are onerous and if they are or aren’t accomplished in terms of due diligence. S.

Baragiola noted that the duties of the Secretary/Treasurer be custodian of books, documents papers filed, be responsible for all monies and securities of the authority and shall deposit all monies and other duties noted in this section. S. Baragiola asked how is this facilitated. D. Barden reported that this is facilitated by the CEO through the Chief Operational Officer as far as providing the documents that needs attention.

S. Baragiola asked has there been a report provided to the Board by the Secretary/Treasurer in the past that these tasked items have been completed. D. Baden reported that the practicality of this report is the financial audit that takes place every year in terms of our financial standing and all other information relating to operations is delegated to members of the lottery staff management and reported out to the Board at meetings. S. Baragiola stated that the duties should be more of a delegated duty, rather than a responsibility role.

S. Baragiola recommends that the duties of the Secretary/Treasurer be reviewed and rewritten by lottery management and resubmitted to the Security and Operations committee for further discussion, acceptance and adoption of the changes. The committee further recommends that a Secretary/Treasurer report be added to the agenda and will be discussed with the full board at the board meeting.

S. Baragiola made a motion to accept the NMLA Board Bylaws as presented in addition that the title for Section 5.4 Secretary/Treasurer be adopted and the language describing the duties will amended by the lottery; second by A. McGowen. Carried; 3-0.

**Other** – None.

**ADJOURNMENT:** S. Baragiola moved to adjourn the meeting; second by P. Guerin. Carried; 3-0.  
The meeting adjourned at 11:27 a.m.



Sal Baragiola, Committee Chair

Date 11-30-17