



Audit Committee

Minutes of Special Meeting

Held on
November 15, 2017 at 9:00 a.m.
at
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut

- Committee Members: Michael Thompson, Chair of the Audit Committee; Patrick Birney (via teleconference); Robert Dakers; and Robert Morgan (via teleconference).
- CLC Staff Members: Chelsea Turner, Interim President and CEO; Alfred DuPuis; Paul Granato; Michael Hunter; Matthew Stone; Annmarie Daigle; and Bryan Figueroa.
- Call to Order: Mr. Thompson called the meeting to order at 9:01 a.m.

Mr. Thompson thanked the Audit Committee members for their participation in today's meeting.

I. Approval of Minutes:

On motion made by Mr. Dakers and seconded by Mr. Morgan, the minutes of the September 21, 2017 Special Meeting of the Audit Committee were unanimously approved.

II. Lotto Augmentation Notice:

Ms. Turner provided the Committee notice that the Classic Lotto game was augmented on November 3rd in the amount of \$682K.

III. Executive Session:

Mr. Thompson asked for a motion to enter into Executive Session to discuss the following agenda items:

- Discussion of security strategy relating to fraud prevention.
- Discussion of attorney-client privileged information regarding contractual matter.
- Discussion of legal strategy regarding indemnification claims by senior employee and former board member; committee may take action in public session after discussion.

On motion made by Mr. Dakers, seconded by Mr. Morgan, and unanimously approved, the Audit Committee entered into Executive Session at 9:04 a.m. Ms. Turner, Mr. Stone, Mr. DuPuis, Mr. Granato, and Mr. Hunter were invited to stay for the first two items. The Committee finished its discussion of the first item, and was discussing the second item when, due to timing with another Committee meeting, the Audit Committee had to end the Executive Session before

finishing its discussions. The Audit Committee tabled the remaining items until the next Committee meeting.

At 9:59 a.m., the Audit Committee reconvened in regular session.

IV. Discussion and action, if any, on items discussed during Executive Session:

Mr. Thompson stated that no actions or votes had taken place during Executive Session.

V. New Business: Discussion of all New Business items was tabled until the next Audit Committee meeting.

- Review of FY17 Year-End Audit
- MUSL Audit
- Cyber Insurance and Fraud Prevention Update
- Mobile App Update
- Document Surplus and Retention Update
- Capitol Update

VI. Adjournment:

On motion made by Mr. Birney, seconded by Mr. Dakers, and unanimously approved, the meeting was adjourned at 10:00 a.m.

Respectfully submitted,

Matthew Stone
Corporate Secretary
Connecticut Lottery Corporation