

## **Audit Committee**

Minutes of Special Meeting

Held on  
June 29, 2017 at 10:30 a.m.

at  
Connecticut Lottery Corporation  
777 Brook Street  
Rocky Hill, Connecticut

Committee Members: Michael Thompson, Chair of the Audit Committee; Patrick Birney; Robert Dakers; Michael Janusko; and Robert Morgan.

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 10:32 a.m.

Mr. Thompson thanked the Audit Committee members for their attendance at today's meeting.

### I. Approval of Minutes

On motion made by Mr. Birney and seconded by Mr. Dakers, the minutes of the May 12, 2017 Special Meeting of the Audit Committee were approved with Mr. Morgan abstaining.

### II. Interim President's Report

Using slides to present her report, Ms. Turner provided a brief overview of the following matters: CLC's Disaster Recovery Plan including upcoming training exercises; a recent fraudulent email received by the CLC finance department and subsequent training opportunities; an update of a criminal case involving former MUSL Security Director, Eddie Tipton; and an update with regard to several Senior Advisor projects. A brief discussion followed each of the matters.

### III. Bylaws Change

After a brief discussion with regard to a change to the CLC's Bylaws, and on a motion by Mr. Dakers and seconded by Mr. Janusko, it was,

Resolved, that the Audit Committee recommends that the Board of Directors approve the amendment to Article III, Section 1, of the Corporation's Bylaws.

Article III      Officers  
Section 1      Appointment of Officers

The Board shall appoint the President and the Secretary of the Corporation, and such other officers as the Board may approve upon the recommendation of the President. Such officers shall

not be directors of the Board, shall serve at the pleasure of the Board and shall receive such compensation as shall be determined by the Board, subject to the provisions of any written agreement of employment between the Corporation and the officer. The President and Secretary shall not be the same person. Officers shall assist the President as directed by him or her. Each officer shall be under the supervision of the President. The duties and responsibilities of any of the Corporation's officers may not be delegated to a director of the Board. If the active employee or retirement benefits component of compensation for the Corporation's officers are governed by State statutes or regulations administered by an agency of the State government, then the Board shall consult with such state agency, as needed, to ensure that any written agreement of employment or modifications thereto conform with such statutes or regulations.

IV. Executive Session

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

- Discussion of legal strategy regarding indemnification claim by senior employee. Committee may take action in public session after discussion.

On motion made by Mr. Birney, seconded by Mr. Dakers, and unanimously approved, the Audit Committee entered into Executive Session at 11:11 a.m. Ms. Turner, Mr. Hunter and Mr. Stone were invited to stay for the entire Executive Session.

At 12:06 p.m., the Audit Committee reconvened in regular session.

V. Discussion and action, if any, on items discussed in Executive Session

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

VI. Adjournment

On motion made by Mr. Birney, seconded by Mr. Janusko, and unanimously approved, the meeting was adjourned at 12:07 p.m.

Respectfully submitted,

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Matthew Stone  
Corporate Secretary  
Connecticut Lottery Corporation