

Texas Lottery Commission

June 1, 2017

10:00 a.m.

I.	The Texas Lottery Commission will call the meeting to order. Pledge of Allegiance to the U.S. and Texas flags. Texas Pledge: "Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."	J. Winston Krause, Chairman
II.	Report, possible discussion and/or action on proposals for internal audit services (RFP No. 362-17-0002), including approval of Evaluation Committee Recommendation and Announcement of Apparent Successful Proposer, and approval to execute contract.	Michael R. Fernandez, Administration Division Director
III.	Report, possible discussion and/or action on the agency's comprehensive business plan pursuant to State Lottery Act §466.028.	Michael Anger, Lottery Operations Director
IV.	Consideration of and possible discussion and/or action, including proposal, on (i) the repeal of existing 16 TAC §401.315 ("Mega Millions" On-Line Game Rule), and (ii) new 16 TAC §401.315 ("Mega Millions" Game Rule).	Deanne Rienstra, Assistant General Counsel
V.	Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §401.371 (Collection of Delinquent Obligations for Lottery Retailer Related Accounts).	Deanne Rienstra, Assistant General Counsel
VI.	Report, possible discussion and/or action on lottery sales and revenue, game performance, new game opportunities, advertising, promotional activities, market research, trends, and game contracts, agreements, and procedures.	Katheryn J. Pyka, Controller
VII.	Report, possible discussion and/or action on transfers to the State.	Katheryn J. Pyka, Controller
VIII.	Report, possible discussion and/or action on the 85th Legislature, including but not limited to the agency's legislative appropriation for FY 2018-2019.	Nelda Trevino, Governmental Affairs Director; Katheryn J. Pyka, Controller
IX.	Report, possible discussion and/or action on external and internal audits and/or reviews relating to the Texas Lottery Commission, and/or on Internal Audit activities, including approval of the retailer management audit report.	Darlene Brown, McConnell Jones Lanier & Murphy LLP
X.	Report by the Charitable Bingo Operations Director and possible discussion and/or action on the Charitable Bingo Operations Division's activities, including licensing, accounting and audit activities, pull-tab review, and special projects.	Alfonso D. Royal III, Charitable Bingo Operations Division Director

XI. Report by the Executive Director and possible discussion and/or action on the agency's operational status, major contracts, agency procedures, awards, and FTE status.

Gary N. Grief, Executive Director

XII. Consideration of the status and possible approval of orders in enforcement cases:

Robert F. Biard, General Counsel

Lottery NSF License Revocation Cases (Default)

- A. Docket No. 362-17-2798 – OK Stop
- B. Docket No. 362-17-2799 – Hawk Cove Fuel Stop
- C. Docket No. 362-17-3248 – Mary's Food Mart
- D. Docket No. 362-17-3250 – GMA Liquor
- E. Docket No. 362-17-3441 – Spanish Shield Liquor

Lottery Agreed Orders

- F. Case No. 2016-1335 – Samy Food Store
- G. Case No. 2017-475 – Raceway #6947

Bingo Agreed Orders

- H. Case No. 2017-197 – Bexar County Opportunities Industrialization Center, Inc.
- I. Case No. 2017-310 – AMVETS Post 4

Bingo Revocation and/or Denial Cases

- J. Docket No. 362-17-0790.B – American Legion Post 361

XIII. Public comment.

J. Winston Krause, Chairman

XIV. Commission may meet in Executive Session:

J. Winston Krause, Chairman

- A. To deliberate personnel matters, including the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director and/or the Charitable Bingo Operations Director pursuant to Section 551.074 of the Texas Government Code.
- B. To deliberate the duties of the General Counsel and/or the Human Resources Director pursuant to §551.074 of the Texas Government Code.
- C. To receive legal advice regarding pending or contemplated litigation or settlement offers, or other legal advice, pursuant to §§551.071(1) and (2) of the Texas Government Code, including but not limited to legal advice regarding the following items:

Pending and potential litigation regarding Fun 5's Scratch Ticket Game #1592, including Travis Co. District Court Cause No. D-1-GN-14-005114, Third District Court of Appeals Cause No. 03-16-00172-CV (Steele, et al. v. GTECH Corp.); Dallas Co. District Court Cause No. DC-14-14838, Fifth District Court of Appeals Cause No. 05-15-01559-CV (Nettles v. GTECH Corp. and Texas Lottery

Commission); and El Paso County Court Cause No. 2014-DCV-4113 (McDonald v. GTECH Corp.).

Julam Investments, Inc. v. Texas Lottery Commission (Travis Co. District Court Cause No. D-1-GN-16-006124)

State of Texas v. Equal Employment Opportunity Commission et al.

Legal advice regarding Texas Government Code Chapters 466 (State Lottery Act) and 467, the Bingo Enabling Act, the Open Meetings Act, the Public Information Act, the Administrative Procedure Act, employment and personnel law, procurement and contract law, evidentiary and procedural law, ethics laws, and general government law.

Legal advice regarding any item on this open meeting agenda.

XV. Return to open session for further deliberation and possible action on any matter posted for discussion in Executive Session. Any matter posted for Executive Session also may be the subject of discussion and/or action in open session prior to Executive Session.

J. Winston Krause, Chairman

XVI. Adjournment.

J. Winston Krause, Chairman

Notice of Assistance at Public Meetings. Persons with disabilities who plan to attend this meeting and who need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, should contact Debbie Jamieson at (512) 344-5038 at least four (4) work days prior to the meeting so that appropriate arrangements can be made.

Simpson, MaryBeth

From: Jamieson, Debbie
Sent: Wednesday, May 24, 2017 12:14 PM
To: Sanchez, Sheila; Simpson, MaryBeth
Subject: FW: S.O.S. Acknowledgment of Receipt
Attachments: 06012017.doc

Good afternoon,

The attached agenda has been filed with the Texas Register. Please let me know if you have any questions.

Thank you.

-----Original Message-----

From: TexReg@sos.texas.gov [mailto:TexReg@sos.texas.gov]
Sent: Wednesday, May 24, 2017 12:12 PM
To: Jamieson, Debbie <Debbie.Jamieson@lottery.state.tx.us>
Subject: S.O.S. Acknowledgment of Receipt

Acknowledgment of Receipt

Agency: Texas Lottery Commission

Liaison: Debbie L. Jamieson

The Office of the Secretary of State has posted

notice of the following meeting:

Board: Texas Lottery Commission

Committee: Texas Lottery Commission

Date: 06/01/2017 10:00 AM "TRD# 2017003800"

Notice posted: 05/24/17 12:12 PM

Proofread your current open meeting notice at:

[http://texreg.sos.state.tx.us/public/pub_om_lookup\\$.startup?Z_TRD=2017003800](http://texreg.sos.state.tx.us/public/pub_om_lookup$.startup?Z_TRD=2017003800)

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