

**Meeting Minutes
Search Committee of the
South Carolina Education Lottery Board of Commissioners
September 15 and reconvened on September 22, 2009**

On Tuesday, September 15, 2009, at 4:30 p.m. in the First Floor Conference Room, 1333 Main Street, Columbia, South Carolina, the Search Committee of the South Carolina Education Lottery Board of Commissioners held a meeting. It recessed and reconvened on Tuesday, September 22, 2009, in the same location. The agenda remained unchanged.

The following committee members participated:¹

Tim Madden, Chairman
Jimmy Bailey, Jr.*
Dr. Edward Keith*
Lisa Stevens*

The Chairman called the meeting to order.

Review of Search Process/Progress

Chairman Madden provided a brief overview and synopsis of the Search Committee work since its formation in early June, and the actions taken since the Executive Director position became vacant. Chairman Madden described this history as follows:

- A. The Board authorized the Chairman to appoint a Search Committee
- B. The Board authorized/empowered the Chairman and Search Committee as follows:
 - 1. Chairman of the Commission, or his designee, be authorized and empowered to fulfill any duty or responsibility otherwise required or

¹ Each committee member was present in Columbia on September 15, 2009. These members, denoted with an (*), participated via teleconference on September 22, 2009.

- expected of the Executive Director during the vacancy of the position of Executive Director, and to communicate with directors, managers, and staff as may be necessary or reasonable, or in the best interest of SCEL;
2. The Search Committee be authorized, in accordance with appropriate procurement procedure, to explore the possibility of engaging a professional search firm or organization for appropriate assistance, and if in the opinion of the Search Committee such firm or organization is needed or desirable, to identify the scope of services, select, engage, and pay for such firm or organization subject to approval by the Board;
 3. The Search Committee be authorized to explore the possibility of appointing an Interim Executive Director, and if the Search Committee decides an Interim Executive Director is appropriate, to recommend a candidate to the full Commission for this position and the compensation for such person for Commission's approval; and
 4. The Search Committee be authorized to develop the profile of an ideal candidate for the position of Executive Director, plan the hiring strategy and recruiting process, screen applicants, assess candidates, and recommend to the full Commission a choice for Executive Director.
- C. Prior to hiring an Interim Executive Director, Vice Chairman Bailey provided invaluable service working with senior management to meet the day-to-day needs of the business in the absence of an Executive Director.
- D. On July 8, 2009 the Search Committee recommended to the Board hiring Paula Harper Bethea as the Interim Executive Director, and the Board approved this recommendation.
- E. Staff collected information on search firms, the services provided, and the necessary procurement process about search firms.
- F. To facilitate orderly compilation of potential candidates for the position of Executive Director, and to receive resumés from interested parties, (1) staff established a P.O. Box exclusively reserved for receiving resumés or other information; (2) staff placed a notice on SCEL's website informing all interested parties to send a resumé with a cover letter and contact information; and (3) notification was placed with the North American Association of State and Provincial Lotteries (NASPL) for its website.
- G. The Chairman and Vice Chairman conducted exit interviews/debriefings with one or more of SCEL's departing top management (including Ernie Passailaigue).

- H. Members of the Search Committee gathered, from various resources, facts, related to the current needs of SCEL and the responsibilities, duties, and functions of the Executive Director.
- I. Approximately 25 expressions of interest from in state and out-of-state residents with and without lottery experience were received.

60-day Performance Review/Evaluation of Interim Executive Director

The Search Committee, by consensus, decided to conduct a performance evaluation and review of the Interim Executive Director. This process was initiated to both assess Mrs. Bethea's performance and to gain additional insight into developing criteria for and the profile of a candidate for the position of Executive Director. By consensus, the Search Committee decided to conduct this evaluation and review by inviting and interviewing all senior staff, including Leslie Vang, Tom Mash, Ann Scott, Dusty Rhodes, Bethany Parler, Tony Cooper, and Mary Margaret Hopkins. Chairman Madden previously interviewed Hogan Brown, who was attending a NASPL Committee meeting.

Executive Session

Commissioner Bailey moved to go into executive session as authorized in § 30-4-70(a)(1) for the specific purpose of discussing personnel matters relating to the performance of the Interim Executive Director. Commissioner Keith seconded the motion, which was unanimously adopted.

Upon adoption of the motion, as provided in § 30-4-70(b), Chairman Madden announced the specific purpose of the executive session as referenced in the above motion and asked all those in attendance to exit the meeting, except members of the Board.

During executive session, the Search Committee individually interviewed all of the staff identified above, and then Mrs. Bethea.

Return to Open Session

Upon conclusion of the executive session, the Chairman confirmed no action was taken during the executive session and no business other than that which was authorized by the motion was discussed.

Recess and Reconvening

Subject to the call of the Chairman, the Committee recessed.²

² Subsequent to recess of this meeting, the time for reconvening was set for September 22, 2009, at 3:30 p.m. Consistent with the requirement of Section 30-4-80, notification for reconvening was posted at SCEL headquarters, 1333 Main Street in Columbia, as would occur for an initial meeting. As provided in the Board bylaws, the meeting notice and agenda were also posted on the SCEL

On September 22, 2009, at 3:30 p.m. in the same location, the Chairman called the meeting back to order to reconvene the Search Committee meeting which began on September 15, 2009.

Executive Session

Commissioner Bailey made a motion to go into executive session as authorized in § 30-4-70(a)(1) for the specific purpose of continuing the discussion of personnel matters. Commissioner Stevens seconded the motion, which was unanimously adopted.

Upon adoption of the motion as provided in § 30-4-70(b), Chairman Madden announced the specific purpose of the executive session as referenced in the above motion and asked all those in attendance, except members of the Board, to exit the meeting.

Return to Open Session

Upon conclusion of the executive session, the Chairman confirmed no action was taken during the executive session and no business other than that which was authorized by the motion was discussed.

The Chairman announced the Committee had reached the agenda item relating to the analysis of the information concerning search firms. Commissioner Bailey thanked staff for compiling the information on search firms and the process required to procure the services of a firm. Without objection, the committee deferred consideration of the search firm analysis.

Motion Adopted

Commissioner Bailey moved to request that the Chairman, on behalf of the Committee:

1. Report the Search Committee's work and progress to the Board (as outlined hereinabove); and
2. Recommended to the Board to recruit and to offer the position of Executive Director to Paula Harper Bethea on terms substantially the same as those previously paid to Ernie Passailaigue, in hopes Mrs. Bethea could be convinced to accept the position.

Commissioner Stevens seconded the motion. After discussion and comments, the motion unanimously was adopted.

The Chairman thanked the members for their hard work and collective wisdom. In addition to reporting the adopted motion, the Chairman explained his intent to summarize, in the report to the Board, the individual thoughts of the members regarding the attributes of a successful candidate as gleaned during the performance evaluation of the Interim Executive Director and the exit interviews with departing employees.

There being no further business, the meeting adjourned.

/s/
Tim Madden, Chairman

Date

As required by Section 30-4-80, notification for this meeting was posted at SCEL headquarters, 1333 Main Street in Columbia. As provided in the Commission bylaws, the meeting notice and agenda were also posted on the SCEL website, sceducationlottery.com, and sent via facsimile transmission pursuant to requests made by media outlets and other organizations. These notifications included the time, date, place and agenda of the meeting.