

**Meeting Minutes
Executive Committee of the
South Carolina Education Lottery Board of Commissioners
October 6, 2010
8:30 A.M.**

A teleconference meeting of the Executive Committee of the South Carolina Education Lottery Board of Commissioners was held on Tuesday, October 6, 2010, at 8:30 a.m. in the Fourth Floor Conference Room (#407), 1333 Main Street, Columbia, South Carolina.

The following committee members participated:

Tim Madden, Chairman
Jimmy Bailey, Jr., Vice Chairman
Moffatt Burriss, Treasurer
Marvin Quattlebaum, Secretary
Dr. Edward Keith, At-Large

The Chairman called the meeting to order.

Online Game Enhancements

Pick 3

Paula Harper Bethea was recognized by the Chairman to brief Committee members on the staff proposal to offer a new play feature to Pick 3: “front pair or back pair” which is offered in many other jurisdictions. The prize being offered (\$25 on a wager of fifty cents or \$50 on a one dollar wager) for a “front” or “back” pair is relatively low, but the odds (1:100) are better than the plays currently offered. She conveyed the feedback heard from the field and focus groups expressing a need to “refresh” the game with something new. The play style of Pick 3 has not been changed since it was introduced more than eight years ago. Pick 3 sales have declined in the current fiscal year by roughly four percent and revenue from the new wager is expected to cover only a portion of the decline. The staff request for approval of this feature is being made now to allow a launch at the end of January 2011.

Members of the Committee voiced concerns over whether it is prudent to increase sales for this game given the demographic profile and the current state of the economy. Questions were also asked regarding the public perception of a change at this time. After weighing similar considerations at the staff level, Mrs. Bethea explained her decision to request approval as being based upon the overall need to refresh games over time and to stabilize sales, not to increase overall sales for Pick 3 or derive more revenue from a particular segment of our player base.

Motion Adopted

After discussion, Commissioner Bailey made a motion to authorize staff to move forward with the necessary steps to offer the Pick 3 game enhancement in January, 2011. Commissioner Keith seconded the motion, which was unanimously adopted.

Palmetto Cash 5

Mrs. Bethea also presented the staff recommendation to add a seventh draw date (Sunday) to the current draw schedule for Palmetto Cash 5.

Motion Adopted

After a brief discussion, Commissioner Bailey made a motion to authorize staff to move forward with adding the seventh day draw to the Palmetto Cash 5 schedule. Commissioner Keith seconded the motion, which was unanimously adopted.

The Chairman stated both actions will be presented to the Board for ratification.

Instant Game Enhancement

Mrs. Bethea presented information regarding a \$20 instant ticket. Adding this ticket requires Board approval but no request is being made at this time. Mrs. Bethea explained the impact this change would have on the number of \$10 instant tickets being offered. Input from the Committee is being sought to assist staff in making long-term planning decisions for FY12 and beyond.

Members of the Committee expressed various thoughts regarding whether or when to introduce a \$20 ticket. Several members indicated more information was needed and suggested staff delay any request until sometime in 2011.

Other Business

There being no further business, the meeting was 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 Board 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.