NOTICE OF MEETING AND AGENDA

In accordance with G.L. c. 30A, §§ 18-25 and 940 CMR 29.03, but subject to the Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, § 20 issued by Governor Baker on March 12, 2020, notice is hereby given of a meeting of the Massachusetts State Lottery Commission to be held remotely at the following time:

Tuesday, May 26, 2020
10:30 a.m.

Conference Call Meeting with Screen Sharing/Presentation
This meeting is open to the public. To access, please contact the Lottery’s Legal Department at (781) 849-5634 or via email at cwasik@masslottery.com and you will be provided with a Phone Number and Conference ID and/or link.

I. Opening of Meeting

II. Approval of Minutes from April 28, 2020

III. Executive Director’s Report
   a. Sales update
   b. Marketing update

IV. Update Regarding Amendments to Short-Term Tenancy Agreements for the Lottery’s Offices in Springfield and Woburn

V. Update Regarding Information Technology

VI. Matters Requiring Approval of the Massachusetts State Lottery Commission

VOTE: For the reasons set forth in the attached memorandum dated May 20, 2020, the Executive Director is authorized to enter into a three-year contract with two (2) one-year extension options for the provision of Advertising Services in accordance with the attached memorandum with the following company:

Full Contact
186 Lincoln Street, Floor 7
Boston, MA 02081
This award is made pursuant a competitive bid process (RFR LOT # 2006).

The maximum obligation assumed hereunder for the first year of the three-year contract shall not exceed four million, five hundred thousand dollars ($4,500,000.00) for advertising and related services and one million dollars ($1,000,000.00) for monitor games, subject to legislative appropriation.

VII. Other Business – Reserved for Matters the Chair did not Reasonably Anticipate at the Time of Posting

Date Posted to Website: Thursday, May 21, 2020 prior to 10:30 a.m.
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- MATTERS REQUIRING APPROVAL OF THE MASSACHUSETTS STATE LOTTERY COMMISSION
APPROVAL OF MINUTES
FROM
APRIL 28, 2020
DATE:     Tuesday, April 28, 2020
TIME:  10:30 a.m.

All Attendees Participated Remotely through RingCentral Conferencing System

MEMBERS PRESENT: Deborah Goldberg, Treasurer and Receiver General
Meghan Liddy, Commissioner
William J. McNamara, Comptroller
Anthony Salvidio, Commissioner
Spencer Lord, Special Counsel, Executive Office of Public Safety and Security, designee of Secretary Thomas A. Turco III

ALSO PRESENT: Michael Sweeney, Executive Director, Lottery
Edward Farley, Chief Marketing Officer, Lottery
Didier Bertola, Chief Financial Officer, Lottery
Lauren Luttrell, Product Manager, Lottery
Judy Moore, Senior Executive Assistant, Lottery
Gregory Polin, General Counsel, Lottery
Christian Teja, Director of Communications, Lottery
Joshua Fredette, Senior Program Engagement Manager, Overture Partners, LLC
Delwin Dickinson, Senior Consultant Advizex
Brad Mullen, Senate Ways and Means
Jeffrey Shapiro, Esquire, Deputy Comptroller, Chief Operating Officer
James MacDonald, First Deputy Treasurer
Sarah Kim, General Counsel, Treasury
Chandra Bork, Chief of Staff, Treasury
Lizandra Gomes, Deputy Chief of Staff, Treasury
Alethea Harney, Communications Director, Treasury
Emily Kowtoniuk, Deputy Legislative Director, Treasury
Steve Moore, Deputy Legislative Director, Treasury
Andrew Napolitano, Deputy Communications Director, Treasury
Liz Zelnick, Senior Policy Analyst, Treasury
I. **Opening of Meeting**

Treasurer Deborah Goldberg opened the Commission meeting at 10:31 a.m. Treasurer Goldberg stated, “Pursuant to the Massachusetts Open Meeting Law, Massachusetts General Laws, Chapter 30A, section 20, all of the Commissioners will be participating remotely for this meeting because physical attendance is unreasonably difficult.

Normally, the Commissioners are able to participate remotely only when a quorum of the members are physically present at the meeting location, however, the Commission is relying on Governor Baker’s March 12th Executive Order that allows remote participation by all members of a public body and suspends the requirement that a quorum of the body and the chair be physically present at the specified meeting location.

Commissioners, we are all participating by a conference call. Commissioners, please let us know if you have any sort of technical difficulty. The Commissioners may participate in any votes scheduled to take place at today’s meeting. All votes must be taken by roll call.”

Treasurer Goldberg then made the following statement, “Pursuant to the Commonwealth’s Open Meeting Law, Massachusetts General Laws, Chapter 30A, Section 20, as the Chair of the Massachusetts State Lottery Commission, I would like to advise that any person may make a video or audio recording of this open meeting. However, I am obligated to inform attendees of any recording at the beginning of the meeting, so I ask that those who are making any recording identify themselves now as doing so.” Judy Moore, Senior Executive Assistant, Lottery, identified herself as making a recording to assist in the preparation of the meeting minutes. Brian Burnell, Reporter, NBC10, also stated that he would be making such a recording today.

II. **Approval of the Minutes from March 31, 2020**

Treasurer Goldberg asked the Commission to accept the minutes from the Massachusetts State Lottery Commission (“Commission”) meeting held on March 31, 2020. Commissioner Anthony Salviodio made a motion to accept the minutes of the meeting and Commissioner Meghan Liddy seconded the motion.

Treasurer Goldberg, recognizing there was no further discussion, moved the motion to a roll-call vote. Commissioner William McNamara: yes; Commissioner Meghan Liddy: yes; Commissioner Anthony Salviodio: yes; Special Counsel Spencer Lord: yes; and Treasurer Goldberg: yes.

The minutes were approved at 10:38 a.m.
Executive Director’s Report

a. Sales Update

Weekly Sales – Since March 1, 2020

Executive Director Michael Sweeney updated the Commission on the effects that the COVID-19 State of Emergency has had on Lottery sales. Referring to a “Weekly Sales Since March 1” chart, Executive Director Sweeney highlighted the weekly sales from the week ending March 7th. He stated that as the month of March progressed, there had been a significant decrease in Lottery sales. He explained that the week ending March 7th was the last full week of normal activities and following that there has been a steady and significant decrease. By the week ending April 17th, sales for all games were just under $75 million. Executive Director Sweeney added that in particular, Keno and instant ticket sales experienced substantial decreases. He stated that the appropriate closure and restrictions of restaurants and bars had a significant impact on these games.

b. Marketing Update

Lottery Operations

Executive Director Sweeney provided an overview of some of the actions that the Lottery has taken to quickly mobilize and adjust to the current situation beginning on March 23rd, and continuing to the present.

The first priority was to ensure safe environments which prompted the Lottery to close all claim centers to the public and to operate with essential personnel only although there may be certain duties that some employees need to conduct within the office but this is on a very limited basis. Over the last thirty days, the Lottery’s Assistant Executive Directors and IT department did an outstanding job working with team members to implement work from home procedures as well as acquiring laptops and Virtual Private Networks (VPNs).

Specific and essential IT, warehouse distribution, finance, and security staff members are working on-site and occasionally, individual team members are coming in, and all practice social distancing and measures are being taken to keep their time and activity limited while present on site.

The Lottery has also extended the time period on tickets that normally would have expired during this crisis. He explained that any ticket that would have expired between March 19 and June 29, 2020, has been extended until June 30, 2020. If the situation changes as June 30th approaches, a decision will be made prior to June 30th if an extension is needed.

Public Health Messaging

Executive Director Sweeney reported that the Lottery is continuing to use social media and public messaging to share messages from the Commonwealth, the Treasurer’s office, and the Massachusetts Department of Public Health regarding the pandemic and as a way for people to obtain timely and accurate information. He reminded the Commission that at the beginning of this crisis, the Lottery had reached out to the Department of Public Health and offered these formats as a way to share public health messages. He described this as a partnership that has been working well.
Lottery Sales Update

Executive Director Sweeney reported that the overall unadjusted sales for March 2020 were down $59.5 million in comparison to March 2019. He noted that the estimated March 2020 net profit and prize payout figures do not include accruals for prizes won that have not yet been paid.

Due to the overall decrease in sales and all claim centers being closed for a portion of the month (reducing the amount of prizes over $600 being claimed and cashed, including a decrease of $1 million in instant ticket grand prize claims: $15 million in instant ticket grand prize claims in March 2020 as compared to $16 million in March 2019), the estimated net profit for March 2020 was $89.3 million as compared to $95.0 million in March 2019, resulting in an estimated $5.7 million decrease in net profit. The estimated prize payout for March 2020 was 69.62 percent, as compared to 71.03 percent in March 2019. Executive Director Sweeney cautioned that because the Lottery was closed for a period in March, the prize payout percentage is artificially deflated because prizes were not being cashed at the same level.

Executive Director Sweeney reported on the figures for Fiscal Year 2020 (“FY20”). He stated that the estimated FY20 year-to-date net profit and prize payout figures both include accruals for prizes won that have not yet been paid. Due to a 13 percent decrease in overall sales for the month of March and a combined $112.3 million decrease in Mega Millions and Powerball sales in the first nine months of FY20 as compared to the first nine months of FY19 (Mega Millions: $70.2 million decrease, Powerball: $52.1 million decrease) as a result of smaller jackpots, the estimated year-to-date net profit for the first nine months of FY20 is $764.0 million as compared to $840.1 million for the first nine months of FY19. After adding a 1-day average net profit figure of $2.8 million due to a shift in the calendar that resulted in 1 less day being included in the net profit figure for the first nine months of FY20, the adjusted year-over-year change for the first nine months of FY20 as compared to the first nine months of FY19 is an estimated $73.3 million decrease in net profit, the estimated year-to-date prize payout for the first nine months of FY20 is 73.79 percent as compared to 72.31 percent for the first nine months of FY19.

Executive Director Sweeney reported that for the first time in his five years as the executive director, all products experienced sales decreases in March of 2020 compared to March of 2019. He added that this is 100 percent associated with the change in the economic and social realities brought on by the pandemic.

Compared to March of 2019, Powerball sales were down $25.7 million (high jackpot of $160 million as compared to $768.4 million in March 2019), Instant Ticket sales were down $20.1 million, Keno sales were down $10.9 million, Numbers Game sales were down $1.2 million, Mega Millions sales were down $1.1 million (high jackpot of $113 million as compared to $267 million in March 2019), Mass Cash sales were down $239,419, Megabucks Doubler sales were down $133,386 (high jackpot of $654,000 as compared to $1.1 million in March 2019), All or Nothing sales were down $92,650, and Lucky for Life sales were down $54,420.

Five Year Comparison Chart

Executive Director Sweeney informed the Commission that the prize payout as a percentage of sales was at 73.8 percent. He predicted that if cashing had been going on as normal, particularly for instant tickets, this number would be a little higher.
Gross Sales Results

Discussing the Gross Sales Results of March FY20 versus March FY19 Unadjusted Non-Fiscal Year, Executive Director Sweeney noted that overall sales showed a significant impact that the current circumstances have had. For the first time, all sales are down in comparison to the prior fiscal year. Overall sales were down over thirteen percent. He particularly noted the deep decrease in instant ticket sales, Keno, and Powerball as compared to March FY19, and added that Powerball is drawn from a comparison of the jackpots that were available during that time period.

Reporting on the Gross Sales Results Year-to-Date FY20 versus FY19 Unadjusted by Non-Fiscal Year, Executive Director Sweeney stated that even through the month of March, the Lottery had maintained its position despite the current circumstances with sales down approximately 1.6 percent. He noted that this figure is a significant increase of a decrease compared to just thirty days ago of a slippage that has been seen during the course of the year, primarily with Mega Millions and Powerball’s decrease of overall jackpots throughout the year.

Michigan Lottery

Executive Director Sweeney noted that a business or government organization can only be run with the tools that are available. Using the Michigan Lottery as an example, Executive Director Sweeney stated that they have developed an effective online iLottery system that has been merged and complimented by their retail sales. He highlighted the ways in which the Michigan Lottery has positioned itself in order to be able to mitigate the current circumstances being faced in the country. Compared to prior months, Michigan’s iLottery numbers have experienced a significant increase crossing into the April time period. During the month of April, Michigan’s net profit was up $10.1 million which was approximately a 48 percent increase over March for their iLottery gaming profit. This clearly shows that customers have migrated over to the opportunity to play online as opposed to a decreased opportunity to be able to play at a retail setting.

The Michigan Lottery surpassed $1 million in gaming profit in a single day for the first time ever on April 15th. Michigan’s retail operation was netting roughly $2.5 million in gaming profit per day on a mature and an almost 50-year old line of business prior to COVID-19. This translated to a 40 percent share compared to retail for the single day on a platform that only sells a truncated set of games.

Executive Director Sweeney stated that for obvious reasons, Michigan Lottery retail sales for April experienced decreases in Keno, Instant Tickets, as well as some of their daily number draws which normally account for 80 percent of their retail volume. He concluded that in many industries, technology is the forefront of survival and overall health of any public or private organization. Michigan is one example that shows the limited ability that the Massachusetts State Lottery has as an outlet channel.

Treasurer Goldberg shared that recently, she participated in a Ways and Means Economic Roundtable. She informed the Roundtable of these preliminary results for the Michigan Lottery and the single day profit they experienced and she also shared this information with the Massachusetts State Governor. She explained to them that a cash only, face to face business clearly has no choice but to be severely impacted. It is well-known that all of the local communities rely on these resources and moving forward, it needs to be taken very seriously to find how those resources can be replaced or allow the Massachusetts State Lottery to modernize in order to be able to continue its mission to be a source of aid to every community throughout the state.
IV. Matters Requiring Approval of the Massachusetts State Lottery Commission

VOTE (1): The Executive Director is authorized to continue to work with the Commonwealth’s Division of Capital Asset Management and Maintenance (DCAMM) and to take necessary action to execute an amendment to the Short-Term Tenancy Agreement and tenancy Extension for the premises at 16-20 Fort Street, Springfield, Massachusetts pursuant to terms that are consistent with those discussed and/or presented at this meeting.

Special Counsel Spencer Lord made a motion to authorize the Executive Director to continue to work with the Commonwealth’s Division of Capital Asset Management and Maintenance (DCAMM) and Commissioner William McNamara seconded the motion.

Executive Director Michael Sweeney reported that this is for the existing location in Springfield. He stated that the landlord has been agreeable and easy to work with, and the Lottery would like to extend the current lease through November of this year while the second site is being prepared. The Lottery will have the option of exiting this extension with a sixty-day notice. The landlord and the Commonwealth agreed to the same cost which is approximately $14.50 per square foot and the property is just over 6,000 square feet.

Treasurer Goldberg, recognizing there was no further discussion, moved the motion to a roll-call vote. Commissioner McNamara: yes; Commissioner Liddy: yes; Commissioner Salvidio: yes; Special Counsel Lord: yes; and Treasurer Goldberg: yes. The Motion carried.

VOTE (2): The Executive Director is authorized to continue to work with the Commonwealth’s Division of Capital Asset Management and Maintenance (DCAMM) and to take necessary action to execute an amendment to the Short-Term Tenancy Agreement and tenancy Extension for the premises at 11 and 28 Cummings Park, Woburn, Massachusetts pursuant to terms that are consistent with those discussed and/or presented at this meeting.

Commissioner Anthony Salvidio made a motion to authorize the Executive Director to continue to work with the Commonwealth’s Division of Capital Asset Management and Maintenance (DCAMM) and Special Counsel Spencer Lord seconded the motion.

Executive Director Michael Sweeney explained that similar to the prior vote, this amendment is for the existing facility in Woburn. With the assistance of DCAMM, who is working with the landlord, an agreement has been reached for a one year extension while the Lottery is out with a Request for Proposals for a potential new office space. This extension would run through June 2021 and the landlord, who is able to submit a proposal, has agreed to keep the pricing stable. The price is $26.98 per square foot for 10,661 square feet. The Lottery will continue to utilize the same space, under the same terms, with an extension which begins July 2020, and will run through the end of June 2021.

Treasurer Goldberg, recognizing there was no further discussion, moved the motion to a roll-call vote. Commissioner McNamara: yes; Commissioner Liddy: yes; Commissioner Salvidio: yes; Special Counsel Lord: yes; and Treasurer Goldberg: yes. The Motion carried.
VOTE (3): For the reasons set forth in the attached memorandum dated April 17, 2020, the Executive Director is authorized to encumber and expend up to four hundred thousand dollars ($400,000.00) for the purchase of charity game tickets in Fiscal Year 2020 from the following firms:

**International Gamco, Inc.**
9335 N. 48th Street
Omaha, NE 68152-1541

**Pollard Games, Inc. d/b/a International Gamco and American Games**
504 34th Avenue
Council Bluffs, IA 51501

**Arrow International, Inc.**
9900 Clinton Road
Cleveland, OH 44144

This original award was made pursuant a competitive bid process, RFR LOT # 1604. The aggregate maximum obligation assumed hereunder for the above referenced contracts for Fiscal Year 2020 shall not exceed four hundred thousand dollars ($400,000.00).

Special Counsel Spencer Lord made a motion to authorize the Executive Director to encumber and expend up to four hundred thousand dollars ($400,000.00) for the purchase of charity game tickets and Comptroller William McNamara seconded the motion.

Executive Director Sweeney explained that this vote is a supply chain issue and the Lottery wants to ensure that as the fiscal year closes out, there is an appropriate amount of stock available for distribution to these non-profit organizations. This will enable them to conduct their activities within the normal parameters should they be allowed to. This vote will give the Lottery the flexibility to manage these actions throughout the rest of this fiscal year.

Treasurer Goldberg, recognizing there was no further discussion, moved the motion to a roll-call vote. Commissioner McNamara: yes; Commissioner Liddy: yes; Commissioner Salvidio: yes; Special Counsel Lord: yes; and Treasurer Goldberg: yes. The Motion carried.

VOTE (4): For the reasons set forth in the attached memorandum dated April 21, 2020, the Massachusetts State Lottery Commission is increasing the aggregate maximum obligation for Fiscal Year 2020 to an additional one million dollars ($1,000,000.00) for the Lottery’s contracts for instant tickets, game designs and research, and marketing services with the following firms:

**IGT Global Solutions Corporation**
10 Memorial Blvd.
Providence, RI 02903

**Pollard Banknote Limited**
140 Otter Street
Winnipeg, Manitoba, R3T 0MB

**Scientific Games International, Inc.**
This original award was made pursuant a competitive bid process, RFR LOT # 1705. The aggregate maximum obligation assumed hereunder for the above referenced contracts for Fiscal Year 2020 shall not exceed twenty million dollars ($20,000,000.00).

Commissioner Anthony Salvidio made a motion to authorize the Executive Director to increase the aggregate maximum obligation for Fiscal Year 2020 to an additional one million dollars ($1,000,000.00) for the Lottery’s contracts for instant tickets, game designs and research, and marketing services and Commissioner William McNamara seconded the motion.

Executive Director Sweeney explained that by adding an additional $1 million to this particular line item it will give the Lottery flexibility as FY20 closes out to order two or three more series of instant ticket games. The Lottery is attempting to ensure that any disruptions that may occur in the supply line moving forward under the current circumstances do not end up disrupting the ability to distribute games to retailers. This vote will allow the Lottery to move forward and make these decisions in a timely manner.

Treasurer Goldberg, recognizing there was no further discussion, moved the motion to a roll-call vote. Commissioner McNamara: yes; Commissioner Liddy: yes; Commissioner Salvidio: yes; Special Counsel Lord: yes; and Treasurer Goldberg: yes. The Motion carried.

VOTE (5): For the reasons set forth in the attached memorandum dated April 22, 2020, the Executive Director is authorized to utilize ITC47 – IT Hardware and Services Statewide Contract to seek quotes and to encumber and expend up to seven hundred fifty thousand dollars ($750,000.00) for the procurement of hardware upgrades and support for the existing Massachusetts State Lottery Commission mainframe from an approved vendor or vendors on the ITC47 Statewide Contract. The maximum obligation assumed hereunder shall not exceed seven hundred fifty thousand dollars ($750,000.00).

Special Counsel Spencer Lord made a motion to authorize the Executive Director to utilize ITC47 – IT Hardware and Services Statewide Contract to seek quotes and to encumber the funds for the upgrades and Commissioner William McNamara seconded the motion.

Executive Director Sweeney described the transfer of the IBM mainframe system to a cloud based system as the most important and challenging project that the Lottery is facing during the next one to two years. The current system has been utilized for over eighteen years and houses significant information that is used for instant ticket distribution as well as annuity payments and other aspects of Lottery operations. A team has been assembled to catalog and create a menu of the data that is currently on the IBM mainframe, as well as to determine the best pathway to transfer this information onto a different system and onto a cloud based system. The $750,000.00 will allow the Lottery to map out those pathways as well as to begin some of the actual conversions.

Treasurer Goldberg, recognizing there was no further discussion, moved the motion to a roll-call vote. Commissioner McNamara: yes; Commissioner Liddy: yes; Commissioner Salvidio: yes; Special Counsel Lord: yes; and Treasurer Goldberg: yes. The Motion carried.
Massachusetts State Lottery Commission
Draft/Unofficial Meeting Minutes for 4/28/2020 Meeting

VOTE (6): For the reasons set forth in the attached memorandum dated April 22, 2020, the Executive Director is authorized to enter into contracts through ITS63 with McInnis Consulting Services Inc., located at 100 Prospect Street, Norwell, MA 02061, for the consulting services of subject matter experts with the following firms to provide information technology expertise:

**NTT Data Services**
100 City Square
Charlestown, MA 02129

**Rolta AdvizeX Technologies, LLC**
3 Burlington Woods Drive, Suite 206
Burlington, MA 01803

**Gartner, Inc.**
125 Summer Street, #4
Boston, MA 02110

The aggregate total maximum obligation assumed hereunder for Fiscal Year 2020 shall be six million, five hundred sixty thousand dollars ($6,560,000.00).

Special Counsel Spencer Lord made a motion to authorize the Executive Director to enter into contracts through ITS63 with McInnis Consulting Services Inc. and Comptroller William McNamara seconded the motion.

Executive Director Sweeney explained that this vote will allow the Lottery to add Gartner, Inc. as an additional firm. Currently, the Lottery has been using NTT Data Services and Rolta AdvizeX Technologies for a number of years and their services have been excellent. The Lottery has also had discussions with Gartner, Inc. which is a recognized leader in the industry and would like to formally add them through this vote.

Treasurer Goldberg, recognizing there was no further discussion, moved the motion to a roll-call vote. Commissioner McNamara: yes; Commissioner Liddy: yes; Commissioner Salvidio: yes; Special Counsel Lord: yes; and Treasurer Goldberg: yes. The Motion carried.

VOTE (7): For the reasons set forth in the attached memorandum dated April 21, 2020, the Executive Director is authorized to encumber and expend up to two hundred twenty thousand dollars ($220,000.00) in Fiscal Year 2020 for vehicle maintenance management services and other services from the following vendor pursuant to Statewide Contract VEH84A:

**Rental Concepts Inc. d/b/a Fleet Response**
6450 Rockside Woods Blvd., S, Ste. 250
Cleveland, OH 44131

As amended the maximum obligation assumed hereunder for Fiscal Year 2020 shall not exceed two hundred twenty thousand dollars ($220,000.00).

Commissioner Anthony Salvidio made a motion to authorize the Executive Director to encumber and expend the funds for vehicle maintenance management services and other services
from the aforementioned vendor pursuant to Statewide Contract VEH84A and Commissioner William McNamara seconded the motion.

Executive Director Sweeney described this is a straightforward vote that is needed for vehicle maintenance. It includes everything necessary from minor to major repairs, from changing a headlight and oil changes, to repairing and replacing breaks for the Lottery’s fleet of vehicles. He added that in previous years, the amount requested has been for approximately $150,000.00. However, this vote is seeking $220,000.00 for some additional work and repairs that are needed on the equipment.

Commissioner McNamara asked how many vehicles will be covered under this vote. Executive Director Sweeney explained that at any time, the Lottery has over 100 vehicles being rotated through the system. Over the last four years, the Lottery has been seeking a vote that would allow the purchase of up to 20 vehicles, which had not happened prior to the current administration. Economically, the Lottery is attempting to rotate newer equipment in, and remove the older equipment that needs a higher level of repairs.

Treasurer Goldberg, recognizing there was no further discussion, moved the motion to a roll-call vote. Commissioner McNamara: yes; Commissioner Liddy: yes; Commissioner Salvidio: yes; Special Counsel Lord: yes; and Treasurer Goldberg: yes. The Motion carried.

V. Other Business – Reserved for matters the Chair did not reasonably anticipate at the time of posting

Treasurer Goldberg asked whether there was any other business or other comments that anyone would like to make. Treasurer Goldberg took a moment to thank Executive Director Sweeney as well as all of the team members at the Massachusetts State Lottery. She stated that this has been a large business disruption and Executive Director Sweeney and the Lottery team have done a great job at keeping up moral for those who care and work at the Lottery.

After asking if there was any other business to discuss, Treasurer Goldberg sought a motion to adjourn the meeting. Commissioner McNamara moved to adjourn and Commissioner Salvidio seconded the motion.

Treasurer Goldberg moved the motion to a roll-call vote. Commissioner McNamara: yes; Commissioner Liddy: yes; Commissioner Salvidio: yes; Special Counsel Lord: yes; and Treasurer Goldberg: yes. The Motion carried.

The Commission meeting adjourned at 11:17 a.m.

List of Documents and Exhibits Used:

- MSLC April 2020 Commission Meeting Book
- MSLC Meeting Executive Director’s Report, April 28, 2020 – PowerPoint Presentation
- MSLC Meeting 04/28/2020 – Agenda
MATTERS REQUIRING APPROVAL OF THE MASSACHUSETTS STATE LOTTERY COMMISSION
VOTE: For the reasons set forth in the attached memorandum dated May 20, 2020, the Executive Director is authorized to enter into a three-year contract with two (2) one-year extension options for the provision of Advertising Services in accordance with the attached memorandum with the following company:

**Full Contact**
186 Lincoln Street, Floor 7
Boston, MA 02081

This award is made pursuant a competitive bid process (RFR LOT # 2006).

The maximum obligation assumed hereunder for the first year of the three-year contract shall not exceed four million, five hundred thousand dollars ($4,500,000.00) for advertising and related services and one million dollars ($1,000,000.00) for monitor games, subject to legislative appropriation.

Dated: May 26, 2020
MEMORANDUM

To: Michael Sweeney, Executive Director

From: Scott Kenyon, Product and Promotional Development, Draw Games

cc: Greg Polin, General Counsel; Maryanne Hutchinson, Deputy General Counsel

Date: May 20, 2020

Ref: RFR 2006 – Advertising Services

Massachusetts State Lottery Commission (MSLC) is seeking a vendor to provide a range of advertising services that are strategically designed to improve the MSLC brand, increase the sale of games, and maximize net profit return to the Commonwealth. The successful bidder will function as a full-service advertising agency that partners with the MSLC in the development and execution of an integrated marketing and advertising plan. MSLC is currently under contract with Connelly Partners to provide advertising services until June 30, 2020.

The MSLC Request for Response 20-06, dated December 20, 2019, sought responses from qualified vendors to provide advertising and related services as a full-service advertising agency. The Procurement Management Team (“PMT”) consisted of the following MSLC employees: Scott Kenyon, Owen Doherty, Lauren Luttrell, Christian Teja, Cameron Grant, Cagen Luse, Daniel Sullivan, and Edward Farley and counsel assigned was Maryanne Hutchinson. The review team established the specifications and performance requirements necessary to meet the advertising services needs of the MSLC. The intended term of the contract is for three (3) years, with two (2) one (1) year extensions, subject to an annual performance review for each prior year of rendering services. The maximum contract term shall not exceed five (5) years.

Review of the RFR was conducted in three (3) specific phases. During Phase I, the PMT reviewed the completeness of the responses including mandatory forms and compliance to submission criteria. During Phase II, the PMT reviewed each bidder’s capabilities in providing advertising services including dynamic creative services that establish a compelling narrative for MSLC products and the MSLC brand, innovative media purchasing that allows MSLC to deliver its creative campaigns to its intended audience, a data-driven strategy development to support MSLC’s products and brand, and a collaborative client – agency relationship to build a trusting partnership. Oral presentations were conducted via Zoom during the Phase II review for bidders to elaborate on their capabilities. During Phase III, the PMT reviewed the cost proposals from each bidder for delivering advertising services.

The MSLC received three timely responses by the required deadline. All three bidders qualified through Phase I requirements of the RFR. Upon Phase II and Phase III review, the PMT evaluated the bidders’ submissions and determined the following vendor to best
serve the advertising and related services needs of MSLC. Upon completion of the review, the PMT selected the following Bidder as most able to appropriately serve the needs of the MSLC:

Full Contact  
186 Lincoln Street, Floor 7  
Boston, MA 02081

Accordingly, it is recommended that the Massachusetts State Lottery Commission authorize the Executive Director to enter into a three (3) year contract for advertising services with Full Contact, subject to the terms of the RFR, up to a total maximum obligation not to exceed $4,500,000 for advertising and related services and $1,000,000 for monitor games, subject annually to the MSLC legislative appropriation. The MSLC, at its sole option, may extend the term of this contract for two (2) additional one (1) year periods for a maximum contract term not to exceed five (5) years, subject to a performance review.