

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



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TO: Maryland Lottery and Gaming Control Commission
Gordon Medenica, Director

FROM: Paula Yocum, Managing Director, Acting CFO

DATE: February 16, 2021

SUBJECT: Report for the February Commission Meeting

This is a status update of ongoing and special projects in Finance.

I. BUDGET

- **FISCAL YEAR 2020 Final Expenditures**
 - Lottery: \$77,743,420
 - VLT Special Fund: \$10,842,801
 - VLT General Fund: \$ 6,461,424
 - COVID 19 – Fund 9: \$95,651

- **FISCAL YEAR 2021 (was reduced by \$119,756, see approved budget amounts below)**
 - Lottery: \$85,009,877
 - VLT Special Fund: \$11,660,871
 - VLT General Fund: \$ 6,566,576

- **FISCAL YEAR 2022**
 - The Fiscal Year 2022 budget has been submitted to DBM. DBM has completed their analysis and provided recommendations. The Agency has responded to all of their recommendations. DLS has completed their analysis and provided recommendations. The Agency has responded to their recommendations.

- **Promotion Fund (Unclaimed Prizes)**
 - Beginning Balance as of January 1, 2021 \$ 569,147
 - Estimated increase in January, 2021 \$2,282,826
 - Estimated usage in January, 2021 (\$1,343,605)
 - Estimated Ending Balance as of January 31, 2021 \$1,508,368

II. ACCOUNTING/FINANCE

- Attached is the following audited statement:
 - FY 2020 Comprehensive Annual Financial Report

III. PROCUREMENT

- Central Monitor and Control System for a Video Lottery Terminal Program RFP (#2021-06): RFP for a replacement contract to provide the customization, development, implementation, operation, and maintenance of a complete turnkey VLT Control System was issued on October 1, 2020. Proposals were received by the due date of December 2, 2020. Oral Presentations/Discussions were conducted with the Offerors and subsequently a recommendation for award of this contract has been made which will be presented to the Commission at its February meeting. Subject to Commission approval, the Contract will be submitted to DGS for inclusion (tentatively) on the 4/7/2021 BPW Agenda.
- Instant Ticket Games and Related Services Contract (#2013-01) with Pollard Banknote Limited (Primary Contract) and Scientific Games International, Inc. and IGT/GTECH Corporation (both Secondary Contracts) for the production of Instant Tickets and delivery to Retailer locations. These Contracts expire August 31, 2021 with no additional renewal options available. Proposals for new replacement contracts were received on March 4, 2020 but the evaluation process was suspended shortly thereafter due to the pandemic related shutdown of both the State and Offeror's operations. The Offerors were requested to re-validate their proposals due to the delay and all have agreed to do so and to proceed with the evaluation process. Oral Presentations/Discussions were conducted with all Offerors on February 4 & 5; Best and Final Offers will now be requested from all Offerors in order to clarify certain items that arose during the evaluation and to allow Offerors an opportunity to make any updates to their Proposals that may be appropriate due to the long delay caused by the pandemic.
- MBE/VSBE/SBR Activities:
A summary of the MLGCA's MBE/VSBE participation is attached.