

**SOUTH CAROLINA EDUCATION LOTTERY  
BOARD OF COMMISSIONERS MEETING MINUTES**

**August 6, 2025**

**10:00 a.m.**

The Board of Commissioners of the South Carolina Education Lottery (SCEL) met on Wednesday, August 6, 2025, at 1333 Main Street, Columbia, South Carolina, First Floor Conference Room, with the following members, representing a quorum, participating:

Sam Litchfield, Chairman  
Billy Newsome  
Patrick Earle  
Keith Munson

Dr. Vareva Evans-Harris  
Dr. Edward Keith  
Jay Young

**Call to Order**

The Chairman called the meeting to order at 10:06 a.m. and welcomed guests.

**Approval of Minutes**

On motion of Commissioner Munson, seconded by Commissioner Newsome, with an amendment fixing a minor typographical error, the Board approved the May 7, 2025 corrected Minutes unanimously.

**Action Items**

**a. Quarterly Advertising and Marketing Review**

The Chairman recognized Commissioner Patrick Earle, Chairman of the Marketing and Retailer Relations Committee to provide a report from the August 5, 2025 committee meeting. Chairman Earle referred to the Minutes from the meeting that members received with their packet. The committee received information on the success of the Cash Pop Doubler campaign, which ran last fall, and the proposed Cash Pop Bonus campaign. The committee also learned more about the Instant Ticket Vending Machines (ITVM), as to which the members will receive more information in the December meeting. Following Commissioner Earle's report, Dolly Garfield, Chief Executive Officer, stated that the law (the South Carolina Education Lottery Act, SC Code 59-150-10, et seq.) currently prohibits ITVMs. The SC Convenience and Petroleum Marketers Association (SCCPMA) has stated that it intends to seek legislation that would lift the prohibition of ITVMs. Ms. Garfield would like to develop a position with the Board on where SCEL stands on ITVMs. She will provide further information at the December meeting.

At the conclusion of the Marketing and Retailer Relations Committee report, the Chairman recognized Ammie Smith, Chief Product Officer, and Josh Whiteside, Chief Marketing Officer, to provide the quarterly advertising review. Ms. Smith shared the newest licensed product, Jurassic Park. The licensed property is in partnership with Scientific Games and is a multi-state promotion. The ticket has a second-chance promotion, which awards three winners a trip to Hawaii and a chance to win up to \$1 million.

She then recognized Josh Whiteside for the advertising report.

Mr. Whiteside shared the assets and visuals existing at retailer locations to draw attention to the Jurassic Park ticket and the second-chance promotion. He then shared the 30-second commercial created by Scientific Games that is currently airing.

Mr. Whiteside then moved to debit card purchase awareness. As of July 1, 2025, participating retailers can accept debit cards for the purchase of lottery tickets. He shared the different advertising for online ads, digital billboards, PIDS in stores, ticket toppers, window posters, and point of sale banners. Commissioners provided constructive comments and supported the effort to provide debit card purchase awareness.

Ms. Smith then shared visuals of the games released in July and August. The Carolina and Clemson tickets have launched along with Millionaire Mania.

Next, Mr. Whiteside played videos of five beneficiary stories as part of the Better U campaign and gave an overview of the content of the videos. Mr. Whiteside told the Board that each video was 2-3 minutes long and exists on the SCEL website and YouTube channel. SCEL uses the 30-second versions for television. SCEL has a staff member actively seeking beneficiary stories. SCEL looks for stories while maintaining a diversity in scholarships, schools, and people. Board members are encouraged by the Chairman to forward any beneficiary recommendations to SCEL staff.

At the conclusion of the presentations, the Chairman stated, without objection, that it is the Board's consensus that the advertising presented did not and does not target with the intent to exploit specific ethnic groups or economic classes of people, and that the content is accurate, and is not misleading.

## **Reports**

### **a. Financial Update and FY25 Year-end Report**

The Chairman recognized Brian Ford, Chief Financial Officer, who provided the FY 2025 financial report as compared to FY 2024. The full report and PowerPoint slides were included in the meeting packet.

Mr. Ford shared that FY 2025 was another good year for the South Carolina Education Lottery. He praised his team and the SCEL staff for their hard work and collaboration that goes into achieving good results. Transfers to Education were \$546.8M, exceeding the goal of \$527.2M or 3.7% compared to \$592.0M last year. He then provided a comparison of actual results from the twelve months ending June 30, 2025, to the same twelve months in fiscal year 2024. He explained that while the transfer exceeded the Plan by \$19.6M, it was down \$45.2M from FY24 due to the lack of large jackpot runs. The \$546.8M is the fifth highest ever transferred for education.

### **Scratch-off Games**

Scratch-off Game Revenues decreased by \$14.8M (.9%). Declines across all price points with the exception of \$3 and \$20 Scratch-off Ticket Revenues attributed to this decrease. \$20 Scratch-off Ticket Revenue increased \$35.9M (11.1%), as this product continues to gain traction in market. As anticipated, \$10 Scratch-off Ticket Revenues decreased by \$34.8M (3.9%). This continuing trend is partially due to pressure after the pandemic years of strong growth as well as partial

cannibalization from the increased presence of the \$20 price point games. The decreases SCEL observed in the lower price points are similar to what the lottery industry has observed. The net effect of the decrease in Scratch-off Game Revenue was that Scratch-off Game Margin decreased \$8.2M (1.9%). In addition to lower Scratch-off Game Revenues, a higher prize payout percentage on the \$20 Scratch-off Games contributed to the decrease in Scratch-off Game Margin. While \$20 Scratch-off Games pay out more, the increased revenues offset downward pressure in other scratch-off game price points.

### **Terminal Games**

Terminal Game Revenues were \$707.4M, down from \$777.5M in FY 2024, a decrease of \$70.1M (9.0%). The decline in Powerball and Mega Millions relative to FY 2024 is due to the lack of large jackpot runs. With the exception of Powerball and Mega Millions, all Terminal Game Revenues increased in FY 2025 relative to FY 2024.

Pick 3 Revenue was up \$.6M (.2%) and continues to be very consistent. Pick 3 Margin was down \$6.8M (4.5%) due to unfavorable statistical variation. Pick 4 Revenue was up \$4.2M (2.6%), and as a product of favorable statistical variation, Pick 4 Game Margin Percentage increased from 44.8% to 51.2%.

Powerball Revenue decreased \$73.3M (48.4%). A principal reason for the decline is a complete lack of significant jackpot runs so far in FY 2025, while FY 2024 had three Powerball Jackpot Runs that exceeded \$1B. For similar reasons, Mega Millions Revenue decreased \$19.4M (23.9%). While SCEL does not plan for runs of the magnitude observed in FY 2024, it does plan for some moderate jackpot run activity when forecasting Transfers to Education.

Palmetto Cash 5 Revenue increased \$9.3M (29.4%) and Game Margin increased \$1.9M (13.1%). The positive results observed on Palmetto Cash 5 are a function of a full year of the rebrand and the addition of a rolling jackpot feature in March of 2024.

Cash Pop generated \$75.0M in FY 2025 Game Revenue. This is up \$8.4M (12.6%) from \$66.6M in FY 2024. Consistent with Game Revenue, Cash Pop Game Margin was up \$1.5M (6.3%) at \$25.9M and Game Margin percentage was 34.5%, as planned.

Because of decreased revenues primarily related to a lack of Jackpot Runs on Powerball and Mega Millions, Game Margin on Terminal Games decreased \$39.2M (10.2%). Overall Terminal Game Margin percentage was down .6% at 49.0%.

### **Other Revenues and Game Costs**

Other Revenues, which consist primarily of license and telephone fees and other miscellaneous revenue, were \$4.4M in FY 2025 and \$4.0M in FY 2024. This 8.7% increase is largely related to a reversion dividend received from MUSL. Other direct game costs were \$27.4M in FY 2025 compared to \$26.4M in FY 2024, an increase of \$1.0M (3.9%). This increase is consistent with planned activity.

### **Advertising and G&A Expenses**

Advertising Expense was \$12.1M in FY 2025 compared to \$11.5M in FY 2024, an increase of \$.6M (5.8%). The primary reason for the increase is higher advertisement production and placement expenses, as anticipated. Advertising Expense was .53% of FY 2025 revenues. G&A Expenses were \$18.7M in FY 2025 and \$17.0M in FY 2024, an increase of \$1.7M (9.9%).

Operating Expenses (Advertising plus G&A) were 1.3% of FY 2025 revenues. These increases are consistent with planned amounts presented in the May 2024 SCEL Board Meeting.

### **Actual FY 2025 Results Compared to the FY 2025 Financial Plan**

For the twelve months ending June 30, 2025, actual financial results (Transfers to Education) were above Plan in FY 2025. SCEL ended FY 2025 by transferring \$546.8M to education compared to an original Plan amount of \$527.2M. Game Revenues were \$2,299.8M compared to Plan of \$2,271.1M, a positive variance of \$28.7M (1.3%).

SCEL continues to make adjustments to address the softening demand in the lower scratch-off ticket price points. SCEL will continue to monitor closely the performance of each Scratch-off Game price point in market.

The positive variance in Terminal Game Revenues is attributable to the strong performance of all terminal games, with the exception of Powerball. While above Plan, SCEL does not plan for multiple, significant large jackpot runs. Cash Pop continues to perform very well, exceeding Plan by \$11.0M (17.1%).

Because of the better than planned Game Revenues, Gross Profit (Revenues less Prize Expense, Commissions and other game-related costs) was \$580.6M compared to a planned amount of \$566.2M for a positive variance of \$14.4M (2.5%).

Advertising Expense was over Plan by \$.2M (1.9%) (\$12.1M Actual vs. Plan of \$11.9M). Other Operating Expenses ("G&A") were below Plan by \$1.4M (6.9%) (\$18.7M Actual vs. Plan of \$20.1M).

Net Income for FY 2025 was \$549.0M compared to Plan of \$533.4M, a positive variance of \$15.6M (2.9%).

### **b. SCi-Q Presentation**

Next, the Chairman recognized, Ms. Dolly Garfield, Chief Executive Officer, Antonio Robertson, Director of Corporate Accounts, and Jeremy Kyzer, VP Retail Solutions Sales for Scientific Games to give a demonstration of the new ticketing solution called SCiQ. The Board approved the purchase of 400 units in the budget, and SCEL is about to roll them out to 400 stores around the state. SCEL has installed 145 units to date and plans to complete the remaining installs in September. Mr. Robertson provided a view of various options for SCiQ set-ups in the store. Mr. Robertson, with the assistance of Commissioner Vareva Evans-Harris, conducted a hands-on demonstration of the ease of use of the touch screen and automatic dispensing of tickets. The video monitor offers a player a clear view of games that SCEL offers with the price displayed. Mr. Robertson then introduced Jeremy Kyzer, Scientific Games, to explain the technology of the SCiQ system. He demonstrated the ease of reports and security measures, which will aid SCEL sales staff with real time monitoring of inventory and increased security measures to reduce loss of sales and theft. Mr. Kyzer's teams are installing and training retailers on the use of the units. In closing, Mr. Robertson thanked the Board for including the units in the budget.

### **c. Executive Director Report**

Next, the Chairman recognized the Chief Executive Officer to give her report. Ms. Garfield recognized Claire Jones, Chief Human Resources Officer, who introduced new staff members:

Denisha Macon-Lynn, Graphics Specialist; Aiken Harki, Information Systems Support Specialist; and Darcy Gero, Player Engagement Coordinator, which is a new position in the area of Product Development.

After a warm welcome of the new staff members, Ms. Garfield reported that she recently attended the South Carolina Convenience and Petroleum Marketers Association (SCCPMA) Meeting at their annual convention during which the retailers seemed very receptive to the use of debit cards for lottery purchases. Additionally, several staff members attended the NASPL Professional Development Seminar in Louisville, Kentucky. Staff members were able to go to breakout sessions pertaining to their areas of interest. At NASPL, Ammie Smith gave a presentation on the success of Cash Pop Doubler and Brian Ford gave a presentation on travel documentation. The highlight of the trip was the presentation of the NASPL Powers Award to Sean Hughes, SCEL Director of Information Systems. This award is the most prestigious award for excellence in the lottery industry.

Next, Ms. Garfield reported there was a court hearing on the Glassmeyer FOIA case where the court heard summary judgement motions. The Judge took the motions under advisement and is expected to make a ruling in the next week. SCEL will notify Commission members when the court issues its ruling. Ms. Garfield invited Commission members to the summer staff event on Monday, August 25, 2025 at The Grand in Columbia. Also, SCEL has once again been named a finalist for the Best Places to Work Award. The awards banquet will take place the same evening as the summer staff event. Ms. Garfield will be traveling to Philadelphia in mid-August for a strategic MUSL meeting. The NASPL Directors meeting will take place in Niagara Falls, Canada, in September.

## **5. Other Business**

There being no other business, the Chairman declared the meeting adjourned while reminding the Board of its next regularly scheduled meeting at 10 A.M. on Wednesday, December 3, 2025.

/s

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Sam Litchfield, Chairman

/s

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Keith Munson, Secretary/Treasurer

As required by *S.C. Code Ann.* § 30-4-80, SCEL posted notification for this meeting at its administrative offices, 1333 Main Street in Columbia. As provided in the Board Bylaws, SCEL also posted the meeting notice and agenda on its website ([sceducationlottery.com](http://sceducationlottery.com)), and sent emails pursuant to requests made by individuals, media outlets, and other organizations. These notifications included a link providing the time, date, place, and agenda of the meeting.