



Mike DeWine, Governor

Jim Tressel, Lt. Governor

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Michelle Gillcrist, Director

MINUTES OF THE MEETING OF THE OHIO LOTTERY COMMISSION'S AUDIT COMMITTEE

**Ohio Lottery General Services Conference Room/Microsoft Teams
615 West Superior Avenue, Cleveland, Ohio 44113**

**September 17, 2025
10:30am**

PRESENT AT THE MEETING WERE THE FOLLOWING:

Angela Mingo, Madam Chair and Commissioner, Ohio Lottery Commission
Martin Sweeney, Audit Committee Member and Commissioner, Ohio Lottery Commission
Matthew Szollosi, Audit Committee Member and Commissioner, Ohio Lottery Commission
Michelle Gillcrist, Director, Ohio Lottery Commission
Gregory Beyer, Deputy Director of Internal Audit, Ohio Lottery Commission
Brent Collier, Office of Internal Audit, Ohio Lottery Commission
Samantha Crites, Office of Internal Audit, Ohio Lottery Commission
Peter McGinty, Office of Internal Audit, Ohio Lottery Commission
Carla Reeves, Office of General Services, Ohio Lottery Commission
Daniel Carter, Acting Chief Legal Counsel, Ohio Lottery Commission
Mary Kotynski, Office of Finance, Ohio Lottery Commission
Mary Tedeschi-Vittardi, Office of Finance, Ohio Lottery Commission
Barry Riley, Office of Communications, Ohio Lottery Commission
James Carothers, Office of Communications, Ohio Lottery Commission
Kelly Salomone, Internal Audit Section, Office of Budget and Management

CALL TO ORDER

- The Ohio Lottery Commission's (The Lottery) Audit Committee Meeting of September 17, 2025, was called to order by Madam Chair Angela Mingo at 10:32am. The meeting was held in person and via Microsoft Teams.

APPROVAL OF MEETING MINUTES

- Madam Chair Mingo motioned to approve the Minutes of the prior Audit Committee Meeting, dated June 11, 2025 a voice vote was called, and all Audit Committee Members present affirmatively voted. The motion passed 3-0.



FY2025 ANNUAL REPORT

- Deputy Director Beyer stated that the report summarizes the work of fiscal year 2025 completed by the Internal Audit (IA) department. He mentioned IA staff's individual achievements, training and certifications. He noted that all Internal Auditors, including himself, have completed the required 40 hours of Continuing Professional Education (CPE). Deputy Director Beyer also stated that the IA department had access to ISACA's Information Technology (IT) Fundamentals Certificate Program which provided them with 16 CPEs, and two of the Auditors completed the Certification test, and the third Auditor is scheduled to have it completed by the end of the calendar year.
- Deputy Director Beyer explained to Commissioner Sweeney that CPE training courses are mandatory, but the certificates add value in terms of proficiency in the understandings of the auditors, and his goal is to align some training that benefit the auditor's development, and the Lottery in addressing key objectives moving forward to the new gaming systems, and new Request for Proposals (RFPs).
- Deputy Directed Beyer stated that nine of the 11 original projects were completed over the past year, also three projects were added and completed for a total of 12 completed engagements last fiscal year:
 - Nine were completed by the IA department;
 - Two were completed by Office of Budget and Management (OBM) IA; and
 - One review was completed by the Auditor of State (AOS)
- Deputy Director Beyer stated that 86% of the full plan has been completed including the two projects that were canceled. He also mentioned that of the nine audits there were 34 new issue recommendations made for the departments, and 25 of the 34 issue recommendations were verified and closed. Currently there are 31 open issues that are being tracked and 24 of those issues were issued in fiscal year 2025.
- Deputy Director Beyer talked about the responses to the client surveys, and 10 out of 21 responses received were marked as somewhat agreed or strongly agreed, with 88% strongly agreed. He also stated that he is looking to change the approach and how the survey will be issued to receive a better response rate.
- Madam Chair Mingo commended the IA department on the success of the work done in Fiscal Year 2025. She also commented on her observations, which included staying within the budget, continued alignment with the Global Internal Audit Standards (GIAS), and exceeding project completions of the goal at 86%, which the goal was 80%. Madam Chair Mingo congratulated the IA team on a job well done.

- Deputy Director Beyer asked for approval of the Annual Report. Madam Chair Mingo called for a voice vote; all Audit Committee Members present affirmatively voted. The motion passed 3-0.

DEPUTY DIRECTOR OF INTERNAL AUDIT REPORT

- Deputy Director Beyer stated that the internal policy documents have been developed to fully conform with the new Institute of Internal Auditors (IIA) GIAS, he also stated that the quality assurance and improvement plan was also completed, which will be used at the conclusion of each audit moving forward, and the department's strategic plan has been developed.
- Deputy Director Beyer mentioned that a new requirement of the GIAS is that the IA strategic plan must include a vision, strategic objective, and supporting initiatives for the IA function. He also stated that four goals were identified for the IA department to be completed in the next three years.
 - First, conformance with the new IIA GIAS – Completing the Quality Assurance and Improvement plan at the conclusion of each audit, as well as completing a self-assessment, and documenting the processes;
 - Second, continue to encourage the IA department to achieve certificates and/or certifications for professional development, as well as training and education plans that align with competency requirements, emerging technologies and supporting the Lottery's initiatives;
 - Third, enhance the Lottery's stakeholder engagement; and
 - Fourth, leveraging technology, data analytics, and developing continuous auditing techniques.

Deputy Director Beyer mentioned that Auditors Brent Collier and Samantha Crites are currently enrolled in the Lottery's Data Academy learning to utilize data analytics in application sets that he would like to introduce into about 15% of the audits.

- Deputy Director Beyer stated that two final audit reports have been issued since the last meeting:
 - Cash Explosion Game Show Contestant Drawings, and
 - Taxes Withheld from Prizes
- Deputy Director Beyer stated that the Cash Explosion Game Show Contestant Drawings Audit reviewed the process and procedures for conducting contestant drawings for the game show, and there were four objectives for this audit:

- First, the contestant drawing process adheres to internal policies and procedures for game and special promotion details, and relevant Ohio revised code and administrative code provisions;
 - Second, the eclipse certification of the random number generator is current, accessible, and procedures exist to ensure the random number generator is certified for all drawings;
 - Third, the physical controls relating to the random number generator are aligned with the Lottery requirements and industry standards; and
 - Fourth, the contestant selection process operates in an efficient and effective manner and ensures game play transparency and integrity.
- Deputy Director Beyer stated that objectives were well controlled with a few improvements needed and noted that they were efficiency-related and not material issues. He also stated that there were three recommendations.
 - Barry Riley from the Cash Explosion stated that once the recommendations are implemented, they can make a good process even better.
 - Deputy Director Beyer moved on to the Taxes Withheld from Prizes Audit and stated that the audit was conducted to review processes, procedures and oversights to ensure taxes withheld from prizes and remitted were accurate and complete. He also stated that the Claims departments oversee the processing of claims, validating federal tax withholdings and managing the W2G filing process. The General Accounting department submits validated mobile cashing and super retailer tax withholding amounts, tracks daily tax amounts that are paid, and oversees the filing of state and federal taxes.
 - Deputy Director Beyer mentioned that the Taxes Withheld from Prizes Audit tested the accuracy of claim information entered into the accounting system CIS, proper tax withholding and confirming tax payments were accurately tracked and recorded, validated mobile cashing and super retailer daily tax payments to verify they were reconciled, appropriate tax rates were applied and tax payments submitted properly to federal and state agencies.
 - There were two objectives:
 - First, evaluate the design and effectiveness of controls to determine and distribute state, federal and foreign taxes withheld from prizes; and
 - Second, evaluate the design and effectiveness of controls to generate and distribute annual tax forms.
 - There were six recommendations to address.

- Deputy Director Beyer stated that he believes the results will help the finance team get started in their new CIS system and provide them with guidance and best practices as they develop and document their procedures. He also suggested that a subject matter expert or a point person be named for the taxes process that will oversee the entire process and work with both departments.
- Deputy Director Beyer discussed the quarterly updated Audit plan and stated that the Paper Products and Office Services Contract Audit is in the planning phase, the EFT Processes and Retailer Payments and Adjustments are in the field work phase. He also mentioned that the EFT and the Retailer Payments audits have been combined due to related business processes. Deputy Director Beyer also mentioned that the AOS annual Financial and IT Controls Audit are in progress and on schedule.
- Deputy Director Beyer stated that there were 20 open issues being tracked in various stages of implementation. Since the start of the fiscal year, 9 issues have been verified and closed. Two open issues from the Mills James Contract Audit, four issues from the Lausche DreamTouch Smart, and open issues from the claims excluded players and responsible gambling.
- Madam Chair Mingo asked the IA Auditors to give some feedback on their success over the previous fiscal year as well as how they're feeling coming into the current fiscal year.
 - Auditor Brent Collier stated that he feels he is improving his skills, he mentioned the Data Academy he is currently enrolled in and how it will be essential to his position as an Auditor.
 - Director Gillcrist added that she believes the IA department approaches an audit more like a looking and consulting process and concludes what will make each department work better.
 - Auditor Samantha Crites, who also attends the Data Academy, stated that she believes the IA department has done a great job trying to standardize and make sure all audits are conducted in the same manner from beginning to end.

NEW BUSINESS

- Deputy Director Beyer stated that he will be attending the State Audit Committee Meeting virtually to present the Annual Report.
- Madam Chair Mingo thanked all the participants that attended the Audit Committee Meeting, as well as acknowledging all the work that is done between meetings.
- Madam Chair Mingo adjourned the meeting at 11:11 am.



Mike DeWine, Governor

Jim Tressel, Lt. Governor

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Michelle Gillcrist, Director

X Valerie Murphy

Valerie Murphy (Dec 12, 2025 08:45:24 EST)

Valerie Murphy

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X Angela Mingo

Angela Mingo (Dec 12, 2025 14:27:23 EST)

Madam Chair Angela Mingo

OLC Audit Committee

Meeting Minutes 09.17.2025

Final Audit Report

2025-12-12

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