



MINORITY BUSINESS PARTICIPATION IN THE GEORGIA LOTTERY



DECEMBER 2019

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INTRODUCTION

Since its inception in 1993, the Georgia Lottery Corporation (“GLC” or “Corporation”), as a responsible citizen of the corporate and government communities, has engaged in a concerted effort to ensure the fair involvement of minority business enterprises (“MBEs”) in its operations. By maintaining a systematic record of these practices, the GLC is able to monitor the success of these programs. Pursuant to Section 14 of the Georgia Lottery for Education Act (Official Code of Georgia §50-27-1, et seq., as amended) the GLC will “report the results of minority business participation to the Governor at least on an annual basis.” The GLC Board of Directors and employees are pleased to present this report documenting the scope of minority business participation in GLC operations for the period October 1, 2018 through September 30, 2019.

The GLC and Minority RETAILERS



The GLC's mission is to maximize revenues for the Lottery for Education Account through the sale of entertaining lottery tickets. Retailers throughout the state partner with the Corporation to promote and sell lottery products. The GLC's sales division continually recruits new corporate and independent retail outlets to help achieve its mission of increasing profits for Georgia's HOPE Scholarship and Pre-K Programs. The contributions of these outlets, or retailers, have been an important factor in the success of the GLC.

For the 2019 reporting period, the GLC enjoyed contracting relationships with a total of 8,628 retailer accounts. Of that total number, an estimated 3,252 retailers have identified themselves as minority-owned, or controlled by a member of an ethnic minority group. Almost half of all retailers did not identify their ethnicity on their retailer application.

3,252

Retailers have identified themselves as minority-owned, or controlled by a member of an ethnic minority group.

The GLC and Minority RETAILERS

Approximately 94% of all minority retailers, or 3,040 retailers, identified themselves as members of the Asian-American population.

Our records reflect that African-Americans compose the second largest ethnic group of minority retailers, with 153 outlets, or 4.7% of all identified minority retailers.

Hispanic-American retailers represented one percent (1%) of minority retailers, and Native Americans were less than one percent (0.5%) of all minority retailers.

GLC RETAILER NETWORK



(October 1, 2018 through September 30, 2019)

<i>Not Given</i>	3,998
<i>Non-Minority</i>	1,378
<i>Asian-American</i>	3,040
<i>African-American</i>	153
<i>Hispanic</i>	41
<i>Native-American</i>	18

Percentages:

<i>Not Given</i>	46%
<i>Minority</i>	38%
<i>Non-Minority</i>	16%

African-Americans compose the second largest ethnic group of minority retailers with **153** outlets.

The GLC and **BUSINESSES**

The GLC's purchasing or procurement process continues to provide a major opportunity for the involvement of minority businesses. Expenditures by the GLC with minority businesses can be divided within two (2) categories: a) direct procurement opportunities with the GLC; and b) subcontracts with the GLC's major vendors. A total of \$8,637,397.06 was spent with MBEs during this reporting period, an increase of \$249,917.18 from last year.

To conduct its corporate operations, the GLC regularly purchases products and services utilizing several MBEs as providers. During the 2019 reporting period, a total of \$527,660.10 was spent by the GLC directly with minority-owned businesses in Georgia. Figures do not include lease payments, subscriptions, utilities, taxes, investment banking services and payments to governmental entities.

Partnering with the GLC's major procurement vendors provides the majority of contracting opportunities for minority businesses. The GLC currently has three (3) major procurement contractors: BBDO Atlanta for advertising services; IGT Corporation ("IGT") for on-line lottery gaming services; and Scientific Games Corporation ("Scientific Games") for instant ticket printing and distribution services. Since 1993, over \$234,483,431.60 has been paid to MBEs for products and services.

During the current reporting period, MBEs received a total of \$8,109,736.96 out of the total dollars spent with the three (3) major procurement contractors. IGT was the largest major contractor of MBEs; its minority subcontractors were paid a total of \$4,411,392.00 for services rendered. BBDO Atlanta advertising agency paid \$2,739,812.84 to its minority subcontractors and minority-owned media. Scientific Games procured a total of \$958,532.12 from its minority subcontractors.

Since 1993, over **\$234,483,431.60**
has been paid to MBEs for products and services.

The GLC and EMPLOYMENT

The GLC generated over \$4.776 billion in gross sales and \$1.207 billion in profits in Fiscal Year 2019, with an employee population of only 369 employees statewide.

Within the Georgia Lottery's employee base, 254 persons (68.8%) are members of ethnic minority groups, and 215 persons (58.2%) are women.

In 1996, the GLC's Board of Directors formally adopted the Corporation's Equal Employment Opportunity Policy ("Policy"). This policy incorporates fair standards for the hiring and promotion of employees at the GLC.

During the reporting period of this document, nineteen individuals comprised senior management. Of these nineteen individuals, eight were minorities and five were women.

Of the sales force

61 percent are minorities
52 percent are women.

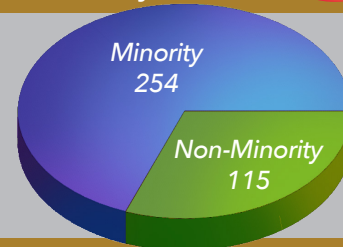
Of the non-sales staff,

73 percent are minorities
61 percent are women.

GEORGIA LOTTERY EMPLOYEES



Ethnic Diversity



GLC Employee Ethnicity Breakdown

Black	238 (64.5%)
White	115 (31.2%)
Asian-American	9 (2.4%)
Hispanic	5 (1.4%)
Unspecified	2 (0.555%)
Total Population	369

GLC Employee Gender Breakdown

Total Females	215 (58.3%)
Total Males	154 (41.7%)
Total Population	369

Employment Opportunities:

The Georgia Lottery Corporation, an equal opportunity employer, posts its employment opportunities on the Georgia Lottery web site at www.galottery.com under the "about us" section.

Contact: Toni Kidd, Human Resources Manager, 404-215-5063, tkidd@galottery.org

COLLEGE INTERNSHIP PROGRAM AND PARTNERSHIP



Back L to R: Eburn Alajogun, Tia Anderson, Ayanna Ambush, Quintavious Jonson, Erianna Rogers, Keambria Riggins, Nicole Dudley, Shrish Singh, Djoumanuel Kita, Jayda Germain, Rachel Spradley, Remmington Stewart, Sarah Goode, Andrea Fitzhugh, Shareze Wright, Dominic Pitts

Front L to R: Victoria Galloway, Jessica Bryant, Miya Jordan, LaTasha Gordon, Ayana Patton, Jessica Jones, Madison Williams

376

Students have participated

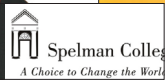
38

Interns hired since inception

COLLEGE INTERNSHIP PROGRAM AND PARTNERSHIP



Ayana Patton was born and raised in Atlanta, Georgia. She is a first-generation college student attending Savannah State University and is a senior majoring in Business Management. Since her entrance at Savannah State, she has been active on campus joining multiple organizations such as Delta Sigma Pi Business Fraternity, Incorporated, which led her to become Vice-President of Pledge Education for the chapter. Being an officer of the organization helped Ayana with her management, leadership, and communication skills. Furthermore, Ayana is also a member of the National Association of Black Accountants (NABA), College of Business Administration (COBA) Ambassador and a Global Business Case Competition recipient. Ayana interned in the finance division of COAM where she learned how to enter licensing manual payments, bank transfers (JFERS), and account reconciliations through the software system of Great Plains and Excel. Upon graduation Ayana hopes to work for PWC or Freddie Mac and to become a realtor.



Erianna Rogers was born in Jacksonville, Florida and raised in Georgia. She is a junior Business Administration major with a dual concentration in Finance and Marketing and a minor is Psychology at the Illustrious Clark Atlanta University. Apart from her studies, Erianna is a UNCF Student Ambassador, a member of the Pre-Alumni Council, a C.A.R.E tutor, a mentor, and a member of the Classy Phi Chapter of Sigma Gamma Rho Sorority Incorporated. After graduating, she plans to pursue her MBA. Erianna is extremely grateful to be afforded the opportunity to be a Financial Accounting Intern at the Georgia Lottery. During her experience, she has become knowledgeable about performing various financial accounting procedures. In addition, she is a Hope scholar and appreciates the Georgia Lottery for helping fund the education of students across Georgia.



Nicole Dudley was born and raised in Denver, CO. She is a rising senior, Economics major, Management and Organization minor at the Illustrious Spelman College. She is a part of multiple organizations at Spelman including Sisters Keeping It Real Through Service (S.K.I.R.T.S), The National Council of Negro Women, Future Business Leaders of America (FBLA), and Spelman College's chapter of NAACP: Economic Development Committee. Throughout the duration of this intern program, Nicole has cultivated her business and professional skills while working with the Georgia Lottery's Media Relations department. She has expanded her networking capabilities and made invaluable relationships with many phenomenal people. Nicole was also able to receive cross training with the finance division which even further broadened her horizon.

College Internship Program – HBCU Partnership

For the twenty years, the Georgia Lottery and IGT Corporation have partnered with Georgia's Historically Black Colleges and Universities for a paid student internship program to introduce undergraduate students from Georgia's HBCUs to the corporate workplace. Application and interview process takes place each Spring.

Contact: Toni Kidd, Human Resources Manager, 404-215-5063, tkidd@galottery.org

CommunityEvents

The Georgia Lottery's (GLC) Marketing & Promotions department continues to support the company's mission through sponsorship of events and promotional activities in various communities throughout the state of Georgia. This past year, the GLC worked with a number of promotional partners to generate greater awareness of the brand, products and the company's continuous commitment to education. Participation in minority-sponsored events continue to be a priority. In addition to the events listed below, the GLC proudly employs several minority freelancers to produce various marketing and promotional materials, including on-site graphics, videos, logos, POS, etc. Those freelancers have included outstanding talents, such as Trinh Do, Aaron Falkner and Tyrone Andrews. The GLC is proud to have sponsored the following minority-focused events during the 2019 fiscal year:

Davis Broadcasting, Inc.

- Women's Empowerment Luncheon

Fountain City Classic

Atlanta Dream WNBA

The Georgia Swarm

Community Event Sponsorships

The GLC sponsors community events to promote our games and beneficiaries' throughout the state. Please submit all proposals for sponsorship consideration to sponsorships@galottery.org.

*For general information about GLC Sponsorships contact **Chanda J. Brown** at Cbrown@galottery.org.*

*Atlanta Metro/Savannah area events contact **Lawrence Hunter** at Lhunter@galottery.org*

*Dalton/Duluth/Macon area events contact **Brandon Lewis** at Blewis@galottery.org*

*Augusta/Columbus/Multi-cultural events contact **Bianca Rivera** at BRivera@galottery.org*

Conclusion

The Georgia Lottery Corporation continues to fulfill its statutory mission by generating revenues for selected educational programs in Georgia through the operation of an efficient, well-run enterprise. Since inception, the Georgia Lottery has raised more than \$21 billion for specific educational programs in Georgia. These programs have benefited more than 1.8 million HOPE recipients and 1.6 million Pre-K students throughout the state of Georgia. The GLC's partnerships with MBEs is an important factor in its success. The GLC continues to actively recruit minority-owned retailers to sell our products, and strongly supports and encourages the participation of minority business enterprises in its procurement process.



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