

Terry E. Branstad
Governor
Kim Reynolds
Lt. Governor



Terry Rich
Chief Executive Officer

MEMO

To: Members of the Legislative State Government Efficiency Review Committee and the Administration and Regulation Appropriations Subcommittee

**From: Terry Rich, CEO
Iowa Lottery Authority
515-725-7900**

Date: Nov. 13, 2013

Re: Review of Boards and Commissions at the Iowa Lottery Authority

Thank you for the opportunity to provide input to your committee as you continue your government efficiency review efforts.

I have completed the requested review of the boards and commissions at the Iowa Lottery Authority. Please be aware that there is only one board involved in the Lottery's operations, and that is the citizen Board of Directors appointed by the Governor to administer the Lottery along with the CEO. Board members' appointments are subject to confirmation by the Iowa Senate.

The Lottery Board is comprised of members having work expertise specified by law: an attorney admitted to practice law in Iowa; an accountant; someone who is or has been a law enforcement officer; someone with expertise in marketing; and a general member of the public. No more than three Board members can be of the same political party. The Treasurer of State also serves as an ex-officio member of the Board.

I believe that the Lottery Board serves a vital role in providing citizen oversight and private-sector perspective for the Lottery's operations. I value the Board's many inputs and recommendations and therefore do not recommend that the Lottery Board of Directors be eliminated.

The current members of the Lottery Board are:

- Chairperson Mike Klappholz of Cedar Rapids, that city's retired police chief;
- Mary Junge of Cedar Rapids, a CPA and practice tax-and-estate planning attorney;
- Deb Burnight of Sioux City, president and CEO of Burnight Facilitated Resources;
- Herman Richter of Milford, president of The Three Sons clothing store;
- Matthew McDermott of West Des Moines, a partner at the Belin McCormick law firm in Des Moines;
- State Treasurer Michael L. Fitzgerald.

In addition, I have invited all Lottery employees to make suggestions they may have to help with your efficiency review work. I have told them that they can submit them either here at the Lottery or directly to your committee through the public comment website. We'll compile any suggestions we receive here and provide them to your committee by your Dec. 18 deadline. We include a process-improvement brainstorming session for employees during the lottery's annual meeting each year, so your committee's work is an important affirmation that those are valuable efforts. We'll look forward to seeing the results of your review.