

**Personnel Committee
Special Meeting**

Thursday, September 21, 2017

at 10:00 a.m.

held at the

Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut 06067

Committee Members: Natasha Pierre, Chairperson; Margaret Morton (via teleconference); Michael Thompson (via teleconference); and James Heckman.

Other Attendees: Donald DeFronzo, Chairman of the Board of Directors (via teleconference); Chelsea Turner, Interim President & CEO; Jane Rooney, Director of Human Resources; Matthew Stone, General Counsel; Andrew Walter, Counsel; Richard Vitarelli and James Shea (Jackson Lewis P.C. Attorneys, via teleconference).

Call to Order: Ms. Pierre called the meeting to order at 10:02 a.m.

I. Executive Session:

On a motion made by Ms. Pierre, seconded by Mr. Heckman, and unanimously approved, the Committee moved to Executive Session at 10:02 a.m. for the purpose set forth in the agenda. Ms. Turner, Ms. Rooney, Mr. Stone, Mr. Walter, Mr. Vitarelli and Mr. Shea were invited to stay for Executive Session.

Ms. Morton left the meeting at 10:29 a.m. The Committee reconvened in regular session at 10:47 a.m. Mr. Vitarelli and Mr. Shea left at 10:47 a.m. No votes or actions were taken during Executive Session.

II. Approval of Minutes:

Prior to the motion, Chairman DeFronzo questioned the resolution contained in the minutes regarding the recommended salary for the interim President & CEO and asked that additional information be provided to the full Board of Directors prior to the next meeting. Chairman DeFronzo is looking for salary information from comparable lotteries nationwide, other Connecticut Quasi-Public entities, and the CLC's previous, current Executive Salary Ranges and actual salaries. Ms. Pierre responded that Ms. Turner has been acting as the Interim President & CEO since May with no increase. Ms. Pierre also reported that in the CLC's history, there have been two similar employees who acted as Interim President and both were paid at the incumbent's salary. Ms. Pierre stated that the Personnel Committee did not recommend the same here, but rather lowered the

recommendation from \$212,000 to \$190,000. Ms. Pierre explained that all Managers' salaries have been frozen for the past two years and the Incentive Compensation program has also been suspended for two years. In addition, she stated that Ms. Turner has been performing two jobs since May so the Corporation is saving money. Additionally, Ms. Pierre noted that the overall performance of the Corporation has been great and the corporation is sending additional dollars to the General Fund. Finally, Ms. Pierre pointed out that their recommendation for a salary increase would not be retroactive to May, 2017, when Ms. Turner assumed the duties of the President & CEO, but rather to August, 2017. Ms. Pierre said she would bring the requested information to the Board for full discussion.

On a motion made by Ms. Pierre, seconded by Mr. Heckman, and unanimously approved, the minutes of the August 14, 2017, Special Personnel Committee meeting were approved.

III. Review of the Affirmative Action Plan:

Ms. Rooney reported on the CLC's commitment to fully support the principles of Equal Employment Opportunity and Affirmative Action through hiring practices, recruitment and internal upward mobility. For FY17, the CLC filled twenty-one vacancies; fifteen as external new hires and six as internal promotions. Out of thirteen hiring goals, the CLC met six or 40%. In addition, Ms. Rooney reported on the commitment to Supplier Diversity. For FY17, the CLC achieved 117% overall spend for DAS certified minority owned businesses and 74% spend for DAS certified small and minority owned businesses combined. Ms. Rooney also reported on the CLC's commitment to Corporate Responsibility by attending Responsible Gambling training and conferences, advancing its World Lottery Association's accreditation and proving dedication to Employee Engagement. Last Holiday Season FY17, the CLC employees and the local community raised over one-thousand toys for the CT Children's Medical center during the annual "Do a Lotto Good – Give a Toy not a Ticket" campaign.

IV. Discussion of Employee Ethics Training:

Ms. Rooney gave a brief overview regarding 100% of employees' completion of the Office of State Ethics retraining; adding two employees out on an extended absence, will complete upon their return.

V. Discussion and Possible Action Re: Survivor Benefits for CHET Account:

Ms. Rooney reported that following its tragedy in 1998, the CLC established seven CHET accounts for the children of the victims. Over the years, three of those beneficiaries graduated from college and used the funds for educational purposes. Two of the beneficiaries' accounts were transferred to their mother, for ownership and management. One of the beneficiaries' account was transferred directly to his ownership. The final CHET account beneficiary is requesting the same.

VI. New Business:

Review and Possible Action Re: Survivor Benefits for CHET Account

On a motion made by Ms. Pierre, seconded by Mr. Heckman, and approved by all Committee members, it was:

“Resolved that, after due consideration, the Personnel Committee hereby recommends that the Board of Directors authorize the transfer of ownership of the final existing CHET account from the CT Lottery Corporation to the existing Beneficiary of said account, provided such transfer is performed in accordance with existing CHET rules and procedures.”

VII. Adjournment:

On a motion made by Ms. Pierre, seconded by Mr. Heckman and unanimously approved, the meeting adjourned at 11:04 a.m.

Respectfully submitted,

By: Jane M. Rooney
Director of Human Resources
Connecticut Lottery Corporation