

Personnel/Compensation Committee Meeting

Special Meeting

June 24, 2010

at 12:15 p.m.

held at the

Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut 06067

Committee Members: John Paul; Gale Mattison; Steven Bafundo; and Kenneth Saccente. Pat Racz, Chairperson and Wendy Kingsbury attended via telephone.

Other Attendees: Anne Noble, President & CEO; Sandra Cady; Chelsea Turner

Call to Order: Chairperson Racz called the meeting to order at 12:20 p.m.

I. Approval of Minutes:

On a motion made by Mr. Saccente, seconded by Mr. Bafundo and unanimously approved, the minutes of the May 6, 2010 Compensation Committee meeting were approved.

On a motion made by Mr. Saccente, seconded by Mr. Bafundo and unanimously approved, the minutes of the March 23, 2010 Personnel Committee meeting were approved.

II. Report on Affirmative Action Plan for FY08/09:

The Personnel Committee reviewed the Affirmative Action Plan for fiscal year 2008/2009. Ms. Noble noted that the report reflects the period ending June 2009. The goal setting for fiscal year 2009/2010 was completed in the fall and the hiring goals were considered during this fiscal year. Ms. Cady reported on the hiring activity and affirmative action efforts for the reporting period.

III. Review of the Ethical Conduct Policy:

Ms. Noble advised the Committee that the Ethical Conduct Policy should be revised to incorporate the prohibition to play Mega Millions as required by the Official Games Rules approved earlier this year. The prohibition to play Mega Millions applies within the state as well as any state within the Mega Million consortium. Mr. Saccente asked whether consideration was given to expand the prohibition to play in all jurisdictions to Powerball as well. Ms. Noble indicated that there had been discussions. Ms. Racz confirmed that the Mega Million policy is to prohibit play in all jurisdictions, and she asked if the prohibition to play Powerball could be expanded, if not required. Ms. Noble indicated a policy to ban Powerball play outside Connecticut would be more restrictive

than required by the Official Game Rules. Mr. Saccente made a motion to make the Powerball prohibition apply to all jurisdictions. Ms. Noble recalled that there were reasons why the more restrictive prohibition was not applied to Powerball and said she would be prepared to address this next month. Mr. Saccente withdrew his motion to expand the Powerball prohibition since it was agreed that the Powerball prohibition would be discussed at the next Personnel Committee meeting.

On a motion made by Mr. Bafundo, seconded by Mr. Saccente, and unanimously approved, the Committee voted to recommend approval of the revisions to the Ethical Conduct Policy, as presented, to the Board.

IV. Old Business:

None.

V. New Business:

Ms. Noble noted that there will be some important compensation issues which the Committee must address in the next two months: Managers' Incentive Compensation; Sales Incentive Compensation; senior management performance reviews; and furlough policy for 2011. Because bargaining unit employees are furloughed on July 2, 2010, the Connecticut Lottery will be closed on that day. No action has been taken on furlough days for 2011 for non bargaining unit employees, as that decision is anticipated at the July meeting of the Personnel Committee. If necessary, retroactive pay and leave adjustments will be made to ensure full compliance with the Board's decision concerning furloughs in FY 2011. It is anticipated that most managers will not work on July 2, 2010.

VI. Adjournment:

On a motion made by Mr. Saccente, seconded by Mr. Bafundo, and unanimously approved, the meeting was adjourned at 12:40 p.m.

Respectfully submitted,

By: Sandra Cady
Director of Human Resources
Connecticut Lottery Corporation