

The Connecticut Lottery Corporation's ("CLC" or "Corporation") mission is to raise revenue in support of the various programs and services of the State of Connecticut by offering products to our players that are fun and entertaining and by ensuring the public trust through integrity and honesty.

To maintain the public trust and in accordance with State law, the Connecticut Lottery Corporation has adopted this Ethical Conduct Policy which establishes, promotes and demands the highest professional standards of ethics from its employees. Accordingly, it is essential that all employees of the Corporation perform their duties with integrity, honesty, impartiality and fairness, avoid the appearance of impropriety in their roles as public servants and never use their position or power for personal gain.

This policy is to serve as a guide to assist employees in identifying and avoiding prohibited conduct; however, it is not an all-inclusive list of prohibited conduct. It is intended as a supplement to the Code of Ethics for Public Officials ("State Code of Ethics," "Code" as set forth in Chapter 10 of the Connecticut General Statutes), other applicable sections of the Connecticut General Statutes, and the regulations of the Office of State Ethics. All employees are expected to become familiar with and abide by the State Code of Ethics as well as this Ethical Conduct Policy. A copy of the "Guide to the Code of Ethics for Public Officials and State Employees," which is an annual plain language guide to the State Ethics Code, is attached to this policy. Both the Code and the guide may be accessed on the Office of Governmental Accountability within the division of the Office of State Ethics website at www.ct.gov/ethics by clicking on "Statutes and Regulations" for the Code and "Public Information/Publications" for the guide.

Members of the CLC's Board of Directors are covered by the Code of Ethics for Public Officials, as referenced above. In addition, Board members are bound by paragraphs #3 and #11 of this policy which speak to Confidential Information and Gaming Participation, respectively.

1. Definitions

The following terms, as utilized in this context are defined as follows:

Corporation, CLC or Lottery

The Connecticut Lottery Corporation

Employee

Any person who is employed by the Corporation to work on either a full, part-time or temporary basis.

Financial Interest

Any interest that yields or has the potential for yielding, directly or indirectly, a monetary or other material gain or benefit.

Immediate Family

Persons residing in the same household related by blood, marriage or adoption, or persons engaged in a domestic partnership or civil union.

Retailer

A person or business licensed to sell Lottery tickets on behalf of the Corporation.

Vendor

Person or business who provides or proposes to provide goods or services to the CLC pursuant to a contract, excluding any employee of the Corporation, Retailer, or State Agency or instrumentality thereof.

2. **Ethics Liaison Officer**

The CLC's General Counsel or designee serves as the Lottery's Ethics Liaison Officer ("ELO"). This position is responsible for coordinating appropriate training programs, monitoring agency policies relevant to ethics compliance, and serves as a resource for ethics guidance and advice. The ELO will not provide legal advice regarding ethics issues but will refer an employee to the Office of State Ethics when necessary, or seek such legal advice on the employee's behalf. The ELO will also serve as the Ethics Compliance Officer and liaison to vendors, etc., to ensure that they are aware of the relevant restrictions under the Code and this policy.

Each year the ELO in conjunction with the Director of Human Resources reviews and disseminates this Ethical Conduct Policy and the current Guide to the Code of Ethics for Public Officials and State Employees to all employees to ensure that they are aware of any changes or additions to these documents. The ELO oversees the posting of the Ethical Conduct Policy on the CLC's website. The ELO periodically distributes advisory opinions, enforcement actions or rulings that may be of particular relevance to CLC employees. The ELO provides ethics training at least annually to agency personnel involved in contractor selection, evaluation and supervision.

3. **Confidential Information**

In the course of their employment or association with the CLC, Board members and employees may have access to confidential information. "Confidential Information" is any information not generally available to the public which shall not be disclosed under any state or federal law, or which may be exempt from disclosure under the Freedom of Information Act. This includes, but is not limited to, personal information which is capable of being associated with a particular individual through one or more identifiers such as a social security number, driver's license number, federal employer's identification number, medical information, tax registration number, health insurance identification number, etc. It also includes proprietary information related to our sales, promotion and marketing plans, as well as information related to security plans or programs. Confidential Information may be contained in any form (e.g., written, photographic, tape recorded, or orally transmitted (e.g. conversations or negotiations)).

No Board member or employee shall disclose, for any reason, any Confidential Information acquired in connection with his/her employment, official duties or association with the CLC. Further, no Board member or employee shall use or permit the use of such Confidential Information to obtain financial gain for him/herself, another person, or business with which he/she is associated.

The CLC and its employees have an obligation to secure and properly dispose of Confidential Information. Consequently, only those employees that have a business “need to know” shall have access to Confidential Information and shall not remove such information from CLC property for any reason other than the performance of assigned duties. Additionally, employees and Board members shall ensure that all documents containing Confidential Information, whether written or electronic, are properly destroyed when no longer necessary for business purposes or required by record retention guidelines.

An employee or Board member who is uncertain as to whether an item of information may be disclosed shall discuss the issue with the CLC’s ELO.

4. **Gifts**

CLC employees are prohibited from accepting gifts of any kind from anyone (1) doing business with the CLC (2) seeking to do business with the CLC (3) known to be a registered lobbyist or lobbyist’s representative or (4) known to be a pre-qualified construction contractor for large state contracts with the Department of Administrative Services. This includes all retailers and vendors. This prohibition extends to the acceptance by a CLC employee of goods or services provided to CLC by any such person or entity for use on CLC property, to support the CLC employees’ participation at an event, or otherwise to facilitate CLC actions or functions.

A list of registered lobbyists can be found on the Office of State Ethics website. Employees can determine whether a vendor is on the DAS prequalification list by checking the DAS website.

Gifts generally refers to any gift, discount, gratuity, payment or other thing of value that is not offered on the same terms to the public at large, although certain items are excluded from the definition of “gift” under the law.

No CLC employee or member of the CLC employee’s immediate family shall accept any gift costing \$100 or more from a CLC board member, supervisor in the chain of command, or subordinate. No CLC employee shall give any gift in violation of these restrictions.

While the State Code of Ethics includes certain exemptions for gifts of small value, including food and drink, it is the policy of the CLC that CLC employees, unless previously authorized by the President, are prohibited from accepting any gifts, including food and drink, from persons in the categories identified above or from accepting gifts which are otherwise given because of an employee’s position at the CLC. Any deviation from this provision requires the prior approval of the CLC’s President and CEO. CLC employees are also prohibited from contracting for goods or services, for personal use, with any person

doing business with or seeking to do business with the CLC, unless it is on the same terms that such goods or services are readily available to other members of the public.

Finally, no CLC employee shall counsel, authorize, or otherwise sanction any action that violates the gift restrictions described above.

5. **Conflict of Interest**

An employee is prohibited from engaging in any business or transaction or having a financial interest, direct or indirect, which is incompatible with the proper discharge of his/her official duties or would tend to influence his/her judgment or action in the performance of his/her official duties.

A potential conflict of interest exists when the discharge of official duties would require an employee to take an action that would affect his/her financial interest, or the financial interest of a relative or business with which he/she is associated. The employee may not take such action.

A substantial conflict of interest exists when an employee has reason to believe or expect that he/she, his/her relative, or an associated business will derive a direct monetary gain or suffer a direct monetary loss by reason of his/her official activity. The employee may not take such action.

6. **Disclosure**

When a potential or substantial conflict of interest exists, the employee shall submit the CLC's [Inquiry and Disclosure Form](#) describing the matter requiring action and the nature of the conflict to his/her immediate supervisor who will submit it to the CLC's ELO. The ELO will seek the advice of the Office of State Ethics. The President and CEO should notify the Office of the State Ethics in such instances.

7. **Outside Employment**

No employee shall accept other employment which will influence his/her judgment regarding his/her responsibilities, official duties or employment, or require or induce him/her, to disclose Confidential Information acquired during his/her official duties or employment with the CLC. In addition, outside employment is barred if the outside employer can benefit from the CLC's official actions, or the outside employment interferes with the employee's normal working hours at the CLC.

An employee who wishes to undertake other employment while remaining an employee of the CLC shall do so only with the approval of the CLC's President and Chief Executive Officer. The employee shall submit an [Inquiry and Disclosure Form](#) to the ELO who shall review the matter and make a recommendation to the President and CEO. An employee shall not use state time, resources, equipment or his/her position to promote other employment.

In addition, an employee, his/her immediate family members, and/or a business with which an employee or his/her family member is associated may not enter into a contract with the CLC (or any state agency) valued at \$100 or more, unless the contract has been awarded through an open and public process.

8. **Statement of Financial Interest**

The President and CEO, CLC senior managers and any other employee that plays a substantive role in reviewing, awarding and monitoring CLC contracts shall file statements of financial interest with the Office of State Ethics in accordance with the requirements of the State Code of Ethics and Executive Order No. 1 issued by Governor M. Jodi Rell.

9. **Employment of Relatives**

In accordance with CLC policy, to prevent conflicts of interest and to ensure that CLC's hiring practices are fair and impartial, relatives of employees shall not be considered for employment with the CLC. Further, if a relative, romantic or domestic relationship is established between employees during employment, the employees involved shall immediately notify their department head(s) of their relationship.

10. **Political Activity**

All Lottery employees, except for managers, are classified state employees. The political activities of classified employees are governed by Connecticut General Statutes Section 5-266a, and the applicable regulations, as well as General Letter No. 214-D, issued by the Department of Administrative Services.

In general, a classified employee of the Connecticut Lottery is permitted to:

1. vote as he/she chooses, express his/her opinion on political subjects and candidates, and participate actively in political subjects, candidates, political management and campaigns. This may include membership and holding office in a political party, campaigning for a candidate by making speeches, soliciting votes in support of or opposition to a candidate, and making contributions of time or money to a party or candidate.
2. be a candidate for state or local office, under state law. An employee who is a candidate for state office or for full-time municipal office is required by Connecticut General Statutes Section 5-266a(c) to notify the President and Chief Executive Officer of the Connecticut Lottery within thirty (30) days of nomination by completing the CLC's [Inquiry and Disclosure Form](#).

While the CLC does not expect employees to refrain from political discussion, employees need to remember that discussions at work must be reasonable, and respectful of others feelings and convictions, and must be consistent with the CLC's Anti-Harassment Policy.

However, a classified employee of the Lottery is prohibited from:

1. using his/her official authority or influence to interfere with or affect the result of an election or a nomination for office;
2. coercing, commanding or advising, either directly or indirectly, a state or local officer or employee to contribute anything of value to a party or person for political purposes;
3. engaging in any political activity while on duty or within any period during which such employee is expected to perform services for which he/she receives compensation from the CLC; this includes wearing a political or campaign button or clothing while on official Lottery business
4. using state funds, supplies, equipment, vehicles or facilities to support or oppose a political candidate, party or issue;
5. holding elective municipal or state office and simultaneously being compensated by the Lottery or other state agency. Therefore, any employee who accepts an elective state office must resign from his/her position with the Lottery. Any employee who accepts elective full-time municipal office shall be granted a personal leave of absence without pay from state employment for not more than two consecutive terms of office or for a period of four years, whichever is shorter.

By virtue of this policy, the political activity of managers shall be governed by the aforementioned rules for classified state employees, except that unclassified managerial employees shall seek the advance permission of the Personnel Committee of the Board of Directors prior to (i) becoming a candidate for state or local office; (ii) volunteering for a political campaign or (iii) otherwise being retained in any manner to assist a political candidate running for office. This notification does not extend to making political donations. All employees should seek advice from the ELO or the State Elections Enforcement Commission concerning any limitations on political contributions imposed by state or federal law.

11. **Gaming Participation**

To avoid the appearance of impropriety and in accordance with Connecticut General Statutes § 12-811(b), all Board members and employees of the CLC, or member(s) of their immediate family as defined in this policy, are prohibited from purchasing any lottery tickets issued by the Corporation or redeeming or sharing any prize on CLC games. This prohibition applies to Powerball and to Mega Millions tickets purchased or redeemed in Connecticut and any other state or jurisdiction in which sold. .

Board members, CLC employees and their immediate family members may participate in the other forms of legalized gambling regulated by the Division of Special Revenue (i.e. Off-track Betting, Foxwood's Casino, Mohegan Sun Casino, bingo and sealed tickets).

12. **Future Employment**

Employees leaving CLC are required to comply with the State Code of Ethics provisions pertaining to post-state employment, which are commonly known as the "revolving door" provisions. For example, there are restrictions on accepting employment with a party to certain contracts if the employee was involved in the negotiation or award of the contract,

and restrictions on representing other parties before the CLC during the one-year period following departure from state service.

An employee should contact the ELO if he/she has any questions regarding these provisions prior to accepting other employment.

Before an employee leaves the employment of CLC, the CLC's ELO, or designee, will conduct an exit interview. The purpose of this exit interview is to individually review potential issues relating to post-CLC employment.

13. **Compliance and Enforcement**

All employees are expected to become familiar and comply with this Ethical Conduct Policy as well as the State Code of Ethics. Failure to comply with one or more of the provisions of this policy may result in disciplinary action, up to and including dismissal.

The Office of State Ethics is the authority that determines what constitutes an ethics violation under the State Code of Ethics. Unless the Office of State Ethics makes a finding of probable cause, a complaint alleging a violation is kept confidential except upon request of the alleged violator. An employee who suspects any violation of the State Code of Ethics may contact the Office of State Ethics at (860)-263-2400. The President and CEO, Vice Presidents, and anyone who in the President's absence has been designated to sign contracts are **required** to notify the Office of State Ethics if there is reasonable cause to believe that a person (including but not limited to state contractors) has violated any law or regulation relating to ethics.

Any individual who provides information to the Office of State Ethics, the Auditors of Public Accounts, or the Attorney General's Office is afforded whistle blower protections under Section 4-61dd of the Connecticut General Statutes.

Employees should also be aware that Public Act 08-3 permits state courts to revoke or reduce the pension of any employee who is convicted of or pleads guilty or nolo contendere to any crime related to state office, specified as embezzlement of public funds, felonious theft from the state, bribery in connection with state service or committing of any felony whereby the employee receives or attempts to receive profit, gain or advantage due to his or her position. In addition, failure to report bribery is also a crime.

14. **Dissemination of the Ethical Conduct Policy**

This policy as well as the current Guide to the Code of Ethics for Public Officials and State Employees will be provided to Board members, prospective employees at the time of interview and to all new employees upon hire.

Date Issued: Approved by the Board of Directors on 9/15/2011 with effective date of 1/15/2012

Distribution: All CLC Employees and Board Members

Special Instructions: Supersedes Ethical Conduct Policy revised 06/24/2010