

## **POLICIES AND PROCEDURES MANUAL**

### **HUMAN RESOURCES POLICIES**

#### **EMPLOYEE DISCIPLINARY POLICY**

##### **PURPOSE:**

This document establishes a uniform disciplinary policy for the Mississippi Lottery Corporation ("MLC"). It is MLC's philosophy to administer discipline and corrective action in an equitable and constructive manner. The purpose of this policy is to correct substandard work performance as well as undesirable and inappropriate behavior. The desired outcome is to improve employee performance, safeguard optimal working conditions for all, and to maximize productivity through effective management.

This policy applies to all employees and organizational units of the MLC.

##### **POLICY:**

1. The management staff of the MLC will provide a fair method of discipline. It is the policy of the MLC to eliminate disciplinary problems in advance, if possible, by letting employees know what specific action should be taken to meet performance standards. Reasons for Disciplinary Action (see Attachment A) have been established as a guide for use by management to ensure all employees receive fair consideration.

Equitable discipline is based on the idea once employees have been informed of the performance and behavior expected of them, when an infraction occurs, appropriate discipline will generally be administered immediately and fairly. In determining the severity of discipline to be applied, the supervisor shall take under consideration the following variables:

- a. The severity of the violation;
  - b. The circumstances in which the violation occurred;
  - c. The consequences of the employee's actions regarding its effect on the MLC's assigned mission;
  - d. The overall work record of the employee; and
  - e. Other factors as appropriate.
2. Generally, unacceptable behavior shall not be allowed to continue. Major infractions, because of their serious nature, may warrant a recommendation to the President for termination on the first occurrence even though the employee has no prior record of discipline. Mississippi is an "employment at-will" state. Therefore, either the employer or the employee may end the employment relationship at any time, for any reason, or for **no reason**.

Major infractions include, but are not limited to, the following:

- a. Purchase of MLC lottery tickets by an MLC employee or relative who resides in the same household;
  - b. Violations of policies and procedures regarding gaming and data processing systems security;
  - c. Fighting (assault and battery) while on duty;
  - d. Possessing, distributing/selling or being under the influence of any illegal substances while on duty or being convicted for any charges relating to illegal substances;
  - e. Sabotage (voluntary act of destruction carried out by an employee);
  - f. Possession of a deadly weapon within MLC offices or any lottery retailer establishment; and
  - g. Theft or stealing (unauthorized taking of MLC property or material or items from other employees, vendors, retailers or contractors with the intent to keep, sell or use for personal gain).
3. Rules and regulations regarding acceptable levels of performance and behavior are essential to the efficient operation of the MLC. Therefore, unacceptable conduct cannot be allowed to continue. To address either unacceptable behavior and/or performance issues, the following types of disciplinary actions may be utilized by the MLC:
- a. Counseling Session- Counseling session with the employee and immediate supervisor or manager. The immediate supervisor or manager should review the behavioral problems and/or performance deficiencies with the employee; provide constructive input on how behavior may be modified and/or performance may be improved; and identify for the employee what is expected to modify behavior and/or improve performance. These counseling sessions will be documented and maintained by the manager or supervisor.
  - b. Written Counseling (Written Memo) and Developmental Action Plan - Counseling session with the employee and immediate supervisor or manager. Supervisor reviews the behavioral problems and/or performance deficiencies with the employee. Supervisor provides employee with a written counseling record (memo). In addition, depending on the severity of the infraction, the supervisor and employee may create a developmental action plan. This plan will establish expectations and deadlines for improvement and will firmly define consequences if behavior is not modified and/or performance is not improved by target dates. The written documentation is to be forwarded to the appropriate director or vice president for review and approval, and then submitted to the Vice President of Human Resources for review and inclusion in the employee's personnel file.
  - c. Suspension - Recommendation by the supervisor/manager to place the employee on leave without pay status for disciplinary reasons. The supervisor with the concurrence of the division vice president and the Vice President of Human Resources may recommend to the President an employee be suspended without pay for disciplinary reasons. Exempt employees will be suspended for a minimum of one full, normal workday. The appropriate director or vice president, with the concurrence of the Vice President of Human Resources, shall recommend to the President the amount of suspension time for non-exempt (hourly) employees.
  - d. Termination - The supervisor/manager with the concurrence of the department's director or

vice president and Vice President of Human Resources may recommend to the President termination of the employee.

- i. \*The President has the final decision-making authority on all recommendations for suspensions and terminations. The supervisor may only make these recommendations with the concurrence of his/her director or vice president. All such recommendations shall be forwarded to the Vice President of Human Resources.
4. All forms of discipline should be documented and forwarded to the Department of Human Resources for inclusion in the employee's personnel file.

“Attachment A” outlines the various disciplinary actions utilized by the MLC management.

## ATTACHMENT A

### MISSISSIPPI LOTTERY CORPORATION REASONS FOR DISCIPLINARY ACTION

The following are reasons for disciplinary actions which may be applied by supervisors/managers. This list is not exhaustive, and the disciplinary action selected for an offense may be selected based on the facts of the specific situation taking into consideration any extenuating circumstances. (See Discipline Policy.)

1. Purchase of MLC Lottery Tickets by an Employee of the Mississippi Lottery Corporation or any other person residing in the same household as the employee --
  - a. Mississippi Lottery Corporation Implementation Law prohibits the purchase of lottery tickets by an employee or any other person residing in the same household.
2. Violation of Security Policies and Procedures --
  - a. Employees must all work together to assure the security and integrity of the Mississippi Lottery Corporation is never compromised through careless breach of security.
3. Absence Without Authorized Leave --
  - a. The failure to appropriately notify the immediate supervisor of an absence from work.
4. Abuse of Alcohol/ Drinking while at Work
  - a. Supervisors/Managers should consult with the Vice President of Human Resources so the employee can be referred to appropriate counseling through an Employee Assistance Program (EAP), as determined to be appropriate.
5. Falsification by an employee of a notification of absence due to the employee or a member of his/her immediate family allegedly suffering from an illness, injury, or exposure to a contagious disease.
6. Brandishing or Threatening Another Person with a Deadly Weapon While on Duty --
7. Unauthorized Possession of Firearms, or careless use or display of knives or other dangerous weapons on or on MLC property.
8. Careless Operation, Misuse or Abuse of Mississippi Lottery Corporation Vehicles, Property or Equipment --
  - a. The unauthorized use, damage or destruction of an MLC vehicle, property, or equipment.
9. Conduct Unbecoming a Mississippi Lottery Corporation Employee --
  - a. An act or series of acts which adversely affect the integrity or public perception, and/or undermines the operational effectiveness of the MLC.
10. Conviction of a Misdemeanor --
  - a. When an employee is convicted of a misdemeanor as a result of a crime committed on or off duty and the conviction jeopardizes the security and/or integrity of the MLC.

11. Excessive Absenteeism --

- a. While it is recognized employees have an occasional need for absence from work due to legitimate illness, the MLC has a right to expect employees be available to perform work with a reasonable degree of regularity. If there is a pattern of absenteeism by an employee, such as consistent absence on the day preceding or following the employee's regular days off, or absence on the same day of each week or each month, then these absences may be considered excessive.

12. Excessive Tardiness –

- a. The habitual failure to report to work by an established time at the beginning of the work shift, or the late return to work at the established time after a lunch or break period.

13. Excessive Break Periods

- a. All non-exempt employees are permitted two (2) fifteen (15) minutes breaks within the normal workday. Smoking breaks may be taken in lieu of morning or afternoon breaks; however, total time must not exceed fifteen (15) minutes in the morning and fifteen (15) minutes in the afternoon.
- b. While exempt employees do not have a designated break period, their break activity, including smoking breaks, must not detract from their work or efficiency and must not cause disruption to fellow employees.

14. Falsification of Records --

- a. The willful and deliberate misrepresentation or omission of any facts, whether written or oral, with the intent to defraud or otherwise mislead.

15. Fighting --

- a. A physical assault and battery on or against another person on duty.

16. Horseplay –

- a. Actions intended to be mischievous or prankish rather than malicious, but which result in non-work-related activities. Horse playing activities will not be tolerated and, in the event, it results in an injury to another employee, severe disciplinary action will be considered.

17. Insubordination --

- a. The unwillingness or deliberate refusal to comply with a direct order or any established work assignment of immediate supervisor or higher-level supervisor or being disrespectful to management in any way.

18. Smoking in Unauthorized or Restricted Areas --All areas within the MLC offices are designated as NON-SMOKING. Smoking is permitted outside of the MLC offices in areas designated for smoking. All smoking materials must be disposed of in the receptacles provided.

19. Leaving Workstation Without Authorization -- The unauthorized absence by an employee from the workstation or duty assignment during the established work period; or the leaving of a workstation for a lunch, smoking or rest period without being properly relieved where a department must be

maintained during such period.

20. Loafing --

- a. Continued idleness or lack of productivity during working hours which diverts the employee from performing assigned tasks. This includes wasting time, engaging in idle talk or gossip, conducting personal business, or surfing non-work-related Internet sites.

21. Neglect of Duty --

- a. Carelessness which results in the violation or non-observance of a published procedure or work rule, law, or assigned duty.

22. Under the Influence of or Possession of Illegal Drugs --

- a. The possession, sale or distribution of any illegal drug or any prescription drug for which an employee does not have a prescription, or being under the influence of such substances, while on duty; or conviction of charge related to the illegal use or possession of drugs under any circumstances.

23. Sabotage --

- a. A voluntary act of destruction carried out by an employee toward any MLC property or the property of any other employee, vendor, or retailer.

24. Workplace Harassment --

- a. Harassment in violation of MLC's workplace harassment policy.

25. Sleeping While on Duty --

- a. The observed failure of an employee to remain awake while on duty during the established work shift.

26. Theft or Stealing --

- a. Theft or stealing is defined as the unauthorized taking of MLC property or material or items from other employees, vendors, retailers, or contractors with the intent to keep, sell or use for personal gain.

27. Threatening and/or Abusive Language Directed Toward Another Person.

28. Violation of Safety Practices --

- a. The failure to adhere to or follow established safety rules. This includes the failure to vacate the premises in the event of a catastrophe or perform any action in violation of standard or customary safety procedures.

29. Willful Violation of Any Provision of Law or MLC Policies and Procedures --

- a. The deliberate failure to abide by the Alyce G. Clark Act, the MLC's policies, and procedures, including the Employees Code of Conduct or the Officers and Directors Code of Conduct.

30. Willful Failure to Maintain a Valid Driver's License --

31. If the employee's duties require the operation of a corporation vehicle, the deliberate failure by an employee.
  - a. To renew, on or before expiration, the employee's personal driver's license, or
  - b. To promptly report the suspension or revocation of the employee's personal driver's license to the employee's supervising manager.
32. Failure to comply with any MLC Vehicle Operation Procedure not specifically addressed in a separate disciplinary standard.
33. Operating an MLC owned or rented vehicle or driving one's personal vehicle while on MLC business while under the influence of alcohol, illegal drugs or after consumption of any controlled substance.
34. Careless operation of an MLC owned vehicle which results in an at-fault accident.
35. General Record --The employee's continued failure to abide by the rules and/or policies and procedures of the MLC.