



# MEMORANDUM

**To:** California State Lottery Commission      **Date:** May 20, 2008

**From:** Joan M. Borucki  
Director

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Acting Chief Legal Counsel

**Subject:** Item 9(f) – Amendments to Lottery Regulations – Employee Recognition

## **ISSUE**

Should the California State Lottery Commission (Commission) adopt regulations addressing Employee Recognition?

## **RECOMMENDATION**

California State Lottery (Lottery) staff recommends that the Commission adopt the proposed regulations, which provides specific direction to mimic recognition programs established by the Department of Personnel Administration.

## **BACKGROUND**

The Lottery Administrative Manual (LAM) currently addresses merit award programs. However, the Lottery's regulations do not specify what additional employee recognition programs may be implemented. The primary purpose for the amendment to the Lottery regulations is to allow the Commission to give the Director direction as to future actions in relation to employee recognition.

## **DISCUSSION**

Staff believes Lottery regulations, in conjunction with LAM provisions, would provide guidance as to how the Director may give recognition to Lottery employees, and would clarify the Lottery's policies in that regard.

The addition of regulatory language concerning employee recognition allows the Commission to adopt parameters that will guide future recognition of Lottery employees. The proposed language is consistent with merit programs promulgated by the Department of Personnel Administration authorized under Government Code section 19823 and with the "years in state service" recognition authorized under Government Code section 19849.9.

The added section in its entirety would read:

T. EMPLOYEE RECOGNITION

1. The Director may establish an employee recognition program for California Lottery employees. Any such program shall be similar to those implemented by other state agencies, departments, as well as the State Merit Award program offered by the Department of Personnel Administration. The Director may authorize payment of recognition expenditures or costs with administrative funds. Any award granted by the Director under the provisions of this section shall not exceed in value those allowed by California Government Code section 19823, as amended from time to time.
2. As part of an employee recognition program, the Director may present an award to California Lottery employees with 25 years of state service, and any retiring employee who, on the date of his or her retirement, has completed 25 or more years of state service. The Director may authorize payment of recognition with administrative funds. Any award granted by the Director under the provisions of this section shall not exceed in value that allowed by California Government Code section 19849.9, as amended from time to time.