

May 1, 2010

Dear Legislative Oversight Committee of ALC,

This letter is written by several employees of the Arkansas Lottery Commission. If other employees have lived up to what they have told us, you should have received a couple of other letters by now. We write you as a last resort in hopes that you will intercede on our behalf. We are very frustrated and angry with the way things are being handled in our agency. We are told that we are a state agency but things are not being run like a state agency and we need your help to correct this.

Policies and Procedures: Are we a state agency or not? Some of our policies follow state procedures and others do not. Ms. Ernestine Middleton seems to change policies as it fits her needs. She had told some employees that they have to be employed six months before putting in for a job and then others she will let apply and then hire for a position even though they haven't been in the job for six months.

At one time, employees were getting bereavement leave and now we are not. How can policies change like that in a matter of months? Some jobs get interviews, some do not. Some jobs are posted, some are not. It sounds like our manual that is coming out somewhat follows state policy and sometimes it will follow what they did in the South Carolina lottery.

The end of this week we got a new policy that we must all sign or we will lose our job. It is a confidentiality and non-disclosure agreement. Have you read this? Do all state agencies have to sign such a confidentiality document? If we were going to have to sign this, shouldn't this have been done when we were hired? We just want things to be done fairly and to know what we can expect. With Ms. Middleton you don't know what to expect.

It seems Ms. Middleton is getting nervous about a lot of us employees who she has upset. We have heard that we now can't go to a commission meeting without getting approval. Why not? Isn't that a public meeting? It's not like a lot of us ever want to the meetings. We are too busy working to attend. But being told we need permission to attend a public meeting makes us feel like our leaders are trying to hide something or keep us from seeing our commissioners.

Salaries: Because of our salaries being printed in the paper we all know what each other make. So why is it that people doing the same job do not get the same pay? Look at the claims assistants. You have the one white man who is a claim assistant making more money than all the women claims assistants. We have been patiently waiting on Ms. Middleton to fix this as she has been talking to several employees about their pay for several months and stating that she is going to give them a raise. However, it seems her focus is on keeping her job and what will keep her out of the paper. That means not raising anyone's pay. We have now been told that our co-worker, the white man in this case, has now been given some extra duties. Is that because Ms. Middleton is now trying to cover herself and try to justify why his pay is so much more? But what about all the women who are making much less money? What about all the time they have been doing the same job for several months? Should they not get paid the same?

Another example is Angela Parker. She is a black woman and has been doing the same job as a white man for many months. Has she gotten paid the same as the white man? If so, look at when she got the raise? Was she given it when she was given the extra responsibility or months later? Will she be paid for the many months she has been doing the job? A person should be given a raise when they are told to do extra work. When they are told they will be compensated. They should not have to wait months and

months or maybe a year or two to be compensated. No other state agency or private company would conduct business like this.

Another example is our licensing manager, Iris Bohannon. We know of several employees who wrote Mike Hyde and Commissioner Lamberth several months ago. In that letter, they brought up the fact that it appeared that Iris had been promoted to Licensing Manager. Again, this is another example of how Ms. Middleton is deceitful and not open with what is being done in our agency. There were never any interviews held for this position. Why were there not interviews held for this job like other state agencies? Ms. Middleton just decided to give the position to Iris. We know Iris was promoted last fall. She was moved to a nice window office and was acting as manager to her employees. Yet no announcement was made of her promotion. Why is it necessary for Ms. Middleton to have all this secrecy? After the letter was written to the commissioners and Mr. Hyde, it was suddenly, openly discussed that Iris was Licensing Manager. It seems like the letter prompted some truth to finally come out and give Iris the title that all ALC employees knew she had for months! But was Iris paid for all the time she has been working as licensing manager? If not, why not? What other state agency or private business for that matter, promotes someone but doesn't give them their pay for many, many months later? And what employee would take a promotion or significant increase in workload if they knew they wouldn't get a raise for many, many months or a year or two later? No reasonable person would do that!

We also believe that after the last letter it did put a hold on Ivan Hudson being named procurement director. We know her intentions are to give him that job. We heard in the black community several months ago that Ivan had stated that she said he was going to be the procurement director and also serve as the diversity and small business manager. How is that fair? At least the letter did seem to shed some light on that issue but now the procurement director position is not being posted. Is that because Ms. Middleton is waiting until the heat dies down so she can give it to Ivan? If you were working on the inside of the lottery you would know that is how she works. She manipulates people, policies, and the truth to get the result she wants.

We had a staff meeting this past week, Patti Vick stood up and introduced herself as paralegal and she said, "And I guess now I'm business manager." What? Did she get a promotion? If so, why was the position not posted? Why wasn't it announced she got a new position? Did she get a raise and if so, why did she and not others?

In a state agency, if you take on significant additional work, you get additional pay. That is not happening at ALC. Even after Ms. Middleton has told several employees that she would give them a raise for doing additional work. She now tells employees that she has gone to the commissioners to fight on our behalf but the commissioners said they would not approve raises because it would not look good right now. She has also told us that the commissioners are liable for these decisions not her. But did she tell the commissioners that she "told" employees they "would" get raises? And did she explain how she has given people significant job changes and extra responsibilities? And that some employees originally took the job with ALC with the understanding that they would be getting a raise within a few months? Did she tell the Commissioners that some employees have turned down other jobs based on her promises of what she was going to do? Our bet is no, she did not! We have never known any person in a leadership position, especially a Vice President position, tell an employee they would get a raise or a job and then not give it to them. Based on our research, we have found that her stating that is an oral contract and one that she, and the agency, should legally honor.

At our staff meeting this week, our controller, Philip Milley, brought up that his department has a new name. We asked and it seems that Philip has a new title as well. He went from the title of Controller to a higher state grade position. Did he get a raise? If a person gets a promotion, they should get a raise and we want the best for our co-workers. But then if Ms. Middleton is telling the truth that the

commissioners won't let her give raises, then why are some getting them but not everyone that was promised or is doing extra work getting them as well? What game does Ms. Middleton think she is playing? Does she not realize that when she tells someone that they will get a raise or a job that they count on that? We laugh about the fact that when she talks to us employees she talks about how long she has been doing this and how good she is at what she does. She points to her college degrees on the wall and talks about how good she is with people. Nothing could be further from the truth. She has offended so many of us! We have truly felt "played" by her and we are tired of it!

Our frustration is that Ms. Middleton, a vice president, seems to do what she wants. It seems she does not think she has to play by state rules or even general, common-sense business rules. She makes policies as she feels is best. There is no pattern or consistency with her reasoning. Sometimes she will say we are a state agency, other times she says we are not a state agency. She gives people raises or jobs when she wants to and not when it is required. Now she wants to blame no raises on the commissioners. Where is her responsibility in all of this? How can the LOC and our Commissioners let someone in a Vice President role make these kinds of statements and get away with it?

Please do not see us as a bunch of greedy disgruntled employees. Although it might not look like it from this letter, we really are loyal employees who have worked very hard to get this lottery going for our fellow Arkansans and we want to stay with the lottery for a very long time. We have felt beat up by the paper and we feel abused by our leaders. We just want you to know the truth of what is going on with Ms. Middleton and our leaders. We just want what was promised to us. Other state employees would get as much. At this point, we are getting less than other state employees because of all the public attention.

Look at it from our position. Who can we turn to for help? Other state agencies have a grievance program. We do not. Other state agencies have Arkansans running the agency. We do not. Even our government has a system of checks and balances but we do not. We have the top three who have each other's backs. As an employee you know that they all three stick together and they are not open to any other way to do business but "their way". They make it quite clear that if you do not like the way things are run, you can find another job. Ernestine is very loud and among many other things we have heard her say from her office is, "Ernie has said, if I go, he goes." She has also been heard to say that if the state tries to do anything with her position that she will sue them for every penny they have. How great is that? Funny how she can tell employees they will get a raise and make them wait for months or maybe years but if the state dare does anything about her job or her pay, she will sue the state for everything they have!

We like our internal auditor and many of us have wanted to talk with him but we know he doesn't get support. We see that our top three do not like Mr. Hyde and we don't see that he is really respected or supported to do his job. We don't feel like we can even go to our commissioners at this point. We have heard that all decisions regarding salaries and policies go to Commissioner Lamberth as the head of the personnel committee. It appears her and Ms. Middleton are very close so we do not feel she will check into these problems or she will just ask Ms. Middleton and Ms. Middleton will not tell her the complete truth.

Ms. Middleton seems to be clueless about what she is doing and how she has greatly hurt employee morale. Does she not realize that the employees talk among themselves? She has made statements that we have never seen someone in her position say. Even if she does give employees raises many months later, does she realize the ill will she has caused because employees have had to wait and pursue her just to get what they were promised? Based on her actions and behavior, none of us trust her anymore. We believe Ernie is a good person and has the agency's best intentions at heart. We believe he is just too trusting of Ms. Middleton.

What do we want? We want an internal investigation, one-on-one with employees, to be conducted by Mr. Hyde. What would you lose by having an internal investigation? We would like you to support that employees can openly speak with Mr. Hyde about their experiences without any retaliation from our top three leaders. If they have done everything fairly and honestly, why should they mind this investigation? Although we gave you some specific employee examples, there are many more employees, at least 15, that are angry with the way they have been misled by Ms. Middleton not only with pay but with policies, getting a new position with ALC, etc. Talk with the employees to see if these statements are true; see if our policies are really following the state; check to see if what we stated regarding salaries is correct. Make the necessary corrections and please hold Ms. Middleton accountable for her actions. You cannot just go to Ms. Middleton and ask her. She is going to manipulate the truth.

As Ms. Middleton has told many of us, "We should just be grateful we have a job and if you don't like it, you can quit." Well, we agree, we are grateful but you don't want to hear that after you have been promised or told you would get something and did not get it. It is especially hurtful to have believed a leader and now all they can tell you is "Sorry, I can't do anything, if you don't like it, you can quit." You don't want to hear that from the person who you feel foolish to have believed, who told you they were going to do something for you and repeatedly asked you to wait a few more weeks, another month, etc. then who walks around saying things like, "You would think they pay me for this." We are grateful for our jobs! And we are working very hard to do the best job we can for our fellow Arkansans. This is why we have been waiting for months for Ms. Middleton to make good on her word. But that is not happening.

Several of us have been contacted by Bridgette Frazier, our former attorney, in hopes of joining the lawsuit she is pursuing with John Walker. We choose not to do that. We want our issues to remain separate from hers. Our aim in writing this letter is that we hope you can intervene and help correct some of these wrongs. We believe a simple investigation or questioning of some of these matters can go a long way.

Please do not ignore this letter because it is anonymous. We choose to remain anonymous at this time out of fear for our jobs and out of hope that you will listen and do something to help us. We are real employees with real issues. Issues that several of us have talked with attorneys about and they state we have lawsuits that we can win based on what Ms. Middleton has told us. We do not like that we have to come to you. You are our last recourse before taking matters further. We do not want to be forced to pursue this matter further. We hope to see your action in helping us get these issues resolved.

Thank you for reading our letter.

cc: ALC Commissioners
Mike Hyde