



# The Commonwealth of Massachusetts

## Massachusetts Gaming Commission

### NOTICE OF MEETING and AGENDA

November 13, 2012 Meeting

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, notice is hereby given of a meeting of the Massachusetts Gaming Commission. The meeting will take place:

Tuesday, November 13, 2012

1:00 p.m.

Division of Insurance

1000 Washington Street

1<sup>st</sup> Floor, Meeting Room 1-E

Boston, Massachusetts

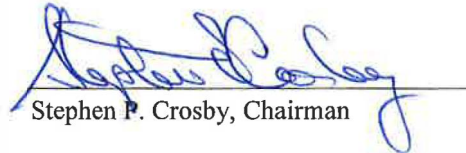
#### **PUBLIC MEETING - #35**

1. Call to order
2. Approval of minutes
  - a. November 6, 2012 Meeting
3. Project Work Plan
  - a. Investigations Procurement—VOTE
  - b. Scope of Licensing and RFA-1 status report
  - c. Key policy questions status report
    - i. High priority questions?
    - ii. Need for public hearings or other outreach?
  - d. Other issues
4. Administration
  - a. Report from Director of Administration
    - i. Project Management Chart
  - b. Strategic Plan
    - i. Consider vote to adopt
  - c. Personnel searches
  - d. Employee Manual – Chapters 1 and 3
5. Racing Division
  - a. Report from Director of Racing Division
    - i. 2013 Licensing for Racetracks
    - ii. Section 104 Legislative Review
    - iii. Proposed Table of Organization
    - iv. Halloran tentative decision
6. Public Education and Information
  - a. Report from Ombudsman
    - i. Information requests from developers, communities or other
    - ii. Other matters
  - b. AIA Forum – December 12th
  - c. Discussion of Massachusetts Community Colleges' Casino Training Institute Proposal

- d. Report from Director of Communications and Outreach
  
- 7. Research Agenda
  - a. Status Report
  
- 8. Internet Gaming
  - a. Further consideration on Reid-Kyl bill
  
- 9. Other business – reserved for matters the Chair did not reasonably anticipate at the time of posting

I certify that on this date, this Notice was posted as “Gaming Commission Meeting” at [www.mass.gov/gaming/meetings](http://www.mass.gov/gaming/meetings), and emailed to: [regs@sec.state.ma.us](mailto:regs@sec.state.ma.us), [melissa.andrade@state.ma.us](mailto:melissa.andrade@state.ma.us), [brian.gosselin@state.ma.us](mailto:brian.gosselin@state.ma.us).

11/8/12  
(date)

  
Stephen P. Crosby, Chairman

**Date Posted to Website:** November 8, 2012 at 1:00 p.m.

**Massachusetts Gaming Commission**

**Framework for Addressing Policy Questions**

Update Date: November 12, 2012

Priority Level Code:

1 (Red) immediate action    2 (Yellow) needs attention    3 (Green) may be addressed later    No color: Issue has been resolved / addressed

Family (Group) of Questions and/or Policies	Responsible for Follow Up	Advice / Input of others Needed	Document/ Info Needed	Reg Needed (Yes/No)	Priority Level *	Proposed Answer / Determination
<b>Questions / Policies Necessary for Planning Purposes (for Communities and/or Applicants)</b>	Crosby / Ziemba					
1 How will we define "surrounding communities" and should we publish that definition early in the process?	Crosby / Ziemba	Regional Planning Agencies; A&K			2	
2 Should the Commission issue guidelines for municipalities which may be a surrounding community to more than one host community?	Ziemba				2	
3 What criteria will we use to decide which "not-for-profit or municipally-owned performance venues" are "impacted live entertainment venues" within the statute's meaning.	Crosby	Mass Performing Arts Center Coalition; Mass Cultural Council; Joe Spaulding			2	
16 Should the Commission confirm through a formal policy that no host community agreements should be executed or referendums held before the relevant applicant has qualified through RFA-1?	Crosby	Public Hearing			1	
17 Should the Commission specify the minimum required content for a host community agreement?	Ziemba	RPA; Sample Host Community			2	
18 Should the Commission approve the wording of the summary required by G.L. c. 23K, § 15(13) before it is submitted to the public?	Crosby / Ziemba				3	
31 Will the Commission promulgate additional ethics or reporting standards for applicants and/or related municipalities?	Ziemba	McHugh; A&K; Gaming Consultants			2	
37 Should the Commission set election criteria for a local referendum if there are more than one project on the ballot?	Ziemba	???			2	
45 Similar question as 16. See 16 above						
46 Should the commission prohibit gambling by local officials in casinos located within their jurisdiction?	Crosby	Gaming Consultants			3	

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<b>II Strategic Considerations for the Commission (in anticipation of bidding out licenses)</b>	Crosby					
8 Should the Commission make casino licensing decisions region-by-region or simultaneously for all regions?	Crosby	Gaming Consultants	Public Hearing		2	
14 Should the Commission require that a developer use a specified percentage of in-state or regional employees in the construction and operation of its facility?	Crosby / Ziemba	Consultants	Public Hearing		3	
19 How will the Commission consider the strategic implications of when, how and where to issue licenses, including the slots license, in the context of other license-issuing decision so as to maximize the benefits to the Commonwealth as a whole?	Crosby	Gaming Consultants; Experts on economics / gaming (i.e., Clyde Barrow)			3	
21 Should the commission issue a regulation or policy statement dealing with the portion of G.L. c. 23K, §§ 19(a), 20(a) providing that the Commission may not award a gaming license if it is not convinced that the applicant has "provided convincing evidence that [it] will provide value" to the region, in the case of a category 1 license, and to the Commonwealth, in the case of a category 2 license.	Crosby	McHugh; Gaming Consultants	Public Hearing		3	
32 Should the Commission set a time limit or other rules addressing the Tribal compact/land-in-trust issue in Region C?	Crosby	Gaming Consultants; Legislature; Others?	Meet with BIA?		1 - 2	

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<b>III Policy Questions Relevant to the Contents of an Application</b>	Zuniga / Stebbins					
4 What, if any, information in addition to that specified in G.L. c. 23K, § 9 should the Commission require Phase 2 applicants to provide as part of the Phase 2 application.	Zuniga / Stebbins	Gaming Consultants; Other Jurisdictions and its applications; Public Comment and Input	Specific Information will (may) be required for each of the criteria	Yes	1	
6 What criteria should the commission use to determine whether a gaming license applicant should receive a gaming beverage license for the sale and distribution of alcoholic beverages and what application fee should the commission charge?	Stebbins	ABCC; Gaming Consultants	Examples of regs from other jurisdictions (i.e., MO, KS, etc.)	Yes	2	
9 Should the Commission increase the minimum license fee and/or capital investment requirements? Should the Commission encourage bidding on the license fee? If the amounts are modified, should they vary by region?	Zuniga	Gaming Consultants		Depends on answer	2	
10 How should the Commission determine a suitable debt-to-equity ratio for applicants for a gaming license?	Zuniga	Gaming Consultants; Financial Advisor	Proposed financing structure; RFA-1 responses		2	
11 Should the Commission allow a facility to open in stages, with the casino opening prior to the hotel and/or other facilities? If so, under what constraints?	Zuniga	Gaming Consultants; Other Consultants?	Examples from other jurisdictions		2	
12 To what degree will an applicant be required to have progressed in federal, state and local permitting and other regulatory process before submitting its RFA-2 application?	Ziemba	State agencies with jurisdiction over permitting; RPA's	Completed or pending applications or permits from applicants		2	
15 What degree of building design completion will be required before the licensing selection?	Zuniga	BSA; AIA; Other Consultants?	Casino Design Forum		2	

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23 What, if any, information and in addition to that described in G.L. c. 23K, §31(b) should the Commission require from an applicant before issuing a gaming vendor license?	Zuniga / Stebbins	Gaming Consultants; Other Commissions? Assoc of Gaming Equipment Manufacturers? AG? State Police?	Examples from other jurisdictions (PA, NJ, OH, KS, IN regulations)		2	
36 If MOU's and other agreements may be part of an applicant's proposal to the commission to demonstrate their commitment to key evaluation criteria, how should the commission weigh these agreements and enforce them in the coming years after the license is awarded?	Stebbins	Gaming Consultants; Active Regional Organizations working on MOU's	Draft MOU's; Documentation from other jurisdictions		2	
38 As part of an applicant's goal to impact small businesses, what information should the commission require?	Stebbins	Small Business Administration; Mass Small Business Development Center; NFIB; MOBD; Chambers of Commerce	Summary of spending categories by potential applicant; other applications that may include definition of small business and local		2	
44 What should the studies and reports required by G.L. c. 23K, §§ 9 (a) (13), 18 (18) contain?	Zuniga / Stebbins	RPA's; Regional business organizations and chambers of commerce	Existing regional economic studies		2	

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<b>IV Policy Questions Pertaining to the Evaluation of the Gaming Licensee and their Proposals</b>	McHugh					
5 What, if any, criteria in addition to those listed in G.L. c. 23K, §§ 15, 18 should the Commission use in the RFA-2 licensing determinations in order to ensure that the license awarded will provide the highest and best value to the Commonwealth in the region in which a gaming establishment is to be located and how should all of those criteria be weighted, ranked or scored?	McHugh/Ziemba	Selected forum participants Regional planning associations	Evaluations used in other jurisdictions	Yes	1	
20 What kind of a team with what kinds of skills and competencies does the Commission need to help it assess the Phase 2 proposals?	McHugh		Answer to Q. 5	No	3	
22 What, if any, conditions in addition to those prescribed in G.L. c. 23K, § 21, should the Commission prescribe for each gaming license?	McHugh/Ziemba	Selected forum participants Regional planning associations	Answer to Q. 5	Yes	2	
35 To expound on the point in question 5, should the Commission formulate and communicate a scoring system prior to the receipt of proposals with the relative weight of different criteria? Should the Commission establish a minimum scoring for applicants?	McHugh	Other states/countries	Documents describing the processes that were used elsewhere	Unknown	3	
39 How much weight or consideration does the commission give to the facility itself in meeting the goals of Sec. 5 SS 3 related to building appeal and other factors?	McHugh/Ziemba	Architect group Planning Boards RPA's	Evaluations from other jurisdictions	Depends on the answer to Q. 35	2	

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<b>V Policy Questions Pertaining to Operations / Regulations of Casinos (may still need to be answered prior to awarding license)</b>	Cameron					
7 What regulations should the commission issue with respect to distribution of alcohol and the forms of identification that may be presented to a gaming licensee to demonstrate proof that a person has attained the age of 21	Cameron	ABCC; Gaming Consultants	Other Jurisdictions	Yes	3	
13 What criteria should the Commission use to prescribe the manner in which gaming licensees and gaming vendors must keep their books and financial or other records and statements?	Gaming Consultants	Gaming Consultants	Other Jurisdictions	?	2	
25 When should the regulations pertaining to operations on the gaming floor be issued and what should those regulations contain?	Cameron	Gaming Consultants	Other Jurisdictions	Yes	2	
26 When should regulations regarding issuance of credit be issued and what should those regulations contain?	Cameron	Gaming Consultants	Other Jurisdictions	Yes	2	
27 When should regulations regarding check-cashing be issued and what should those regulations contain?	Cameron	Gaming Consultants	Other Jurisdictions	Yes	2	
28 When should regulations regarding approval of promotional gaming credits be issued and what should those regulations contain?	Cameron	Gaming Consultants	Other Jurisdictions	Yes	2	
29 When should regulations regarding excluded persons be issued and what should those regulations contain?	Cameron	Gaming Consultants; Council Compulsive Gambling	Other Jurisdictions	Yes	3	
30 When should regulations regarding provision of complementary services, gifts, cash or other items of value be issued and what should those regulations contain?	Cameron	Gaming Consultants	Other Jurisdictions	Yes	3	
40 Should the commission prescribe the games, rules and controls a licensee may have or should it solicit proposals from the applicants/licensees?	Cameron	Gaming Consultants	Other Jurisdictions	Yes	2	



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41 What process should the commission use/require for testing gaming equipment? See § 66.	Cameron	Gaming Consultants	Other Jurisdictions	Yes	3	
47 Should the commission adopt the self-exclusion lists in effect in other jurisdictions? (See §46(k))	Cameron	Gaming Consultants	Other Jurisdictions	?	3	
48 What criteria should be used to exclude individuals involuntarily from casinos?	Cameron	Gaming Consultants	Other Jurisdictions	?	3	
49 What regulations and standards should the commission prescribe for the audits it is required to conduct?	Cameron	Gaming Consultants	Other Jurisdictions	Yes	2	

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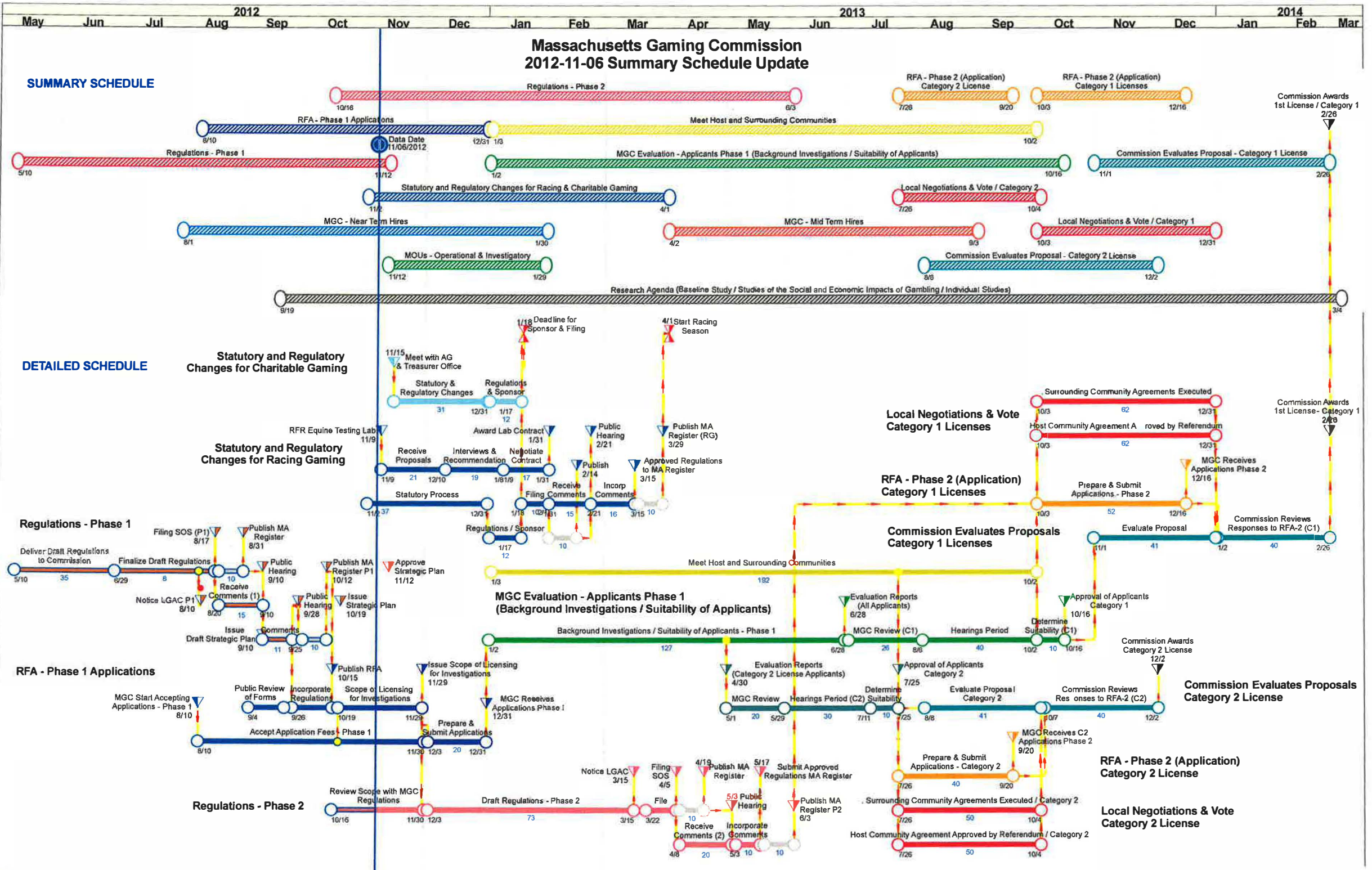
1 (Red) immediate action

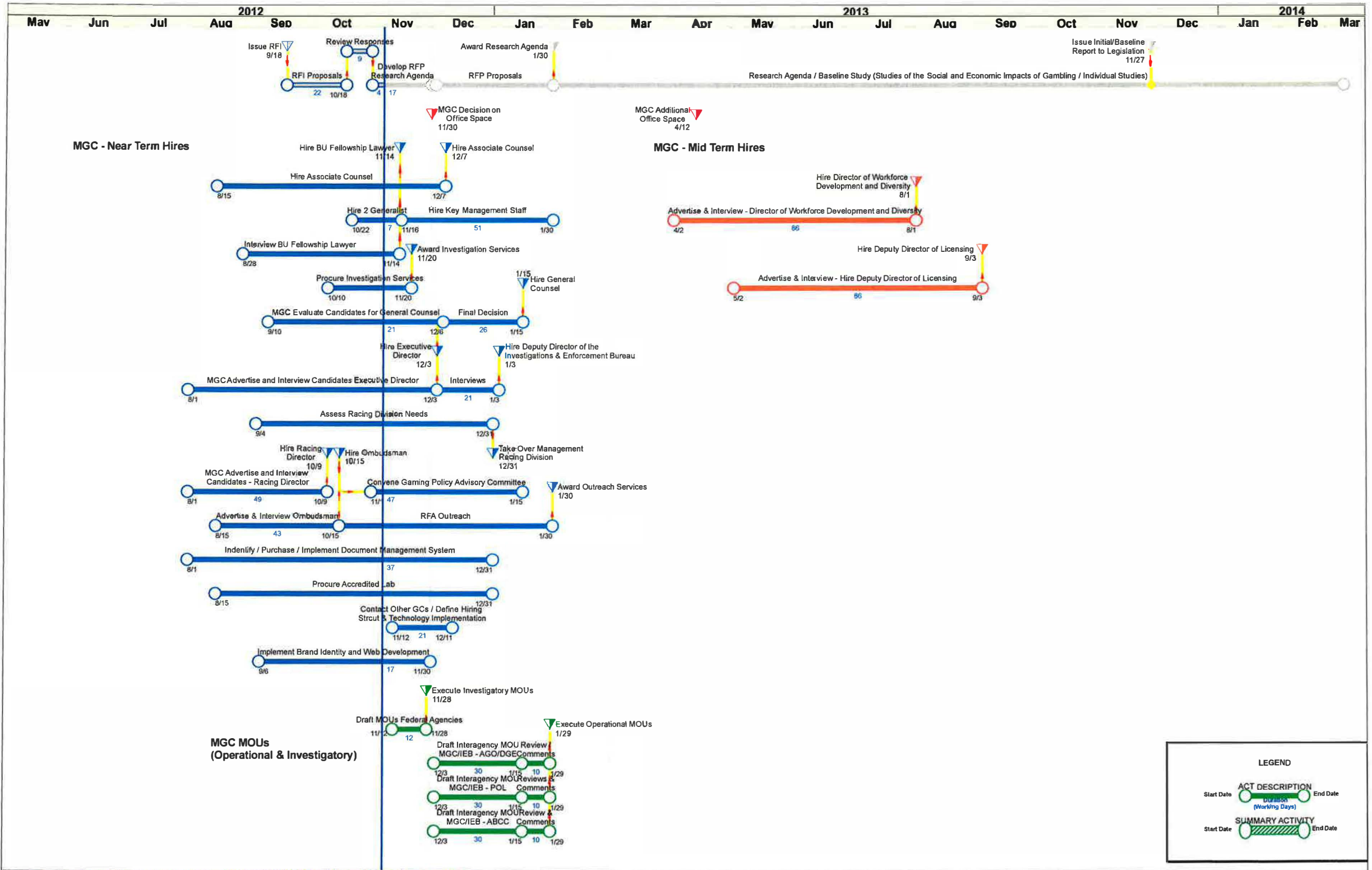
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<b>VI Other Issues and Questions. Policies relevant to collateral regulatory issues and obligations</b>	Cameron					
24 What information should the commission require in respect to an applicant's "description of its minimum system of internal procedures and administrative and accounting controls for gaming and any simulcast wagering operations" required by G.L. c. 23K, § 25 (d).	Cameron	Gaming Consultants; Racing Consultants	Other Jurisdictions	Yes	2	
33 Should the community college process that we are endorsing and supporting be the exclusive mechanism for qualifying applicants for key gaming licenses?	Stebbins					
34 If the answer to question 33 is no, should the Commission regulate private training schools?	Stebbins					
42 What should be the length of the licenses issued to employees whom the statute requires to be licensed?	Cameron	Gaming Consultants;	Other Jurisdictions	Yes	2	
43 What non-gaming vendors should be excused from the licensing process?	Cameron	Gaming Consultants;	Other Jurisdictions	Yes	2	





**LEGEND**

ACT DESCRIPTION

Start Date [Bar] End Date

Duration (Working Days)

SUMMARY ACTIVITY

Start Date [Bar] End Date

# **MASSACHUSETTS GAMING COMMISSION EMPLOYEE HANDBOOK**

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Massachusetts Gaming Commission  
84 State Street  
Boston, MA 02109

# THE MASSACHUSETTS GAMING COMMISSION

## EMPLOYEE HANDBOOK

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### MISSION STATEMENT

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*The mission of the Massachusetts Gaming Commission is to create a fair, transparent, and participatory process for implementing the expanded gaming law passed by the Legislature and signed by the Governor in November, 2011. In creating that process, the Commission will strive to ensure that its decision-making and regulatory systems engender the confidence of the public and participants, and that they provide the greatest possible economic development benefits and revenues to the people of the Commonwealth, reduce to the maximum extent possible the potentially negative or unintended consequences of the new legislation, and allow an appropriate return on investment for gaming providers that assures the operation of casino-resorts of the highest quality.*

### THE GAMING COMMISSION

The Massachusetts Gaming Commission is a brand new and exciting agency charged with responsibility for licensing and overseeing casino gambling and horseracing throughout the Commonwealth of Massachusetts. Created by legislation passed in November, 2011, the Commission began its operations in April, 2012. The Commission has moved quickly to hire key employees, take charge of existing horseracing operations, and promulgate regulations that will govern casino licensing and oversight. As part of the initial goals, the Commission will accept applications for casino licenses and formulate policies that will lie at the heart of the Commission's operations.

The enabling statute of the Gaming Commission M.G.L. 23K (chapter 194 of the Acts of 2011) section 1, states that “...ensuring public confidence in the integrity of the gaming licensing process and in the strict oversight of all gaming establishments through a rigorous regulatory scheme is the paramount policy objective of this chapter...”

To conform with the statement above, the Commission believes that the need for integrity and the appearance of integrity by all employees, consultants, vendors and licensees, without exception, in every aspect of their work for and with the Commission is a paramount objective.

# **THE MASSACHUSETTS GAMING COMMISSION EMPLOYEE HANDBOOK**

## **INTRODUCTION**

### **WELCOME**

Outstanding people are the key to success at the Massachusetts Gaming Commission. We are proud to welcome you to our high achieving team.

Providing a work environment that allows you to reach your professional potential is important to us. This Massachusetts Gaming Commission Employee Handbook (the “Handbook”) serves as an introduction to the Gaming Commission and its expectations of its employees. The Handbook contains basic information about the Commission and its general policies and procedures. While the information generally applies Commission-wide, employees who are covered by the terms of employment contracts may be covered by alternative negotiated arrangements. In the event of any conflict between this Handbook and any applicable employment contract, the contract will govern. Supervisors will provide information and details concerning individual job responsibilities and alternate arrangements. Please remember, however, that it is the employee’s responsibility to know and to understand his or her responsibilities at work.

From time to time, new or revised policies will be developed by the Gaming Commissioners to ensure the continued common good and mutual interest of the Commission and its employees, and to keep step with industry trends. The Commissioners reserve the right to modify or amend this Handbook at any time. Changes to existing policies and new policies will be disseminated electronically to all employees and posted at the Commission offices upon adoption.

Best wishes for a fulfilling and successful tenure at the Massachusetts Gaming Commission. Thank you for taking this first step in learning about your workplace.

# THE MASSACHUSETTS GAMING COMMISSION

## EMPLOYEE HANDBOOK

### PREFACE

The policies, statements, and information contained in this Employee Handbook are provided to inform and guide you.

The benefits, policies, and procedures contained in the Employee Handbook represent practices as they exist today. Policies set forth in this Handbook do not constitute a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract for continued employment between the Massachusetts Gaming Commission and any of its employees. The provisions of the Handbook have been developed at the discretion of the Commissioners and, except for its policy of employment-at-will, may be amended or canceled at any time at the Massachusetts Gaming Commission's sole discretion. Further, these policies and practices are guidelines; the Massachusetts Gaming Commission has complete discretion to depart from these guidelines when reasonable or necessary to do so. The descriptions of state and federal law are current as of the date hereof, but over time are subject to change.

You should contact your supervisor, the head of the Commission's Human Resources Department, the General Counsel to the Commission, or the Commonwealth of Massachusetts Human Resources Division ("Human Resources Division") if you have questions about a procedure or benefit. Specific information regarding benefit plans can be found in the applicable summary plan description (SPD), plan document, or insurance policy. These documents are on file at the Commission and in the Human Resources Division. In the event of a conflict or perceived conflict between the specific provisions of a plan and any interpretation of information contained in the Employee Handbook, the specific provisions of the plan shall apply. These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the Massachusetts Gaming Commission.

**Employees who are covered by the terms of employment contracts will be subject to the terms of the applicable agreement if such agreement so provides.**



# THE MASSACHUSETTS GAMING COMMISSION

## EMPLOYEE HANDBOOK

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### SECTION 1. EMPLOYMENT PRACTICES

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#### **1.1. Employment At-Will and MGL chapter 150E**

At The Massachusetts Gaming Commission, we value all employees and hope you have a rewarding career here. Currently, employment with The Massachusetts Gaming Commission is “at-will.” This means that your employment can be terminated with or without cause, and with or without notice, at the option of either The Massachusetts Gaming Commission or yourself, except as otherwise prohibited by law. Nothing in this Handbook or in any document or statement limits the right of the Commission or the employee to terminate employment-at-will.

In accordance with M.G.L. 150E, employees shall have the right of self-organization and the right to form, join, or assist any employee organization for the purpose of bargaining collectively through representatives of their own choosing on questions of wages, hours, and other terms and conditions of employment, and to engage in lawful, concerted activities for the purpose of collective bargaining or other mutual aid or protection, free from interference, restraint, or coercion. An employee shall have the right to refrain from any or all of such activities, except to the extent of making such payment of service fees to an exclusive representative as provided in section twelve of MGL 150E.

Until such time as there may a collective bargaining unit(s) representing employees of the Commission, no supervisor or employee of the Commission may enter into any agreement for employment for any specified period of time or make any agreement, implied or expressed, for employment other than on an at-will basis. Only the Massachusetts Gaming Commission and/or its designee has the authority to enter into any employment agreement and then such agreement must be in writing and ratified by the full Commission.

The Commission appoints the Executive Director. The Executive Director is authorized to hire all other employees by delegation of the Commission. The Commission may also hire employees and/or delegate the hiring authority to another individual in the absence of an Executive Director.

This Handbook is provided and is intended only as a summary of personnel policies, practices, rules, and benefits. The Handbook is not, nor should it be considered to be, an agreement or contract of employment, express or implied, or as a promise of treatment in any particular manner in any given situation. The Commissioners may, at any time, in their sole discretion, modify or vary from anything stated in this Handbook, with or without advance notice.

# THE MASSACHUSETTS GAMING COMMISSION

## EMPLOYEE HANDBOOK

### 1.2. Employment Classification

The Massachusetts Gaming Commission has defined Employment Categories so employees understand their employment status and benefit eligibility. The exemption status for positions at The Massachusetts Gaming Commission, as it pertains to eligibility for overtime, is determined according to regulations issued under the Fair Labor Standards Act (FLSA). The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in federal, state, and local governments.

#### 1.2.1. Fair Labor Standards Act (FLSA) Status

##### Non-Exempt

Non-exempt employees are those employees who, based on duties performed and manner of compensation, are subject to all FLSA provisions. Non-exempt employees shall be required to account for time worked on an hourly and fractional hourly basis and are to be compensated for qualified overtime hours at the premium (time-and-one-half) rate.

##### Exempt

Exempt employees are those who, based on duties performed and manner of compensation, are exempt from the FLSA minimum wage and overtime provisions. Exempt employees shall be paid an established bi-weekly salary and are expected to fulfill the duties of their positions and work the minimum 37 ½ hours per week. Exempt employees are not eligible to receive overtime compensation.

#### 1.2.2. Employment Categories

##### Regular Full-Time

Regular full-time employees are those who are hired into a position designated with no pre-determined terminal point or with a terminal point exceeding twelve (12) months. A regular, full time employee works either a minimum 37 and ½ hour or 40 hour per week work schedule during the Commission's regular business hours of operation. Regular, full-time employees are eligible for all employee benefits outlined in this Handbook, subject to the benefit provision.

##### Regular Part-Time

Regular part-time employees are those who are hired into a part time position designated with no pre-determined terminal point or with a pre-determined terminal point exceeding twelve (12) months. Regular, part time employees work at least 18 and ¾, but less than 37 and ½ hour per week work schedule during the Commission's regular business hours of operations.

# THE MASSACHUSETTS GAMING COMMISSION

## EMPLOYEE HANDBOOK

Regular, part-time employees are eligible for all employee benefits outlined in this Handbook, subject to the benefit provision. Annual vacation, sick, and personal hours are pro-rated based on the number of hours worked.

### Co-op

A co-op employee is an undergraduate or graduate student enrolled in an accredited cooperative education program hired into a temporary position utilizing his or her technical or administrative education, and who has been hired with a predetermined terminal point of employment. Co-op employees are eligible for workers' compensation and may be eligible for certain other statutory benefits, but are not eligible for Commission benefits. Co-op employees are required to participate in the Massachusetts Deferred Compensation SMART Plan (SMART Plan) and must contribute at least 7.5% of their gross compensation per pay period. The SMART Plan is an alternative to Social Security as permitted by the federal Omnibus Budget Reconciliation Act of 1990 (OBRA).

### Intern

And an intern is an undergraduate or graduate adult student (18 years or older) not enrolled in an accredited cooperative education program hired into a temporary position utilizing his or her technical or administrative education, and who has been hired with a predetermined terminal point of employment. Intern employees are eligible for workers' compensation and may be eligible for certain other statutory benefits, but are not eligible for Commission benefits. Interns are required to participate in the Massachusetts Deferred Compensation SMART Plan (SMART Plan) and must contribute at least 7.5% of their gross compensation per pay period. The SMART Plan is an alternative to Social Security as permitted by the federal Omnibus Budget Reconciliation Act of 1990 (OBRA).

### Contract

A contract employee is an employee who is hired as an interim replacement, to temporarily supplement the work force, to assist in the completion of a specified project or for any other reason the Commissioners deem appropriate. A contract employee's terms and conditions of employment are governed by a written agreement. Employment assignments in this category are of a limited duration. Only the Commissioners of The Massachusetts Gaming Commission have the authority to make any such agreement and then only in writing. Contract employees are eligible for Workers' Compensation and may be eligible for certain other statutory benefits, but generally are not eligible for Commission benefits. Contract employees are required to participate in the Massachusetts Deferred Compensation SMART Plan (SMART Plan) and must contribute at least 7.5% of their gross compensation per pay period. The SMART Plan is an alternative to Social Security as permitted by the federal Omnibus Budget Reconciliation Act of 1990 (OBRA).

# THE MASSACHUSETTS GAMING COMMISSION

## EMPLOYEE HANDBOOK

### **1.3. Equal Employment Opportunity**

**The Massachusetts Gaming Commission is committed to the principle of equal employment opportunity.** Applicants for employment and employees are evaluated on their individual qualifications for a position. Under no circumstances will The Massachusetts Gaming Commission discriminate against qualified persons on the basis of race, color, creed, religion, national origin, citizenship status, sexual orientation, genetic information, sex, disability, marital status, age, veteran status, membership in the armed forces of the United States, or any other basis prohibited under applicable law.

The equal opportunity policy applies to all employment practices including, but not limited to, hiring, promotion, demotion, transfer, recruitment/recruitment advertising, layoff or termination, rates of pay or other compensation, and training. All other personnel actions including compensation, benefits, transfers, layoffs, recalls from lay-offs, training, education, tuition assistance, and recreation programs will be administered without regard to race, color, religion, sex, age, national origin, disability, veteran status, or any other protected status, in accordance with appropriate law. Employment and promotion decisions will be based on merit and the principle of furthering equal opportunity. The requirements imposed by the Commissioners in filling a position will be those that validly relate to the job performance required.

Discrimination of any type, including retaliation against an individual filing a charge or making a complaint, is not tolerated and is cause for disciplinary action, including termination.

#### **1.3.1. Affirmative Action**

The Massachusetts Gaming Commission undertakes affirmative action to ensure that all qualified applicants receive consideration for employment, and that all employees are treated during employment, without regard to race, color, religion, sex, age, national origin, veteran status, disability, genetics, or any other protected class.

The Commission undertakes affirmative action to employ and advance in employment qualified special disabled veterans, veterans of the Vietnam era and any other veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized. The Commission shall list all of its employment openings, with the appropriate local employment service office.

Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

# THE MASSACHUSETTS GAMING COMMISSION

## EMPLOYEE HANDBOOK

### **1.3.2. Americans with Disabilities Act**

The Americans with Disabilities Act (ADA) and the Massachusetts Civil Rights Act protect disabled individuals from discrimination in employment and other major aspects of everyday life. The ADA defines a “qualified individual with a disability” as an individual with a disability who can, with or without reasonable accommodation, perform the essential functions of the job that such individual holds or desires. The Massachusetts Civil Rights Act defines “qualified handicapped persons” as “handicapped person who [are ] capable of performing the essential functions of a particular job, or who would be capable of performing the essential functions of a particular job with reasonable accommodation to [their] handicap.”

The Commission does not discriminate against qualified individuals with disabilities or qualified handicapped persons. The Commission undertakes affirmative action to employ, and advance in employment, qualified individuals with disabilities. Such actions include, but are not limited to the application procedures, hiring, advancement, discharge, compensation, training, or other terms, conditions, and privileges of employment.

If you are disabled and believe an accommodation is necessary to enable you to perform the essential functions of your job, you should advise the Commissioners of the disability and suggest the nature of the accommodation you believe is necessary to enable you to perform your job. All information concerning disabilities will be kept confidential and will be shared with others on a need-to-know basis. Anyone found to be engaging in unlawful disability discrimination will be subject to disciplinary action, up to and including termination.

If you have any questions regarding this policy, you are encouraged to discuss them with Human Resources.

### **1.4. Immigration Law Compliance**

The employment of non-citizens by the Commission is governed by certain acts of Congress and regulations of the U.S. Immigration and Naturalization Service. The Massachusetts Gaming Commission is required by the federal Immigration Reform and Control Act of 1986, to verify the identity and legal authorization to work of all individual applicants and employees.

In meeting this obligation, The Massachusetts Gaming Commission must inspect documentation that confirms each person’s identity and legal authorization to work in the United States, and each employee must attest to his or her identity and legal authorization to work by completing a federal government form (known as Form I-9) supplied upon hire at The Massachusetts Gaming Commission. Former employees who are rehired must also complete the I-9 form if they have not

# THE MASSACHUSETTS GAMING COMMISSION

## EMPLOYEE HANDBOOK

completed an I-9 with The Massachusetts Gaming Commission within the past three years, or if their previous I-9 is no longer retained or valid.

All offers of employment and continued employment are conditional upon an individual's ability to furnish the Commission with satisfactory evidence of both his/her identity and legal authorization to work in the United States.

### **1.5. Employment and Hiring**

#### **1.5.1. Hiring Goals & Objectives**

The Commission, the Executive Director or their designee shall create an organizational chart outlining the positions that will be necessary for the Commission to carry out its mission and a job description for each position in the organizational chart.

#### **1.5.2. Hiring Process**

All persons expressing interest in employment with the Commission will, without exception, be directed to the Human Resources department.

The Human Resources Division will review all applications to determine if each applicant has the minimum qualifications and experience demanded by the job description and shall forward the names and resumes of all candidates who meet the minimum qualifications and experience requirements to the hiring manager or his designee.

The Commission or the Executive Director shall designate a "Hiring Manager" for each vacant position. The Commission and/or the Executive Director may designate a "Hiring Manager." The Executive Director or any of the commissioners may serve as a Hiring Manager. Other employees of the MGC may also serve as a Hiring Manager. The Commission may designate a Hiring Manager for one or several positions at any time, and/or may also designate a Hiring Manager for certain positions as long as a hiring plan has been previously approved by the Commission.

The Hiring Manager will develop and draft a detailed job description, which shall be reviewed by Human Resources for compliance with hiring policies and procedures, and overall structure of and fit within the organization. The job description shall include minimum qualifications, level of experience being sought and both general descriptions of the typical tasks and detailed examples of those tasks.

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The Hiring Manager will review the resumes and choose candidates to interview based on their qualifications and experience. After interviews are conducted, the interviewer will fill out a written assessment of each candidate and forward the assessment to the Commissioners or the Executive Director, as they direct.

Based on the application materials and the written interview assessment, the Commissioners or the Executive Director, or his/her designee, will choose a final candidate or a short list of final candidates. The final candidate or candidates must provide references and permission for a background/CORI/SORI/credit check. In coordination with Human Resources, the Hiring Manager may cause to conduct a background check on an individual or individuals prior to an offer of employment or issue a conditional offer of employment subject to background check. If the Hiring Manager issues a conditional offer of employment, s/he shall clearly notify the applicant that the offer is conditioned on successful completion of the investigation.

Final candidates must provide at least three references. All recommendations must be in writing and directed to Human Resources. Verbal recommendations will not be considered. A reference check must be completed and documented. Letters of recommendation for the candidate who is hired will become a matter of public record. Other application materials for that candidate and all application materials for unsuccessful candidates, including the resume, will not be public records.

When the reference and background/CORI/SORI credit checks are complete, the Commissioners or the Executive Director, or his designee, in consultation with the Human Resources Department, shall choose whether to make an offer of employment and to which candidate. If the decision maker feels that additional interviews are required to make this determination, additional interviews may be conducted. When an offer of employment is made, it shall be made by the Human Resources Division to the successful applicant.

A listing of current job openings will be made available on the Commission website and intranet, although, the Commission reserves its right not to post a particular opening. The position postings allow the Commission to inform employees of openings that may afford them opportunities for advancement or transfer.

### **1.5.3. Internal Candidates**

Inquiries about posted positions are strongly encouraged from qualified internal candidates. Interested individuals should contact the Human Resources Division for further information and consideration. All internal inquiries will be treated confidentially. To be considered an applicant for an approved posted vacancy, internal candidates must:

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- (a) submit a resume to the Human Resources Division specifying the position they are applying for and how his or her current experience with the Commission and prior work experience and education qualifies him or her for the position.
- (b) be performing competently in his or her current position. An employee who has received a written warning, performance improvement plan, or suspension during the six months prior to the date of the job posting is not eligible to apply.

The Employer recognizes the benefit of developmental experiences and encourages employees to talk with their supervisors about their career plans. Supervisors are encouraged to support employees' efforts to gain experience and advance within the organization. An applicant's supervisor may be contacted to verify performance, skills, and attendance. Any staffing limitations or other circumstances that might affect a prospective transfer may also be considered in determining the applicant's suitability for the position.

### **1.5.4. Orientation**

Each new employee will receive a new employee packet. Orientation will be conducted as needed. New employees shall sign a form acknowledging that pertinent policies have been reviewed.

### **1.5.5. Employment of Relatives**

The employment of an employee's relative, including domestic partners, in the Commission may be allowed subject to the provisions of the Commission's Enhanced Code of Ethics. Insofar as it complies with the Code of Ethics, the Commission could consider employment of the family members of a Commission employee as long as a family member was not placed in a position where s/he would be supervised by another family member. For the purpose of this policy, a relative is defined as an employee's child, parent, spouse, sibling, grandparent, aunt, uncle, cousin, corresponding in-law, or corresponding step-relation.

### **1.5.6. Employment of Minors**

MGC's policy is not to employ minors. All employees (permanent, temporary, interns, etc.) must be at least 18 years old.



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### **1.6. Background Checks**

Prior to an offer of employment all candidates for permanent employment by the Commission will undergo a background check. The level of background check may be different for interns temporary or contract employees.

Providing accurate information necessary to conduct the background check is also a condition of employment, and this may include fingerprints, drug screen(s), and a detailed listing of prior employment and locations of residence.

Any issues arising from a background check are considered sensitive information, but will remain in the personnel file. Access to sensitive information is limited to the head of the enforcement division.

A prospective employee who does not obtain employment based on information obtained from a background check is entitled to such information, and may request an appeal with the head of the division of enforcement.

### **1.7. Performance Management**

Performance management is the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities. Performance management begins when a job is defined as needed and ends when an employee leaves organization. Performance Management concentrates on the entire spectrum of performance management and improvement strategies. These include performance improvement, performance development and training, cross training, challenging assignments, 360-degree feedback and regular performance feedback.

The Massachusetts Gaming Commission believes performance evaluations are an important management tool, and that employees should feel comfortable actively participating with their supervisors in the review process to keep the lines of communication open. The Massachusetts Gaming Commission conducts written performance evaluations on a scheduled basis when practical. Supervisors and employees are strongly encouraged to discuss job performance and expectations on a regular basis.

The performance evaluation meeting between the evaluating manager and the employee is to discuss performance during the review period and to establish expectations, performance standards, and objectives for the coming year. The performance management process ends and begins anew with the annual review.

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### **1.7.1. Performance Evaluations**

The Commission shall undertake an annual performance evaluation process of all employees. The evaluations shall be an objective assessment of each employee's performance as compared to the stated goals and tasks articulated in his or her job descriptions.

The performance evaluation process will also be an opportunity to further refine expectations and goals articulated in the job descriptions.

All employees may submit a self-evaluation prior to the performance evaluation. All employees shall acknowledge with signature that a performance evaluation has been discussed with them but the acknowledgement signature shall not mean that the employee agrees or disagrees with the evaluation. Both the self-evaluation and a performance evaluation signed by both the supervisor and the employee shall be kept in the employee's file.

### **1.7.2. Professional Development**

The Massachusetts Gaming Commission recognizes the benefit of developmental experiences and encourages employees to talk with their supervisors about their career plans. Supervisors are encouraged to support employees' efforts to gain experience and advance within the organization.

### **1.7.3. Professional Membership and Subscriptions**

The Massachusetts Gaming Commission offers all regular full-time and regular part-time employees the opportunity to participate in professional organization memberships and subscribe to professional newsletters and magazines. Prior approval for such activities from the employee's department manager is required. In the event an employee leaves the Commission voluntarily, active memberships and/or subscriptions in the employees name will be transferred to the Commission.

### **1.7.4. Work Related Conferences and Seminars**

The Massachusetts Gaming Commission encourages employees to take ownership of their professional development by attending work-related conferences or seminars that may provide professional or technical skill development. Employees should discuss opportunities with the appropriate supervisor. Employees must obtain approval from the department manager prior to enrolling in a conference or seminar. Overnight stays and out-of-state travel require prior approval from the Chief Financial Officer.

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## SECTION 3. COMPENSATION

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### **3.1 Time and Attendance**

All employees are expected to arrive on time and ready to work. Employees will be informed of work hours at the time employment begins and the manager or chief of staff will advise of any change in schedule that may be necessary.

If you are going to be absent or late, you must notify your immediate manager by phone prior to or within the first hour of your normal workday. Not only is prompt notification a matter of courtesy, it may also be necessary for your manager to make adjustments in work assignments.

MGC may consider an absence of three consecutive workdays without notification as a voluntarily resignation. Employees are expected to report to work during inclement weather conditions unless MGC declares an emergency closing.

In accordance with the statute that created the Commission, a Commission employee assigned to a gaming establishment is an essential employee and must report to work unless the Governor declares that essential employees are excused because of an emergency (weather related or other). The Commission and/or the chief of staff may advise employees to suspend work due to inclement weather, by notifying all employees in an appropriate manner.

MGC may request medical documentation of illness after five consecutive days of absence due to illness. Employees who are absent excessively or demonstrate patterns of absences may be subject to disciplinary action up to and including termination. It is the responsibility of a manager to notify the Human Resources Manager of an employee's absence from work for more than five consecutive work days (excluding scheduled vacations).

### **3.2 Payroll Deductions**

**3.3** It is the policy of MGC to fully comply with the Fair Labor Standards Act. In keeping with this commitment, MGC will pay exempt employees their full salary two weeks after the workweek in which they perform work, subject only to deductions that are permitted by law. MGC will promptly investigate and correct any improper payroll deductions or other payroll practices that do not comply with the Fair Labor Standards Act. If an employee believes that an improper payroll practice—such as an improper deduction from an exempt salary—has occurred, he or she should notify the Human Resources Manager. The Human Resources Manager will see that the matter is appropriately reviewed. An employee will be reimbursed for the amount of any inappropriate deduction. **Hours of Operation and Work Schedule**

#### **3.3.1 Hours of Operation**

The designated business hours for MGC are from 8:45 a.m. to 5:00 p.m. A normal work week for MGC is Monday through Friday and for full-time employees is thirty seven ½ (37.5) hours. A normal workday at MGC is nine (8.25) hours, including one (¾ hours or 45 minutes) unpaid for lunch.

Your manager may specify and adjust the scheduling of this nine (8.25) hour period, including lunch breaks, to further the best interests of MGC. However, employee scheduling preferences will be taken into consideration whenever possible.

### **3.3.2 Overtime**

Non-exempt employees will receive straight pay for hours worked in excess of 37.5 hours in a workweek, and overtime pay for hours worked in excess of forty in a workweek at a rate of one and one-half times the employee's regular rate of pay. Only actual hours worked count toward computing overtime.

Paid time off (e.g. earned time, holidays, and bereavement leave) that is not actually worked or unpaid leave is not counted in the calculation to determine whether an employee has worked over 40 hours in a week and is eligible to receive overtime pay. Only the hours actually worked by a non-exempt employee during a Paid Holiday, early release or an MGC-declared emergency storm closing will be counted in the calculation to determine whether an employee is eligible for overtime pay.

Overtime is not intended for employees to perform the "usual and ordinary" requirements of their work, but rather for special projects or periods of unusually heavy activity.

All instances of overtime work by non-exempt employees must be approved in writing in advance by the employee's manager or Department Head. Employees may not be given "blanket approval" to work overtime at their own discretion. Non-exempt employees who work overtime without prior manager or Department Head authorization may be sent home before the end of the day or work week to limit worked hours to 37.5.

Overtime must be reported on the non-exempt employees' timesheets, together with an explanation of the work performed. Time sheets containing overtime must be signed by the manager or Department Head.

### **3.3.3 Alternate Work Schedule and Telecommuting**

The Commission is a state agency committed to customer service and as such subscribes to the general notion of always being open for business with significant physical presence of its workforce during normal business hours. Similarly, the Commission is committed to customer service at the gaming establishments that it will license, and is also committed to the notion of having a significant physical presence in a gaming establishment during the hours of operations of the gaming establishment.

An employee's supervisor may allow certain employees an alternate work schedule and/or the flexibility of a telecommuting arrangement. A telecommuting arrangement may be extended to exempt employees that are not deemed essential state employees to the extent that such arrangement does not conflict with or diminish the ability of the employee to be effective and provide a similar level of customer service. A telecommuting arrangement is meant to be used on a limited basis. All temporary alternate work schedules or telecommuting arrangements require approval of the Executive Director.

Any and all employees assigned to a gaming establishment are considered essential state employees, and hence the policy of temporary alternate work schedule or telecommuting does not apply to them.

The Commission will not reimburse employees for any costs incurred telecommuting or in a temporary alternate work arrangement (utilities, rent, etc.).

### **3.4 Expense Reimbursement**

The Commission recognizes that an employee may, in the course of conducting business for the Commission, incur certain incidental expenses. An employee is always encouraged to obtain advance verbal approval of all types of expenses he/she may incur if the expenses are reasonably anticipated.

Employees are required to fill out the expense reimbursement form and provide documentation (receipts) of any business-related expenses for which they seek reimbursement and obtain approval from their supervisor.

Certain types of expenses are subject to the following rules:

#### **3.4.1 Travel Expenses**

In all cases where travel is required, employees are to use those means of transportation which are most economical in light of actual costs and time spent traveling. Expenses which in the judgment of the Commission are unnecessary or unreasonable will not be reimbursed.

Employees who expect to incur reimbursable travel expenses must obtain prior approval for such travel from their supervisor. Out-of-state travel requires the prior approval of the Commission. (See additional paragraphs, below, pertaining to separate approval required to attend training conferences.)

Airline reservations are preferably coordinated with the chief of staff. An employee may make his/her own arrangements and seek reimbursement as long as prior approval is received. Approval requires the traveler to utilize the lowest-priced, most reasonable travel arrangements. As such, the traveler may be required to travel on Saturday if an overnight stay would greatly reduce the cost of airfare. Significant savings are available for airline bookings that are made 7 to 14 days in advance of travel. Approval may be rescinded if the traveler does not have final arrangements in place early enough to meet early registration deadlines and/or advance airfare discounts. Baggage fees associated with airline travel will be reimbursed, for one piece of luggage only, in circumstances when an airline charges for carryon luggage. When an airline does not charge for carryon luggage, employees are expected to travel without incurring any baggage expenses.

Employees may be reimbursed for their actual hotel and meal costs as follows:

**Hotel:** Reasonable charges for hotel accommodations will be allowed upon presentation of receipted bills.

**Meals:** Meal expenses incurred while engaged in interstate travel will be allowed for a reasonable amount. For reference the Federal meal per-diem rate published by the U.S.

General Services Administration for Suffolk county MA for 2012 for meals is \$71. Meal expenses do not include alcoholic beverages.

### **3.4.2 Additional Reimbursable Expenses**

Additionally, employees may be reimbursed for their actual costs for the following types of expenses:

**Bar Membership:** The Commission will reimburse Attorneys for BBO dues. Employees must provide proof of payment to be reimbursed.

**Transportation:** Transportation expenses between an employee's home and permanently assigned office are reimbursable as follows: The amount of miles in excess of 40 miles between an employee's home and his/her assignment will be reimbursed at the mileage rate below. For business-related travel, employees are expected to utilize car-pools when available to reduce costs. The most economical means of transportation for work-related travel, when necessary, will be reimbursed. Mileage will be paid for business travel between office sites, and other work-related locations when employees use personally owned vehicles, at the mileage rate stipulated by the Commonwealth for state employees (currently 45 cents per mile). Other charges for parking will also be reimbursed subject to the conditions herein. Charges for tolls will also be reimbursed with proper verifying documentation. Please note that fines, tickets, etc. are not reimbursable.

Additional approval is required to attend training conferences. Employees who wish to attend training conferences must obtain the prior approval of the Commission, Executive Director, or Chief of Staff. Failure to obtain the requisite approval before commencing travel or attending a training/conference/seminar may result in denial of reimbursement.

The Commission is able to pre-pay for conference registration fees, but cannot advance funds for other purposes. The employee must pay for all other expenses and seek reimbursement in a timely fashion.

### **3.4.3 Process for Reimbursement**

Employees are responsible for obtaining original receipted bills documenting their travel expenses. Failure to obtain such receipts may result in denial of reimbursement.

To obtain reimbursement for travel expenses, employees must complete an Expense Reimbursement form and obtain approval from their immediate supervisor. Employees must attach original receipts to the form. Employees should anticipate a delay between the submission of the voucher and actual receipt of the reimbursement.

Reimbursements are deposited to employees' direct deposit account and their payroll advice will reflect the reimbursement. Therefore, it is important that employees notify the Director of Human Resources or Chief of Staff if their account information changes so that disbursement can be correctly deposited.



Commonwealth of Massachusetts  
Office of the State Auditor  
Suzanne M. Bump

*Making government work better*

Official Audit Report – Issued September XX, 2012

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**State Racing Commission**  
For the period July 1, 2011 to May 20, 2012

DRAFT REPORT



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## **INTRODUCTION AND SUMMARY OF FINDINGS AND RECOMMENDATIONS**

On May 20, 2012, pursuant to Chapter 194 of the Acts of 2011, the Massachusetts Gaming Commission (MGC) assumed all duties and responsibilities formerly carried out by the State Racing Commission (SRC). MGC adopted emergency regulations, 205 Code of Massachusetts Regulations CMR 13.00, under the authority of Chapter 23K, Sections 4 and 5; Chapter 128A, Section 9; and Chapter 128C, Section 8, of the Massachusetts General Laws to provide for the orderly transition of the regulation of horse racing; harness horse racing; dog racing; pari-mutuel wagering; simulcasting; the humane handling, care, treatment, and transportation of racing greyhounds; and related subject matters from the SRC to the MGC. In addition, the MGC entered into an Interdepartmental Service Agreement (ISA) with the Office of Consumer Affairs and Business Regulation's Division of Public Licensure (DPL) under which personnel employed by the SRC will continue to carry out all of the operating functions they performed before May 20, 2012. This agreement extends through December 31, 2012, the end of this calendar year. Prior to the transition to the MGC, the DPL had provided oversight of the SRC since January 1, 2010.

In accordance with Chapter 11, Section 12, of the General Laws, and at the request of the MGC, the Office of the State Auditor (OSA) conducted a transition audit of the status of financial activities, accounts, and functions and the related systems and control environment of the SRC for fiscal year 2012 up and through the transition date of May 20, 2012. In addition, we examined fiscal year 2012 transactions subsequent to the transition date for appropriateness and reasonableness. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence that provides a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

The purpose of our audit was to inform the MGC of the status of fiscal and administrative operations as of May 20, 2012 to enhance the transition from the prior administration to the new administration and to identify systems and internal accounting and administrative controls needing corrective action and improvement. As a result of our audit, we have concluded that, during the period July 1, 2011 through May 20, 2012, the SRC adequately administered its operations; had adequate controls in place to safeguard its assets; had adequate and complete accounting and

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contractual documentation; and complied with applicable laws, rules, and regulations for the areas tested.

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## OVERVIEW OF AUDITED AGENCY

Pursuant to Chapter 194 of the Acts of 2011, the State Racing Commission (SRC) ceased operations on May 20, 2012 and the Massachusetts Gaming Commission (MGC) assumed oversight responsibility for horse racing, pari-mutuel wagering, and simulcasting in the Commonwealth. The Expanded Gaming Act, Chapter 23K, Sections 7, 37, 38, and 40, of the Massachusetts General Laws, substitutes the MGC for the former SRC as the agency with the power to administer and enforce the provisions of Chapters 128A and 128C of the General Laws.

The MGC entered into an Interdepartmental Service Agreement (ISA) with the Division of Professional Licensure (DPL), the agency that provides administrative services within the Office of Consumer Affairs and Business Regulation, on May 20, 2012. This ISA was signed to assist in the effective transition of the oversight of racing to the MGC by having DPL perform, for a transitional period, the day-to-day activities that support Massachusetts horse racing, harness horse racing, pari-mutuel wagering, simulcasting, and related activities. These efforts are supported by an administrative office, racing inspectors, accountants, laboratory personnel, veterinarians, judges and stewards, and State Police investigators. In addition, former SRC personnel are to remain DPL and not MGC employees while carrying out the operating functions they performed before May 20, 2012. During this transition period, the MGC will take steps to develop the capacity to directly perform these activities by December 31, 2012. DPL will be responsible for all hiring, personnel management, and administrative needs of the SRC and will keep the MGC informed of any changes or actions during this period. In addition, the MGC will be responsible for all adjudicatory functions previously performed by the SRC and policy decisions and approvals required for DPL to perform these activities required within the ISA.

Under the current ISA, DPL is charged with the supervision of all conduct relating to the business of racing in Massachusetts and ensuring the integrity of the racing industry. This is accomplished through the regulation of pari-mutuel racing at the one thoroughbred racetrack, Suffolk Downs; one harness track, Plainridge Racecourse; and a simulcasting facility at Raynham/Taunton (the former Greyhound Park). Current operations include the issuance of licenses to all persons who participate in racing. Upon request by the Chief Steward at the racetracks, officers of the State Police investigate the backgrounds of new license applicants, racing officials, and trainers. The State Police also enforce all state regulations at each track conducting scheduled racing operations, including special

investigations related to the violation of racing rules. In addition, testing is performed on racing animals for the detection of prohibited drug usage, and inspections of stables at the racetracks and off-site locations are performed to detect safety violations.

Massachusetts racing receives a significant amount of its revenues from such sources as commissions from racing operations, referred to as the “handle,” assessments on live races, and license fees from associations operating racetracks and from staff such as trainers and jockeys who work at the racetracks. The SRC also receives revenue from fines and penalties assessed on track workers and money due from unpaid winning tickets. Total revenues collected in accordance with Chapter 128A of the General Laws for fiscal year 2012 was approximately \$5.2 million (see Appendix III).

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## **AUDIT SCOPE, OBJECTIVES, AND METHODOLOGY**

In accordance with Chapter 11, Section 12, of the General Laws and at the request of the Massachusetts Gaming Commission (MGC), the Office of the State Auditor (OSA) conducted a transition audit of the status of financial activities, accounts, and functions and the related systems and control environment of the State Racing Commission (SRC) as of the transition date of May 20, 2012, which included a review of transactions prior to and subsequent to the transition date for the fiscal year 2012. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

The purpose of our audit was to inform the MGC of the status of fiscal and administrative operations as of the date of transfer, to enhance the transition from the prior administration to the new administration, and to identify systems and internal accounting and administrative controls and determining whether corrective action and improvement are needed.

To accomplish our audit, we first assessed the management controls established and implemented by the SRC over its operations. We reviewed organizational charts, annual reports, internal policies and procedures and applicable laws, rules and regulations, including the implementation of the aforementioned Chapter 194 of the Acts of 2011. We also examined pertinent documentation to determine whether operational and contracted expenses incurred were reasonable, allowable, properly authorized and recorded, and in compliance with the scope and mission of the SRC's enabling legislation and regulations. Specifically, we:

- Interviewed SRC and DPL staff to gain an overall understanding of the entire financial and operational environment at the SRC.
- Reviewed and examined fiscal operations to determine the status of accounts, activities, and records.
- Evaluated the controls in place in order to determine the types of revenue derived and how they are collected, safeguarded, reported, and reconciled.
- Reviewed and examined fiscal year 2012 spending from July 1, 2011 through the date of transition and performed a comparison of budget to actual expenditures.

- Analyzed and tested agency expenditures and documentary evidence to ensure proper review, approval, and classification as the expenditures relate to the scope and mission of the SRC.
- Reviewed the SRC's internal control plan to determine whether it is up-to-date, suitably designed and implemented to safeguard Commonwealth assets, and in compliance with the Office of the State Comptroller's Internal Control Guide for Departments and Chapter 647 of the Acts of 1989.
- Reviewed inventory controls over supplies and equipment and vehicle usage policies to determine their adequacy.

As a result of our audit, we have concluded that, during the period July 1, 2011 through May 20, 2012, the SRC adequately administered its operations; had adequate controls in place to safeguard its assets; had adequate and complete accounting and contractual documentation; and complied with applicable laws, rules and regulations for the areas tested.

## APPENDIX I

**Schedule of Appropriation Accounts under the State Racing Commission  
Fiscal Year 2012**

State Racing Commission Appropriation Number	Appropriation Title	New Massachusetts Gaming Commission Appropriation Number	Appropriation Title	Appropriation Amount	Expenditures as of May 20, 2012	Unexpended Balance as of May 20, 2012	Percentage Expended as of May 20, 2012	Transfer to New Massachusetts Gaming Appropriation As of May 20, 2012	Appropriations As of June 30, 2012 <sup>(1)</sup>	Expenditures as of June 30, 2012 <sup>(1)</sup>	Balance as of June 30, 2012 <sup>(1)</sup>	Percentage Expended as of June 30, 2012
7006-0001	Mass. Racing Development and Oversight Fund	1050-0003	Mass. Racing Development and Oversight Fund	\$3,194,501	\$1,799,999 <sup>(3)</sup>	\$1,394,502	56.35%	\$1,453,677	\$3,509,347	\$1,805,800	\$1,703,547	51.46%
7006-0012	Plainridge Racecourse Promotional Trust	1050-0012	Plainridge Racecourse Promotional Trust	87,449	0	87,449	0.00%	87,449	101,619	0	101,619	0.00%
7006-0013	Plainridge Racecourse Capital Improvement Trust	1050-0013	Plainridge Racecourse Capital Improvement Trust	227,007	142,417	84,590	62.74%	84,590	266,078	222,504	43,574	83.62%
7006-0018	Massasoit Promotional Trust	1050-0018	Massasoit Promotional Trust	76,295	71,422 <sup>(4)</sup>	4,873	93.61%	4,873	85,017	78,362	6,655	92.17%
7006-0019	Massasoit Capital Improvement Trust	1050-0019	Massasoit Capital Improvement Trust	56,470	53,175 <sup>(4)</sup>	3,295	94.17%	3,295	62,621	57,915	4,706	92.48%
7006-0021	Sterling Suffolk Promotional Trust	1050-0021	Sterling Suffolk Promotional Trust	229,089	171,000	58,089	74.64%	58,089	259,057	171,000	88,057	66.01%
7006-0022	Sterling Suffolk Capital Improvement Trust	1050-0022	Sterling Suffolk Capital Improvement Trust	1,753,921	500,063	1,253,858	28.51%	1,253,858	1,861,813	500,063	1,361,750	26.86%
7006-0027	Wonderland Greyhound Park Promotional Trust	1050-0027	Wonderland Greyhound Park Promotional Trust	9,967	9,244 <sup>(4)</sup>	723	92.75%	723	11,413	10,187	1,226	89.26%
7006-0028	Wonderland Greyhound Park Capital Improvement Trust	1050-0028	Wonderland Greyhound Park Capital Improvement Trust	9,967	9,244 <sup>(4)</sup>	723	92.75%	723	11,413	10,187	1,226	89.26%
7006-0110	State Racing Commission Services and Operations <sup>(2)</sup>	1050-0110	State Racing Commission Services and Operations	1,600,253	1,101,950	498,303	68.86%	498,303	1,600,253	1,257,881	342,372	78.61%
7006-0140	Payments to Cities/Towns for Local Share of Racing Tax Revenue <sup>(2)</sup>	1050-0140	Payments to Cities/Towns for Local Share of Racing Tax Revenue	1,150,000	782,729	367,271	68.06%	367,271	1,150,000	782,729	367,271	68.06%
9200-0711	Racing Stabilization Trust Fund	1050-0002	Racing Stabilization Trust Fund	<u>2,565,450</u>	<u>2,565,450<sup>(5)</sup></u>	<u>0</u>	<u>100.00%</u>	<u>2,565,450</u>	<u>2,607,939</u>	<u>0</u>	<u>2,607,939</u>	<u>0.00%</u>
	Totals			\$10,960,369	\$7,206,693	\$3,753,676	65.75%	\$6,378,301	\$11,526,570	\$4,896,628	\$6,629,942	42.48%

<sup>(1)</sup> May 21, 2012 through June 30, 2012 expenditures were not audited.

<sup>(2)</sup> SRC Services and Operations Appropriation (7006-0110) and Payments to Cities/Towns for Local Share of Racing Tax Revenue (7006-0140) are lapsing (expire June 30 of each year) appropriations of the Commission.

<sup>(3)</sup> Expenditures include Operating Transfer of \$1,126,760 to the General Fund.

<sup>(4)</sup> Expenditures are Operating Transfers to Racing Stabilization Trust Fund.

<sup>(5)</sup> Operating Transfer to MGC Account 1050-0002

## APPENDIX II

### Schedule of Expenditures under the State Racing Commission Administration Appropriation Number 7006-0110 Fiscal Year 2012

	July 1, 2011 to May 20, 2012 <sup>(1)</sup>	July 1, 2011 to June 30, 2012 <sup>(2)</sup>
Appropriation	<u>\$1,600,253</u>	<u>\$1,600,253</u>
Expenditures	<u>\$1,101,950</u>	<u>\$1,257,881</u>
Balance	<u>498,303</u>	<u>342,372</u>
	<u>\$1,600,253</u>	<u>\$1,600,253</u>
 <u>Analysis of Expenditures</u>		
Regular Employee Compensation (AA)	\$669,332	\$757,677
Regular Employee-Related Expenses (BB)	4,287	5,212
Special Employees/Contracted Services (CC)	155,940	204,074
Pension and Insurance-Related Expenditures (DD)	16,319	17,836
Administrative Expenses (EE)	35,073	35,266
Facility Operational Supplies and Related Expenses (FF)	33,514	47,515
Energy Costs, Utilities and Space Rental Expenses (GG)	88,999	88,999
Operational Services (JJ)	69,474	70,828
Equipment Leases-Purchase, Lease/Rental Maintenance and Repair (LL)	10,906	10,907
Information Technology Expenses (UU)	<u>18,106</u>	<u>19,567</u>
Total Expenditures	<u>\$1,101,950</u>	<u>\$1,257,881</u>

(1) Through May 20, 2012, the State Racing Commission expended 68.86% of its fiscal year 2012 administrative appropriation.

(2) May 21, 2012 through June 30, 2012 expenditures not audited and are presented for reporting purposes, only.



**APPENDIX III****Schedule of the State Racing Commission  
Revenue by Revenue Type<sup>(1)</sup>  
Fiscal Year 2012**

<u>Revenue Type</u>	<u>July 1, 2011 through May 20, 2012</u>	<u>July 1, 2011 through June 30, 2012 <sup>(3)</sup></u>
Commissions	\$1,428,002	\$1,634,823
Fines and Penalties	4,050	5,350
Association License Fees	388,500	435,900
Licenses and Regulations	51,395	76,045
Assessments	679,941	769,757
Unpaid Tickets	710,589	710,589
Miscellaneous	10,801	13,631
Trust Funds <sup>(2)</sup>	1,213,738	1,427,416
Racing Stabilization Funds	<u>125,942</u>	<u>141,909</u>
Total Revenues	<u>\$4,612,958</u>	<u>\$5,215,420</u>

(1) Information obtained from the Commonwealth of Massachusetts Information Warehouse.

(2) Trust Fund Revenues are derived from eight separate trust funds, including Capital Improvement and Trust Funds for the following racetracks and applicable associations: Plainridge Racecourse, Massasoit, Sterling Suffolk, and Wonderland.

(3) Revenues received from May 21, 2012-June 30, 2012 were not audited and are presented for reporting purposes, only.

## OTHER MATTERS

As part of obtaining reasonable assurance about whether the State Racing Commission's (SRC) financial activities were free of material misstatement, we performed tests of the SRC's compliance with certain provisions of laws, regulations, contracts, and grant agreements, where noncompliance could have a direct and material effect on the determination of the ending balances in SRC's accounts. As previously noted, the results of our audit testing disclosed no issues of noncompliance. However, an issue requiring further legal review and resolution was identified.

Specifically, the state's Fiscal Year 2012 Budget language included a \$1.15 million appropriation to the SRC in account number 7006-0140, Payments to Cities and Towns for Local Share of Racing Tax Revenues. The SRC was to use this funding to make quarterly payments to cities and towns that hosted a racing venue under M.G.L. section 18D of chapter 58 which states as follows:

*"The state treasurer, upon certification by the state racing commission, shall quarterly distribute to each city and town within which racing meetings are conducted, including racing meetings conducted in connection with a state or county fair, under licenses issued under the provisions of chapter one hundred and twenty-eight A, the sum of .35 percent of the total pari-mutuel wager for each such racetrack within said city or town for the three months ending two quarters prior to the quarter for which said distribution is being made, which sum shall be allocated from the commonwealth's share; provided, however, that if the parcel of land containing such racetrack is located in two cities or towns, said sum shall be divided so that two-thirds shall be distributed to the city or town in which the major portion of said parcel is located, and one-third shall be distributed to the other city or town."*

Chapter 194 of the Acts of 2011, Sec. 26 repealed M.G.L. section 18D of chapter 58 regarding these distributions to cities and towns effective November 22, 2011. However, the Division of Professional Licensure (DPL), which had provided oversight of the SRC since January 1, 2010 under M.G.L. section 48 of chapter 6, continued to process distributions to the cities and towns in question which included; Boston, Revere, Raynham and Plainville during fiscal year 2012, two of which occurred after the repeal of the legislation.

The payments made to these cities and towns during this period, which totaled \$782,728, are detailed below:

Quarter Covered	Ending Period Covered	Ending Period of Payment	Amount of Payment
Quarter 1	3/2011	9/2011	\$166,598
Quarter 2	6/2011	12/2011	\$257,520
Quarter 3	9/2011	3/2012	\$358,610
	<b>Totals</b>		<b>\$782,728</b>

With the May 20, 2012 transfer of the SRC to the Massachusetts Gaming Commission (MGC), a member of the Commission raised questions to OSA staff including; whether DPL and SRC were authorized to make the 2<sup>nd</sup> and 3<sup>rd</sup> quarter payments based on the repeal of the law, if cities and towns should be required to reimburse the funds they received under these payments and whether those funds if reimbursed should be returned to the General Fund or MGC's account. It should be noted although M.G.L. section 18D of chapter 58 was repealed, that the state's fiscal year 2013 budget, includes a \$1.15 million appropriation to make such payments and Outside Section 164 of this budget, directs, the State Treasurer to quarterly distribute the payments upon the MGC's certification to the designated cities and towns.

In addition to clarification on the 2<sup>nd</sup> and 3<sup>rd</sup> quarter DPL payments in question, further clarification is needed to determine what the MGC's legal responsibility is relative to these payments to cities and towns in the future. Consequently, the MGC may want to obtain a legal opinion on this matter from the State Attorney General.



**The Commonwealth of Massachusetts**  
**Massachusetts Gaming Commission**

84 State Street, Suite 720  
Boston, Massachusetts 02109  
(617)979-8400

**To:** Massachusetts Gaming Commission

**From:** Jennifer Durenberger, Director of Racing

**Date:** November 8, 2012

**Re:** License Applications for 2013 Live Racing

**Background:**

General Laws chapter 128A, section 2, spells out the process by which racetrack operators shall apply for a license to host a running horse (Thoroughbred) or harness horse (Standardbred) live racing meeting. Sterling Suffolk Racecourse, LLC and Ourway Realty, LLC held respective live racing meetings during 2012. Applications for 2013 racing meetings and required fees from both tracks were received by the Massachusetts Gaming Commission prior to the October 1 statutory deadline. **The Commission must approve or disapprove the application not later than November 15<sup>th</sup>.**

The statute requires that, when reviewing the license application, **the commission "shall take into consideration, in addition to any other appropriate and pertinent factors, the following:**

- the financial ability of the applicant to operate a race track;
- the maximization of state revenues;
- the suitability of racing facilities for operation at the time of the year for which dates are assigned;
- the circumstance that large groups of spectators require safe and convenient facilities;
- the interest of members of the public in racing competition honestly manages and of good quality;
- the necessity of having and maintaining proper physical facilities for racing meetings and
- the necessity of according fair treatment to the economic interest and investments of those who in good faith have provided and maintain such facilities." [c. 128A §3(i)]

Public hearings were held in Boston and Plainville, respectively, on October 18, 2012, in accordance with c. 128A §2. No objections were heard.

Supplemental information was requested of Sterling Suffolk in the form of copies of agreements reached with the horsemen's group (New England Horsemen's Benevolent and Protective Association, Inc.) and a copy of insurance coverage for jockeys. This material was



# The Commonwealth of Massachusetts

## Massachusetts Gaming Commission

84 State Street, Suite 720  
Boston, Massachusetts 02109  
(617)979-8400

subsequently received and distributed to the Commissioners. Supplemental information was requested of Ourway Realty in the form of an executed mortgage extension (for a note listed in the original application with a maturity date of January 9, 2013) and clarification of insurance coverage for drivers and number of races anticipated to be run each day. This material was subsequently received and distributed to Commission members.

### **Analysis:**

The 2013 live racing license application materials appear to conform to statutory requirements. They do not seem to be materially different than previous years' applications, and both parties have been cooperative in responding to our requests for additional information.

### **A few comments regarding policy matters, moving forward:**

- Chapter 128A § 2 states that “financial ability” to operate a racetrack is a factor the Commission shall consider, yet there do not appear to be any guidelines or parameters to assist you with making this determination. I recommend that the Commission consider establishing policy in this area. There have been instances in the past where other operators have filed for bankruptcy during a live racing meeting, creating hardship for racing participants of all varieties.
- Chapter 128A §10 states that “at least eighty-five percent of the persons employed by a licensee at a racing meeting held or conducted by him shall be citizens of the commonwealth and shall have been citizens for at least two years immediately prior to such employment.” I am currently researching what documentation to this effect has been required of licensees in the past and developing suggestions for how to ensure compliance.
- Additionally, MGC staff is currently researching best practices and industry standards in the areas of insurance coverage and equipment requirements.

# Proposed Table of Organization Racing Division



- \*Senior Financial Analyst anticipated to report to CFO for MGC once hired – after that time, Administrative Coordinator will report directly to Director
- Anticipate eventual shared staff with Gaming: IT, HR, legal, investigations

# BUILDING AND TRAINING THE WORKFORCE FOR THE CASINO INDUSTRY

Presented to the Massachusetts Gaming Commission

By the

Massachusetts Casino Career Training Institute

November 13, 2013

# INSTITUTE UPDATE

- **Needs Analysis and Recommendations**
- **Regional Networks – expanding members**
- **Next Steps**
  - Memorandum of Understanding with the Commission
    - *Licensure Training*
    - *Workforce Implementation Planning*
  - Memorandum of Understanding with various Casino developers/operators



# WORKFORCE IMPLEMENTATION PLANNING

## **The Commission Agrees to:**

- Work with the Institute, through the Workforce Investment Boards, the Community Colleges and its many partners to develop an **implementation plan** for the development of the workforce pool, certification and licensure procedures and the development of the training and career pathway infrastructure.

# WORKFORCE IMPLEMENTATION PLANNING - BENEFITS

## The Implementation Plan will:

- Create the opportunity for **statewide buy-in** for the workforce, educational and community partners and the casino industry as well as define the role of each partner;
- Identify specific **recommendations for action** to the Commission ;
- Provide planning and implementation **timelines** and create **reporting system/schedule**;
- Demonstrate **net job gain**;
- Identify **sustainable funding** options;

# LICENSURE TRAINING

## **That the Commission**

- Recognize the **Institute** as the exclusive provider of licensure training for gaming related positions and work with the Institute to design and approve an implementation plan for this effort.

# LICENSURE TRAINING BENEFITS

- **Maintain Integrity of Gaming Operations:**

- One vendor responsible to the Commission for plan, implementation, reporting and compliance regarding licensure

- **Statewide Coordination:**

- One source of information to operators/developers and jobseekers;
- The Institute is led by State agencies responsible to the public, state and federal government with a long history of quality training in areas requiring licensure
- A unified state workforce response to the industry
  - Ability to build a workforce collaboration
  - Access various forms of funding
  - An “all-hands on deck” approach to a new to Massachusetts industry

# CONTACT INFORMATION

William Messner

[wmessner@hcc.edu](mailto:wmessner@hcc.edu)

413-552-2700

**DRAFT**  
**Memorandum of Understanding for**  
**Western Massachusetts**

**By and Between**

**Massachusetts**  
**Casino Careers Training Institute**

**And**

**(Developer/Operator)**

In November of 2011, Governor Deval Patrick signed legislation, which established Casino Gaming in Massachusetts. The primary purpose of the legislation was to stimulate economic development, i.e. job creation, private investment and new state and local tax revenue. With the potential development of three resort-style casinos and one slots facility the workforce need is significant, approximately 10,000+ workers statewide. In addition there will be workforce challenges related to construction of the facilities and the needs of existing businesses working with the casino operators. The legislation also called for a net job-gain for the Commonwealth. The intent is to create new career and job opportunities for the unemployed or underemployed in order to encourage personal growth and advancement. In order to meet this objective of a diverse job base and to scale up the workforce and the related training requirements the effort needs to begin as soon as possible.

In order to effectively respond to this workforce need, in partnership with the Workforce Investment Boards/Regional Employment Boards (WIB/REB) the Massachusetts Community Colleges have established the Casino Careers Training Institute, which includes a collaboration with the various workforce development partners in each gaming region within the Commonwealth. Through the Institute recruitment, screening, career counseling, training, job placement and more will be provided by the colleges and the workforce partners.

Therefore to recruit and train the diverse labor force necessary to supply the new-to-Massachusetts casino industry in Western Massachusetts, the Massachusetts Casino Careers Training Institute (Institute) representing the educational workforce development partners of the region, with a principle place

of business at 1 Federal Street, Building 101, Springfield, Massachusetts 01105 (c/o Training and Workforce Options, a joint venture of Holyoke and Springfield Technical Community Colleges) and the \_\_\_\_\_ (casino developer) \_\_\_\_\_ (Casino) with a principal place of business at \_\_\_\_\_ now enter into this Memorandum of Understanding (MOU) for the casino development in Western Massachusetts on this the 14th day of November, 2012.

And now therefore the parties jointly agree to the following:

- The Casino agrees to collaborate with the Institute in regard to workforce training and related workforce services;
- The casino and the institute will work jointly to comply with the regulations of the Gaming Commission regarding training vendor criteria, certification and/or licensure, the training location, the supply of gaming equipment, and other requirements;
- The Casino Operator and the Institute's Lead Colleges will develop a joint Diversity Plan with each Operator to ensure as much as possible that the trained labor pool meets the intent of the legislation and the Gaming Commission.
- The Institute will seek assistance from the Casino in order to develop an inventory of positions and the related qualifications/skill levels for each occupation while also being in compliance with the standards of the individual operator;
- The Institute has entered into an agreement with Atlantic Cape Community College to exclusively use its casino training curriculum in Massachusetts, or within 100 miles of the Casino, and will work collaboratively with the Casino to customize and/or contextualize the training to meet the needs of the facility;
- The Institute will provide a program/system to appropriate Casino employees to become trained as certified trainers in the ACCC curriculum and to participate as trainers within the training centers;
- The Institute through its various partners will provide recruitment, screening, assessment, training development, training, job placement and other related workforce services in consultation with the Casino in order to create a diverse workforce;
- The Institute will develop training modules (and related certificate programs) for incumbent workers designed to meet the training needs of the Casino;

- The Institute and the Casino will work together to create Career Pathways for the Casino employees;
- The Institute and the Casino will jointly market these pathways to the community specifically to the unemployed and underemployed in the region; and,
- The Institute and the Casino will work together to review and implement Educational and Training Pathways that are aligned to the casinos' Career Pathways, and explore ways to encourage employees to participate in these pathways.
- The parties agree that the announcement of the execution of this MOU is the sole responsibility of the Massachusetts Casino Careers Training Institute. In the event that any casino developer/operator or their agents announces this agreement then said MOU will be void.

It is understood that upon publication of the relevant workforce development and certification/licensure regulations by the Commission and the awarding of a casino operator/developer license that the Institute and the Casino will enter into a Memorandum of Agreement which will replace this document and provide specific detail regarding the development and implementation of the workforce training and related services.

In recognition of these joint agreements, both parties freely sign this MOU:

***For the Institute:***

***For the Casino:***

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William F. Messner

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(Casino Representative)



# Memorandum of Understanding for Casino Careers Licensure Training

By and Between

## **Massachusetts Casino Careers Training Institute**

and

## **The Massachusetts Gaming Commission**

### **A) Background**

In November of 2011, Governor Deval Patrick signed legislation, which established Casino Gaming in Massachusetts. The primary purpose of the legislation was to stimulate economic development through job creation, private investment and new and increased state and local tax revenue. The Massachusetts Gaming Commission was established to create the criteria and the regulations necessary for the development of the Casino industry within the Commonwealth.

In Chapter 194 of the Acts of 2011, Section 5(A) the following responsibilities of the Commission are defined:

- (11) establish licensure and work permits for employees working at the gaming establishment and minimum training requirements; provided, however, that the commission may establish certification procedures for any training schools and the minimum requirements for reciprocal licensing for out-of-state gaming employees; □(12) require that all gaming establishment employees be properly trained in their respective professions;

### **B) Workforce Need and Approach**

It is estimated that statewide over 10,000 jobs will be created by the casino industry. It is anticipated that over 30,000 individuals will need to be recruited in order to fill the anticipated positions. The legislation recognizes job creation as one of its primary objectives, thereby realizing a significant net job gain for the Commonwealth. The legislation also calls for the development of a diverse workforce, which provides employment opportunities for the unemployed and underemployed while establishing the necessary training and skills enhancement programs that will lead to quality jobs and career pathways. To meet these

objectives it is recognized that the scale up of the workforce recruitment and screening process as well as creating the training infrastructure to meet the demand must begin immediately. It is anticipated that approximately 30% of the jobs will require training for licensure. A single or unified statewide workforce response is ideal because it will:

- Help insure the integrity of gaming operations by carrying out the regulations promulgated by the Massachusetts Gaming Commission for training and licensure in a manner that is consistent and monitored with direct reporting to the Commission;
- Create a statewide workforce solution, with regional hubs that can take full advantage of the existing workforce infrastructure. The size of this workforce effort in terms of growing a pool of workers, which is properly screened and trained, requires that all workforce development partners work to meet this need. This includes, but is not limited to the Workforce Investment Boards (Regional Employment Boards), One-stop Career Centers, Community Based Organizations, Community Colleges, labor unions, apprenticeship programs and private providers;
- Provide a permanent statewide database of trained individuals who meet licensure requirements as documented by completion of training, or documentation of experience and skills; and,
- Provide a single source of workforce information and programming to jobseekers and employers alike.

In order to effectively respond to this workforce need, in partnership with the Workforce Investment Boards/Regional Employment Boards (WIB/REB) the Massachusetts Community Colleges have established the Casino Careers Training Institute, which includes a collaboration of virtually all workforce system stakeholders both statewide and in each gaming region within the Commonwealth, including but not limited to the one-stop career centers, community based organizations, organized labor, and other educational entities. Through the Institute recruitment, screening, career counseling, training, job placement and more will be provided by the colleges and the workforce partners.

### **C) Agreements**

NOW THEREFORE to undertake the statewide workforce planning for the scale-up and development of a diverse workforce with the requisite skills/training, and to prepare for gaming licensure training the Massachusetts Gaming Commission (Commission), a department of the Commonwealth with a principle place of business at 84 State Street, Suite 720, Boston, Massachusetts 02109 and the Massachusetts Casino Careers Training Institute (Institute) representing the educational and workforce development partners of the State, with a principle place of business at 1 Federal Street, Building 101, Springfield, Massachusetts 01105 (c/o Training and Workforce Options, a joint venture of Holyoke and Springfield Technical Community Colleges) now enter into this Memorandum of Understanding (MOU) for the purpose of defining the role of the Massachusetts

Casino Careers Training Institute regarding statewide workforce planning and the licensure training within the Massachusetts casino industry.

The Institute acknowledges that the Massachusetts Gaming Commission is solely responsible for

- Establishing the licensing requirements for educational vendors providing training for casino gaming positions which require licensure;
- The licensing of educational vendors;
- Establishing the certification and licensure requirements for casino employees;
- The approval of certification (work permits) of individual employees; and
- Licensing of individual employees for gaming positions.

Both parties acknowledge:

- That the Massachusetts Community Colleges have a 60+ year history as the Commonwealth's own workforce training provider for licensed and unlicensed positions in a variety of industries;
- That the workforce need related to Casino development has been identified and that a comprehensive workforce development implementation plan will be developed;
- That timely establishment of the framework, procedures and process for licensure and certification of employment is required to inform citizens of career requirements and pathways as well as to inform the casino operators in the development of their gaming license application;
- That the Institute through its partners have established and continue to form a statewide workforce collaboration with regional hubs;
- That alignment and coordination of information, job seeker wrap around support, and instructional resources are essential to prepare an educated and competitive workforce; and,
- That the Institute will enter into memorandums of understanding with casino developers/operators which will facilitate the discovery of workforce needs and requirements of the industry and insure employer involvement in workforce decisions; and,

The Commission agrees to:

1. Work with the Institute, through the Workforce Investment Boards, the Community Colleges and its many partners to develop an implementation plan for the development of the workforce pool, certification and licensure procedures and the training and career pathway infrastructure, including but not limited to:
  - The formation of a statewide workforce coordinating team which will develop the workforce implementation plan for the Institute and submit it to the Commission for approval;

- Create recommendations for the certification (work permit) process regarding the methods and procedures for screening of potential employees for any and all jobs in the development (casino, hotel, etc.) such as residency, CORI/SORI, financial background check, drug testing, basic educational assessment;
  - Design plan components to maximize the net job gain to the Commonwealth and to provide a diverse and skilled workforce – job opportunities and career pathways for the unemployed and underemployed;
  - Create a schedule for the implementation plan and resulting process;
  - Create a timeline with benchmarks for workforce development activities such as recruitment, screening, training, and placement of individuals for various positions;
  - Identify the roles of various workforce, business, educational and community organizations;
  - Research and identify funding options for the entire workforce process;
  - Create an inventory of potential jobs (non-gaming) and assign training requirements and prerequisites; and,
  - Work with all potential casino developers/operators to maximize the ability to capture industry and employer information – this will insure employer participation while providing the appropriate trained and ready workforce for the industry
2. Recognize the Institute as the exclusive provider of licensure training for gaming-related positions and work with the Institute to design and approve an implementation plan for this effort. (Including but not limited to project schedule, occupations and licensure level required, training timeline, training location(s), operational procedures and practices, acquisition, security and regulation of training facilities and equipment, software application(s) and requirements for data collection systems, development of training infrastructure including the finalizing of prerequisites and requirements for curriculum and training, funding, coordination for recruitment, screening, career counseling, training, placement and on-going support and incumbent worker training.)

This agreement provides a framework for workforce planning and licensure training and will be followed by agreements, which will detail the scope of work and responsibilities of both parties.

In recognition of these joint agreements, both parties freely sign this MOU:

***For the Institute:***

***For the Commission:***

\_\_\_\_\_  
William F. Messner

\_\_\_\_\_  
Chairperson, Stephen Crosby

Date: \_\_\_\_\_

Date: \_\_\_\_\_

DRAFT