



# The Commonwealth of Massachusetts

## Massachusetts Gaming Commission

### NOTICE OF MEETING and AGENDA

June 19, 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, June 19, 2012

1:00 p.m.

Division of Insurance  
1000 Washington Street  
1<sup>st</sup> Floor, Meeting Room E  
Boston, Massachusetts

### PUBLIC MEETING

1. Call to order
2. Approval of minutes
  - a. June 5, 2012 Meeting
  - b. June 12, 2012 Meeting
3. Administration
  - a. Executive Search Firm – procurement process update
  - b. Additional Hires
  - c. Discussion of MGC Internal Policies
4. Racing Division
  - a. Status Report
  - b. Field trips – Plainridge – June 21<sup>st</sup>
5. Project Work Plan
  - a. Notice of Proposed Rulemaking
  - b. Consultant status report
    - i. Discussion of essential hires memorandum
  - c. Technical and other assistance to communities
  - d. Workforce Development – William Messner, President – Holyoke Community College
6. Charitable gaming
  - a. Status report
7. Finance / Budget
8. Public Education and Information
  - a. Disclosure of Contributions
  - b. Compulsive Gambling Forum – June 25<sup>th</sup>
  - c. Compulsive Gambling Forum – June 19<sup>th</sup>
  - d. Community outreach/responses to requests for information
  - e. Report from Director of Communications and Outreach

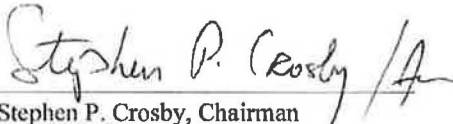
- f. Discussion of June 14 Economic Development forum
- g. Discussion of June 18 Mitigation forum
- h. Speaking engagements

9. Research Agenda

10. 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).

JUNE 15, 2012  
(date)

  
Stephen P. Crosby, Chairman

**Date Posted to Website:** June 15, 2012 at 1:00 p.m.



# SPECTRUM GAMING GROUP

1201 New Road  
Suite 308  
Linwood, NJ 08221

## MEMO

TO: Massachusetts Gaming Commission  
FROM: Spectrum Gaming Group  
Michael and Carroll, P.C.  
DATE: June 7, 2012  
RE: Near Term Hires

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This memo will address potential hiring that the MGC should consider over the course of the next four months. The need for professional and support staff and the orderly staffing of the Commission is crucial. Our approach would generally be to keep staff hiring lean and in proportion to the workload of the Commission over the course of the next six to twelve months. The timeline that is part of the strategic plan will discuss staffing alternatives for staffing the Commission on a longer-term basis through the opening of the casinos.

In our view, the most important aspects of staffing would include hiring the Executive Director and General Counsel for the Commission. These positions are critical to the successful functioning of the Commission and its inter-relationships with other stakeholders, especially the Attorney General's Office and State Police.

## **Key Staff Functions**

The Commission should hire key staff to address the work that will be needed in the immediate future. The “core group” will consist of personnel as follows:<sup>1</sup>

### **1. Executive Director**

The Commission has already established the need for an Executive Director. We reiterate only that this position is needed from the earliest stages for planning and administrative purposes.

### **2. General Counsel**

The hiring of a General Counsel is crucial at this stage of the process. During this time there are many legal and policy issues that the General Counsel should opine on and assist the Commission in formulating appropriate positions (which we understand Anderson & Kreiger LLP is now largely performing). Spectrum, Michael and Carroll, and Anderson & Kreiger can support the General Counsel during the initial phases of the process as the Office of General Counsel is staffed up during the pre-opening time period. According to our reading of the Act, it will be up to the Commission as to whether the General Counsel reports to the Executive Director or reports directly to the Commission.

### **3. Director of Information Technology**

Though we have not yet completed the portion of the work plan which entails recommending a table of organization, it is already apparent that the Commission's needs for IT support will be very intense. There will be substantial IT needs by all staff including unique data collection, revenue collection, accounting for the specific funds required under the gaming statute and support systems throughout the agency.

### **4. Revenue Collection Manager**

As the Commission starts the RFA process, considerable application fees will be collected. These fees include a non-refundable fee of \$400,000 to defray costs associated with the processing of the application and investigation of the applicant. Additional amounts shall also be paid to the Commission if the costs exceed the initial fee. We recommend the filling of a Revenue Collection Manager position that will have responsibility for overseeing and accounting for these revenue sources. Revenue collection will be an ongoing function as further applications are made for licensing for employee and vendors that are required to be licensed pursuant to the Act.

### **5. Director of Administration**

The Commission has indicated it is considering hiring a Director of Administration. We support this decision as there are numerous administrative matters that must be addressed as soon as possible. A Director of Administration is supportive of other functions we are

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<sup>1</sup> Spectrum and Michael and Carroll would be available to assist the Commission in the recruiting and preliminary interviews and screening of applicants for these key positions. In our view, the final interviews and the hiring decisions are the responsibility of the Commission.

recommending the Commission address as soon as possible including Information Technology and Human Resource Management. The hiring of a Director of Administration will facilitate the hiring of subordinate staff in these areas.

#### 6. Human Resource Manager

The hiring of staff will be an ongoing and intensive function for the Commission. A Human Resource Manager should be part of the initial core group of staff to facilitate that process.

#### 7. Communications/Legislative and Media Relations

It is our understanding that the Commission has recently hired a manager of communications. We feel this is appropriate as the Commission is a highly visible agency with constant need for communication with the legislature and media in regard to all its decisions.

#### Additional Support Functions

The Commission will need additional support staff to assist the above positions in their daily operations, however we recommend against the hiring of more staff than is absolutely critical until the work plan is completed. An important consideration that the Commission needs to keep in mind in making its hiring decisions is the revenue that can be expected during the start-up process. Section 94 provides for \$15,000,000 in start-up revenue but no additional revenue will be forthcoming until applications are submitted. After that period the Commission may have limited revenue for an extended period. The largest part of the Commission's expenses, in the long term, will be salaries. For this purpose and in keeping with best work practices, we reiterate that staff beyond the recommended positions should only be hired with significant deliberation.

#### **RFA-P1 Process**

The memo of May 20, 2012 on the Timing and Impact of the Proposed Request for Qualification (now denominated as "RFA-P1") process put forth a chart which addressed the steps the RFA-P1 would create. Based on our experience, if the Commission were to follow the steps outlined in that memo, we can recommend certain short-term hires that will be needed in the next six months.

Our assumptions in making this recommendation are as follows:

- \* The Commission *will* promulgate Phase I regulations and will implement the RFA-P1 process (potentially within the 16 week strategic planning period).
- \* Because of the issuance of the RFA-P1, substantial investigatory resources will be needed to properly and efficiently process the applications upon intake by the Commission.

Our recommendations for near term hires are balanced between the need for the Commission to complete its critical functions against the need to limit staff (and therefore expenses), to those positions that will be needed on an ongoing basis. The investigative functions are addressed below:

### **Investigative Functions**

The issuance of an RFA-P1 will create a need for a quick response and intensive investigative function. It is anticipated at the present time that RFA-P1 responses may be filed as early as December 2012 or January 2013. After intake, investigative functions will last during the entire RFA process, the duration of which, as indicated in the past, cannot be ascertained with precision. Our estimate has been that the RFA-P1 qualification investigatory phase will take an approximate six (6) month period. After this time, those applicants found qualified and suitable will have the remainder of their substantial applications investigated. Additionally, there will be other investigations that the Commission will need in other areas (e.g. for gaming vendors and other vendors who meet the threshold in section 31 (d) of the act and for employee applicants), however these investigations should not be as intensive and will take place after the operator entity investigations.

We do not recommend that the Commission hire a large staff of investigators for the RFA process. The corporate investigations that are needed will be sufficiently unique so that they can be most efficiently outsourced. Indeed, once the initial "wave" of applicants is addressed, experience has shown that some Commissions are left over-staffed. As such, for both expediency and needed intensity, it is prudent to start with a composite staff of third party contractors and Commission/MSP personnel. These contractors have familiarity with the details of the investigations needed on the corporate level and a demonstrated history of completing similar investigations within the timeframes the Commission needs. They then can be efficiently phased out as Commission staff is added.

As stated above, and to accomplish the beneficial objectives of the RFA-P1 process, it is our recommendation that the Commission partially staff the Investigation and Enforcement Bureau (IEB), utilize State Police investigators and retain third party contractor/specialists to complete these initial background investigations. We recommend the Commission fill the following positions:

Deputy Director, IEB

Supervisor of Data Management

These management and supervisory positions will be used for the initial investigatory period and will continue to be needed on a permanent basis.

The Deputy Director, IEB, is a statutory function that will be wide ranging in nature, and cover more than investigative functions. It will be critical for the Commission to fill this position in the next six months so that this person is familiar with the background of each applicant company and the relevant investigative history. This position is among the most critical in the

Commission's staff and will play an important part in the evaluation and recommendation for the suitability of applicant companies.

The Supervisor of Data Management will ultimately oversee a group of data analysts that will perform database searches for recorded information, such as credit history. Again, for the initial investigative functions, the third party contractors can most efficiently serve as a resource. For example, it is also recommended that a comprehensive Massachusetts specific database of gaming information be developed utilizing as a starting point basic information from vetted, commercially available information providers, but structured to ensure proper security. As these providers have already organized diverse domestic and international data sources into a retrievable format, they can readily access useful information during the qualification process and thus save valuable time and resources. This is now commonplace among gaming regulatory agencies. In fact, every agency possesses vast amounts of information that is very helpful in assessing an applicant's suitability and qualifications. Custom-built databases are becoming a desirable feature for effective regulation. The Data Supervisor would oversee such a system.

Although not vital at this early stage, we nonetheless believe it would be prudent to also commence the search for, and indeed preferable, to hire qualified personnel for at least two other key IEB positions.

Supervisor of Investigations

Supervisor of Financial Investigations

The Supervisor of Investigations will eventually oversee the bulk of interviewing and detailing of background information assignments. Commission agents and State Police personnel that will be assigned to the IEB should be largely supervised by this position. However, at the commencement of the RFA-P1 review process, the third party contractors will be a primary resource to organize and document with proven methodologies, the intensive investigative process from application intake to IEB recommendation.

The Supervisor of Financial Investigations will ultimately oversee a financial analyst group comprised of individuals with financial investigative and accounting expertise and will address the financial stability and other financial background issues of applicants. For the initial investigative period the staff of the third party contractors will be the primary resource for this function.<sup>2</sup>

These key supervisory positions would be integrated with the State Police, future Commission agents, and the contractor/specialists, to perform and complete the intensive initial investigations. It bears repeating that the supervisory personnel will gain valuable insight into the corporate background of the applicant companies while relying on the experience and resources of third party contractors. Additionally, the co-mingling of experienced gaming contractor

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<sup>2</sup> It is noteworthy that after the RFA process there may not be any work for these positions until after the employee and vendor process is open.

investigators with Commission supervisors and MSP personnel will enable important mentoring, and introductions to key gaming jurisdictions, regulatory agency personnel and contacts.

One last function deserves mention. We anticipate that there will likely be challenges to determinations made during the RFA process. This will require some mechanism for hearings and appeals. Depending on the Commission's preferences, these matters can either be handled in-house or by independent hearing examiners. In either case, the Commission should prepare for this eventuality by identifying personnel during the RFA-P1 phase so that any challenges during that process can be handled.



5-D

Massachusetts Community  
College System  
Casino Career Training Institute  
**Job Creation and Skills Training**

June 19, 2012

*Presented by*  
**Bill Messner, President**  
**Holyoke Community College**  
**Chair, Council of Presidents**

# A Bold Challenge Facing the State

- Singularly as a new company entering the state each of the casinos with 3,000 + employees will be among the top 250 largest private sector employers in the state.
- Collective with a projected 10,000+ employees they would be among the top 10 private-sector employers in the state.



# Community Colleges are Well-Prepared to Meet Casino Industry Workforce Development Challenges

- Insure training so that casino employees maintain gaming integrity
- Via assessment and training, develop a casino industry workforce that is highly skilled to allow the industry to be competitive
- Insure a net job gain for the state
- Meet multiple language consideration needs of entry-level workers
- Create a qualified entry-level pool of “professional” customer service employees
- Increase the educational attainment levels of the unskilled and/or unemployed and the number of technically skilled workers
- Address issues of CORI/SORI, childcare, language skills, transportation, work ethic, career focus and more
- Establish “best practices” portfolio as a resource for state



# About Massachusetts Community Colleges

**On average, the Massachusetts community colleges have over a half century of offering high-quality education and skills training to hundreds of thousands of Massachusetts residents. We are the Commonwealth's workforce vendor of choice.**

- 15 institutions located strategically throughout the state
- Providing high quality education and training is core to our mission
- A long history of providing quality affordable workforce training and career education
- Well-positioned to ensure the transportability of training throughout the Commonwealth and to build regional collaborations



# Community College Advantages

**The Massachusetts community college system is the Commonwealth's workforce training vendor.**

- Massachusetts accredited institutions
- Credit and non-credit credentialed education & training – certifications and licensure
- Solid experience working collaboratively with each other, with regional employment boards, career centers and businesses
- Affordable: our training costs based on actual costs
- History of strong grants management
- First priority is customer satisfaction and success
- Longevity and continuity is assured
- Nationally recognized curriculum



# The Massachusetts Community College System Casino Careers Training Institute

**Massachusetts Community College Presidents signed a Memorandum of Agreement to establish the Community College System Casino Careers Training Institute (CCTI).**

- Three training sites, with one for each gaming region, sharing best practices statewide
- Community colleges will collaborate within their region
- Collaboration with regional workforce system is emphasized
- Agreement to use common curriculum from national leader Atlantic Cape Community College
- Skills training in multiple disciplines to create career pathways



# Goal of the Casino Careers Training Institute

Through the institute, Massachusetts citizens will gain awareness of opportunities and obtain access to pathways for high-quality, job-specific credentials, training, and licensure which will enable them to be highly effective employees in a Massachusetts casino.

## **Helping individuals:**

- *Get a Job*
- *Get a Better Job*
- *Or Do Their Job Better*



# Role of Institute

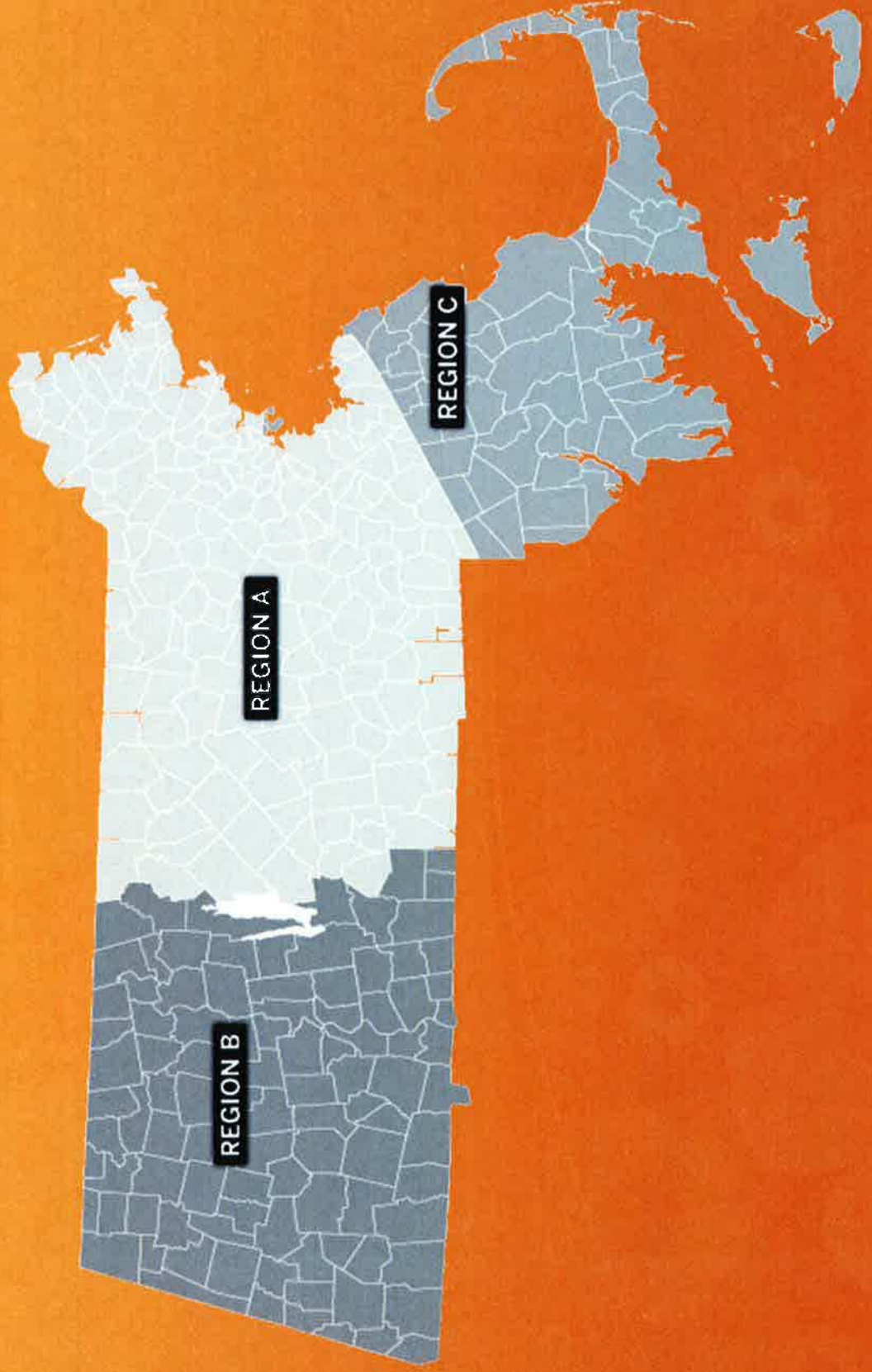
## Organize and facilitate partnering to:

- Inventory and document industry workforce needs
- Collaborate with Commission in support and awarding prospective employees certification/licensure
- Confirm and document career pathways for critical gaming and non-gaming occupations (business, culinary, hospitality, security, technology and more)
- Define and deliver curricula and credentials for critical occupations
- Provide employers incumbent workforce training solutions
- Serve as resource to support effective casino industry worker assessment and employee recruitment



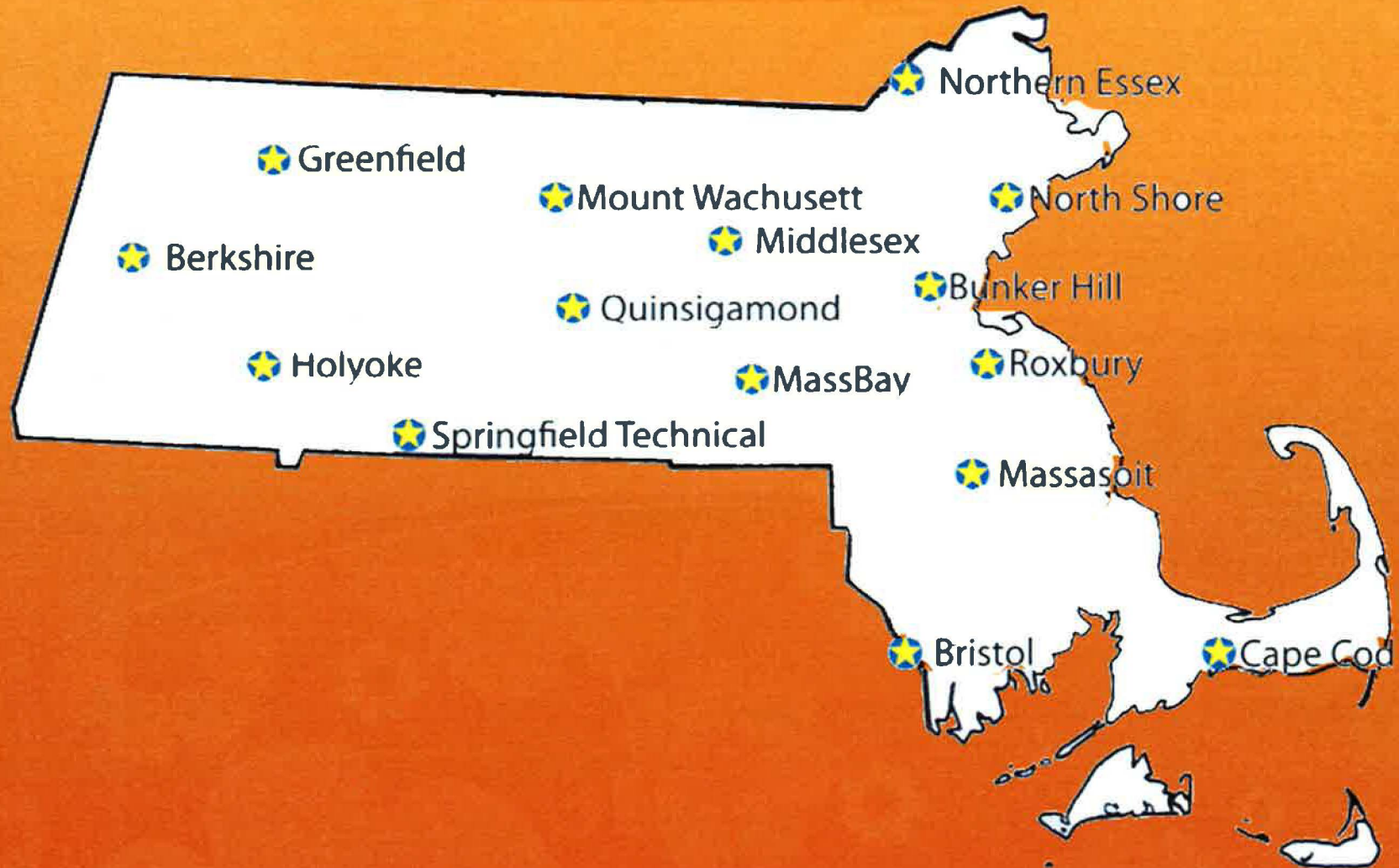
# Strategically Positioned

## Gaming Regions



# Strategically Positioned

## Community College Locations





# Credibility in Casino Occupational Training

The Massachusetts Community Colleges have complemented their solid experience in workforce education/training with a **formal partnership with NJ's Atlantic Cape Community College (ACCC)**. Through this exclusive long-term partnership, CCTI will access ACCC's 30+ years of proven training curriculum using the model adopted by Delaware, West Virginia, Pennsylvania, and elsewhere.



## ACCC GLOBAL COLLABORATIONS

(CASINO CAREER INSTITUTE – Services include Train the Trainer, curriculum, joint certificates, on-line training and/or technical assistance)

- Jamaica Gaming, Betting & Lotteries Commission
- St. Claire College, Ontario
- Blackpool & The Fylde College
- Macao Tourism & Casino Career Centre, China
- Barbados Dept. of Commerce and Consumer Affairs

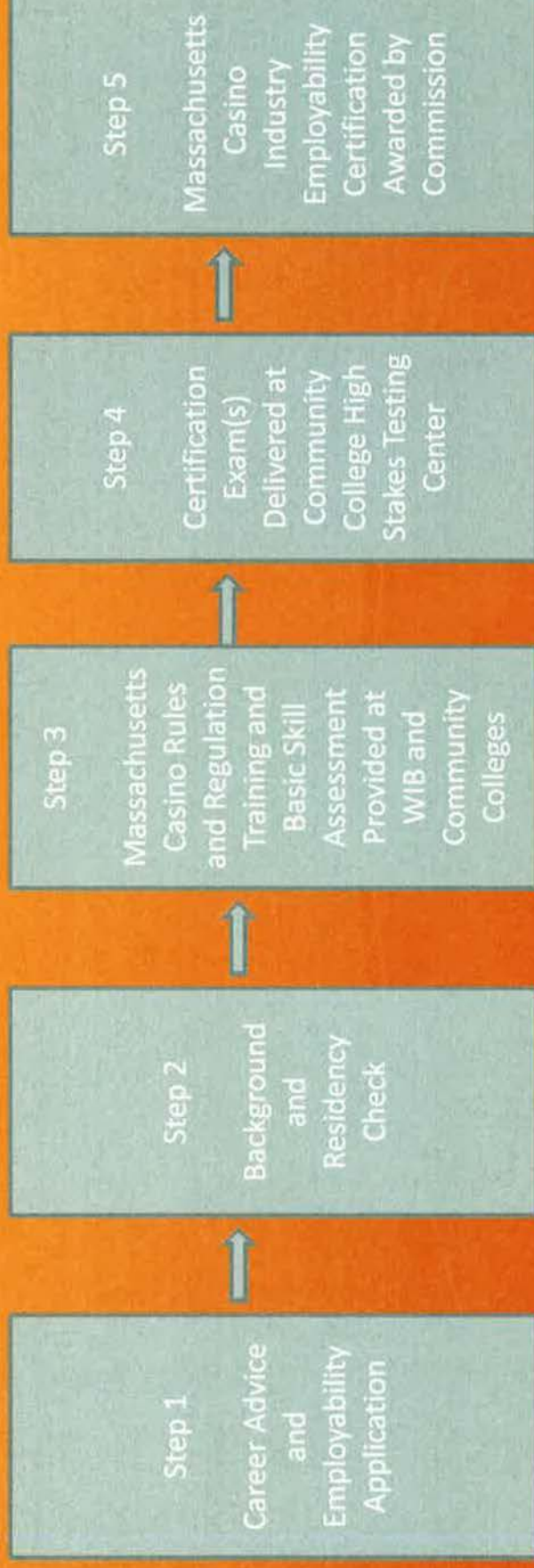
## ACCC REGIONAL COLLABORATIONS

(CASINO CAREER INSTITUTE – Services include Train the Trainer, curriculum, joint certificates, on-line training and/or technical assistance)

- Delaware Technical & Community College
- Northampton Community College
- Pennsylvania Department of Labor and Industry
- West Virginia State Community and Technical College



# Massachusetts Casino Commission Employability Certificate Process



*Contact Information:*

**Bill Messner, President**

Holyoke Community College

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

(413) 552-2700

*Let us work for you!*



**TRAINING &  
WORKFORCE  
OPTIONS**

Springfield Technical & Holyoke Community Colleges





**MEMORANDUM OF AGREEMENT**

**Massachusetts Community College System  
Casino Careers Training Institute**

The Massachusetts Community Colleges ("Colleges") desire to form the *Massachusetts Community College System Casino Careers Training Institute* ("Institute"). Through this effort, the Institute will provide education and training to the workforce (job seekers and incumbent workers) of the Massachusetts casino industry for casino gaming and hospitality industry positions. Through the Institute, individuals will have access to high-quality, job-specific education and training, which will enable them to follow a career path and, through skills enhancement and employment in the industry, improve their and their families' quality of life. Therefore, the Colleges enter into this Memorandum of Agreement ("Agreement") on this 13th day of April, 2012.

**I. Background**

On November 22, 2011, Governor Deval Patrick signed legislation enabling the establishment of casino gaming in the Commonwealth of Massachusetts (*Chapter 194 – An Act Establishing Expanded Gaming in the Commonwealth* and *Chapter 29, Section 2WWW - Workforce Competitiveness Trust Fund relative to community colleges & workforce development opportunities*) (the "ACT"). Within the Act a commission is established to promulgate regulations for the implementation, administration and enforcement of Chapter 194. It is noted that employees will be required to be properly educated and trained in their respective professions and that the commission will establish minimum education and training requirements for employees and vendors. In addition, the commission may establish certification procedures for any training schools. The legislation clearly states that the underlining purpose of the Act is to create employment opportunities throughout the Commonwealth for its residents as well as to stimulate private investment and increase state and local tax revenue.

The fifteen Community Colleges of Massachusetts have been established to provide education and training to citizens of the Commonwealth which will enable them to pursue their educational and career goals. The Colleges have a long history of providing quality workforce training and career education to Massachusetts' residents and workers, and are well positioned to ensure the transportability of education and training throughout the Commonwealth. The Colleges provide education and training for workers and job seekers in virtually all industries currently represented in Massachusetts, with at least one Community College being within thirty (30) minutes from any resident.

**II. Regions**

According to the Act, there will be an approved casino in the Boston area, in Southeastern Massachusetts, and in Western Massachusetts ("regions").

- One or more Massachusetts Community College is situated within each of the regions