



MGM Springfield Diversity & Affirmative Action Marketing Program

Mike Mathis, President & COO

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Boston Convention and Exhibition Center



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- Permeates Throughout Company
- Gaming Industry Pioneer Leader
- Recognized as a National Diversity & Inclusion Leader

Diverse Business Classifications

- Minority Business Enterprise (MBE)
 - African American, Asian American, American Indian, & Hispanic American
- Women Business Enterprise (WBE)
- Disadvantaged Business Enterprise (DBE)
 - Ethnic Minorities & All Women
- Veteran Owned Business/Service Disabled (VOB & SDVOB)
- Persons with Disabilities (PWD)
- Lesbian, Gay, Bisexual and/or Transgender (LGBT)

Business Classification Results

Since the introduction of the Diversity Initiative, MGM Resorts has contracted with more than **1,000 certified diverse owned suppliers and contractors**, resulting in a cumulative total of more than **\$3 billion** in Company expenditures.

MGM Grand Detroit

- 2005-2007 project
- MGM invested \$803M
- 76 MBEs awarded \$172M in contracts
- 11 WBEs awarded \$24.8M in contracts

CityCenter – Las Vegas

- Largest private construction project in U.S. history
- 2005 – Dec. 2009
- \$8.5B project
- 200 MWDBEs Enterprises
- Over \$700M to MWDBEs

- Joint ventures, partnerships and mentoring
- Dedicated Personnel: Corporate, Project
- Bid Commitment, Validation of Diversity Certificates
- Diversity Program Contractual Obligation, Contract Commitment
- Calculation Model: Tier I, II, & III
- Hierarchy of Multiple Certifications (MBE, WBE, VBE)
- Enforcement, Tracking/Monitoring, and Monthly Reporting
- Continuous Review Process



MGM Springfield Plan



Plan Highlights – Design / Construction

- Diversity Goals
 - Certified Business Entities
 - MBE 5%, WBE 10%, VBE 2-4%
 - Project Labor “Covered Employees”
 - Women 6.9%, Minority 15.3%, and Veterans 8%
- Apprenticeships
- Solicitation, Tracking, Reporting, Monitoring



Plan Highlights – Operations

- Diversity Goals
 - Labor “Covered Employees”
 - Women 50%, Minority 50%, and Veteran 4%
 - Springfield Residents 35%
- Strategy Development & Alignment
- Community Outreach & Partnership Development
- Internships & Training Programs (Continuing Education)



Plan Highlights – Legal / Regulatory

- Plan Designed to Meet All Diversity Related Statutory, Regulatory and HCA Obligations
 - G.L. c. 23K, sec. 21(20-24)
 - License Conditions 9, 10, 11, 12 and 15
 - HCA Exhibit C
- Covers Design, Construction and Operations
 - Covered Employees
 - MBE/WBE/VBE

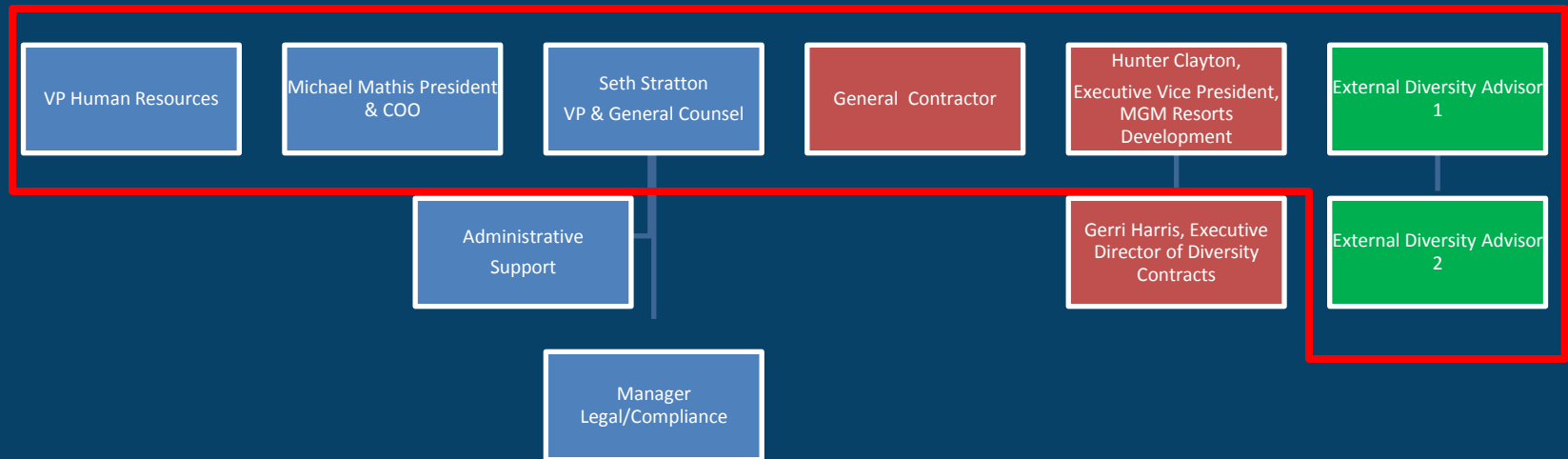


Plan Highlights – Legal / Regulatory

License Condition Section	License Condition Requirement	Diversity Plan Provision
9(g)	compliance with affirmative marketing programs for those businesses identified in c. 23K §21 (21) (i) (ii) and (iii) for design and construction of the gaming establishment;	Article V(B); Article VI(B); Article VII
9(f)	compliance with affirmative action programs identified under c. 23K §21 (22)	Article V(A)
10	affirmative marketing program for those businesses identified in c.23K §21 (21) (i) and (ii) for design and construction.	Article V(B); Article VII
11	affirmative marketing program for those businesses identified in c.23K §21 (21) (iii) for provision of goods and services procured by the gaming establishment	Article VI(B); Article VII
12	affirmative action program for equal opportunity to those residents identified in c. 23K §21 (22)	Article V(A)
15	Massachusetts Department of Labor and Workforce Development plan to identify and market employment opportunities to unemployed residents of Massachusetts.	Article VI(A)(3)



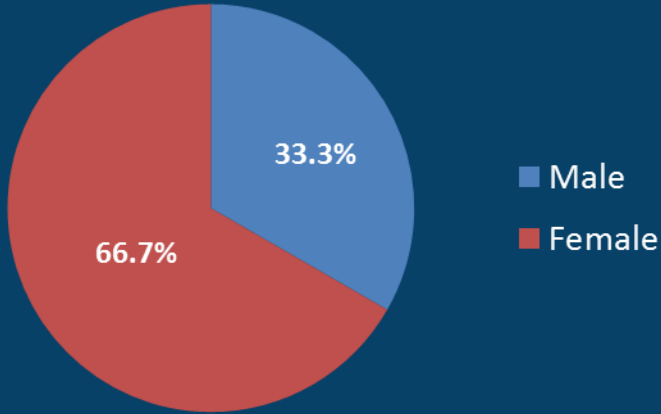
Plan Highlights – Compliance



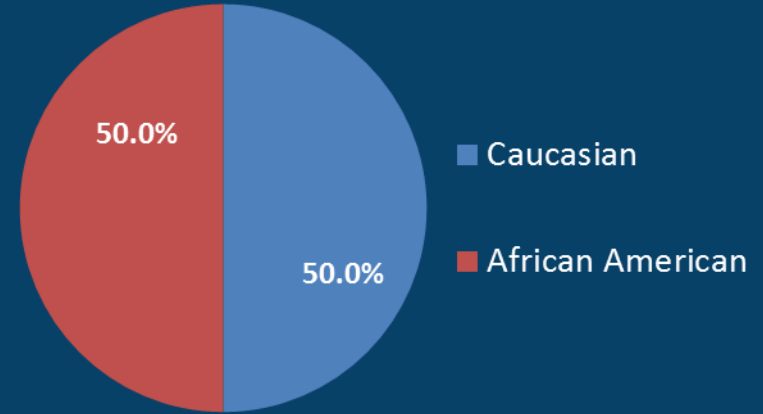


Current Employee Demographics

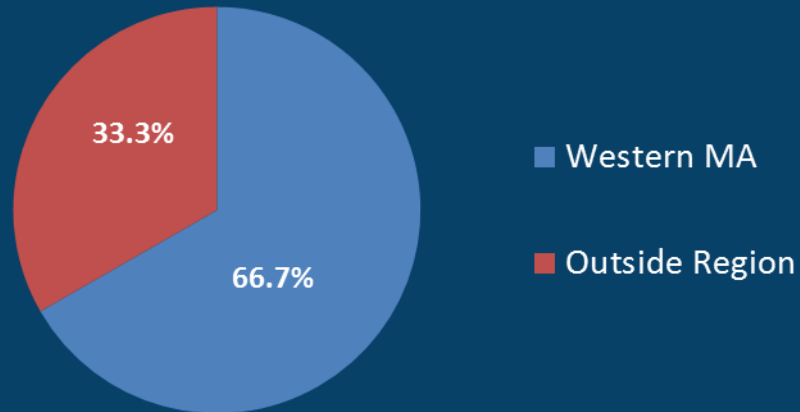
Gender



Ethnicity



Residency





THANK YOU



MGM RESORTS
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Diversity and Affirmative Marketing Program
As
Adopted by Blue Tarp reDevelopment LLC

Approved on: [INSERT DATE]

This Diversity and Affirmative Marketing Program (“Program”) is adopted in accordance with G.L. c. 23K (the “Statute”), Blue Tarp reDevelopment, LLC’s Decision Awarding a License to Operate a Category 1 Gaming Establishment in Region B (“License”) and Exhibit C of the Host Community Agreement entered into by and between Blue Tarp reDevelopment, LLC (“we” or “MGM Springfield”) and the City of Springfield, Massachusetts (“City”) with an Effective Date of May 14, 2013 (the “HCA”) (the Statute, the License and the HCA are collectively hereinafter defined in Article III as the “Governing Authority”). In the event of a conflict or inconsistency between this Program and the Governing Authority, the Governing Authority shall control. This Program is for the mutual and exclusive benefit of MGM Springfield, the City, and the Massachusetts Gaming Commission (the “MGC” or the “Commission”); no third party shall claim right or entitlement under this Program. Subject to compliance with the Governing Authority, MGM Springfield reserves the right to modify the Program as it reasonably determines.

MGM Resorts International (“MGM”) has been the pioneer in diversity and inclusion in the gaming and hospitality industry since its voluntary adoption of its Diversity Initiative in 2000. MGM regards diversity as an essential business paradigm for success in the modern global economy. Hence, Diversity and Inclusion are the foundation of MGM’s culture of Integrity, Teamwork and Excellence. MGM has systematically incorporated diversity into its Company’s value system, organizational culture, and its business operations, as a matter of progressive business policy for itself, its affiliates and subsidiary companies.

MGM Springfield is committed to hiring and maintaining a diverse, multi-racial and multi-cultural workforce which is reflective of its host community and customer base. We recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are our lifeblood. We realize that, to achieve the highest level of performance of our teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at his/her highest levels each and every day. We, therefore, foster an inclusive culture of excellence, enterprise-wide, aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all, positive recognition for a job well done. Diversity and Inclusion promote greater unity in our Company around a shared common vision in achieving our business mission.

TABLE OF CONTENTS

ARTICLE I	Purpose.....	1
ARTICLE II	Definitions.....	1
ARTICLE III	Compliance Program Scope and Function.....	2
ARTICLE IV	Diversity Compliance Staffing and Structure.....	3
ARTICLE V	Construction Phase Diversity Program for Equal Opportunity	5
	A. MGM Springfield’s Diversity Program for Equal Opportunity for Construction Jobs pursuant to G.L. c. 23K, § 21(22); License Condition 12; and HCA Exhibit C	5
	B. Best Efforts to include Certified Business Entities in the award of design and construction contracts pursuant to G.L. c. 23K, § 21(21)(i),(ii); License Conditions 9 (g) and 10; and HCA Exhibit C	6
ARTICLE VI	Operational Phase Diversity Program for Equal Opportunity	7
	A. MGM Springfield’s Diversity Program for Equal Opportunity for Employment of Covered Employees During Operations of the Gaming Establishment pursuant to G.L. c. 23K, §21 (20); License Condition 12; and HCA Exhibit C	7
	B. Best Efforts to include Certified Business Entities in the award of goods and services contracts for the project’s operations pursuant to G.L. c. 23K, § 21(21)(iii); License Condition 11; and HCA Exhibit C.....	9
ARTICLE VII	Affirmative Marketing Program for Design and Construction and Goods and Services.....	11
ARTICLE VIII	Composition of Compliance Reports.....	11
	A. Methodology for Construction Quarterly Compliance Reports.....	12
	B. American Gaming Association (AGA) Exclusions	12
	C. Business Opportunity Construction Spend Reporting	12
	D. Employment Construction Reporting	12
	E. Annual Statistical Reporting	13
	F. Continuous Review Process.....	13
	G. Cooperation / Books and Records.....	13

ARTICLE I.

Purpose

Two primary objectives of the Massachusetts Gaming Act are to provide for new employment opportunities in *all* sectors of the economy including for those who are unemployed and to promote local and small businesses and the tourism industry. In furtherance of these objectives, MGM Springfield and the City, through their HCA, have recognized that the economic development goals of establishing the MGM Springfield project in Springfield, Massachusetts (the “Project”) include: (i) creating employment opportunities for the residents of the City and surrounding communities with particular attention being paid to previously underrepresented ethnic groups (as indicated in the Commonwealth’s Executive Office for Administration and Finance Administration Bulletin Number 14 and reiterated in Exhibit C of the HCA), inclusive of Minorities, Women, and Veterans (collectively referred to as “Covered Employees”); and (ii) creating opportunities for competition by all businesses located in the City and the Greater Springfield Region with particular attention being paid to contractors, subcontractors, sub-consultants, suppliers, professional service providers and vendors who are certified as Minority Business Enterprises (“MBE”), Women Business Enterprises (“WBE”), and Veteran Business Enterprises (“VBE”) (collectively referred to as “Certified Business Entities”) having current certificates of certification in such categories by a private or governmental Certifying Agency (defined in Section II below) during the Project’s construction and operations phases.

In addition to and consistent with the requirements of the Statute and the License, the Commission, MGM Springfield and the City have agreed that adoption and implementation of this Program will provide the most appropriate means by which to monitor, document, and realize the Project’s above-stated economic development goals. MGM Springfield is committed to issuing regular and transparent reports of its compliance with this Program. MGM Springfield’s compliance objective shall be to achieve all goals for procurement and employment as stated in Exhibit C of the HCA, which is attached hereto as **Appendix A** and fully incorporated herein by this reference. This Program’s goals include specific targets for the use of Certified Business Entities in design and construction and for goods and services, as well as goals for the hiring of Covered Employees during the construction and operations phases of the Project. These goals also include specific commitments to City residents and businesses.

The goals included in Exhibit C of the HCA are based upon (i) publicly available information on minority, women, and veteran owned businesses and underrepresented populations in the Commonwealth of Massachusetts; (ii) baseline participation goals for public projects for state construction and state assisted construction contracts; and (iii) disparity studies conducted in the Commonwealth of Massachusetts which serve as the bases for the Equal Opportunity and Non-Discrimination on State and State Assisted Construction Contracts (ANF 14).

ARTICLE II.

Definitions

For purposes of this Program, the applicable definitions contained in G.L. c. 23K, § 2 and Exhibit C of the HCA are hereby incorporated by reference unless further defined below. Terms capitalized in this Program, but not defined herein, shall have the same meaning as given to each such term in the relevant Governing Authority.

For purposes of this Program, the term “Prohibitions Against Discrimination” shall include the prohibitions set forth in Article IV (A) (i), (ii) and (B).

For purposes of Quarterly and/or Annual Compliance Reports, Covered Employees and Certified Business Entities shall be defined in accordance with the HCA and G.L. c. 7, § 58.

“Certifying Agencies,” shall be defined to include private or governmental certifying organizations or agencies recognized by the Commission, including but not limited to: Massachusetts Supplier Diversity Office (SDO), Greater New England Minority Supplier Development Council (GNEMSDC), Women Business Enterprises National Council (WBENC) and other certifying agencies recognized by the Commission from time to time.

“Governing Authority” shall be defined as G.L. c. 23K (the “Statute”), Blue Tarp reDevelopment LLC’s Decision Awarding a License to Operate a Category 1 Gaming Establishment in Region B (“License”) and Exhibit C of the Host Community Agreement entered into by and between Blue Tarp reDevelopment, LLC (“MGM Springfield”) and the City of Springfield, Massachusetts (“City”) with an Effective Date of May 14, 2013.

ARTICLE III.

Compliance Program Scope and Function

In accordance with Massachusetts General Laws Chapter 23K § 21 (20) – (24); MGM Springfield’s License conditions 9 (g) and (h), 10, 11, 12, and 15 and Exhibit C of the HCA (each hereinafter collectively or individually referred to as “Governing Authority”), MGM Springfield has adopted this Program in order to reasonably demonstrate how it intends to comply with its obligations with respect to labor participation goals for the utilization of Covered Employees and Certified Business Entities. This Program provides as follows:

A. Establishes a Design and Construction Phase Diversity Program for Equal Opportunity in employment and contracting;

B. Establishes an Operational Phase Diversity Program for Equal Opportunity in employment and contracting;

C. Establishes an Affirmative Marketing Program for goods and services during design and construction and for goods and services during operations;

D. Sets forth the form, items, and detail to be included in the quarterly statistical report on the number, gender and race of individuals hired to perform labor as part of the construction of the Gaming Establishment (the “Quarterly Compliance Report”); and

E. Sets forth the form, items, and detail to be included in the annual statistical report on the total dollar amounts contracted with and actually paid to Certified Business Entities for: (i) design and professional consultant contracts; (ii) construction contracts; and (iii) contracts for goods and services procured for operation of the Gaming Establishment.

Thus, in accordance with the Governing Authority requirements, this Program is intended to create a procedural framework for monitoring, documenting, and addressing MGM Springfield's best efforts to achieve the required goals.

ARTICLE IV.

Diversity Compliance Staffing and Structure

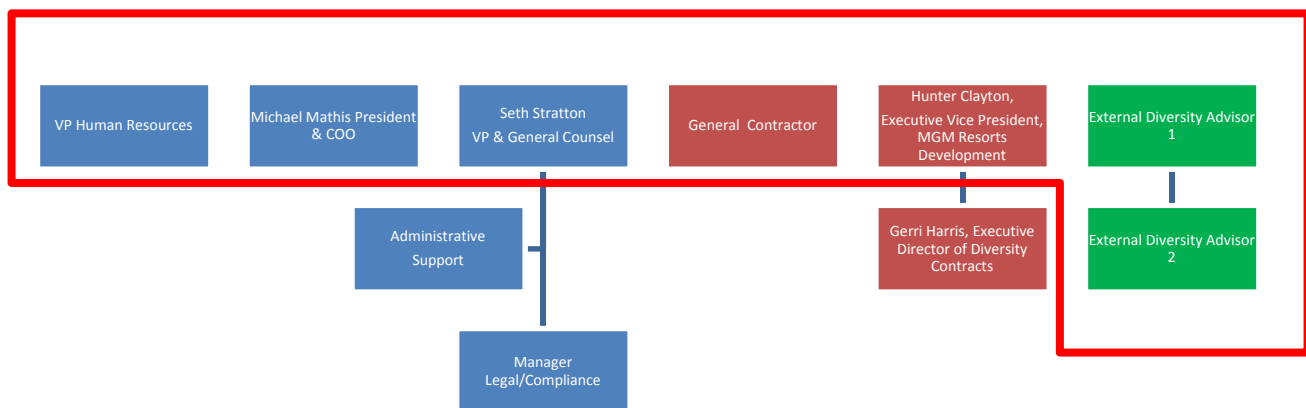
Diversity Compliance Team. MGM Springfield's Diversity Compliance Team will consist of the following six (6) positions: (i) the **President and COO** shall be responsible for the general oversight and supervision required to ensure MGM Springfield's compliance with the Governing Authority; (ii) the **Executive Vice President for Development** for MGM Resorts Development, LLC shall be responsible, during the Project's construction phase, for general oversight and supervision of Construction Phase Diversity Program for Equal Opportunity and Affirmative Marketing Program for design and construction as required in the Governing Authority; (iii) **Vice President and General Counsel** (with the clerical support of an administrative assistant) shall be responsible for the day-to-day tasks required to monitor and document MGM Springfield's best efforts undertaken to achieve compliance with this Program and shall serve, personally or through his/her designee, as MGM Springfield's representative on the various community committees which might be established or endorsed by the Commission's Director of Workforce, Supplier and Diversity Development. Additionally, the Vice President and General Counsel shall act as MGM Springfield's liaison with the Massachusetts Gaming Commission Access and Opportunity Committee and the Massachusetts Gaming Vendor Advisory Team; (iv) the **Vice President of Human Resources** shall be responsible for the training and tracking related to workforce development; (v) the **Executive Director of Diversity and Contracts** for MGM Resorts Development, LLC shall, during the construction phase only, be responsible for compliance with HCA obligations and for the day-to-day tasks required to monitor and document MGM Springfield's best efforts for design and construction obligations and take proactive steps and appropriate intervention with contractors and vendors to ensure such their compliance; and (vi) MGM Springfield's **Manager Legal/Compliance**, or such other person appointed by the Vice President and General Counsel, shall be responsible for procedural review and factual verification of the reports required in accordance with this Program and coordination of the workforce development requirements of this Program. The Manager Legal/Compliance shall be responsible for actually submitting the Quarterly Compliance Reports. The individuals who hold the positions described above shall be collectively referred to as the "Diversity Compliance Team." The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the composition of the Diversity Compliance Team from time to time in his or her reasonable discretion, and to add supplemental resources.

General Contractor. MGM Springfield's General Contractor(s) will be contractually required to have a representative coordinate with the Diversity Compliance Team to: (i) ensure accurate reporting of all expenditures with Certified Business Entities with whom the General Contractor subcontracts; (ii) ensure that the General Contractor actively participates in workshops, seminars, vendor fairs and other activities designed to solicit additional participation of Certified Business Entities; and (iii) ensure that the General Contractor and its Subcontractors, sub-consultants, suppliers, professional service providers and Vendors use commercially reasonable efforts to make outreach to and engage with Certified Business Entities and employ qualified Covered Employees as staff members when possible and appropriate. In general, the General Contractor shall also be called upon to use commercially reasonable efforts to help MGM Springfield achieve its diversity participation goals. For avoidance of doubt, MGM will work directly with its Architect of Record and other design professionals to ensure that Certified Business Entities who are qualified design professionals are also engaged.

External Diversity Advisors (1&2). MGM Springfield shall engage two (2) independent external diversity advisors to participate in the monitoring of its compliance with the obligations set forth in this Program. **External Diversity Advisor 1** shall be a resident of the Commonwealth of Massachusetts familiar with minority businesses and minority business advocacy organizations based in the Commonwealth, as well as diversity in either general business practices and/or large scale construction contracts. **External Diversity Advisor 2** shall be an individual who is familiar with national minority business advocacy organizations as well as national best practices for minority/disadvantaged workforce development. External Diversity Advisor 2 may or may not be a resident of the Commonwealth. The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the External Diversity Advisors from time to time in his or her reasonable discretion.

MGM Springfield Diversity Committee. MGM Springfield’s Diversity Committee (the “Diversity Committee”) shall be comprised of the following: (i) MGM Springfield’s President and COO; (ii) External Diversity Advisors 1 and 2; and (iii) MGM Springfield’s Vice President and General Counsel. During the construction phase of the Project, MGM Resorts Development, LLC’s Executive Vice President of Development, and a representative from MGM Springfield’s General Contractor shall also serve as members of the Diversity Committee. The MGM Springfield Diversity Committee shall meet no less than bimonthly to: (i) review overall compliance with the obligations of this Program; (ii) monitor effectiveness of the various training programs and community outreach efforts; and (iii) make recommendations regarding Program improvement to the Diversity Compliance Team. For avoidance of doubt, the MGM Springfield Diversity Committee serves in an advisory role at the pleasure of MGM Springfield’s President and COO and has no legal authority to bind or otherwise act on behalf of or direct MGM Springfield. The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the composition of the Diversity Committee from time to time in his or her reasonable discretion.

The chart below represents the positions, known individuals, and reporting relationships of the Diversity Compliance Team, the General Contractor, and External Diversity Advisors (1&2). Members of the MGM Springfield Diversity Committee are edged in red.



The Diversity Compliance Team shall have the collective responsibility of (i) ensuring the timely collection of data required to submit the Quarterly Compliance Reports in accordance with the requirements of the HCA; (ii) interfacing with Certified Business Entities; (iii) ensuring general compliance with this Program within MGM Springfield; (iv) interfacing with governmental agencies with regard to diversity issues; (v) producing an annual performance improvement plan to the Diversity Committee; and (vi) implementing recommendations from the Diversity Committee.

ARTICLE V.

Design and Construction Phase Diversity Program for Equal Opportunity

The requirements of this Article V shall be monitored and enforced by the members of the Diversity Compliance Team.

- A. *MGM Springfield’s Diversity Program for Equal Opportunity for Design and Construction Jobs pursuant to G.L. c. 23K, § 21(22); License Condition 12; and HCA Exhibit C.***

Benchmarking For Success	
In accordance with Executive Office for Administration and Finance Administration Bulletin Number 14 of the Commonwealth of Massachusetts, during the construction phase of the Project, MGM Springfield shall use best efforts to promote achievement of labor participation percentages of Covered Employees equal to or greater than the following:	
15.3%	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.
6.9%	Women
8%	Veterans

NOTE: A single individual may satisfy multiple Covered Employee categories and in such cases shall be recorded and counted by MGM Springfield in each of the applicable categories. However, regardless of how many Covered Employee categories an individual may satisfy, no single individual shall be counted more than once in the accumulation of totals for reportage of utilization of Covered Employees.

Prohibitions Against Discrimination in Design and Construction Jobs. During the design and construction phase of the Project, MGM Springfield shall require the inclusion of contractual provisions in each of its construction and design agreements which expressly prohibit discrimination against any employee or applicant for employment because of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability.

Notice of Labor Utilization Goals. All contractors shall be made aware of MGM Springfield’s labor participation goals for Covered Employees and shall be contractually required to use commercially reasonable efforts to consider those goals when performing any scope of work for MGM Springfield. The Project’s General Contractor shall be required to post, in a conspicuous place on the construction site, a notice against discrimination which incorporates the above Prohibitions Against Discrimination.

Monthly Diversity Jobs Reports. No less frequently than monthly, the Project’s General Contractor and/or design professionals shall provide MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the number of Minorities; (ii) the number of Women; and (iii) the

number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals (collectively referred to as “Subcontractors”).

Subcontractor Weekly Diversity Jobs Reports. No less frequently than weekly, the Project’s subcontractors shall provide the General Contractor and MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the number of Minorities; (ii) the number of Women; and (iii) the number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals (collectively referred to as “Subcontractors”).

Apprenticeships. MGM Springfield will use its best efforts to promote the utilization of apprenticeship programs for construction employees (including Covered Employees) who wish to expand their skills and knowledge in applicable building trades. MGM Springfield shall request that the General Contractor likewise provide apprenticeship and internship programs for Covered Employee community college students and recent college/university graduates (including Covered Employees) during the construction phase of the Project.

B. Best Efforts to include Certified Business Entities in the award of design and construction contracts pursuant to G.L. c. 23K, § 21(21)(i),(ii); License Conditions 9 (g) and 10; and HCA Exhibit C.

Benchmarking For Success	
In accordance with HCA Exhibit C, during the construction phase of the Project, MGM Springfield shall use best efforts to award contracts for the design and construction of the Project utilizing the following minimum percentages of Certified Business Entities located in the City:	
5%	MBE
10%	WBE
2%	VBE

NOTE: With regard to Certified Business Entities that hold more than one of the following certifications: MBE, WBE, and/or VBE (“Subject Certified Business Entity”), MGM Springfield shall, at the outset of the engagement (to be applicable for the duration thereof), identify to which of the corresponding procurement goals to apply the total sum of its expenditures with the Subject Certified Business Entity. However, in any instance where, during the course of the engagement, the identified certification lapses, expires or for any reason is no longer in good standing, MGM Springfield shall be entitled to credit any additional expenditure with the Subject Certified Business Entity against the corresponding procurement goals of a different (valid) certification held by the Subject Certified Business Entity.

For avoidance of doubt, the aggregate sum of expenditures with a Subject Certified Business Entity shall only be included once during any reporting period.

Notwithstanding, while MGM Springfield will ensure that its total procurement amounts from Subject Certified Business Entities are reported accurately, MGM Springfield reserves the right to track and submit ancillary reports on its progress in procurement in each of those subcategories (MBE, WBE, and VBE), as MGM Springfield believes a business owner who has obtained a valid certification in each of those categories is entitled to equal recognition in each of those categories.

Prohibitions Against Discrimination. In connection with the design and construction phase of the Project, MGM Springfield shall require the inclusion of contractual provisions in each of its construction and design agreements which: (i) expressly prohibit discrimination in the selection or retention of Subcontractors; and (ii) expressly prohibit discrimination in the procurement of materials and rentals of equipment. The Project’s General Contractor shall be required to post, in a conspicuous place on the

construction site, a notice against discrimination which incorporates the above Prohibitions Against Discrimination.

Notice of Contract Award Goals. All contractors shall be made aware of MGM Springfield’s utilization goals for Certified Business Entities and shall be contractually required to use commercially reasonable efforts to consider those goals when performing any scope of work or awarding any package/scope of work as part of the Project. Additionally, the General Contractor shall: (i) require its Subcontractors to comply with all applicable requirements of this Article V; and (ii) to use commercially reasonable efforts to track and report the same to MGM Springfield on a monthly basis as required below.

Monthly Diversity Contracts Reports. No less frequently than monthly, the Project’s General Contractor shall provide MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the Certified Business Entities that General Contractor has engaged and utilized during the reporting period to provide goods or services in connection with the Project; (ii) the type of Certified Business Entities, the identification of the entity providing the entity’s certification, its certification number or identifier, and expiration date of the relevant certification for each Certified Business Entity; (iii) the nature of the good or services provided by such Certified Business Entities; and (iv) the payments made by or through the General Contractor to such Certified Business Entities. The General Contractor shall monitor the certification status for each of its Certified Business Entities and ensure that each certification is, at all times, current and valid, and that MGM Springfield is in receipt of such certification. The General Contractor shall provide MGM Springfield with written confirmation of the certification status for each of its Certified Business Entities as part of each and every payment application. The General Contractor shall advise MGM Springfield, immediately in writing, as soon as any change in certification status is determined for any of the Certified Business Entities for which it has previously reported.

ARTICLE VI.

Operational Phase Diversity Program for Equal Opportunity

The requirements of this Article VI shall be monitored and enforced by the members of the Diversity Compliance Team.

- A. MGM Springfield’s Diversity Program for Equal Opportunity for Employment of Covered Employees During Operations of the Gaming Establishment pursuant to G.L. c. 23K, §21 (20); License Condition 12; and HCA Exhibit C***

Benchmarking For Success	
In accordance with HCA, during the operations phase of the Gaming Establishment, MGM Springfield shall use best efforts to achieve labor participation percentages of Covered Employees at levels equal to or greater than the following:	
35%	City Residents
50%	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.
50%	Women
2%	Veterans

NOTE: A single individual may satisfy multiple categories of Covered Employee and in such cases shall be recorded and counted by MGM Springfield in each of the applicable categories. However, regardless

of how many categories of Covered Employees which an individual may satisfy, no single individual shall be counted more than once in the accumulation of totals for reportage of utilization of Covered Employees.

Tactical Steps For Identifying, Training, and Employing Covered Employees. In addition to the steps outlined in the HCA Exhibit C, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its recruitment of Covered Employees:

1. **Advertisement and Promotion of Employment Opportunities.** MGM Springfield shall advertise and promote employment opportunities by: (i) posting all opportunities on its mgmspringfield.com and related workforce development site and Massachusetts JobQuest; (ii) periodically using traditional media and social networking tools to assist MGM Springfield in advertising employment opportunities; and (iii) partnering with key community stakeholders including but not limited to local educational institutions and career centers to hold job fairs, advertise employment opportunities and otherwise to make outreach to the local labor pool.
2. **Training and Assistance for Frontline Staff**
 - (a) **Front-Line Training (Career Progression Programs).** Career Progression Programs will be provided for Covered Employees, enabling them to be competitive for promotion into key management and executive positions throughout the integrated MGM Springfield resort. As skills and experience levels increase, employees will find a variety of opportunities for career growth within the Company. Comprehensive jobs skills training and opportunities to continue their education also will be provided by MGM Springfield, and through educational partnerships, which shall include: (i) on-the-job training programs; (ii) either classroom or online training opportunities designed to improve core skill sets required for consideration for promotions and new opportunities within MGM Springfield; (iii) specifically designed programs aimed at helping U.S. Veterans leverage their military leadership skills while transitioning into management or other positions within MGM Springfield; (iv) professional development programs designed specifically for experienced supervisors and assistant managers to broaden their skills, abilities and knowledge base; (v) mandatory Diversity Workshops for all supervisory employees; and (vi) offering apprenticeship and internships programs in order to provide real life training to local students from community colleges and recent college and university graduates. The MGM Springfield Human Resources Department will track the number of Covered Employees who have jobs in executive, finance, information technology and administrative positions and report this information to the Diversity Compliance Team. While all positions will be filled by qualified candidates, MGM Springfield shall use its best efforts to train Covered Employees to qualify for all positions and have the opportunity to advance their careers through its Career Progression Programs.
 - (b) **English as a Second Language.** MGM Springfield will offer English as a Second Language Classes to project Covered Employees as part of its obligations under Exhibit C of the HCA.
 - (c) **Basic Skills Training (Job Readiness).** MGM Springfield acknowledges that a significant number of potential employees in the City and surrounding area will need to attain a high school equivalency in order to qualify to apply for jobs at the Project. Thus, MGM Springfield will use its best efforts to ensure that potential employees are able to participate in programming offered by local outreach organizations, including FutureWorks, CareerPOINT, the regional employment boards, BerkshireWorks, Westover Job Corp Center and Staffing Solutions, as well as local educational and training institutions, such as Holyoke Community

College, Springfield Technical Community College and the Massachusetts Casino Careers Training Institute. MGM Springfield will make best efforts to collaborate with and support the above listed organizations (as well as others) to form educational partnerships with the stated goal of significantly reducing the number of unemployed persons with less than a high school education prior to the time when jobs become available at MGM Springfield.

Each of the educational partnerships to be formed by MGM Springfield will focus on providing basic core skills to City residents as well as residents of the surrounding area, including: (i) basic math and literacy skills; (ii) vocational training for hospitality and non-hospitality related careers; and (iii) job preparation skills such as interviewing, resume writing, and effective work habits

(d) Hospitality Career Information Workshops (Job-Readiness Training). Job-Readiness Training will be designed to introduce local residents to the hospitality industry and foster interest in these types of jobs. Career information workshops will be conducted prior to and during the mass recruiting phase of MGM Springfield. The goal will be to introduce local residents to the wide range of occupations that are available in the hospitality industry, including hotel front desk representatives, computer operators, facilities engineers, financial analysts, culinary arts positions, guest service ambassadors, marketing professionals, human resource representatives, table games dealers, slot technicians and representatives, cage clerks and many more. Local residents will be able to attend career information workshops to learn about the wide range of occupations available and the skills and qualifications that would be required to work in such positions. MGM Springfield will hold career information workshops throughout the greater Springfield area. While attending the career information workshops, participants will have the opportunity to provide information on job interests and sign up to receive first notice on training and job announcements.

(e) Apprenticeships. MGM Springfield will cooperate with local organizations including but not limited to Holyoke Community College and Springfield Technical Community College to develop and implement apprenticeship programs for employees (including Covered Employees) who wish to expand their skills and knowledge, and develop their career. The apprenticeship programs will be designed to provide a structured, on-the-job training process from basic mechanical skill requirements to advanced techniques required for the specified trade or service.

(f) Coordination with Career Centers. MGM Springfield will work with local career centers to promote job opportunities at the Project and coordinate resources for Springfield area residents to improve workforce skills.

3. **Affirmative Marketing for the Unemployed pursuant to License Condition 15.** In addition to those steps outlined above and consistent with License Condition 15, MGM Springfield will develop, in consultation with the Executive Office of Labor Workforce Development and related state and local agencies, a plan to identify and market employment opportunities at the Gaming Establishment to unemployed residents of Massachusetts. This plan will be integrated into the Program requirements outlined in Exhibit C of the HCA, to be filed with the Commission by December 31, 2015, and, upon approval, to be incorporated herein as **Appendix B**.

B. Best Efforts to include Certified Business Entities in the award of goods and services contracts for the project's operations pursuant to G.L. c. 23K, § 21(21)(iii); License Condition 11; and HCA Exhibit C

Benchmarking For Success

In accordance with the HCA, during the operations phase of the Gaming Establishment, MGM Springfield shall use best efforts to contract with Certified Business Entities for the provision of goods and services for the Project’s operations at levels equal to or greater than the following:

10%	MBE
15%	Women
2%	Veterans

NOTE: With regard to Certified Business Entities that hold more than one of the following certifications: MBE, WBE, and/or VBE (“Subject Certified Business Entity”), MGM Springfield shall, at the outset of the engagement (to be applicable for the duration thereof), identify to which of the corresponding procurement goals to apply the total sum of its expenditures with the Subject Certified Business Entity. However, in any instance where, during the course of the engagement, the identified certification lapses, expires or for any reason is no longer in good standing, MGM Springfield shall be entitled to credit any additional expenditure with the Subject Certified Business Entity against the corresponding procurement goals of a different (valid) certification held by the Subject Certified Business Entity.

For avoidance of doubt, the aggregate sum of expenditures with a Subject Certified Business Entity shall only be included once during any reporting period.

Notwithstanding, while MGM Springfield will ensure that its total procurement amounts from Subject Certified Business Entities are reported accurately, MGM Springfield reserves the right to track and submit ancillary reports on its progress in procurement in each of those subcategories (MBE, WBE, and VBE), as we believe a business owner who has obtained a valid certification in each of those categories is entitled to equal recognition in each of those categories.

In addition to the steps outlined below in Article VII, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its identification and engagement of Certified Business Entities during its operational phase:

1. Minority / Women and Veteran Database. MGM Springfield will leverage all secondary databases of active Certified Business Entities known to provide services in the Commonwealth and those specifically registered or licensed to work for gaming licensees, including those maintained by governmental and non-governmental entities.

2. Vendor Packets. MGM Springfield will maintain a vendor packet for each Certified Business Entity that includes: (a) a certificate of good standing from the jurisdiction of formation provided by the vendor; (b) agreements with the vendor entity as set forth in draft 205 CMR 138.06 (3); (c) proof of applicable certifications provided by the vendor; and (d) a running tally of the total amount of the transactions that MGM Springfield has with each individual vendor.

3. Coordination with Advisory Groups. MGM Springfield will coordinate with advisory groups, including but not limited to, the Massachusetts Supplier Diversity Office (SDO), the Massachusetts Gaming Commission Vendor Advisory Group and other state and regional supplier and industry organizations with a focus on diversity to: (a) assist in the identification and engagement of Certified Business Entities during its operational phase; (b) formally introduce the Program; and (c) review frequently asked questions with regard to supplier diversity and those procurement processes that are unique to MGM Springfield.

ARTICLE VII.

Affirmative Marketing Program for Goods and Services During Design and Construction and Goods and Services During Operations

In addition to the steps outlined in the HCA, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its recruitment and procurement efforts of Certified Business Entities during both its construction and operational phases:

A. Advertisement and Promotion of Business Opportunities

MGM Springfield shall advertise and promote design and construction and operations related business opportunities, including: (i) advertising vendor and construction opportunities on its mgmspringfield.com and related vendor outreach website(s); (ii) promoting supplier diversity on its mgmspringfield.com website and requesting that companies register with MGM Springfield in its mgmspringfield.com and related diversity vendor website(s); (iii) participating in diversity contractor vendor fairs; and (iv) periodically using traditional media and social networking tools to assist the MGM Springfield procurement team in locating suppliers for future bid opportunities.

B. Training and Assistance for Certified Business Entities

MGM Springfield shall offer training and business assistance to all businesses selected to work on the Project, including Certified Business Entities. With regard to the training of Project business participants, including Certified Business Entities, MGM Springfield will: (i) co-host outreach sessions with its General Contractor throughout the City and region to introduce upcoming contracting opportunities; (ii) provide information with regard to best business practices; (iii) train potential Certified Business Entities on how to compile documentation to prequalify and tender for the project; and (iv) consider commercially reasonable proposals for financial support strategies on a case-by-case basis.

C. Registration Certification Assistance for Business Entities

MGM Springfield and its General Contractor shall coordinate to provide assistance to minority; women and veteran contractors and Subcontractors who are not certified or registered/licensed with the Commission. The goal of the assistance given will be to increase the overall number of Certified Business Entities who can participate in the business opportunities during both the construction and operations phases. The Diversity Compliance Team will be responsible for tracking the total number of Certified Business Entities newly certified as a result of the assistance provided as contemplated herein.

ARTICLE VIII.

Composition of Compliance Reports

MGM Springfield shall collect and maintain all records and documents required to verify data and information contained in the required Quarterly Compliance Reports and the Annual Compliance Reports. All reports shall be completed and submitted in a timely fashion as required by the Commission and HCA

commencing October 1, 2015. The last Quarterly Compliance Report will be filed for the quarter immediately following the commencement of operations as approved by the Commission.

A. Methodology for Construction Quarterly Compliance Reports

Subject to permitted exclusions, all expenditures with a Certified Business Entity in Construction-related Business Opportunities shall be documented and compared with MGM Springfield's Total Construction Purchase Value, taking into account exclusions for furniture, fixtures and equipment ("FFE") and operating, supplies, and equipment ("OSE"), in addition to those exclusions included in AGA list below). Once calculated the information shall be included in the Quarterly Compliance Reports.

The Quarterly Compliance Reports shall incorporate tables showing: (i) the percentage of Covered Employees employed during the subject period of time; and (ii) the percentage of spend with each of the Certified Business Entities and the goal for spend for each individual category for the current period of each subject report. Additionally, in close proximity to each table will be a description of the best efforts exerted to achieve the agreed upon goal. The Quarterly Compliance Reports shall follow in substantial part the form attached hereto as **Appendix C**.

B. American Gaming Association (AGA) Exclusions

In accordance with Section 23K § 21 of the Massachusetts General Laws, the actual calculation of the percentage of expenditure with Certified Business Entities shall be based on the availability of such Certified Business Entities to engage in the type of work to be conducted by MGM Springfield. MGM Springfield's calculations shall recognize exclusions as defined by the AGA (attached hereto as **Appendix D**) and take into consideration the availability of Certified Business Entities who are able to provide goods and services of the type required by MGM Springfield. If MGM Springfield shall determine that additional exclusions shall be included in its calculation, MGM Springfield shall not consider the additional exclusions unless: (i) it has provided at least thirty (30) days advanced notice to the Commission's Director of Workforce, Supplier and Diversity Development; and (ii) after a commercially reasonable search, no Certified Business Entity has been identified as experienced and capable of performing the specific type of work contemplated in the new exclusion during the 30-day notice period.

C. Business Opportunity Design and Construction Spend Reporting

The statistical data provided under this Article shall be properly documented and verified in accordance with MGM Springfield's established business policies inclusive of: (i) vendor background checks; (ii) confirmation of regulatory compliance with Massachusetts Gaming Regulations regarding vendor registration requirements; (iii) verification that work has been performed prior to payment (in accordance with standard procedure for processing pay applications); (iv) vendor office and field visits; and (v) review of any lien waivers, invoices, and evidence of payment, as applicable.

D. Design and Construction Employment Reporting

The Quarterly Compliance Reports shall track all employment held by Covered Employees as compared with MGM Springfield's overall Design and Construction-related Employment for the project. Each subject report will be based upon an industry standard "FTE" calculation which is defined as the total number of hours worked which is divided by the maximum number of compensable hours in a full-time

schedule. For example, when any report refers to one (1) FTE it will mean one (1) individual that is a full-time employee, while a reference to 0.5 FTE would mean an individual who is a half-time employee during construction.

E. Annual Statistical Reporting

Pursuant to G.L .c. 23K, § 21(24) and subject to permitted exclusions, MGM Springfield shall collect and annually provide to the Commission (commencing on December 31, 2015) a detailed statistical report on the total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises in: (i) design contracts; (ii) construction contracts; and (iii) contracts for every good and service procured by the gaming establishment; provided, however, that such statistical report shall also identify the amounts so contracted as a percentage of the total dollar amounts contracted with and actually paid to all firms.

F. Continuous Review Process

In furtherance of their responsibilities, the Diversity Compliance Team shall engage in a process of continuous review of both process and work product associated with the compilation of the Quarterly Compliance Reports. The Diversity Compliance Team shall designate a subgroup who shall, prior to the submission of any Quarterly and/or Annual Compliance Report, conduct a joint review of process and work product and confirm to MGM Springfield's President and COO and MGM Resorts Development, LLC's Executive Vice President that the subject report is accurate and complete.¹ MGM Springfield will also continue to consider and assess software applications and nationally recognized protocols, systems, and manuals that could help MGM Springfield achieve its goals.

G. Cooperation / Books and Records

MGM Springfield will document its engagement of Certified Business Entities and its employment of Covered Employees in a transparent manner. MGM Springfield shall keep full and complete records of its efforts to comply with its obligations under this Program. All records will be kept in accordance with MGM Springfield's record retention policies and applicable law.

¹ Once the construction phase is complete, the (i) Executive Director of Diversity and Contracts, (ii) Executive Vice President, MGM Resorts Development, LLC, and (iii) the General Contractor shall be relieved of their active participation in this Program.

APPENDIX A

Exhibit C to Springfield Host Community Agreement

EXHIBIT C

**EMPLOYMENT, WORKFORCE DEVELOPMENT AND OPPORTUNITIES
FOR LOCAL BUSINESS OWNERS**

1. General

With respect to all employment decisions of the Developer whether for construction jobs or operations jobs, Developer shall, and shall cause its contractors and subcontractors, to:

(a) comply with all applicable equal employment opportunity, non-discrimination and affirmative action requirements, including, but not limited to, the provisions of Chapter 151B of the Massachusetts General Laws, as amended, and all other applicable anti-discrimination and equal opportunity laws;

(b) not discriminate against any employee or applicant for employment because of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability;

(c) undertake, in good faith, affirmative action measures to eliminate discriminatory barriers in the terms and conditions of employment on the grounds of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability. Such affirmative action measures shall entail positive and aggressive measures to ensure non-discrimination and to promote the equal opportunities in the areas of hiring, upgrading, demotion or transfer, recruitment, layoff or termination, rate of compensation, apprenticeship and on the job training programs. A list of positive and aggressive measures shall include, but not be limited to, advertising employment opportunities in minority and other community news media; notifying Minority, women, Veteran and other community-based organizations of employment opportunities; validating all job specifications, selection requirements, and tests; maintaining a file of names and addresses of each worker referred to Developer or its contractor and what action was taken concerning such worker; and notifying the administering agency in writing when a union with whom the Developer or its contractor has a collective bargaining agreement has failed to refer a Minority, woman or Veteran worker. These and other affirmative action measures shall include all actions required to guarantee equal employment opportunity for all persons, regardless of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability; and

(d) establish a tracking system that tracks all of the employees that are working on or at the Project and such records and system shall be subject to inspection by the City.

2. Construction Jobs

During construction of the Project:

(a) Developer shall use its best efforts to create and maintain no fewer than Two Thousand (2,000) construction jobs at the Project; and

(b) Developer shall abide by an affirmative action program of equal opportunity as approved by the Commission whereby Developer shall strive to achieve labor participation goals for the utilization of Minorities, women and Veterans on the construction of the Project; *provided however*, that such goals for women and minorities shall be equal to or greater than the goals contained in the Commonwealth's Executive Office for Administration and Finance Administration Bulletin Number 14 which goals currently are set at 15.3% Minorities and 6.9% women and such goal for Veterans is set at 8%. The participation goals as set forth herein shall not be construed as quotas or set asides; rather such participation goals will be used to measure the progress of the Developer's equal opportunity, non-discrimination and affirmative action program.

3. Operations Jobs

(a) Developer will use its best efforts to employ as of the Operations Commencement Date no fewer than Three Thousand (3,000) persons, of which no fewer than Two Thousand Two Hundred (2,200) persons shall be employed on a full-time equivalent basis at the Project and/or any work of the Developer's at any facility at Union Station.

(b) Beginning on the Operations Commencement and continuing throughout the Term:

(i) Developer shall use its best efforts to strive to achieve labor participation goals for the utilization of City Residents so that (a) no fewer than Thirty-Five Percent (35%) of persons employed by the Developer at the Project and any related Union Station facility will be City Residents; and (b) no more than Ten Percent (10%) of its workforce will be residents from outside the City and its surrounding area.

(ii) Developer shall use its best efforts to strive to achieve labor participation goals for the utilization of Minority persons, women and Veterans so that: (a) no less than Fifty Percent (50%) of its workforce will be Minority persons, (b) no less than Fifty Percent (50%) of its workforce will be women and (c) no less than Two Percent (2%) of its workforce will be Veterans. The participation goals as set forth herein shall not be construed as quotas or set asides; rather such participation goals will be used to measure the progress of the Developer's equal opportunity, non-discrimination and affirmative action program.

(c) The Developer will provide a "First Choice" recruitment program in partnership with the Massachusetts Casino Careers Training Institute to provide City Residents the first opportunity to learn about and apply for positions at the Project. The First Choice program also will provide outreach services to economically isolated residents, those on disability benefits and residents in disadvantaged areas in the City, with a focus on the unemployed and underemployed, as well as Minority, women and Veteran recruitment, to encourage City residents to apply for jobs available at the Project.

4. Workforce Development

(a) The Developer will organize and maintain a training program to offer workforce skills development courses to City Residents in addition to training for all Project employees.

(b) The Developer will offer English as a Second Language Classes at no charge to Project employees.

(c) Developer shall otherwise comply with Section 18(17) of the Act in establishing and implementing a workforce development plan.

5. MBE/WBE/VBE Commitment

For purposes of this section, MBE shall mean Minority-owned Business, WBE shall mean Women-owned Business and VBE shall mean Veteran-owned Business, as defined in section 7 hereof.

(a) Developer shall use its best efforts to:

(i) award contracts for the design and construction of the Project, utilizing the following minimum percentages of MBE, WBE and VBE located in the City, measured by the total dollar amount of such contracts:

MBE: Five Percent (5%);

WBE: Ten Percent (10%); and

VBE: Two Percent (2%).

(ii) utilize the following percentages of MBE, WBE and VBE located in the City for the provision of goods and services for the Project following Operations Commencement, measured by the total dollar amount of such contracts:

MBE: Ten Percent (10%);

WBE: Fifteen Percent (15%); and

VBE: Two Percent (2%).

In furtherance of such best efforts obligations, Developer will implement a marketing program to achieve such goals and alert MBE, WBE and VBE of supplier opportunities.

(b) On a periodic basis, the Developer will hold day-long training and seminar sessions, free of charge and open to City businesses, to educate and assist them in applying for certification as an MBE, WBE and/or VBE.

6. Opportunities for Local Business Owners

Developer shall exercise its best efforts to ensure that at least Fifty Million Dollars (\$50,000,000) of its annual biddable goods and services are prioritized for local procurement,

meaning principally Springfield, but including the immediately surrounding Greater Springfield Area. Such local businesses shall not be guaranteed any awards but shall be given preferential consideration if all other aspects of the respective bid responses are competitive with non-local businesses.

Further, Developer shall use best efforts to work with local business associations such as, the Affiliated Chambers of Commerce of Greater Springfield and the Massachusetts Latino Chamber of Commerce (Springfield office) to educate local businesses on the opportunities provided by Developer's commitment to source such goods and services locally.

7. Definitions. For purposes of this Exhibit C, the following terms shall have the following meanings:

(a) "City Resident" means any person for whom the principal place of residence is within the City as of the date of such person's hire, unless such person's residency occurred within three (3) months of the date of such hire as a result Developer's prior express agreement to hire. Proof of residence may include, but is not limited to, the following: a valid Massachusetts driver's license indicating a City permanent residence, utility bills, proof of voter registration within the City or such other proof indicating a permanent residence within the City.

(b) "Minority" means a person who meets one or more of the following definitions:

(i) American Indian or Native American means: all persons having origins in any of the original peoples of North America and who are recognized as an Indian by a tribe or tribal organization.

(ii) Asian means: all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian sub-continent, or the Pacific Islands, including, but not limited to China, Japan, Korea, Samoa, India, and the Philippine Islands.

(iii) Black means: all persons having origins in any of the Black racial groups of Africa, including, but not limited to, African-Americans, and all persons having origins in any of the original peoples of the Cape Verdean Islands.

(iv) Eskimo or Aleut means: All persons having origins in any of the peoples of Northern Canada, Greenland, Alaska, and Eastern Siberia.

(v) Hispanic means: All persons having their origins in any of the Spanish-speaking peoples of Mexico, Puerto Rico, Cuba, Central or South America, or the Caribbean Islands.

(c) "Minority-owned Business" means a business that is beneficially owned by one or more Minority persons as follows:

(i) the business must be at least 51% owned by Minority persons; in the case of a corporation or other entity having more than one class of

stockholders or equity interests, the ownership requirement must be met as to each class of stock or equity interest;

(ii) the Minority owners shall demonstrate that they have dominant control over management;

(iii) the business has not been established solely for the purpose of taking advantage of a special program which has been developed to assist minority businesses; and

(iv) in the case of a joint venture between a minority business meeting the requirements of 1. through 3. above, inclusive, and a non-minority business, the joint venture shall be found to be a minority business if the minority business meeting the requirements of said clauses 1. to 3. above, inclusive, shall have more than one-half control over management of the project and shall have the right to receive more than one-half of the profits deriving from that project.

(d) **Veteran** shall have the meaning ascribed to such term as provided in Massachusetts General Law Chapter 4, Section 7.

(e) **Veteran-owned Business** means a business that is meeting the requirements set forth in clauses 1. to 4., inclusive, of the definition of a "Minority-owned Business" except that the terms "veterans", "veteran owners" and "veteran-owned business" shall be substituted for the terms "minority", "minority persons", "minority owners" and "minority business" appearing in the definition.

(f) **Women-owned Business** means a business that meets the requirements set forth in clauses 1. to 4., inclusive, of the definition of a "Minority-owned Business" except that the terms "women", "women owners" and "women-owned business" shall be substituted for the terms "minority", "minority persons", "minority owners" and "minority business" appearing in the definition.

APPENDIX B

MGM Springfield Affirmative Marketing Plan for the Unemployed

**[TO BE INSERTED UPON SUBMISSION AND APPROVAL by
12-31-15]**

APPENDIX C

Sample Quarterly Design and Construction Compliance Report

Quarterly Design and Construction Compliance

Appendix C Diversity Program for Equal Opportunity and Affirmative Marketing Program

Methodology

All data and statistical analysis included in this report has been computed in accordance with the requirements agreed in the Article VIII (*Composition of Compliance Reports*) of the [INSERT DATE] Diversity Program for Equal Opportunity and Affirmative Marketing Program Inclusive of the Governing Authority incorporated therein Terms capitalized in this Report, but not defined herein, shall have the same meaning as given to each such term in the Program.

Time Period of Report

This Report constitutes MGM's compliance with its obligation in accordance with [INSERT CITE] to submit a Quarterly Compliance Report for the period constituting the [X] Quarter of 201[X]. It is made up of the data and statistical analysis

Dash Board Report for Quarter Ending [XXX 2015]

DESIGN and CONSTRUCTION		Percent Goal	Percent Actual	Percent Change
Employment	[Raw Number XXX] FTE	[XX%]		+ [X%]
	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.	15.3%		
	Women	6.9%		
	Veterans	8%		
Contracting				
	MBE	5%		
	WBE	10%		
	VBE	2%		

Design and Construction

Design and Construction Employment				
	Percentage Goal	Percentage of Construction Employees	Total Employees	Percent Change
City Residents				
Minority, (including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic)	15%			
Women	6.9%			
Veterans	8%			

During the reporting period, in addition to advertising for all open positions for Covered Employees at MGM’s Website: [INSERT WEBSITE] MGM used the following best efforts to conduct Employment and Outreach Efforts in compliance with [INSERT CITATION] as follows:

- a. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- b. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- c. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- d. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- e. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]

Design and Construction

Design and Construction Contracting				
	Percentage Goal	Percentage of Construction Spend	Total Construction Expenditure	Percent Change
MBE	5%			
WBE	10%			
VBE	2%			

During the reporting period, MGM used the following best efforts to contract with Certified Business Entities inclusive of outreach efforts in compliance with [INSERT Cite] as follows:

- a. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- b. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- c. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- d. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- e. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]

APPENDIX D

American Gaming Association Diversity Spending Exclusions List

Hard Exclusions

Definition:

- Monopoly in a particular market or industry;
- Government regulated; and/or
- Is not and never will be a biddable option for the gaming industry

Spend Categories in this area

- Aircraft Fuel
- Customer Comps
- Customer Refunds
- Employee-related Expenses
- Payroll
- Reimbursements
- Directors Fees
 - Fees to Parent Companies
 - Fines
 - Gaming Fees (ex. participation games, table game leases)
 - Garnishments
 - Government Agencies
 - Inter-company (internal) payments
 - Licenses
 - Litigations/Risk Settlements
 - Mail Pay (Sports Book)
 - Permits
 - Petty Cash
 - Postage
 - Regulatory Fees
 - Settlements
 - Taxes
 - Travel Agency Commissions

Hard/Soft Exclusions (hard today but potential exists for the inclusion of diversity in the future)

Definition:

- Not biddable today due to current market conditions (i.e. lack of maturation in supplier base)
- Long term area for exploration – fertile area for collaboration with a mature company

Spend Categories in this area

- Credit card fees
- Accounting fees
- Alcoholic Beverages
- Bank fees
- Employee Benefits
- Express Mail

- Gaming Equipment companies
- Gasoline
- Insurance and Claims
- Loans/Interest
- Utilities
- Workman's Compensation

Soft Exclusions

Definition:

- Not biddable because decisions purely based on market conditions and/or factors

Spend Categories in this area

- Rent – what the facility sits on (i.e. land, boat/barge)
- Entertainment – entertainers selected based on anticipated draw of customers to casino
- Independent Agents – junket operators
- Inter-casino payments (ex. Caesar's purchases show tickets to an event at MGM)
- Leased retail enterprises

Excluded from Purchasing denominator only

Definition:

- Purchasing has no effect and/or control over how dollars are allocated so exclude from Purchasing denominator
- Able to include spend and diversity requirements in a separate area of the business

Spend Categories in this area

- **Philanthropy**
 - Donations
 - Non-profit
- **Construction**
 - Industry specific sourcing – Purchasing organization's don't specialize and attract specialists in this area
 - Pertains to architectural costs of building the building

Spend Categories currently excluded but now need to be included:

- Busses
- Drug Tests and Physicals
- Dues and Subscriptions
- Freight
- Gasses (ex. sterno, pyrotechnic, etc.)
- Legal Fees
- Lobbyists
- Non-goods and services

- Out of country vendors
- Seminars and Training
- Shipping or Courier
- For-profit sponsorships
- Temporary Services
- External Travel Agencies

Inclusions

Definition:

- Non-monopoly in a market or industry;
- non-government regulated; and/or
- the commodity is a biddable option.

Sample Products & Services

- **Food**
Meat, Poultry, Seafood, Dairy Products, Dry Goods, Produce, Frozen Products, Bakery Items, Canned Goods, Condiments, Ethnic Foods, Specialty Items.
- **Beverage**
Tea, Liquor, Domestic & Imported Wines, Beer, Water, Coffee.
- **General Equipment & Supplies**
Housekeeping Equipment & Supplies, Office Supplies & Equipment, Audio Visual Equipment, Banquet Equipment, Computer Equipment, Cleaning Equipment, Security/Surveillance Equipment, Cell Phones/Radios/Beeepers, Marina Equipment, Signage, Food & Beverage Equipment.
- **Gaming Equipment & Supplies**
Casino Equipment, Casino Supplies, Slot Signage
- **FF&E**
Artwork, Carpet, Drapery, Furniture, Glass/Mirror, Upholstery, Wall Coverings, Wood Flooring, Tile.
- **Operating Inventories**
China, Glassware, Flatware/Holloware, Linen, Uniforms, Cleaning Chemicals, Guest Room Amenities, Food & Beverage Disposables, Hotel Supplies, Kitchen Supplies.
- **Engineering/Facilities**
Facilities/Engineering Supplies, General Maintenance Supplies, Repairs & Maintenance.
- **Retail**
Accessories, Apparel, Art, Cosmetics/Fragrances, Gifts, Jewelry, Lingerie, Logo Apparel, Men's Wear, Toys & Games, Shoes, Souvenirs, Swimwear, Gifts/Specialty Items.

- **Construction / Contracting**
Concrete, Demolition, Drywall, Electrical, Landscaping, Life Safety, Mechanical, Millwork, Painting, Reinforced Steel, Structural Steel, Construction Equipment.
- **General Services**
Consulting, Staffing, Decorating, Advertising, Printing, Repairs & Maintenance, Freight, Janitorial.

Supplier Selection Criteria

- Ability to meet specifications and standards
- Product and service quality
- Competitive prices
- Dependable delivery
- Quality control methods and practices
- Technical abilities and leadership
- Financial reliability
- Compatibility with existing products
- Adequate facilities and resources
- Spare parts availability
- Warranty, insurance, and bonding provisions
- Proven performance and experience

Griffin, Jill (MGC)

From: Susan Moir <Susan.Moir@umb.edu>
Sent: Tuesday, January 13, 2015 10:09 AM
To: Griffin, Jill (MGC)
Cc: ESkidmore2@aol.com
Subject: Re: Blue Tarp Draft Diversity and Affirmative Marketing Plan (Not for Distribution)

Follow Up Flag: Follow up
Flag Status: Flagged

Jill,
This is a very poor plan. It is written to cover themselves legally.

- There is no substance to HOW they will reach the stated goal of a diverse workforce. Actually, there is only one reference to workforce diversity in the document. The other half dozen uses of the term are vague commitments to “workforce development.”
- Reporting will be done monthly and quarterly. That is inadequate and will not move the needle.
- The entire document s heavily weighted towards DBE goals and the permanet jobs created after construction.
- The infrastructure proposed is top-heavy and unconnected to the point of change, Ie, monitoring the supply of a diverse workforce to the subs from unions.
- There is no reference to transparency.
- They rely on “best efforts.” We are working to raise the area standard to “maximum efforts.”
- References to outside involvement by community organizations are clearly limited and constrained by MGM’s authority.
- Article V, the section on construction diversity (p 5-6) consists of posting and notifications of the law and monthly reporting. Completely insufficient.

Their entire program for construction diversity - in this long and legalistic document— is about 400 words on page 5 and the top of page 6.

I apologize for not getting to this earlier and giving feedback so late. However, I think this is very problematic and I would hope the Commissioners send MGM back to revise their proposal.
susan

Susan Moir
Labor Resource Center, UMass Boston
100 Morrissey Blvd., Boston MA 02125
www.umb.edu/lrc
www.policygroupontradeswomen.org

On Jan 8, 2015, at 5:55 PM, Griffin, Jill (MGC) <jill.griffin@state.ma.us> wrote:

Griffin, Jill (MGC)

From: Ronald Marlow <RMarlow@masshousing.com>
Sent: Tuesday, January 13, 2015 3:05 PM
To: Griffin, Jill (MGC)
Subject: RE: check in

Hi Jill:

I have read MGM's diversity plan.

PROs:

My impressions overall: I think MGM has prepared a diversity plan that complements the goals and objectives of the statute, the MGC regulations, and the host agreement reached with the City of Springfield.

- Supplier Diversity Goals, Construction: MGM has adopted supplier diversity goals that total 17% -- 5% MBE, 10% WBE and 2% VBE. These goals seem pragmatic with a degree of aspiration (when compared to state goals).
- Workforce Diversity Goals, Construction: MGM adopted, for the construction activity, the state workforce goals of 15.3% for minority individuals and 6.9% for females, but also included federal goal of 8% for veterans. MGM adopted a
- Supplier Diversity Goals, Operations: MGM has adopted fairly rigorous goals that total 27% supplier diversity spend – 10% with MBEs, 15% with WBEs, and 2% with VBEs. These goals are more robust than state goals.
- Workforce Diversity Goals, Operations: MGM has adopted rigorous workforce diversity goals of 35% City of Springfield residents, 50% minority individuals, and 50% females.
- Additionally, it appears that MGM is prepared to work with minority-owned and women-owned businesses that are not certified with an eye toward helping such businesses realize the benefits of certification status.
- MGM also seems prepared to work with businesses that may need financial or technical assistance in order to participate with MGM.

QUESTIONS:

- The language regarding counting individuals, for workforce and business participation purposes, is a bit confusing. It appears that MGM is prepared to count any individual, who may fit into more than one category, either by way of race, gender, veteran status, or residency), in each category said individual may fit while not only counting said individual only once for reporting purposes. The language seems to “split the baby in half” regarding the use of a standard practice (i.e. – double and/or triple counting) and a concern that such counting may have a diminishing effect on aggregate outcomes. It would be great to have this approach clarified.
- MGM, adopting a practice common in the casino industry, has identified various procurement activities that would be excluded from the supplier diversity goals regime. It would be helpful

to see from a real-world example how the exclusion of various spending activities impact the attainment of supplier diversity goals as well as how the exclusion impacts the calculation of what constitutes spending (for purposes of meeting supplier diversity objectives).

- Composition of Diversity Committee: Why does MGM exclude the Executive Director of Diversity Contracts from the Diversity Committee?

Overall, I think the approach is consistent with the letter and the spirit of the legislation and the regulations.

One additional question: Is MGM aware of the Commission's intent to form an AOC? Is MGM supportive of the approach?

Ron

Ronald G. Marlow
Director of Diversity and Inclusion
MassHousing
One Beacon Street
Boston, MA 02108
(p) 617-854-1773
(c) 617-794-5430
rmarlow@masshousing.com



Equity is neither the enemy of efficiency nor the antithesis of effectiveness; it is the promise of democratic governance.

COMMENTS ON THE MGM SPRINGFIELD/BLUE TARP REDEVELOPMENT LLC DIVERSITY PROGRAM
BY GREATER NEW ENGLAND MINORITY SUPPLIER DEVELOPMENT COUNCIL AND BOSTON MBDA
BUSINESS CENTER

COMMENTS:

1. Overall, the plan looks fine, assuming that the “commercially reasonable” approach hits the intended targets.
2. The goals for MBEs in the construction phase are reasonable, but the MBE goals for the operational phase is too low. We believe that there are sufficient MBEs with experience to boost this goal.
3. The plan discusses proactive use of apprenticeship programs for employment. There should be a proactive in fostering strategic alliances to help the smaller local businesses. Especially if there is concern about the depth of very local MBEs. This would also show strong support for and recognition of the legislative intent of fostering true economic inclusion.
4. How will performance against goals be achieved? Are there sufficient systems in place at both MGM and GC? With frequent reporting on a complex, multi-layer project, it’s important to have this work easily. Otherwise you have erosion in this activity. A system like PRISM, used by MassDOT for similar purpose is an option.
5. Exclusions should be looked at carefully, and not just accepting the “industry standard”, as there are now MBEs that could participate in these categories. Also, the ability to declare additional exclusions is troublesome, especially if a proactive approach to strategic alliances benefiting smaller, local MBEs is not made.
6. Need to clarify under what circumstances External Advisors would be replaced.

Griffin, Jill (MGC)

From: Susan Rittscher <srittscher@cweonline.org>
Sent: Tuesday, January 13, 2015 9:24 AM
To: Griffin, Jill (MGC)
Subject: RE: Blue Tarp Draft Diversity and Affirmative Marketing Plan

Hi Jill-

I reviewed the document and found the percentages for WBE's to be realistic in the certain categories. I would like the construction phase to have more women in the future.

Thanks for you continued stewardship of this project.

Best regards,

Susan Rittscher

From: Griffin, Jill (MGC) [<mailto:jill.griffin@state.ma.us>]
Sent: Monday, January 12, 2015 4:56 PM
To: Mahasadeth, Ny (MGC); Porter, Andre (SEA); Bill.Vernon@NFIB.org; Stebbins, Bruce (MGC); Janey, Greg; cgeehern@aimnet.org; cgonlonka@massdevelopment.com; Darnell Williams (dwilliams@ulem.org); David Polatin; fmckinney@gnemsdc.org; gmacdonald@aimnet.org; gnelson@masscec.com; gparkin@msbdc.umass.edu; Jeffrey Ciuffreda; jerry.d.smith@gsa.gov; Jeter, Jesse; Jordan, Mary (AGR); Juan Cofield (jmcofield@aol.com); kchoi@aimnet.org; King, Chris (VET); Sylvia, Mark (ENV); Griffin, Mary (FWE); mcamp@icic.org; Hunter, Michael (SEA); Nader Acevedo (nacevedo@hacionline.org); Nee, Coleman (VET); nmartin@massgcc.com; Patrick V Gore (gorehamden@yahoo.com); Raymond.Milano@sba.gov; Nunnally, Reggie (OSD); RHNelson@sba.gov; Day, Rick (MGC); Robert A. Baker (bob@sbane.org); Ronald Marlow; Susan Rittscher; WARREN H. BACON (wbacon@bostonmbdcenter.com)
Subject: RE: Blue Tarp Draft Diversity and Affirmative Marketing Plan

Vendor Advisory Group Members-

Just a gentle reminder, regarding MGM's Construction Phase Diversity Program for Equal Opportunity in employment and contracting.

Your written comments would be welcomed, especially if received by **Wednesday, January 14th**.

MGM will be presenting the construction portion of their plan on January 22nd at the Commission's public meeting.

Regards,

Jill

Jill Lacey Griffin
Director of Workforce, Supplier and Diversity Development

Massachusetts Gaming Commission
101 Federal Street, 23rd Floor
Boston, Massachusetts 02110
TEL 617.979.8446 | FAX 617.725.0258
Jill.griffin@state.ma.us

Griffin, Jill (MGC)

From: patrick gore <gorehamden@yahoo.com>
Sent: Tuesday, January 13, 2015 9:26 PM
To: Griffin, Jill (MGC)
Cc: Ben Schwartz
Subject: Re: Blue Tarp Draft Diversity and Affirmative Marketing Plan

Jill,

It seems that the external advisors are under the control of the diversity committee and the fact the they can be removed or replaced at the discretion of the Committe or chairpersons of the Committe would not in my opinion seem to demonstrate confidence in the process or give the external advisors any assurances that they would not be replaced if they found themselves in disagreement with the committee or its leadership of the committee.

Patrick Gore
Veterans With Vision.

From: Griffin, Jill (MGC) <jill.griffin@state.ma.us>;
To: patrick gore <gorehamden@yahoo.com>;
Subject: RE: Blue Tarp Draft Diversity and Affirmative Marketing Plan
Sent: Tue, Jan 13, 2015 1:40:35 PM

Thanks Patrick.

From: patrick gore [mailto:gorehamden@yahoo.com]
Sent: Monday, January 12, 2015 7:56 PM
To: Griffin, Jill (MGC); Mahasadeth, Ny (MGC); Porter, André (OSBE); Bill.Vernon@NFIB.org; Stebbins, Bruce (MGC); Janey, Greg; cgeehern@aimnet.org; cgonlonka@massdevelopment.com; Darnell Williams (dwilliams@ulem.org); david.polatin@sba.gov; Fred McKinney (fmckinney@gnemsdc.org); gmacdonald@aimnet.org; gnelson@masscec.com; gparkin@msbdc.umass.edu; Jeffrey Ciuffreda; jerry.d.smith@gsa.gov; Jeter, Jesse; Jordan, Mary (AGR); jmcofield@aol.com; kchoi@aimnet.org; King, Chris (VET); Sylvia, Mark (ENV); Griffin, Mary (FWE); mcamp@icic.org; Hunter, Michael (MOBD); Nader Acevedo; Nee, Coleman (VET); nmartin@massgcc.com; Raymond.Milano@sba.gov; Nunnally, Reggie (OSD); RHNelson@sba.gov; Day, Rick (MGC); bob@sbane.org; RMarlow@masshousing.com; Susan Rittscher (srittscher@cweonline.org); Warren Bacon (wbacon@bostonmbdacenter.com)
Subject: Re: Blue Tarp Draft Diversity and Affirmative Marketing Plan

Jill I will be submitting my concerns about the External Advisors and the role and responsibilities the May or may not have.

Patrick V Gore.
Veterans With Vision.

Griffin, Jill (MGC)

From: LePage, Robert <rlepage@stcc.edu>
Sent: Wednesday, January 14, 2015 10:09 AM
To: Griffin, Jill (MGC)
Cc: Robert Griffin; jhayden@hcc.edu
Subject: Re: FW: Blue Tarp Draft Diversity and Affirmative Marketing Plan (Not for Distribution)

Good morning Jill,

Jeff and I had a chance to compare notes and below are some observations. I had a chance to chat with Bruce today to review them as well.

A few areas after reviewing tonight

- The external diversity committee had only one local non MGM person. A much wider representation or a separate **advisory** committee of community members would be of value. Maybe that wider regional **advisory** committee chair would be the MGM external diversity **advisory**.
- In general construction recruitment steps and timeline are not outlined. Pre-hiring assessment are not identified or even noted. No information is provided to identify or suggest step to specific targeted labor pool development for minority, women and veterans. No analysis of local market availability is included. Not inventory of training, pre-apprentice, apprentice program and educational programs related to construction is provided. Given that this will start almost **immediate** more detail should be provided. A **separate construction** document or wider appendix maybe of value.
- Partnering for **culinary** pool development and funding model is very limited and in unspecific. As it is key job function identified as a regional workforce shortage by the community and is essential to operational success it should require more specific information. (seem construction comments above – same observations)
- Partnering for gaming labor pool development and funding model is very limited and in unspecific. As it is new jobs and is essential to operational success it should require more specific information. (see construction comments above – same observations)
- The overall report seems to be limited in scope related to veteran focus and partnering.
- While maybe not required it would seem data collection and reporting on pre-hiring should be included. MGM presented the Smart Soft system to MGC as a project solution and it is note noted in this document.
- It would be suggested that a standing workforce development committee would be created and sustained comprised of educators, CBO and industry leaders
- Plans for training for minority/ veteran and women Vendors is not specific. Recruitment locally and statewide is not addressed. Plans to build a wide pool of new qualified local vendors should be addressed.
- Document does not make any fiscal commitments to training.

On Fri, Jan 9, 2015 at 12:15 PM, Griffin, Jill (MGC) <jill.griffin@state.ma.us> wrote:

Attached is the draft Diversity and Affirmative Marketing Plan for Blue Tarp ReDevelopment, LLC (MGM - Springfield). This plan covers a Construction Phase Diversity Program for Equal Opportunity in employment and contracting; Establishes an Operational Phase Diversity Program for Equal Opportunity in employment and contracting; and Establishes an Affirmative Marketing Program for goods and services during design and construction and for goods and services during operations.

Griffin, Jill (MGC)

From: Porter, André (OSBE)
Sent: Wednesday, January 14, 2015 8:17 PM
To: Griffin, Jill (MGC)
Subject: RE: Blue Tarp Draft Diversity and Affirmative Marketing Plan

Jill,

Here are my comments regarding the MGM diversity plan:

- MGM’s goals seem to be on target relative to the goals of the Commission, however I thought the plan lack specificity about how they were going to achieve those goals. Much of their outreach strategy was generic and used language such as “best efforts”. I think they should be more specific and spell out what constitutes “best efforts” so we can determine if those efforts are indeed sufficient to meet reasonable expectations.

The design phase of the project was not given much attention so it is hard to determine if any effort will be made relative to diversity of contractors/vendors during this stage of the project.

From: Griffin, Jill (MGC) [mailto:jill.griffin@massmail.state.ma.us]
Sent: Monday, January 12, 2015 4:56 PM
To: Mahasadeth, Ny (MGC); Porter, André (OSBE); Bill.Vernon@NFIB.org; Stebbins, Bruce (MGC); Janey, Greg; cgeehern@aimnet.org; cgonlonka@massdevelopment.com; Darnell Williams (dwilliams@ulem.org); David Polatin; fmckinney@gnemsc.org; gmacdonald@aimnet.org; gnelson@masscec.com; gparkin@msbdc.umass.edu; Jeffrey Ciuffreda; jerry.d.smith@gsa.gov; Jeter, Jesse; Jordan, Mary (AGR); Juan Cofield (jmcofield@aol.com); kchoi@aimnet.org; King, Chris (VET); Sylvia, Mark (ENV); Griffin, Mary (FWE); mcamp@icic.org; Hunter, Michael (MOBD); Nader Acevedo (nacevedo@hacionline.org); Nee, Coleman (VET); nmartin@massgcc.com; Patrick V Gore (gorehamden@yahoo.com); Raymond.Milano@sba.gov; Nunnally, Reggie (OSD); RHNelson@sba.gov; Day, Rick (MGC); Robert A. Baker (bob@sban.org); Ronald Marlow; srittscher@cweonline.org; WARREN H. BACON (wbacon@bostonmbdcenter.com)
Subject: RE: Blue Tarp Draft Diversity and Affirmative Marketing Plan

Vendor Advisory Group Members-

Just a gentle reminder, regarding MGM’s Construction Phase Diversity Program for Equal Opportunity in employment and contracting.

Your written comments would be welcomed, especially if received by **Wednesday, January 14th**.

MGM will be presenting the construction portion of their plan on January 22nd at the Commission’s public meeting.

Regards,

Jill

Jill Lacey Griffin
Director of Workforce, Supplier and Diversity Development

Massachusetts Gaming Commission
101 Federal Street, 23rd Floor



Griffin, Jill (MGC)

From: Nunnally, Reggie (OSD)
Sent: Wednesday, January 14, 2015 11:43 PM
To: Griffin, Jill (MGC)
Subject: Re: Blue Tarp Draft Diversity and Affirmative Marketing Plan

The overall document is well thought out but needs a specific plan on how this ultimately gets introduced to the business community. a suggestion would be to have this posted on their website, have a section for frequently asked questions, particularly relative to what is discretionary spending versus non discretionary spending,

because the contracts are going fairly large and many of the certified vendors will not have the capacity to be prime vendors. All Subcontracting by prime contractors should have their sub contracts counted towards the overall goal, very similar to the sub contracting goals for construction. At the end of the day we want to be able to create business relationships with the prime contractors regardless if it directly relates to the contract with a casino. In short all prime contractors could have a diversity plan on how they intend to do business with certified firms.

It's a little late, note sure if I am articulating this well but the intent is to do business beyond the contracts with the casino's, if each prime vendor was encouraged or mandated to achieve the goals by doing business with certified firms it would be less onerous on the casinos and the prime vendors as well.

(Example - casinos provide contract to food service company, food service company does business with a certified cleaning company or a certified office products company, the spending should count towards the overall casino goals.)

We do this under our new policy and procedures for our Supplier Diversity Program Plan.

Sent from my iPad

On Jan 12, 2015, at 4:56 PM, "Griffin, Jill (MGC)" <jill.griffin@massmail.state.ma.us> wrote:

Vendor Advisory Group Members-

Just a gentle reminder, regarding MGM's Construction Phase Diversity Program for Equal Opportunity in employment and contracting.

Your written comments would be welcomed, especially if received by **Wednesday, January 14th**.

MGM will be presenting the construction portion of their plan on January 22nd at the Commission's public meeting.

Regards,

Jill

Jill Lacey Griffin

From: Mahasadeth, Ny (MGC)
Sent: Thursday, January 08, 2015 4:16 PM
To: andre.porter@state.ma.us; Bill.Vernon@NFIB.org; Bruce.Stebbins@State.MA.US; Janey, Greg; cgeehern@aimnet.org; cgolonka@massdevelopment.com; Darnell Williams (dwilliams@ulem.org); David Polatin; fmckinney@gnemsdc.org; gmacdonald@aimnet.org; gnelson@masscec.com; gparkin@msbdc.umass.edu; Jeffrey Ciuffreda; jerry.d.smith@gsa.gov; Jeter, Jesse; Jordan, Mary (AGR); Juan Cofield (jmcofield@aol.com); kchoi@aimnet.org; King, Chris (VET); Mark.Sylvia@State.MA.US; Mary.Griffin@State.MA.US; mcamp@icic.org; michael.hunter@State.MA.US; Nader Acevedo (nacevedo@hacionline.org); Nee, Coleman (VET); nmartin@massgcc.com; Patrick V Gore (gorehamden@yahoo.com); Raymond.Milano@sba.gov; reggie.nunnally@State.MA.US; RHNelson@sba.gov; Rick.Day@State.MA.US; Robert A. Baker (bob@sbane.org); Ronald Marlow; srittscher@cweonline.org; WARREN H. BACON (wbacon@bostonmbdcenter.com)
Cc: Griffin, Jill (MGC)
Subject: FW: Blue Tarp Draft Diversity and Affirmative Marketing Plan

Good afternoon Vendor Advisory Group Members,

The below message is being delivered on behalf of Jill Lacey Griffin.

Attached is the draft Diversity and Affirmative Marketing Plan for Blue Tarp reDevelopment, LLC (MGM - Springfield). This plan covers a Construction Phase Diversity Program for Equal Opportunity in employment and contracting; Establishes an Operational Phase Diversity Program for Equal Opportunity in employment and contracting; and Establishes an Affirmative Marketing Program for goods and services during design and construction and for goods and services during operations.

Please submit written comments and feedback to me regarding this plan by close of business on Jan 14th. This document is scheduled to be presented and voted on by the MGC at the public meeting on January 22nd. Due to the MLK holiday on Monday, we need to post materials the Friday prior.

Thank you for your commitment to this process.

Regards,

Jill Griffin

Blue Tarp reDevelopment, LLC **Response to Diversity Program Comments**

Introduction

Blue Tarp reDevelopment, LLC (“MGM Springfield”) is pleased to address the many thoughtful comments and questions that have been submitted through the Massachusetts Gaming Commission’s (“Commission”) Vendor Advisory Group regarding the MGM Springfield Diversity and Affirmative Marketing Program (“Diversity Program”). The goals set forth in the Diversity Program are substantial, but more importantly, they were formulated in partnership and contract with the City of Springfield through the Host Community Agreement (“HCA”).¹ Meeting these goals will be a dynamic process that requires a Program with discretion and flexibility, as opposed to mandates and prescriptive measures that some have suggested. As the Commission is aware, MGM Resorts International is a recognized leader in its commitment to diversity, not only in the gaming sector but among all businesses. MGM’s proposed Diversity Program is backed by this record and experience. MGM Springfield will have dedicated resources to ensure diversity goals are met and it will be the responsibility of the company’s top executives to achieve these goals under the scrutiny of the Commission. It is through this prism that MGM’s Program should be viewed and evaluated by the Commission and other interested parties.

Table of Contents

Comment #1:	Policy Group on Tradeswomen’s Issues	Pages 2- 7
Comment #2:	Ron G. Marlow: Member of MGC’s Vendor Advisory Team	Pages 8-10
Comment #3:	Greater New England Minority Supplier Development Council and Boston MBDA Business Center	Pages 11-13
Comment #4:	Center for Women and Enterprise (Susan Rittscher)	Page 14
Comment #5:	Veterans With Vision / NAACP (Patrick Gore)	Page 15
Comment #6:	Western MA Community Colleges	Pages 16-20
Comment #7:	MA Office of Small Business and Entrepreneurship	Page 21
Comment #8:	MA Supplier Diversity Office (Reggie Nunnally)	Pages 22-23

¹ Defined terms in this document shall have the same meaning ascribed to them in the Diversity Program.

COMMENT #1
Policy Group on Tradeswomen’s Issues

No.	Comments Description²	MGM Response	Resulting Modification to Program
1.1	<p><i>“There is no substance to HOW MGM will reach the stated goal of a diverse workforce. Actually, there is only one reference to workforce diversity in the document. The other half dozen uses of the term are vague commitments to “workforce development.”</i></p>	<p>The Diversity Program creates the framework required to monitor, document, and realize the Project’s agreed Workforce Development goals. Use of the term “Workforce Development” is not the only indicator of MGM’s commitment to workforce diversity.</p> <p>Program’s Foreword specifically states: <i>“MGM Springfield is committed to hiring and maintaining a diverse, <u>multi-racial and multi-cultural workforce</u> which is reflective of its host community and customer base.”</i> (See, Article VI(A) (emphasis added).</p> <p>Additionally, Article I (Purpose) specifically obligates MGM to: <i>“creat[e] employment opportunities for the residents of the City and surrounding communities with particular attention being paid to <u>previously underrepresented ethnic groups</u> . . . inclusive of Minorities, Women, and Veterans.”</i> (See, Article I) (emphasis added).</p> <p>The Program defines the term “Covered Employees” (mentioned 27 times) as specifically referring to Minorities, including (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic, as well as Women and Veterans. (See, Article V (A), VI (A)).</p> <p>Article VI (A) sets forth fourteen (14) specific tactical steps with regard to how MGM will reach the agreed benchmarks.</p>	None

² The comments in this column are excerpts from the actual comments provided to MGM Springfield, but specific comments, although in the words of the commenter, may have been abridged or condensed.

<p>1.2</p>	<p><i>“Reporting will be done monthly and quarterly. That is inadequate and will not move the needle.”</i></p>	<p>Labor Participation Reports - Per the Commission’s suggestion, MGM Springfield has incorporated a requirement to produce weekly job reports. <i>(See, Article V(A)).</i></p> <p>Procurement Reports - Monthly reports are industry standard as a result of the fact that:</p> <ul style="list-style-type: none"> • Invoices for expenditures with Certified Businesses (MBE, WBE, and VBE) are paid monthly. • More frequent contract reports would be incomplete. <p>Additionally, the Governing Authority (G.L. c. 23K) requires Quarterly Compliance Reports during the Construction phase.</p>	<p>None</p>
<p>1.3</p>	<p><i>“The entire document is heavily weighted towards DBE goals and the permanent jobs created after construction.”</i></p>	<p>Article V of the Program is fully dedicated to the Design and Construction Phase of the Project.</p> <p>There are approximately fifteen (15) specifically stated contractual obligations imposed upon the General Contractor to ensure best efforts are used to achieve agreed upon goals during the construction phase. <i>(See, Article V).</i></p> <p>Article VII includes a specific Affirmative Marketing Program during the design and construction phase. <i>(See, Article VII).</i></p>	<p>None</p>
<p>1.4</p>	<p><i>“The infrastructure proposed is top-heavy and unconnected to the point of change, i.e., monitoring the supply of a diverse workforce to the subs from unions.”</i></p>	<p>Per the Commission’s suggestion, MGM Springfield has also incorporated an obligation for subcontractors to issue weekly diversity jobs reports to include: (i) the numbers of Minorities; (ii) Women; and (iii) Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals. <i>(See, Article V(A)).</i></p>	<p>Modify Section V (A) to include:</p> <p>“Subcontractor Weekly Diversity Jobs Reports. No less frequently than weekly, the Project’s subcontractors shall provide the General Contractor and MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the number of Minorities; (ii) the number of Women; and (iii) the number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors</p>

			consultants, and/or design professionals (collectively referred to as “Subcontractors”).”
1.5	<p>“There is no reference to transparency.”</p>	<p>The Quarterly Compliance Reports are the embodiment of transparency.</p> <p>Moreover, as a direct result of the fact that MGM Springfield is regulated by the Commission, its books and records are subject to review and audit.</p> <p>The Program requires MGM Springfield to keep full and complete records of its efforts to comply with its obligations under this Program. All records will be kept in accordance with MGM Springfield’s record retention policies and applicable law. (See, Article VIII (G)). In addition, MGM Springfield is also committed to participating with various public advisory groups, including the Massachusetts Gaming Commission Access and Massachusetts Gaming Vendor Advisory Team.</p>	<p>Add a new last sentence to Article I (Purpose) that reads as follows:</p> <p>“MGM Springfield is committed to issuing regular and transparent reports of its compliance with this Program.”</p>
1.6	<p>“They rely on “best efforts.” We are working to raise the area standard to “maximum efforts.”</p>	<p>The HCA requires a “best efforts” standard. (Diversity Program Appendix A – Exhibit C of Host Community Agreement). It cannot be unilaterally changed.</p> <p>In Massachusetts law, “best efforts” is a legally recognized standard which the courts have interpreted as requiring that the party actively work to perform, with full energy and fairness, the relevant express promises and reasonable implications therefrom. See <i>Macksey v. Egan</i>, 36 Mass. App. Ct. 463, 633 N.E.2d 408, 414 (1994) (“Best efforts’ is what is reasonable in the circumstances. What constitutes best efforts may be determined by the parties’ intentions. Best efforts does not require unreasonable, unwarranted or impractical efforts and expenditures of time and money out of all proportion to economic reality. Best efforts is equal to a good faith effort to meet one’s obligations.”); <i>Stabile v. Stabile</i>, 55 Mass. App. Ct. 724, 727, 774 N.E.2d 673, 676 (2002) (citing same); see also <i>Triple-A Baseball Club Assocs. v. Northeastern Baseball, Inc.</i>,</p>	None

		832 F.2d 214, 225-226 (1st Cir. 1987), cert. denied, 485 U.S. 935 (1988).	
1.7	<p><i>“References to outside involvement by community organizations are clearly limited and constrained by MGM’s authority.”</i></p>	<p>MGM Springfield is ultimately accountable and responsible for compliance under:</p> <ul style="list-style-type: none"> • G.L. c. 23K (the “Statute”); • Blue Tarp reDevelopment, LLC’s Decision Awarding a License to Operate a Category 1 Gaming Establishment in Region B (“License”); and • Exhibit C of the HCA. <p>Neither the Statute, the License, nor the HCA contemplate that MGM Springfield would be accountable, but that third parties would have control of the means and methods used to achieve the goals.</p> <p>MGM Springfield’s policies will be influenced by its collaboration with educational partnerships:</p> <ul style="list-style-type: none"> • FutureWorks, • CareerPOINT, • the regional employment boards, • BerkshireWorks, • Westover Job Corp Center and Staffing Solutions, • Holyoke Community College, • Springfield Technical Community College, and • Massachusetts Casino Careers Training Institute. <p><i>(See, Article VI (A)(2)(c)).</i></p>	None

<p>1.8</p>	<p><i>“Article V, the section on construction diversity (p. 5-6) consists of posting and notifications of the law and monthly reporting. Completely insufficient.”</i></p>	<p>Article V (A)-(B) of the Program requires posting so that Covered Employees and Certified Business Entities will have formal notice of the General Contractor’s contractual obligations to use commercially reasonable efforts to consider those goals when performing work for MGM Springfield.</p> <p>Additionally, Article VII includes the implementation of an Affirmative Marketing Program during the design and construction phase of the Project. (<i>See, Article VII</i>). Specifically, Article VII (B) requires MGM to:</p> <ul style="list-style-type: none"> • Co-host outreach sessions with its General Contractor throughout the City and region to introduce upcoming contracting opportunities; • Provide information with regard to best business practices; • Train potential Certified Business Entities on how to compile documentation to prequalify and tender for the Project; and • Consider commercially reasonable proposals for financial support strategies on a case-by-case basis. 	<p>None</p>
<p>1.9</p>	<p><i>“Their entire program for construction diversity - in this long and legalistic document— is about 400 words on page 5 and the top of page 6.”</i></p>	<p>MGM Springfield has dedicated resources for diversity during the construction phase of the Project. Furthermore, of the six positions included in the Diversity Compliance Team, one third are 100% dedicated to construction (one of the positions is 100% dedicated to diversity construction). Of the seven positions that make up the Diversity Committee, three are construction related. The relevant positions are:</p> <ul style="list-style-type: none"> • External Diversity Advisor (1) who is familiar with diversity in either general business practices and/or large scale construction contracts. • Executive Vice President for Development for MGM Resorts Development, LLC will be responsible for general oversight and supervision of Construction Phase Diversity Program for Equal Opportunity and 	<p>None</p>

		<p>Affirmative Marketing Program for design and construction.</p> <ul style="list-style-type: none"> • Executive Director of Diversity and Contracts for MGM Resorts Development, LLC will be responsible for compliance with HCA obligations, for the day-to-day tasks required to monitor and document MGM Springfield’s best efforts for design and construction obligations, and for activation of proactive steps and appropriate intervention with contractors and vendors to ensure their compliance. • Additionally, MGM Springfield’s General Contractor(s) will be contractually required to utilize an active representative to coordinate with the Diversity Compliance Team. <p><i>(See, Article IV).</i></p> <p>See above (part 1.8) description of the Affirmative Marketing Program during the design and construction phase of the Project. <i>(See, Article VII (B)).</i></p>	
<p>1.10</p>	<p><i>“Suggestion from Jill - Need to include some of the diversity practices that you may consider to be part of MGM’s DNA or regular business practices that you highlighted during the meeting on January 13th, i.e., monitoring the supply of a diverse workforce to the subs from unions.”</i></p>	<p>MGM Springfield has accepted the Commission’s suggests, as indicated by the current draft.</p>	<p>Modify Section V (A) to include:</p> <p>“Subcontractor Weekly Diversity Jobs Reports. No less frequently than weekly, the Project’s subcontractors shall provide the General Contractor and MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the number of Minorities; (ii) the number of Women; and (iii) the number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals (collectively referred to as “Subcontractors”).”</p>

COMMENT #2

Ron G. Marlow: Member of MGC’s Vendor Advisory Team

No.	Comments Description	MGM Response	Resulting Modification to Program
2.1	<p><i>“The language regarding counting individuals, for workforce and business participation purposes, is a bit confusing. It appears that MGM is prepared to count any individual, who may fit into more than one category, either by way of race, gender, veteran status, or residency), in each category said individual may fit while not only counting said individual only once for reporting purposes. The language seems to “split the baby in half” regarding the use of a standard practice (i.e. – double and/or triple counting) and a concern that such counting may have a diminishing effect on aggregate outcomes. It would be great to have this approach clarified.”</i></p>	<p>Calculation For Labor Participation For Operational Jobs Reports – Section 3 (b) of the HCA requires that MGM Springfield “use best efforts” to achieve labor participation goals of 35% City Residents; 50% Minority; 50% Women; and 2% Veteran. (See, Program, Appendix A). Thus, the HCA anticipates that MGM Springfield would be able to classify individuals as satisfying multiple categories. Otherwise, the total labor participation calculation would exceed 100% (sum of all goals would equal 137% of total labor). In short, when discussing and or reporting on the quantifiable subsets within the population of MGM Springfield’s employee pool, MGM Springfield will characterize the population of Covered Employees based on the total number of sub-categories that have been satisfied by each individual at the specific point in time of any report.</p> <p>However, the Program specifically states that regardless of how many categories any individual Covered Employee satisfies, no single individual shall be counted more than once in the accumulation of totals for reportage of utilization of Covered Employees.</p> <p>Calculation For Labor Participation For Construction Jobs Reports - MGM Springfield is committed to using its best efforts to achieve the participation goals, which are based upon the target percentages established by the Executive Office for Administration and Finance Administration Bulletin Number 14. Those target percentages are: 15.3 % Minority; 6.9% Women; and 8% Veterans. For consistency, MGM</p>	<p>None for Labor Participation.</p> <p>Modify the “Notes” on the Benchmarking For Success sections of Articles V (B) and VI (B) to read as follows:</p> <p>“NOTE: With regard to Certified Business Entities that hold more than one of the following certifications: MBE, WBE, and/or VBE (“Subject Certified Business Entity”), MGM Springfield shall, at the outset of the engagement (to be applicable for the duration thereof), identify to which of the corresponding procurement goals to apply the total sum of its expenditures with the Subject Certified Business Entity. However, in any instance where, during the course of the engagement, the identified certification lapses, expires or for any reason is no longer in good standing, MGM Springfield shall be entitled to credit any additional expenditure with the Subject Certified Business Entity against the corresponding procurement goals of a different (valid) certification held by the Subject Certified Business Entity.</p> <p>For avoidance of doubt, the aggregate sum of expenditures with a Subject Certified</p>

		<p>Springfield will use the same method of calculation, including the caveat that no single individual shall be counted more than once in the accumulation of totals for reportage of utilization of Covered Employees.</p>	<p>Business Entity shall only be included once during any reporting period.”</p> <p>Notwithstanding, while MGM Springfield will ensure that its total procurement amounts from Subject Certified Business Entities are reported accurately, MGM Springfield reserves the right to track and submit ancillary reports on its progress in procurement in each of those subcategories (MBE, WBE, and VBE), as MGM Springfield believes a business owner who has obtained a valid certification in each of those categories is entitled to equal recognition in each of those categories.</p>
<p>2.2</p>	<p><i>“MGM, adopting a practice common in the casino industry, has identified various procurement activities that would be excluded from the supplier diversity goals regime. It would be helpful to see from a real-world example how the exclusion of various spending activities impact the attainment of supplier diversity goals as well as how the exclusion impacts the calculation of what constitutes spending (for purposes of meeting supplier diversity objectives).”</i></p>	<p>The practice is not only common to most industries, but mandated by G.L. c. 23K, § 21, which states: <i>“the actual calculation of the percentage of expenditure with Certified Business Entities is to be based on the availability of such Certified Business Entities.”</i></p> <p>The AGA exclusions are specific to areas that are based on institutional leverage or regulatory approvals or specific customer enhancements:</p> <ul style="list-style-type: none"> • Monopolies (utilities and the like) • Gaming Equipment • Insurance • Workman’s Compensation • Employee Benefits <p><i>(See, Program, Article IV, Appendix D).</i></p>	<p>None</p>

<p>2.3</p>	<p>Composition of Diversity Committee: Why does MGM exclude the Executive Director of Diversity Contracts from the Diversity Committee?</p>	<p>The Executive Director of Diversity and Contracts is a dedicated support-staff position like the Manager Legal/Compliance. The Executive Director of Diversity and Contracts reports directly to the Executive Vice President for Development for MGM Resorts Development, LLC, who is a member of the Diversity Committee. MGM Springfield’s Diversity Committee is made up of MGM Springfield’s most senior executives, who are directly responsible for diversity.</p> <p><i>(See, Program, Article IV).</i></p>	<p>None</p>
<p>2.4</p>	<p><i>“Is MGM aware of the Commission’s intent to form an AOC? Is MGM supportive of the approach?”</i></p>	<p>The Vice President and General Counsel position is required to act as MGM Springfield’s liaison with both the Massachusetts Gaming Commission Access and Opportunity Committee and the Massachusetts Gaming Vendor Advisory Team.</p> <p><i>(See, Program, Article IV).</i></p>	<p>None</p>

COMMENT #3:

Greater New England Minority Supplier Development Council and Boston MBDA Business Center

	Comments Description	MGM Response	Resulting Modification to Program
3.1	<i>“Overall, the Program looks fine, assuming that the “commercially reasonable” approach hits the intended targets.”</i>	“Commercially reasonable” only applies to General Contractors, not MGM Springfield. MGM Springfield has contractually committed itself to use “ best efforts ” in its Host Community Agreement with the City of Springfield.	None
3.2	<i>“The goals for MBEs in the construction phase are reasonable, but the MBE goals for the operational phase is too low. We believe that there are sufficient MBEs with experience to boost this goal.”</i>	The Goals for Operational participation are set by Section 5 (a) (ii) of Exhibit C of the HCA. <i>(See, Program Appendix A – Exhibit C of HCA).</i>	None
3.3	<i>“The Program discusses proactive use of apprenticeship programs for employment. There should be a proactive in fostering strategic alliances to help the smaller local businesses. Especially if there is concern about the depth of very local MBEs. This would also show strong support for and recognition of the legislative intent of fostering true economic inclusion.”</i>	The Program includes several specific proactive steps designed to foster strategic alliances to help smaller businesses, including: <ul style="list-style-type: none"> • Website Advertising • Contract Vendor Fairs • Co-hosted Sessions with General Contractor • Training of Certified Business Entities on how to qualify and tender for projects • Consideration of commercially reasonable proposals for financial support from smaller businesses <i>(See, Program Article VIII (A) and (B)).</i> The General Contractor will be contractually obligated to actively participate in workshops, seminars, vendor fairs, and other activities designed to solicit additional participation of Certified Business Entities. <i>(See, Program, Article IV).</i>	None

<p>3.4</p>	<p>“How will performance against goals be achieved? Are there sufficient systems in place at both MGM and GC? With frequent reporting on a complex, multi-layer project, it’s important to have this work easily. Otherwise you have erosion in this activity. A system like PRISM, used by MassDOT for similar purpose is an option.”</p>	<p>The Program requires that MGM Springfield have several systems and protocols in place to ensure MGM Springfield performance, including:</p> <ul style="list-style-type: none"> • Senior Executives Held Responsible - the Diversity Compliance Team includes the senior most executives with specific duties assigned to each. (See, Program, Article IV). • Dedicated Staff – two staff positions, the Director of Diversity Contracts and the Manager /Legal Compliance, are given specific duties for tracking and compliance with reports. (See, Program, Article IV). • Contractual Obligations – General Contractor(s) will be contractually obligated to ensure accurate reporting. The contractor is required to develop specific means and methods. (See, Program, Article IV). • Continuous Review Process – the Diversity Compliance Team is required to engage in a process of continuous review of both process and work product associated with the compilation of the Quarterly Compliance Reports. (See, Program, Article VIII (F)). <p>Additionally, MGM Springfield has the ability to consider and implement software that may be appropriate for its use.</p>	<p>Add a new last sentence to Article VIII subsection (F) that reads as follows:</p> <p>“MGM Springfield will also continue to consider and assess software applications and nationally recognized protocols, systems, and manuals that could help MGM Springfield achieve its goals.”</p>
<p>3.5</p>	<p>“Exclusions should be looked at carefully, and not just accepting the “industry standard”, as there are now MBEs that could participate in these categories. Also, the ability to declare additional exclusions is troublesome, especially if a proactive approach to strategic alliances benefiting smaller, local MBEs is not made.”</p>	<p>Under the Program, MGM Springfield’s ability to exclude additional categories is subject to: (i) <u>thirty (30) days advanced notice to the Commission</u>’s Director of Workforce, Supplier and Diversity Development; and (ii) a <u>commercially reasonable search</u>. It is not arbitrary, but necessary to take into account changes of availability of key goods and services. (See, Program, Article VIII (B))(emphasis added). (See Response subpart 2.2 above).</p>	<p>None</p>

<p>3.6</p>	<p><i>“Need to clarify under what circumstances External Advisors would be replaced.”</i></p>	<p>Under the Program, the circumstances under which MGM can replace an external advisor are plainly stated: <i>The MGM Springfield President and COO shall have the right, upon <u>notice to the Commission</u>, to change the External Diversity Advisors from time to time in his or her <u>reasonable discretion</u>.</i> (See, Program, Article VIII (External Diversity Advisors (1&2)) (emphasis added)).</p> <p>The External Advisors are not subject to arbitrary replacement. However, it is crucial that the MGM Springfield President and COO has the ability to enforce standards of quality, effectiveness and accountability on External Advisors as he/she would for other external consultants.</p>	<p>None</p>
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COMMENT #4:
Center for Women and Enterprise
(Susan Rittscher)

	Comments Description	MGM Response	Resulting Modification to Program
4.1	<p><i>“I reviewed the document and found the percentages for WBE’s to be realistic in the certain categories.”</i></p>	<p>Set by HCA. <i>(See, Program, Appendix A).</i></p>	<p>None</p>
4.2	<p>“I would like the construction phase to have more women in the future.”</p>	<p>Set by HCA. <i>(See, Program, Appendix A).</i></p> <p>Additionally, these percentages were recommended by the Executive Office for Administration and Finance Administration in Bulletin Number 14. Those target percentages are: 15.3 % Minority; 6.9% Women; and 8% Veterans.</p>	<p>None</p>

COMMENT #5
Veterans With Vision / NAACP
(Patrick Gore)

No.	Comments Description	MGM Response	Resulting Modification to Program
5.1	<p><i>“It seems that the external advisors are under the control of the diversity committee and the fact the they can be removed or replaced at the discretion of the Committee or chairpersons of the Committee would not in my opinion seem to demonstrate confidence in the process or give the external advisors any assurances that they would not be replaced if they found themselves in disagreement with the committee or its leadership of the committee.”</i></p>	<p>(See Response subpart 3.6 above).</p>	<p>None</p>

COMMENT #6
Western MA Community Colleges

No.	Comments Description	MGM Response	Resulting Modification to Program
6.1	<p><i>“The external diversity committee had only one local non MGM person. A much wider representation or a separate advisory committee of community members would be of value. Maybe that wider regional advisory committee chair would be the MGM external diversity advisory.”</i></p>	<p>Under the Program, the External Diversity Advisor 2 <i>may or may not be</i> a resident of the Commonwealth. (See, Program Article VIII).</p> <p>The Program’s structure opens the door to include nationally recognized advisors, but does not preclude local candidates.</p> <p>MGM Springfield’s Diversity policies will be influenced by its collaboration with educational partnerships:</p> <ul style="list-style-type: none"> • FutureWorks, • CareerPOINT, • the regional employment boards, • BerkshireWorks, • Westover Job Corp Center and Staffing Solutions, • Holyoke Community College, • Springfield Technical Community College and • Massachusetts Casino Careers Training Institute. <p>(See, Program, Article VI (A)(2)(c)).</p>	None
6.2	<p><i>“In general construction recruitment steps and timeline are not outlined. No analysis of local market availability is included. Given that this will start almost immediate more detail should be provided. A separate construction document or wider appendix maybe of value.”</i></p>	<p>The construction timelines will ultimately be approved by the Commission. The Project’s expenditures will follow the construction schedule. Additionally, there are significant liquidated damages that MGM Springfield will suffer if the Project is not completed on time. The Diversity Program is not intended to include all Project requirements, but the application of the Program itself will be heavily influenced by other regulatory requirements.</p> <p>MGM Springfield will work with Community stakeholders to understand local market availability (including Greater New England Minority Supplier Development Council and others).</p>	None

6.3	<i>“Not inventory of training, pre-apprentice, apprentice program and educational programs related to construction is provided.”</i>	An apprenticeship program is specifically referenced twice in the Diversity Program: Article VI (A)(2)(e) and V (A) (Apprenticeships). The General Contractor is specifically required to provide apprenticeship programs for Covered Employee community college students and recent college/university graduates (including Covered Employees) during the construction phase of the Project. (<i>See, Program, Article V (Apprenticeships)</i>).	None
6.4	<i>“Pre-hiring assessment are not identified or even noted. No information is provided to identify or suggest step to specific targeted labor pool development for minority, women and veterans.”</i>	MGM Springfield will target minorities, women and veterans in-part through its collaboration with educational partnerships: <ul style="list-style-type: none"> • FutureWorks, • CareerPOINT, • the regional employment boards, • BerkshireWorks, • Westover Job Corp Center and Staffing Solutions, • Holyoke Community College, • Springfield Technical Community College and • Massachusetts Casino Careers Training Institute (<i>See, Program, Article VI (A)(2)(c)</i>).	None
6.5	<i>“Partnering for culinary pool development and funding model is very limited and in unspecific. As it is key job function identified as a regional workforce shortage by the community and is essential to operational success it should require more specific information. (seem construction comments above – same observations)”</i>	(See Response subpart 6.4 above)	None

<p>6.6</p>	<p><i>“Partnering for gaming labor pool development and funding model is very limited and in unspecific. As it is new jobs and is essential to operational success it should require more specific information. (see construction comments above – same observations)”</i></p>	<p>MGM Springfield does address gaming labor pool needs. In addition to MGM Springfield’s collaboration with educational partnerships listed above, the Program specifically requires:</p> <ul style="list-style-type: none"> • Front-Line Training (Career Progression Programs) • Basic Skills Training (Job Readiness) • Hospitality Career Information Workshops (Job-Readiness Training) • Affirmative Marketing for the Unemployed pursuant to License Condition 15. <p><i>(See, Program, Article VI (A) (2)).</i></p> <p>MGM Springfield will offer hospitality career information workshops for several positions, including but not limited to, guest service ambassadors, marketing professionals, human resource representatives, table games dealers, slot technicians and representatives, and cage clerks.</p> <p><i>(See, Program, Article VI (A)(2)(d)).</i></p>	<p>None</p>
<p>6.7</p>	<p><i>“The overall report seems to be limited in scope related to veteran focus and partnering.”</i></p>	<p>MGM Springfield does specifically address U.S. veterans. MGM Springfield intends to meet the requirements of the HCA, Statutes, and its License. This includes the inclusion of Minorities, Women, and Veterans. Each of the 27 references to “Covered Employees” is inclusive of Veterans.</p> <p><i>(See, Program, Article I).</i></p> <p>In addition to the general inclusion of veterans, MGM Springfield will offer Front-Line Training that will include programs “aimed at helping U.S. Veterans leverage their military leadership skills while transitioning into management or other positions within MGM Springfield.”</p> <p><i>(See, Program, Article VI (A)(2)(a)).</i></p>	<p>None</p>

<p>6.8</p>	<p><i>“While maybe not required it would seem data collection and reporting on pre-hiring should be included. MGM presented the Smart Soft system to MGC as a project solution and it is note noted in this document.”</i></p>	<p>The scope of the data to be collected and reported is dictated by the HCA, Statutes, and License.</p> <p><i>(See, Program, Article I).</i></p>	<p>Add a new last sentence to Article VIII subsection (F) that reads as follows:</p> <p>“MGM Springfield will also continue to consider and assess software applications and nationally recognized protocols, systems, and manuals that could help MGM Springfield achieve its goals.”</p>
<p>6.9</p>	<p><i>“It would be suggested that a standing workforce development committee would be created and sustained comprised of educators, CBO and industry leaders.”</i></p>	<p>One Diversity Committee with oversight of the both workforce development and contracting will provide a cohesive and consistent approach to diversity.</p> <p>External Diversity Advisor 2 will be an individual who is familiar with national best practices for minority/disadvantaged workforce development.</p> <p>Additionally, the educational partnerships with local workforce development experts will provide additional expertise in the area of workforce development. <i>(See, Program, Article IV).</i></p>	<p>None</p>
<p>6.10</p>	<p><i>“Programs for training for minority/veteran and women Vendors is not specific. Recruitment locally and statewide is not addressed. Programs to build a wide pool of new qualified local vendors should be addressed.”</i></p>	<p>See Response subpart 6.7 above.</p> <p>MGM Springfield’s proactive steps to build a wide pool of new qualified local vendors include:</p> <ul style="list-style-type: none"> • Website Advertising • Contract Vendor Fairs • Co-hosted Sessions with General Contractor • Training of Certified Business Entities on how to qualify and tender for projects • Consideration of commercially reasonable proposals for financial support from smaller businesses <p><i>(See, Program Article VIII (A)-(B)).</i></p>	<p>None</p>

6.11	<i>“Document does not make any fiscal commitments to training.”</i>	MGM Springfield is required to use its best efforts to achieve its key workforce goals, not to spend a certain amount achieving those goals, especially since we believe many of our efforts will be achieved with our extensive in-house resources that support our corporate diversity procurement and workforce development efforts. Neither the HCA, the Statutes, nor the License creates a correlation between a specific dollar amount and the ability to achieve the goals set forth in the Diversity Program.	None
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COMMENT #7:
MA Office of Small Business and Entrepreneurship

No.	Comments Description	MGM Response	Resulting Modification to Program
7.1	<p><i>“MGM’s goals seem to be on target relative to the goals of the Commission, however I thought the Program lack specificity about how they were going to achieve those goals. Much of their outreach strategy was generic and used language such as “best efforts”. I think they should be more specific and spell out what constitutes “best efforts” so we can determine if those efforts are indeed sufficient to meet reasonable expectations.”</i></p>	<p>The Program sets forth a framework required to allow for achieving compliance with the required objectives. There are over thirty (30) tactical steps included in the Program, but no Program could possibly anticipate every possible action that will be necessary to achieve the stated goals. MGM Springfield has taken the approach that it will achieve its goals by: (i) holding top executives accountable; (ii) dedicating specific resources; and (iii) effectively communicating the goals to internal team members and external stakeholders.</p> <p>“Best efforts” is the legal standard by which the Host Community Agreement requires that MGM Springfield be held. MGM Springfield cannot unilaterally modify a legal standard for measuring conduct.</p>	None
7.2	<p><i>“The design phase of the project was not given much attention so it is hard to determine if any effort will be made relative to diversity of contractors/vendors during this stage of the project.”</i></p>	<p>The Commission’s proposed modifications were accepted in this regard, as indicated by the current draft of the Diversity Program.</p>	<p>Modification: Construction phase provisions explicitly now refer to both design and construction. <i>(See, Program, Article V).</i></p>

COMMENT #8:
MA Supplier Diversity Office
(Nunnally, Reggie)

No.	Comments Description	MGM Response	Resulting Modification to Program
8.1	<p><i>“The overall document is well thought out but needs a specific Program on how this ultimately gets introduced to the business community. A suggestion would be to have this posted on their website, have a section for frequently asked questions, particularly relative to what is discretionary spending versus non discretionary spending”</i></p>	<p>The Program is a public document. It has already been reviewed by:</p> <ul style="list-style-type: none"> • the Policy Group on Tradeswomen’s Issues; • Ron G. Marlow as Member of MGC’s Vendor Advisory Team and the Former Assistant Secretary for Access and Opportunity for MA; • the Greater New England Minority Supplier Development Council and Boston MBDA Business Center; • Susan Rittscher for the Center for Women and Enterprise; • Patrick Gore with Veterans With Vision, a non-profit in Springfield focused on veterans (Patrick Gore also represents the NAACP); • Western MA Community Colleges; • the Massachusetts Director of the Office of Small Business and Entrepreneurship; and • Reggie Nunnally, the Director of the MA Supplier Diversity Office. 	<p>Add a new subsection (3) to Article VI (B) that read which reads as follows:</p> <p>“Coordination with Career Centers and Community Colleges. MGM Springfield will coordinate with the Massachusetts Supplier Diversity Office (SDO), the Massachusetts Gaming Commission Vendor Advisory Group and other state and regional supplier and industry organizations with a focus on diversity to: (a) assist in the identification and engagement of Certified Business Entities during its operational phase; (b) formally introduce the Program; and (c) review frequently asked questions with regard to supplier diversity and those procurement processes that are unique to MGM Springfield.”</p>

<p>8.2</p>	<p><i>“Because the contracts are going fairly large and many of the certified vendors will not have the capacity to be prime vendors. All Subcontracting by prime contractors should have their sub contracts counted towards the overall goal, very similar to the sub contracting goals for construction. At the end of the day we want to be able to create business relationships with the prime contractors regardless if it directly relates to the contract with a casino. In short all prime contractors could have a diversity Program on how they intend to do business with certified firms objectives).”</i></p>	<p>The Commission’s proposed modifications were accepted in this regard, as indicated by the current draft of the Program.</p> <p>(See, Program, Article V(A)).</p>	<p>Modify Section V (A) to include:</p> <p>“Subcontractor Weekly Diversity Jobs Reports. No less frequently than weekly, the Project’s subcontractors shall provide the General Contractor and MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the number of Minorities; (ii) the number of Women; and (iii) the number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals (collectively referred to as “Subcontractors”).”</p>
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This Diversity and Affirmative Marketing Program (~~collectively~~ “Program”) is adopted in accordance with G.L. c. 23K (the “Statute”), Blue Tarp reDevelopment, LLC’s Decision Awarding a License to Operate a Category 1 Gaming Establishment in Region B (“License”) and Exhibit C of the Host Community Agreement entered into by and between Blue Tarp reDevelopment, LLC (“we” or “MGM Springfield”) and [the](#) City of Springfield, Massachusetts (“City”) with an Effective Date of May 14, 2013 (the “HCA”) (the Statute, the License and the HCA are collectively hereinafter defined in Article III as the “Governing Authority”). In the event of a conflict or inconsistency between this Program and the Governing Authority, the Governing Authority shall control. This Program is for the mutual and exclusive benefit of MGM Springfield, the City, and the Massachusetts Gaming Commission (the “MGC” or the “Commission”); no third party shall claim right or entitlement under this Program. Subject to compliance with the Governing Authority, MGM Springfield reserves the right to modify ~~or cancel~~ the Program as it reasonably determines.

Diversity and Affirmative Marketing Program
As
Adopted by Blue Tarp reDevelopment LLC

Approved on: [INSERT DATE]

Table of Contents

Foreword

MGM Resorts International (“MGM”) has been the pioneer in diversity and inclusion in the gaming and hospitality industry since its voluntary adoption of its Diversity Initiative in 2000. MGM regards diversity as an essential business paradigm for success in the modern global economy. Hence, Diversity and Inclusion are the foundation of MGM’s culture of Integrity, Teamwork and Excellence. MGM has systematically incorporated diversity into its Company’s value system, organizational culture, and its business operations, as a matter of progressive business policy for itself, its affiliates and subsidiary companies.

MGM Springfield is committed to hiring and maintaining a diverse, multi-racial and multi-cultural workforce which is reflective of its host community and customer base. ~~However,~~ We recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are our lifeblood. We realize that, to achieve the highest level of performance of our teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at his/her highest levels each and every day. We, therefore, foster an inclusive culture of excellence, enterprise-wide, aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all, positive recognition for a job well done. Diversity and Inclusion promote greater unity in our Company around a shared common vision in achieving our business mission.

TABLE OF CONTENTS

ARTICLE I	Purpose.....	1
ARTICLE II	Definitions.....	1
ARTICLE III	Compliance Program Scope and Function.....	2
ARTICLE IV	Diversity Compliance Staffing and Structure.....	3
ARTICLE V	Construction Phase Diversity Program for Equal Opportunity.....	5
	A. MGM Springfield’s Diversity Program for Equal Opportunity for Construction Jobs pursuant to G.L. c. 23K, § 21(22); License Condition 12; and HCA Exhibit C	5
	B. Best Efforts to include Certified Business Entities in the award of design and construction contracts pursuant to G.L. c. 23K, § 21(21)(i),(ii); License Conditions 9 (g) and 10; and HCA Exhibit C	6
ARTICLE VI	Operational Phase Diversity Program for Equal Opportunity.....	7
	A. MGM Springfield’s Diversity Program for Equal Opportunity for Employment of Covered Employees During Operations of the Gaming Establishment pursuant to G.L. c. 23K, §21 (20); License Condition 12; and HCA Exhibit C	7
	B. Best Efforts to include Certified Business Entities in the award of goods and services contracts for the project’s operations pursuant to G.L. c. 23K, § 21(21)(iii); License Condition 11; and HCA Exhibit C	9
ARTICLE VII	Affirmative Marketing Program for Design and Construction and Goods and Services.....	10 <u>11</u>
ARTICLE VIII	Composition of Compliance Reports.....	11
	A. Methodology for Construction Quarterly Compliance Reports	11 <u>12</u>
	B. American Gaming Association (AGA) Exclusions	11 <u>12</u>
	C. Business Opportunity Construction Spend Reporting	11 <u>12</u>
	D. Employment Construction Reporting	12
	E. Annual Statistical Reporting	12 <u>13</u>
	F. Continuous Review Process	12 <u>13</u>
	G. Cooperation / Books and Records	12 <u>13</u>

ARTICLE I.

Purpose

~~A~~Two primary ~~objective~~objectives of the Massachusetts Gaming Act ~~is~~are to provide for new employment opportunities in *all* sectors of the economy including ~~the~~for those who are unemployed and ~~promoting~~to promote local and small businesses and the tourism industry. In furtherance of these objectives, MGM Springfield and the City, through their HCA, have recognized ~~that~~ the economic development goals of establishing the MGM Springfield project in Springfield, Massachusetts (the “Project”) ~~as including~~include: (i) creating employment opportunities for the residents of the City and surrounding communities with particular attention being paid to previously underrepresented ethnic groups (as indicated in the Commonwealth’s Executive Office for Administration and Finance Administration Bulletin Number 14 and reiterated in Exhibit C of the HCA), inclusive of Minorities, Women, and Veterans (collectively referred to as “Covered Employees”); and (ii) creating opportunities for competition by all businesses located in the City and the Greater Springfield Region with particular attention being paid to contractors, subcontractors, sub-consultants, suppliers, professional service providers and vendors who are certified as Minority Business Enterprises (“MBE”), Women Business Enterprises (“WBE”), and Veteran Business Enterprises (“VBE”) (collectively referred to as “Certified Business Entities”) having current certificates of certification in such categories by a private or governmental Certifying Agency (defined in Section II below) during the Project’s construction and operations phases.

In addition to and consistent with the requirements of the Statute and the License, the Commission, MGM Springfield and the City have agreed that adoption and implementation of this Program will provide the most appropriate means by which to monitor, document, and realize the Project’s above-stated economic development goals. MGM Springfield is committed to issuing regular and transparent reports of its compliance with this Program. MGM Springfield’s compliance objective shall be to achieve all goals for procurement and employment as stated in Exhibit C of the HCA, which is attached hereto as Appendix A and fully incorporated herein by this reference. This Program’s goals include specific targets for the use of Certified Business Entities in design and construction and for goods and services, as well as goals for the hiring of Covered Employees during the construction and operations phases of the Project. These goals also include specific commitments to City residents and businesses.

The goals included in Exhibit C of the HCA are based upon (i) publicly available information on minority, women, and veteran owned ~~business~~businesses and underrepresented populations in the Commonwealth of Massachusetts; (ii) baseline participation goals for public projects for state construction and state assisted construction contracts; and (iii) disparity studies conducted in the Commonwealth of Massachusetts which serve as the bases for the Equal Opportunity and Non-Discrimination on State and State Assisted Construction Contracts (ANF 14).

ARTICLE II.

Definitions

For purposes of this Program, the applicable definitions contained in G.L. c. 23K, § 2 and Exhibit C of the HCA are hereby incorporated by reference unless further defined below. Terms capitalized in this

Program, but not defined herein, shall have the same meaning as given to each such term in the relevant Governing Authority.

For purposes of this Program, the term “Prohibitions Against Discrimination” shall include the prohibitions set forth in Article IV (A) (i), (ii) and (B).

For purposes of Quarterly and/or Annual Compliance Reports, Covered Employees and Certified Business Entities shall be defined in accordance with the HCA and G.L. c. 7, § 58.

“Certifying Agencies,” shall be defined to include private or governmental certifying organizations or agencies recognized by the Commission, including but not limited to: Massachusetts Supplier Diversity Office (SDO), Greater New England Minority Supplier Development Council (GNEMSDC), ~~Massachusetts Department of Transportation (MassDOT)~~, Women Business Enterprises National Council (WBENC) and other certifying agencies recognized by the Commission from time to time.

“Governing Authority” shall be defined as G.L. c. 23K (the “Statute”), Blue Tarp reDevelopment LLC’s Decision Awarding a License to Operate a Category 1 Gaming Establishment in Region B (“License”) and Exhibit C of the Host Community Agreement entered into by and between Blue Tarp reDevelopment, LLC (“MGM Springfield”) and the City of Springfield, Massachusetts (“City”) with an Effective Date of May 14, 2013.

ARTICLE III.

Compliance Program Scope and Function

In accordance with Massachusetts General Laws Chapter 23K § 21 (20) – (24); MGM Springfield’s License conditions 9 (g) and (h), 10, 11, 12, and 15 and Exhibit C of the HCA (each hereinafter collectively or individually referred to as “Governing Authority”), MGM Springfield has adopted this Program in order to reasonably demonstrate how it intends to comply with its obligations with respect to labor participation goals for the utilization of Covered Employees and Certified Business Entities. This Program provides as follows:

A. Establishes a Design and Construction Phase Diversity Program for Equal Opportunity in employment and contracting;

B. Establishes an Operational Phase Diversity Program for Equal Opportunity in employment and contracting;

C. Establishes an Affirmative Marketing Program for goods and services during design and construction and for goods and services during operations;

D. Sets forth the form, items, and detail to be included in the quarterly statistical report on the number, gender and race of individuals hired to perform labor as part of the construction of the Gaming Establishment (the “Quarterly Compliance Report”); and

E. Sets forth the form, items, and detail to be included in the annual statistical report on the total dollar amounts contracted with and actually paid to Certified Business Entities for: (i) design and professional consultant contracts; (ii) construction contracts; and (iii) contracts for goods and services procured for operation of the Gaming Establishment.

Thus, in accordance with the Governing Authority requirements, this Program is intended to create a procedural framework for monitoring, documenting, and addressing MGM Springfield's best efforts to achieve the required goals.

ARTICLE IV.

Diversity Compliance Staffing and Structure

Diversity Compliance Team. MGM Springfield's Diversity Compliance Team will consist of the following six (6) positions: (i) the **President and COO** shall be responsible for the general oversight and supervision required to ensure MGM Springfield's compliance with the Governing Authority; (ii) the **Executive Vice President for Development** for MGM Resorts Development, LLC shall be responsible, during the Project's construction phase, for general oversight and supervision of Construction Phase Diversity Program for Equal Opportunity and Affirmative Marketing Program for design and construction as required in the Governing Authority; (iii) **Vice President and General Counsel** (with the clerical support of an administrative assistant) shall be responsible for the day-to-day tasks required to monitor and document MGM Springfield's best efforts undertaken to achieve compliance with this Program and shall serve, personally or through his/her designee, as MGM Springfield's representative on the various community committees which might be established or endorsed by the Commission's Director of Workforce, Supplier and Diversity Development. Additionally, the Vice President and General Counsel shall act as MGM Springfield's liaison with the Massachusetts Gaming Commission Access and Opportunity Committee and the Massachusetts Gaming Vendor Advisory Team; (iv) the **Vice President of Human Resources** shall be responsible for the training and tracking related to workforce development; (v) the **Executive Director of Diversity and Contracts** for MGM Resorts Development, LLC shall, during the construction phase only, be responsible for compliance with HCA obligations and for the day-to-day tasks required to monitor and document MGM Springfield's best efforts for design and construction obligations [and take proactive steps and appropriate intervention with contractors and vendors to ensure such their compliance](#); and (vi) MGM Springfield's **Manager Legal/Compliance**, or such other person appointed by the Vice President and General Counsel, shall be responsible for procedural review and factual verification of the reports required in accordance with this Program and coordination of the workforce development requirements of this Program. The Manager Legal/Compliance shall be responsible for actually submitting the Quarterly Compliance Reports. The individuals who hold the positions described above shall be collectively referred to as the "Diversity Compliance Team." The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the composition of the Diversity Compliance Team from time to time in his or her reasonable discretion, [and](#) to add supplemental resources.

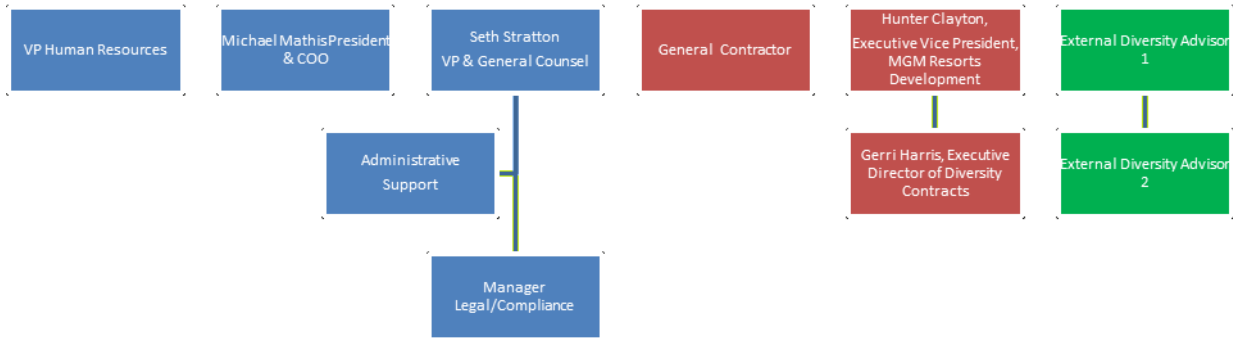
General Contractor. MGM Springfield's General Contractor([s](#)) will be contractually required to have a representative coordinate with the Diversity Compliance Team to: (i) ensure accurate reporting of all expenditures with Certified Business Entities with whom the General Contractor subcontracts; (ii) ensure that the General Contractor actively participates in workshops, seminars, vendor fairs and other activities designed to solicit additional participation of Certified Business Entities; and (iii) ensure that the General Contractor and its Subcontractors, sub-consultants, suppliers, professional service providers and Vendors use commercially reasonable efforts to make outreach to and engage with Certified

Business Entities and employ qualified Covered Employees as staff members when possible and appropriate. In general, the General Contractor shall also be called upon to use commercially reasonable efforts to help MGM Springfield achieve its diversity participation goals. For avoidance of doubt, MGM will work directly with its Architect of Record and other design professionals to ensure that Certified Business Entities who are qualified design ~~professional~~[professionals](#) are also engaged.

External Diversity Advisors (1&2). MGM Springfield shall engage two (2) independent external diversity advisors to participate in the monitoring of its compliance with the obligations set forth in this Program. **External Diversity Advisor 1** shall be a resident of the Commonwealth of Massachusetts familiar with minority businesses and minority business advocacy organizations based in the Commonwealth, as well as diversity in either general business practices and/or large scale construction contracts. **External Diversity Advisor 2** shall be an individual who is familiar with national minority business advocacy organizations as well as national best practices for minority/disadvantaged workforce development. External Diversity Advisor 2 may or may not be a resident of the Commonwealth. The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the External Diversity Advisors from time to time in his or her reasonable discretion.

MGM Springfield Diversity Committee. MGM Springfield's Diversity Committee (the "Diversity Committee") shall be comprised of the following: (i) MGM Springfield's President and COO; (ii) External Diversity Advisors 1 and 2; and (iii) MGM Springfield's Vice President and General Counsel. During the construction phase of the Project, MGM Resorts Development, LLC's Executive Vice President of Development, and a representative from MGM Springfield's General Contractor shall also serve as members of the Diversity Committee. The MGM Springfield Diversity Committee shall meet no less than bimonthly to: (i) review overall compliance with the obligations of this Program; (ii) monitor effectiveness of the various training programs and community outreach efforts; and (iii) make recommendations regarding Program improvement to the Diversity Compliance Team. For avoidance of doubt, the MGM Springfield Diversity Committee serves in an advisory role at the pleasure of MGM Springfield's President and COO and has no legal authority to bind or otherwise act on behalf of or direct MGM Springfield. The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the composition of the Diversity Committee from time to time in his or her reasonable discretion.

The chart below represents the positions, known individuals, and reporting ~~relationship~~[relationships](#) of the Diversity Compliance Team, the General Contractor, and External Diversity Advisors (1&2). Members of the MGM Springfield Diversity Committee are edged in red.



The Diversity Compliance Team shall have the collective responsibility of (i) ensuring the timely collection of data required to submit the Quarterly Compliance Reports in accordance with the requirements of the HCA; (ii) interfacing with Certified Business Entities; (iii) ensuring general compliance with this Program within MGM Springfield; (iv) interfacing with governmental agencies with regard to diversity issues; (v) producing an annual performance improvement plan to the Diversity Committee; and (vi) implementing recommendations from the Diversity Committee.

ARTICLE V.

Design and Construction Phase Diversity Program for Equal Opportunity

The requirements of this Article V shall be monitored and enforced by the members of the Diversity Compliance Team.

- A. MGM Springfield’s Diversity Program for Equal Opportunity for Design and Construction Jobs pursuant to G.L. c. 23K, § 21(22); License Condition 12; and HCA Exhibit C.*

Benchmarking For Success	
In accordance with Executive Office for Administration and Finance Administration Bulletin Number 14 of the Commonwealth of Massachusetts, during the construction phase of the Project, MGM Springfield shall use best efforts to promote achievement of labor participation percentages of Covered Employees equal to or greater than the following:	
15.3%	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.
6.9%	Women
8%	Veterans

NOTE: A single individual may satisfy multiple ~~categories of~~ Covered Employee categories and in such cases shall be recorded and counted by MGM Springfield in each of the applicable categories. However, regardless of how many ~~categories of~~ Covered ~~Employees which~~ Employee categories an individual may satisfy, no single individual shall be counted more than once in the accumulation of totals for reportage of utilization of Covered Employees.

Prohibitions Against Discrimination in Design and Construction Jobs. During the design and construction phase of the Project, MGM Springfield shall require the inclusion of contractual provisions in each of its construction and design agreements which expressly prohibit discrimination against any employee or applicant for employment because of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability.

Notice of Labor Utilization Goals. All contractors shall be made aware of MGM Springfield’s labor participation goals for Covered Employees and shall be contractually required to use commercially reasonable efforts to consider those goals when performing any scope of work for MGM Springfield. The Project’s General Contractor shall be required to post, in a conspicuous place on the construction site, a notice against discrimination which incorporates the above Prohibitions Against Discrimination.

Monthly Diversity Jobs Reports. No less frequently than monthly, the Project’s General Contractor and/or design professionals shall provide MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the ~~numbers~~ number of Minorities; (ii) the number of Women; and (iii) the number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals (collectively referred to as “Subcontractors”).

Subcontractor Weekly Diversity Jobs Reports. No less frequently than weekly, the Project’s subcontractors shall provide the General Contractor and MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the number of Minorities; (ii) the number of Women; and (iii) the number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals (collectively referred to as “Subcontractors”).

Apprenticeships. MGM Springfield will use its best efforts to promote the utilization of apprenticeship programs for construction employees (including Covered Employees) who wish to expand their skills and knowledge in applicable building trades. MGM Springfield shall request that the General Contractor likewise provide apprenticeship and internship programs for Covered Employee community college students and recent college/university graduates (including Covered Employees) during the construction phase of the Project.

B. Best Efforts to include Certified Business Entities in the award of design and construction contracts pursuant to G.L. c. 23K, § 21(21)(i),(ii); License Conditions 9 (g) and 10; and HCA Exhibit C.

Benchmarking For Success	
In accordance with HCA Exhibit C, during the construction phase of the Project, MGM Springfield shall use best efforts to award contracts for the design and construction of the Project utilizing the following minimum percentages of Certified Business Entities located in the City:	
5%	MBE
10%	WBE
2%	VBE

~~NOTE: A Certified Business Entity may satisfy multiple categories and in such cases shall be recorded and counted by MGM Springfield in each of the applicable categories. However, regardless of how many categories of Certified Business Entities which an individual business entity may satisfy, no single Certified Business Entity shall be counted more than once in the accumulation of total numbers or dollars for reportage of utilization of Certified Business Entities.~~

NOTE: With regard to Certified Business Entities that hold more than one of the following certifications: MBE, WBE, and/or VBE (“Subject Certified Business Entity”), MGM Springfield shall, at the outset of the engagement (to be applicable for the duration thereof), identify to which of the corresponding procurement goals to apply the total sum of its expenditures with the Subject Certified Business Entity. However, in any instance where, during the course of the engagement, the identified certification lapses, expires or for any reason is no longer in good standing, MGM Springfield shall be entitled to credit any additional expenditure with the Subject Certified Business Entity against the corresponding procurement goals of a different (valid) certification held by the Subject Certified Business Entity.

For avoidance of doubt, the aggregate sum of expenditures with a Subject Certified Business Entity shall only be included once during any reporting period.

Notwithstanding, while MGM Springfield will ensure that its total procurement amounts from Subject Certified Business Entities are reported accurately, MGM Springfield reserves the right to track and submit ancillary reports on its progress in procurement in each of those subcategories (MBE, WBE, and VBE), as MGM Springfield believes a business owner who has obtained a valid certification in each of those categories is entitled to equal recognition in each of those categories.

Prohibitions Against Discrimination. In connection with the design and construction phase of the Project, MGM Springfield shall require the inclusion of contractual provisions in each of its construction and design agreements which: (i) expressly prohibit discrimination in the selection or retention of Subcontractors; and (ii) expressly prohibit discrimination in the procurement of materials and rentals of equipment. The Project’s General Contractor shall be required to post, in a conspicuous place on the construction site, a notice against discrimination which incorporates the above Prohibitions Against Discrimination.

Notice of Contract Award Goals. All contractors shall be made aware of MGM Springfield’s utilization goals for Certified Business Entities and shall be contractually required to use commercially reasonable efforts to consider those goals when performing any scope of work or awarding any package/scope of work as part of the Project. Additionally, the General Contractor shall: (i) require its Subcontractors to comply with all applicable requirements of this Article V; and (ii) to use commercially reasonable efforts to track and report the same to MGM Springfield on a monthly basis as required below.

Monthly Diversity Contracts Reports. No less frequently than monthly, the Project’s General Contractor shall provide MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the Certified Business Entities that General Contractor has engaged and utilized during the reporting period to provide goods or services in connection with the Project; (ii) the type of Certified Business Entities, the identification of the entity providing the entity’s certification, its certification number or identifier, and expiration date of the relevant certification for each Certified Business Entity; (iii) the nature of the good or services provided by such Certified Business Entities; and (iv) the payments made by or through the General Contractor to such Certified Business Entities. The General Contractor shall monitor the certification status for each of its Certified Business Entities and ensure that each certification is, at all times, current and valid, and that MGM Springfield is in receipt of such certification. The General Contractor shall provide MGM Springfield with written confirmation of

the certification status for each of its Certified Business Entities as part of each and every payment application. The General Contractor shall advise MGM Springfield, immediately in writing, as soon as any change in certification status is determined for any of the Certified Business Entities for which it has previously reported.

ARTICLE VI.

Operational Phase Diversity Program for Equal Opportunity

The requirements of this Article VI shall be monitored and enforced by the members of the Diversity Compliance Team.

- A. MGM Springfield’s Diversity Program for Equal Opportunity for Employment of Covered Employees During Operations of the Gaming Establishment pursuant to G.L. c. 23K, §21 (20); License Condition 12; and HCA Exhibit C*

Benchmarking For Success	
In accordance with HCA, during the operations phase of the Gaming Establishment, MGM Springfield shall use best efforts to achieve labor participation percentages of Covered Employees at levels equal to or greater than the following:	
35%	City Residents
50%	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.
50%	Women
2%	Veterans

NOTE: A single individual may satisfy multiple categories of Covered Employee and in such cases shall be recorded and counted by MGM Springfield in each of the applicable categories. However, regardless of how many categories of Covered Employees which an individual may satisfy, no single individual shall be counted more than once in the accumulation of totals for reportage of utilization of Covered Employees.

Tactical Steps For Identifying, Training, and Employing Covered Employees. In addition to the steps outlined in the HCA Exhibit C, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its recruitment of Covered Employees:

1. **Advertisement and Promotion of Employment Opportunities.** MGM Springfield shall advertise and promote employment opportunities by: (i) posting all opportunities on its mgmspringfield.com and related workforce development site and Massachusetts JobQuest; (ii) periodically using traditional media and social networking tools to assist MGM Springfield in advertising employment opportunities; and (iii) partnering with key community stakeholders [including but not limited to local educational institutions and career centers](#) to hold job fairs, advertise employment opportunities and otherwise to make outreach to the local labor pool.
2. **Training and Assistance for Frontline Staff**

(a) Front-Line Training (Career Progression Programs). Career Progression Programs will be provided for Covered Employees, enabling them to be competitive for promotion into key management and executive positions throughout the integrated MGM Springfield resort. As skills and experience levels increase, employees will find a variety of opportunities for career growth within the Company. Comprehensive jobs skills training and opportunities to continue their education also will be provided by MGM Springfield, and through educational partnerships, which shall include: (i) on-the-job training programs; (ii) either classroom or online training opportunities designed to improve core skill sets required for consideration for promotions and new opportunities within MGM Springfield; (iii) specifically designed programs aimed at helping U.S. Veterans leverage their military leadership skills while transitioning into management or other positions within MGM Springfield; (iv) professional development programs designed specifically for experienced supervisors and assistant managers to broaden their skills, abilities and knowledge base; (v) mandatory Diversity Workshops for all supervisory employees; and (vi) offering apprenticeship and internships programs in order to provide real life training to local students from community colleges and recent college and university graduates. The MGM Springfield Human Resources Department will track the number of Covered Employees who have jobs in executive, finance, information technology and administrative positions and report this information to the Diversity Compliance Team. While all positions will be filled by qualified candidates, MGM Springfield shall use its best efforts to train Covered Employees to qualify for all positions and have the opportunity to advance their careers through its Career Progression Programs.

(b) English as a Second Language. MGM Springfield will offer English as a Second Language Classes to project Covered Employees as part of its obligations under Exhibit C of the HCA.

(c) ~~(b)~~–Basic Skills Training (Job Readiness). MGM Springfield acknowledges that a significant number of potential employees in the City and surrounding area will need to attain a high school equivalency in order to qualify to apply for jobs at the Project. Thus, MGM Springfield will use its best efforts to ensure that potential employees are able to participate in programming offered by local outreach organizations, including FutureWorks, CareerPOINT, the regional employment boards, BerkshireWorks, Westover Job Corp Center and Staffing Solutions, as well as local educational and training institutions, such as Holyoke Community College, Springfield Technical Community College and the Massachusetts Casino Careers Training Institute. MGM Springfield will make best efforts to collaborate with and support the above listed organizations (as well as others) to form educational partnerships with the stated goal of significantly reducing the number of unemployed persons with less than a high school education prior to the time when jobs become available at MGM Springfield.

Each of the educational partnerships to be formed by MGM Springfield will focus on providing basic core skills to City residents as well as residents of the surrounding area, including: (i) basic math and literacy skills; (ii) vocational training for hospitality and non-hospitality related careers; and (iii) job preparation skills such as interviewing, resume writing, and effective work habits

(d) ~~(e)~~–Hospitality Career Information Workshops (Job-Readiness Training). Job-Readiness Training will be designed to introduce local residents to the hospitality industry and foster interest in these types of jobs. Career information workshops will be conducted prior to and during the mass recruiting phase of MGM Springfield. The goal will be to introduce local residents to the wide range of occupations that are available in the hospitality

industry, including hotel front desk representatives, computer operators, facilities engineers, financial analysts, culinary arts positions, guest service ambassadors, marketing professionals, human resource representatives, table games dealers, slot technicians and representatives, cage clerks and many more. Local residents will be able to attend career information workshops to learn about the wide range of occupations available and the skills and qualifications that would be required to work in such positions. MGM Springfield will hold career information workshops throughout the greater Springfield area. While attending the career information workshops, participants will have the opportunity to provide information on job interests and sign up to receive first notice on training and job announcements.

(e) ~~(d)~~ Apprenticeships. MGM Springfield will cooperate with local organizations including but not limited to Holyoke Community College and Springfield Technical Community College to develop and implement apprenticeship programs for employees (including Covered Employees) who wish to expand their skills and knowledge, and develop their career. The apprenticeship programs will be designed to provide a structured, on-the-job training process from basic mechanical skill requirements to advanced techniques required for the specified trade or service.

(f) Coordination with Career Centers. MGM Springfield will work with local career centers to promote job opportunities at the Project and coordinate resources for Springfield area residents to improve workforce skills.

3. **Affirmative Marketing for the Unemployed pursuant to License Condition 15.** In addition to those steps outlined above and consistent with License Condition 15, MGM Springfield will develop, in consultation with the Executive Office of Labor Workforce Development and related state and local agencies, a plan to identify and market employment opportunities at the Gaming Establishment to unemployed residents of Massachusetts. This plan will be integrated into the Program requirements outlined in Exhibit C of the HCA, to be filed with the Commission by December 31, 2015, and, upon approval, to be incorporated herein as **Appendix B**.

B. Best Efforts to include Certified Business Entities in the award of goods and services contracts for the project’s operations pursuant to G.L. c. 23K, § 21(21)(iii); License Condition 11; and HCA Exhibit C

Benchmarking For Success	
In accordance with the HCA, during the operations phase of the Gaming Establishment, MGM Springfield shall use best efforts to contract with Certified Business Entities for the provision of goods and services for the Project’s operations at levels equal to or greater than the following:	
10%	MBE
15%	Women
2%	Veterans

~~**NOTE:** A Certified Business Entity may satisfy multiple categories and in such cases shall be recorded and counted by MGM Springfield in each of the applicable categories. However, regardless of how many categories of Certified Business Entities which an individual business entity may satisfy, no single Certified Business Entity shall be counted more than once in the accumulation of total numbers or dollars for reportage of utilization of Certified Business Entities.~~

NOTE: With regard to Certified Business Entities that hold more than one of the following certifications: MBE, WBE, and/or VBE (“Subject Certified Business Entity”), MGM Springfield shall,

at the outset of the engagement (to be applicable for the duration thereof), identify to which of the corresponding procurement goals to apply the total sum of its expenditures with the Subject Certified Business Entity. However, in any instance where, during the course of the engagement, the identified certification lapses, expires or for any reason is no longer in good standing, MGM Springfield shall be entitled to credit any additional expenditure with the Subject Certified Business Entity against the corresponding procurement goals of a different (valid) certification held by the Subject Certified Business Entity.

For avoidance of doubt, the aggregate sum of expenditures with a Subject Certified Business Entity shall only be included once during any reporting period.

Notwithstanding, while MGM Springfield will ensure that its total procurement amounts from Subject Certified Business Entities are reported accurately, MGM Springfield reserves the right to track and submit ancillary reports on its progress in procurement in each of those subcategories (MBE, WBE, and VBE), as we believe a business owner who has obtained a valid certification in each of those categories is entitled to equal recognition in each of those categories.

In addition to the steps outlined below in Article VII, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its identification and engagement of Certified Business Entities during its operational phase:

1. Minority / Women and Veteran Database. MGM Springfield will leverage all secondary databases of active Certified Business Entities known to provide services in the Commonwealth and those specifically registered or licensed to work for gaming licensees, including those maintained by governmental and non-governmental entities.

2. Vendor Packets. MGM Springfield will maintain a vendor packet for each Certified Business Entity that includes: (a) a certificate of good standing from the jurisdiction of formation provided by the vendor; (b) agreements with the vendor entity as set forth in draft 205 CMR 138.06 (3); (c) proof of applicable certifications provided by the vendor; and (d) a running tally of the total amount of the transactions that MGM Springfield has with each individual vendor.

3. Coordination with Advisory Groups. MGM Springfield will coordinate with advisory groups, including but not limited to, the Massachusetts Supplier Diversity Office (SDO), the Massachusetts Gaming Commission Vendor Advisory Group and other state and regional supplier and industry organizations with a focus on diversity to: (a) assist in the identification and engagement of Certified Business Entities during its operational phase; (b) formally introduce the Program; and (c) review frequently asked questions with regard to supplier diversity and those procurement processes that are unique to MGM Springfield.

ARTICLE VII.

Affirmative Marketing Program for Goods and Services During Design and Construction and Goods and Services During ~~Operations~~ Operations

In addition to the steps outlined in the HCA, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its

recruitment and procurement efforts of Certified Business Entities during both its construction and operational phases:

A. Advertisement and Promotion of Business Opportunities

MGM Springfield shall advertise and promote design and construction and operations related business opportunities, including: (i) advertising vendor and construction opportunities on its mgmspringfield.com and related vendor outreach website(s); (ii) promoting supplier diversity on its mgmspringfield.com website and requesting that companies register with MGM Springfield in its mgmspringfield.com and related diversity vendor website(s); (iii) participating in diversity contractor vendor fairs; and (iv) periodically using traditional media and social networking tools to assist the MGM Springfield procurement team in locating suppliers for future bid opportunities.

B. Training and Assistance for Certified Business Entities

MGM Springfield shall offer training and business assistance to all businesses selected to work on the Project, including Certified Business Entities. With regard to the training of Project business participants, including Certified Business Entities, MGM Springfield will: (i) co-host outreach sessions with its General Contractor throughout the City and region to introduce upcoming contracting opportunities; (ii) provide information with regard to best business practices; (iii) train potential Certified Business Entities on how to compile documentation to prequalify and tender for the project; and (iv) consider commercially reasonable proposals for financial support strategies on a case-by-case basis.

C. Registration Certification Assistance for Business Entities

MGM Springfield and its General Contractor shall coordinate to provide assistance to minority; women and veteran contractors and Subcontractors who are not certified or registered/licensed with the Commission. The goal of the assistance given will be to increase the overall number of Certified Business Entities who can participate in the business opportunities during both the construction and operations phases. The Diversity Compliance Team will be responsible for tracking the total number of Certified Business Entities newly certified as a result of the assistance provided as contemplated herein.

ARTICLE VIII.

Composition of Compliance Reports

MGM Springfield shall collect and maintain all records and documents required to verify data and information contained in the required Quarterly Compliance Reports and the Annual Compliance Reports. All reports shall be completed and submitted in a timely fashion as required by the Commission and HCA commencing October 1, 2015. The last Quarterly Compliance Report will be filed for the quarter immediately following the commencement of operations as approved by the Commission.

A. Methodology for Construction Quarterly Compliance Reports

Subject to permitted exclusions, all expenditures with a Certified Business Entity in Construction-related Business Opportunities shall be documented and compared with MGM Springfield's Total Construction

Purchase Value, taking into account exclusions for ~~FFE and~~ [furniture, fixtures and equipment \(“FFE”\)](#) [and operating, supplies, and equipment \(“OSE”\)](#), in addition to those exclusions included in AGA list below). Once calculated the information shall be included in the Quarterly Compliance Reports.

The Quarterly Compliance Reports shall incorporate tables showing: (i) the percentage of Covered Employees employed during the subject period of time; and (ii) the percentage of spend with each of the Certified Business Entities and the goal for spend for each individual category for the current period of each subject report. Additionally, in close proximity to each table will be a description of the best efforts exerted to achieve the agreed upon goal. The Quarterly Compliance Reports shall follow in substantial part the form attached hereto as **Appendix C**.

B. American Gaming Association (AGA) Exclusions

In accordance with Section 23K § 21 of the Massachusetts General Laws, the actual calculation of the percentage of expenditure with Certified Business Entities shall be based on the availability of such Certified Business Entities to engage in the type of work to be conducted by MGM Springfield. MGM Springfield’s calculations shall recognize exclusions as defined by the AGA (attached hereto as **Appendix D**) and take into consideration the availability of Certified Business Entities who are able to provide goods and services of the type required by MGM Springfield. If MGM Springfield shall determine that additional exclusions shall be included in its calculation, MGM Springfield shall not consider the additional exclusions unless: (i) it has provided at least thirty (30) days advanced notice to the Commission’s Director of Workforce, Supplier and Diversity Development; and (ii) [after a commercially reasonable search](#), no Certified Business Entity has been identified as experienced and capable of performing the specific type of work contemplated in the new exclusion during the 30-day notice period.

C. Business Opportunity Design and Construction Spend Reporting

The statistical data provided under this Article shall be properly documented and verified in accordance with MGM Springfield’s established business policies inclusive of: (i) vendor background checks; (ii) confirmation of regulatory compliance with Massachusetts Gaming Regulations regarding vendor registration requirements; (iii) verification that work has been performed prior to payment (in accordance with standard procedure for processing pay applications); (iv) vendor office and field visits; and (v) review of any lien waivers, invoices, and evidence of payment, as applicable.

D. Design and Construction Employment Reporting

The Quarterly Compliance Reports shall track all employment held by Covered Employees as compared with MGM Springfield’s overall [Design and Construction](#)-related Employment for the project. Each subject report will be based upon an industry standard “FTE” calculation which is defined as the total number of hours worked which is divided by the maximum number of compensable hours in a full-time schedule. For example, when any report refers to one (1) FTE it will mean one (1) individual that is a full-time employee, while a reference to 0.5 FTE would mean an individual who is a half-time employee during construction.

E. Annual Statistical Reporting

Pursuant to G.L .c. 23K, § 21(24) and subject to permitted exclusions, MGM Springfield shall collect and annually provide to the Commission (commencing on December 31, 2015) a detailed statistical report on the total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises in: (i) design contracts; (ii) construction contracts; and (iii) contracts for every good and service procured by the gaming establishment; provided, however, that such statistical report shall also identify the amounts so contracted as a percentage of the total dollar amounts contracted with and actually paid to all firms.

F. Continuous Review Process

In furtherance of their responsibilities, the Diversity Compliance Team shall engage in a process of continuous review of both process and work product associated with the compilation of the Quarterly Compliance Reports. The Diversity Compliance Team shall designate a subgroup who shall, prior to the submission of any Quarterly and/or Annual Compliance Report, conduct a joint review of process and work product and confirm to MGM Springfield's President and COO and MGM Resorts Development, LLC's Executive Vice President that the subject report is accurate and complete.¹ [MGM Springfield will also continue to consider and assess software applications and nationally recognized protocols, systems, and manuals that could help MGM Springfield achieve its goals.](#)

G. Cooperation / Books and Records

MGM Springfield will document its engagement of Certified Business Entities and its employment of Covered Employees in a transparent manner. MGM Springfield shall keep full and complete records of its efforts to comply with its obligations under this Program. All records will be kept in accordance with MGM Springfield's record retention policies and applicable law.

¹ Once the construction phase is complete, the (i) Executive Director of Diversity and Contracts, (ii) Executive Vice President, MGM Resorts Development, LLC, and (iii) the General Contractor shall be relieved of their active participation in this Program.

APPENDIX A

Exhibit C to Springfield Host Community Agreement

EXHIBIT C

**EMPLOYMENT, WORKFORCE DEVELOPMENT AND OPPORTUNITIES
FOR LOCAL BUSINESS OWNERS**

1. General

With respect to all employment decisions of the Developer whether for construction jobs or operations jobs, Developer shall, and shall cause its contractors and subcontractors, to:

(a) comply with all applicable equal employment opportunity, non-discrimination and affirmative action requirements, including, but not limited to, the provisions of Chapter 151B of the Massachusetts General Laws, as amended, and all other applicable anti-discrimination and equal opportunity laws;

(b) not discriminate against any employee or applicant for employment because of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability;

(c) undertake, in good faith, affirmative action measures to eliminate discriminatory barriers in the terms and conditions of employment on the grounds of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability. Such affirmative action measures shall entail positive and aggressive measures to ensure non-discrimination and to promote the equal opportunities in the areas of hiring, upgrading, demotion or transfer, recruitment, layoff or termination, rate of compensation, apprenticeship and on the job training programs. A list of positive and aggressive measures shall include, but not be limited to, advertising employment opportunities in minority and other community news media; notifying Minority, women, Veteran and other community-based organizations of employment opportunities; validating all job specifications, selection requirements, and tests; maintaining a file of names and addresses of each worker referred to Developer or its contractor and what action was taken concerning such worker; and notifying the administering agency in writing when a union with whom the Developer or its contractor has a collective bargaining agreement has failed to refer a Minority, woman or Veteran worker. These and other affirmative action measures shall include all actions required to guarantee equal employment opportunity for all persons, regardless of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability; and

(d) establish a tracking system that tracks all of the employees that are working on or at the Project and such records and system shall be subject to inspection by the City.

2. Construction Jobs

During construction of the Project:

(a) Developer shall use its best efforts to create and maintain no fewer than Two Thousand (2,000) construction jobs at the Project; and

(b) Developer shall abide by an affirmative action program of equal opportunity as approved by the Commission whereby Developer shall strive to achieve labor participation goals for the utilization of Minorities, women and Veterans on the construction of the Project; *provided however*, that such goals for women and minorities shall be equal to or greater than the goals contained in the Commonwealth's Executive Office for Administration and Finance Administration Bulletin Number 14 which goals currently are set at 15.3% Minorities and 6.9% women and such goal for Veterans is set at 8%. The participation goals as set forth herein shall not be construed as quotas or set asides; rather such participation goals will be used to measure the progress of the Developer's equal opportunity, non-discrimination and affirmative action program.

3. Operations Jobs

(a) Developer will use its best efforts to employ as of the Operations Commencement Date no fewer than Three Thousand (3,000) persons, of which no fewer than Two Thousand Two Hundred (2,200) persons shall be employed on a full-time equivalent basis at the Project and/or any work of the Developer's at any facility at Union Station.

(b) Beginning on the Operations Commencement and continuing throughout the Term:

(i) Developer shall use its best efforts to strive to achieve labor participation goals for the utilization of City Residents so that (a) no fewer than Thirty-Five Percent (35%) of persons employed by the Developer at the Project and any related Union Station facility will be City Residents; and (b) no more than Ten Percent (10%) of its workforce will be residents from outside the City and its surrounding area.

(ii) Developer shall use its best efforts to strive to achieve labor participation goals for the utilization of Minority persons, women and Veterans so that: (a) no less than Fifty Percent (50%) of its workforce will be Minority persons, (b) no less than Fifty Percent (50%) of its workforce will be women and (c) no less than Two Percent (2%) of its workforce will be Veterans. The participation goals as set forth herein shall not be construed as quotas or set asides; rather such participation goals will be used to measure the progress of the Developer's equal opportunity, non-discrimination and affirmative action program.

(c) The Developer will provide a "First Choice" recruitment program in partnership with the Massachusetts Casino Careers Training Institute to provide City Residents the first opportunity to learn about and apply for positions at the Project. The First Choice program also will provide outreach services to economically isolated residents, those on disability benefits and residents in disadvantaged areas in the City, with a focus on the unemployed and underemployed, as well as Minority, women and Veteran recruitment, to encourage City residents to apply for jobs available at the Project.

4. Workforce Development

(a) The Developer will organize and maintain a training program to offer workforce skills development courses to City Residents in addition to training for all Project employees.

(b) The Developer will offer English as a Second Language Classes at no charge to Project employees.

(c) Developer shall otherwise comply with Section 18(17) of the Act in establishing and implementing a workforce development plan.

5. MBE/WBE/VBE Commitment

For purposes of this section, MBE shall mean Minority-owned Business, WBE shall mean Women-owned Business and VBE shall mean Veteran-owned Business, as defined in section 7 hereof.

(a) Developer shall use its best efforts to:

(i) award contracts for the design and construction of the Project, utilizing the following minimum percentages of MBE, WBE and VBE located in the City, measured by the total dollar amount of such contracts:

MBE: Five Percent (5%);

WBE: Ten Percent (10%); and

VBE: Two Percent (2%).

(ii) utilize the following percentages of MBE, WBE and VBE located in the City for the provision of goods and services for the Project following Operations Commencement, measured by the total dollar amount of such contracts:

MBE: Ten Percent (10%);

WBE: Fifteen Percent (15%); and

VBE: Two Percent (2%).

In furtherance of such best efforts obligations, Developer will implement a marketing program to achieve such goals and alert MBE, WBE and VBE of supplier opportunities.

(b) On a periodic basis, the Developer will hold day-long training and seminar sessions, free of charge and open to City businesses, to educate and assist them in applying for certification as an MBE, WBE and/or VBE.

6. Opportunities for Local Business Owners

Developer shall exercise its best efforts to ensure that at least Fifty Million Dollars (\$50,000,000) of its annual biddable goods and services are prioritized for local procurement,

meaning principally Springfield, but including the immediately surrounding Greater Springfield Area. Such local businesses shall not be guaranteed any awards but shall be given preferential consideration if all other aspects of the respective bid responses are competitive with non-local businesses.

Further, Developer shall use best efforts to work with local business associations such as, the Affiliated Chambers of Commerce of Greater Springfield and the Massachusetts Latino Chamber of Commerce (Springfield office) to educate local businesses on the opportunities provided by Developer's commitment to source such goods and services locally.

7. Definitions. For purposes of this Exhibit C, the following terms shall have the following meanings:

(a) **"City Resident"** means any person for whom the principal place of residence is within the City as of the date of such person's hire, unless such person's residency occurred within three (3) months of the date of such hire as a result Developer's prior express agreement to hire. Proof of residence may include, but is not limited to, the following: a valid Massachusetts driver's license indicating a City permanent residence, utility bills, proof of voter registration within the City or such other proof indicating a permanent residence within the City.

(b) **"Minority"** means a person who meets one or more of the following definitions:

(i) American Indian or Native American means: all persons having origins in any of the original peoples of North America and who are recognized as an Indian by a tribe or tribal organization.

(ii) Asian means: all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian sub-continent, or the Pacific Islands, including, but not limited to China, Japan, Korea, Samoa, India, and the Philippine Islands.

(iii) Black means: all persons having origins in any of the Black racial groups of Africa, including, but not limited to, African-Americans, and all persons having origins in any of the original peoples of the Cape Verdean Islands.

(iv) Eskimo or Aleut means: All persons having origins in any of the peoples of Northern Canada, Greenland, Alaska, and Eastern Siberia.

(v) Hispanic means: All persons having their origins in any of the Spanish-speaking peoples of Mexico, Puerto Rico, Cuba, Central or South America, or the Caribbean Islands.

(c) **"Minority-owned Business"** means a business that is beneficially owned by one or more Minority persons as follows:

(i) the business must be at least 51% owned by Minority persons; in the case of a corporation or other entity having more than one class of

stockholders or equity interests, the ownership requirement must be met as to each class of stock or equity interest;

(ii) the Minority owners shall demonstrate that they have dominant control over management;

(iii) the business has not been established solely for the purpose of taking advantage of a special program which has been developed to assist minority businesses; and

(iv) in the case of a joint venture between a minority business meeting the requirements of 1. through 3. above, inclusive, and a non-minority business, the joint venture shall be found to be a minority business if the minority business meeting the requirements of said clauses 1. to 3. above, inclusive, shall have more than one-half control over management of the project and shall have the right to receive more than one-half of the profits deriving from that project.

(d) **“Veteran”** shall have the meaning ascribed to such term as provided in Massachusetts General Law Chapter 4, Section 7.

(e) **“Veteran-owned Business”** means a business that is meeting the requirements set forth in clauses 1. to 4., inclusive, of the definition of a “Minority-owned Business” except that the terms “veterans”, “veteran owners” and “veteran-owned business” shall be substituted for the terms “minority”, “minority persons”, “minority owners” and “minority business” appearing in the definition.

(f) **“Women-owned Business”** means a business that meets the requirements set forth in clauses 1. to 4., inclusive, of the definition of a “Minority-owned Business” except that the terms “women”, “women owners” and “women-owned business” shall be substituted for the terms “minority”, “minority persons”, “minority owners” and “minority business” appearing in the definition.

APPENDIX B

MGM Springfield Affirmative Marketing Plan for the Unemployed

**[TO BE INSERTED UPON SUBMISSION AND APPROVAL by
12-31-15]**

APPENDIX C

| Sample Quarterly [Design and](#) Construction Compliance Report

Appendix C Diversity Program for Equal Opportunity and Affirmative Marketing Program

Methodology

All data and statistical analysis included in this report has been computed in accordance with the requirements agreed in the Article VIII (*Composition of Compliance Reports*) of the [INSERT DATE] Diversity Program for Equal Opportunity and Affirmative Marketing Program Inclusive of the Governing Authority incorporated therein Terms capitalized in this Report, but not defined herein, shall have the same meaning as given to each such term in the Program.

Time Period of Report

This Report constitutes MGM’s compliance with its obligation in accordance with [INSERT CITE] to submit a Quarterly Compliance Report for the period constituting the [X] Quarter of 201[X]. It is made up of the data and statistical analysis

Dash Board Report for Quarter Ending [XXX 2015]

<u>DESIGN and CONSTRUCTION</u>		Percent Goal	Percent Actual	Percent Change
Employment	[Raw Number XXX] FTE	[XX%]		+ [X%]
	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.	15.3%		
	Women	6.9%		
	Veterans	8%		
Contracting				
	MBE	5%		
	WBE	10%		
	VBE	2%		

Design and Construction Employment

	<u>Percentage Goal</u>	Percentage of Construction Employees	Total Employees	Percent Change
City Residents				
Minority, (including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic)	<u>15%</u>			
Women	<u>6.9%</u>			
Veterans	<u>8%</u>			

During the reporting period, in addition to advertising for all open positions for Covered Employees at MGM's Website: [INSERT WEBSITE] MGM used the following best efforts to conduct Employment and Outreach Efforts in compliance with [INSERT CITATION] as follows:

- a. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- b. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- c. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- d. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- e. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]

Design and Construction Contracting

	<u>Percentage Goal</u>	Percentage of Construction Spend	Total Construction Expenditure	Percent Change
MBE	<u>5%</u>			
WBE	<u>10%</u>			
VBE	<u>2%</u>			

During the reporting period, MGM used the following best efforts to contract with Certified Business Entities inclusive of outreach efforts in compliance with [INSERT Cite] as follows:

- a. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- b. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- c. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- d. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- e. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]

APPENDIX D

American Gaming Association Diversity Spending Exclusions List

Hard Exclusions

Definition:

- Monopoly in a particular market or industry;
- Government regulated; and/or
- Is not and never will be a biddable option for the gaming industry

Spend Categories in this area

- Aircraft Fuel
- Customer Comps
- Customer Refunds
- Employee-related Expenses
- Payroll
- Reimbursements
- Directors Fees
 - Fees to Parent Companies
 - Fines
 - Gaming Fees (ex. participation games, table game leases)
 - Garnishments
 - Government Agencies
 - Inter-company (internal) payments
 - Licenses
 - Litigations/Risk Settlements
 - Mail Pay (Sports Book)
 - Permits
 - Petty Cash
 - Postage
 - Regulatory Fees
 - Settlements
 - Taxes
 - Travel Agency Commissions

Hard/Soft Exclusions (hard today but potential exists for the inclusion of diversity in the future)

Definition:

- Not biddable today due to current market conditions (i.e. lack of maturation in supplier base)
- Long term area for exploration – fertile area for collaboration with a mature company

Spend Categories in this area

- Credit card fees
- Accounting fees
- Alcoholic Beverages
- Bank fees
- Employee Benefits
- Express Mail

- Gaming Equipment companies
- Gasoline
- Insurance and Claims
- Loans/Interest
- Utilities
- Workman's Compensation

Soft Exclusions

Definition:

- Not biddable because decisions purely based on market conditions and/or factors

Spend Categories in this area

- Rent – what the facility sits on (i.e. land, boat/barge)
- Entertainment – entertainers selected based on anticipated draw of customers to casino
- Independent Agents – junket operators
- Inter-casino payments (ex. Caesar's purchases show tickets to an event at MGM)
- Leased retail enterprises

Excluded from Purchasing denominator only

Definition:

- Purchasing has no effect and/or control over how dollars are allocated so exclude from Purchasing denominator
- Able to include spend and diversity requirements in a separate area of the business

Spend Categories in this area

- **Philanthropy**
 - Donations
 - Non-profit
- **Construction**
 - Industry specific sourcing – Purchasing organization's don't specialize and attract specialists in this area
 - Pertains to architectural costs of building the building

Spend Categories currently excluded but now need to be included:

- Busses
- Drug Tests and Physicals
- Dues and Subscriptions
- Freight
- Gasses (ex. sterno, pyrotechnic, etc.)
- Legal Fees
- Lobbyists
- Non-goods and services

- Out of country vendors
- Seminars and Training
- Shipping or Courier
- For-profit sponsorships
- Temporary Services
- External Travel Agencies

Inclusions

Definition:

- Non-monopoly in a market or industry;
- non-government regulated; and/or
- the commodity is a biddable option.

Sample Products & Services

- **Food**
Meat, Poultry, Seafood, Dairy Products, Dry Goods, Produce, Frozen Products, Bakery Items, Canned Goods, Condiments, Ethnic Foods, Specialty Items.
- **Beverage**
Tea, Liquor, Domestic & Imported Wines, Beer, Water, Coffee.
- **General Equipment & Supplies**
Housekeeping Equipment & Supplies, Office Supplies & Equipment, Audio Visual Equipment, Banquet Equipment, Computer Equipment, Cleaning Equipment, Security/Surveillance Equipment, Cell Phones/Radios/Beepers, Marina Equipment, Signage, Food & Beverage Equipment.
- **Gaming Equipment & Supplies**
Casino Equipment, Casino Supplies, Slot Signage
- **FF&E**
Artwork, Carpet, Drapery, Furniture, Glass/Mirror, Upholstery, Wall Coverings, Wood Flooring, Tile.
- **Operating Inventories**
China, Glassware, Flatware/Holloware, Linen, Uniforms, Cleaning Chemicals, Guest Room Amenities, Food & Beverage Disposables, Hotel Supplies, Kitchen Supplies.
- **Engineering/Facilities**
Facilities/Engineering Supplies, General Maintenance Supplies, Repairs & Maintenance.
- **Retail**
Accessories, Apparel, Art, Cosmetics/Fragrances, Gifts, Jewelry, Lingerie, Logo Apparel, Men's Wear, Toys & Games, Shoes, Souvenirs, Swimwear, Gifts/Specialty Items.

- **Construction / Contracting**
Concrete, Demolition, Drywall, Electrical, Landscaping, Life Safety, Mechanical, Millwork, Painting, Reinforced Steel, Structural Steel, Construction Equipment.
- **General Services**
Consulting, Staffing, Decorating, Advertising, Printing, Repairs & Maintenance, Freight, Janitorial.

Supplier Selection Criteria

- Ability to meet specifications and standards
- Product and service quality
- Competitive prices
- Dependable delivery
- Quality control methods and practices
- Technical abilities and leadership
- Financial reliability
- Compatibility with existing products
- Adequate facilities and resources
- Spare parts availability
- Warranty, insurance, and bonding provisions
- Proven performance and experience

Summary Report:	
Litéra® Change-Pro ML WIX 6.5.0.395 Document Comparison done on 1/16/2015 8:17:47 PM	
Style Name: Standard	
Original Filename:	
Original DMS: iw://WORKSITE/WorksiteUS/61838708/1	
Modified Filename:	
Modified DMS: iw://WORKSITE/WorksiteUS/61846052/1	
Changes:	
Add	91
Delete	41
Move From	4
Move To	4
Table Insert	19
Table Delete	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Total Changes:	159

Records of the Commission

Policy Statement

This policy describes what constitutes the records of the Commission, the custodian of commission records, where those records are stored, and the process for storing those records.

Applies to

Commissioners and all employees

Procedure

M.G.L. c.23K §3(f) requires the commission to elect one of its members to be the secretary of the commission and further provides that the secretary shall be the custodian and keeper of the records of all books, documents and papers filed by the commission and of its minute books.

The secretary of the commission is the custodian and keeper of the records of the commission. The records of the commission include all documents created by, filed by, received by or filed with the commission. Examples include, but are not limited to, license applications, minutes and transcripts of commission meetings, comments from the public on commission matters, memorandums from commissioners and/or staff, and emails to or from commissioners, staff or other individuals or groups.

Until archived, the records of the commission are stored at the commission offices;.In the case of records relating to the racing division, records may be stored in the racing offices at the licensed racing facilities located in the Commonwealth. Archived records are stored at the Commonwealth's state archives. Using the standards promulgated under the Commonwealth's record retention policy, the Commission will develop and implement a Commission record retention policy. A copy of the policy will be posted on the Commission intranet and Commissioners and Commission employees will receive training on how to store and archive records in compliance with the record retention policy .

All commission records are subject to the provisions of the Commonwealth's public records law and the Commonwealth's record retention schedule. Certain of the commission's records may be subject to specific guidelines and procedures due to litigation involving the commission. In the event of litigation, a litigation hold memorandum will be distributed to commissioners and staff advising them of the guidelines and procedures involved and the scope of records that must be retained.

Commission records should be scanned in a searchable form and filed electronically whenever possible. Storage of paper copies of records should be minimized unless otherwise required by commission regulation or procedure, the public record law or the record retention policy. Electronic copies of records should be stored using the protocols developed as part of the commission's electronic document management system. The commission will create a consistent record filing system for paper files to be used across the commission. Commissioners and employees will be trained in the central file system. The legal department will work with the IT department to incorporate the central file system into the commission's electronic document management system.

Paper records should be stored in in commission file cabinets labelled according to the central filing system. Those paper records containing confidential or other sensitive information may be stored in

locked fireproof file cabinets. Only one paper copy of each record should be kept as the commission copy of the record.

All requests for records from individuals or groups outside of the commission should be forwarded to the legal department for review prior to any response. These requests will be handled pursuant to the commission's public record policy.

Responsibility

The legal department, in conjunction with the secretary, shall be responsible for this policy. Any questions regarding this policy should be directed to the General Counsel.

Each department shall appoint one member of the department as the record manager for the department. That person shall be responsible for the labelling, filing, indexing and storage of the records and for providing the General Counsel with a current index of stored records.

DRAFT

Redaction of Public Records of the Commission

Policy Statement

This policy describes the appropriate redactions that may be made to Official Records of the Commission before providing those records in response to a public records request.

Applies to

Commissioners and all employees

Procedure

The commission is subject to the Commonwealth's definition of "public records" found in M.G.L. c. 4 § 7 cl 26 and the Commonwealth's public records law, M.G.L. c. 66 § 10. In addition to G. L. c. 66 and c. 4, M.G.L. c.23K §9(b) provides an exemption to from the public records law for certain types of information provided to the commission by applicants in the course of an application for a gaming license.

When the commission receives a public records request, it will follow its public record request policy. When documents responsive to the public records request are gathered, they will be forwarded to the legal department for review for possible redaction. Except for materials described in section 1, below, it is the commission's policy that redactions will only be made to the extent required to comply with the public records law and any other state or federal laws that require redaction of certain types of information.

1. The commission will redact the following information from records it releases:
 - a. Personally identifiable information belonging to commission employees, individuals providing information to the commission and the spouses or family members of persons providing information to the commission, including but not limited to, home addresses, home phone numbers, personal email addresses, social security numbers, drivers license numbers, bank account information including name and location of the bank and account numbers, wage and salary information for individuals who are not employees of the Commonwealth, investment account information including the value of the account or the name, address, phone or email of the fiduciary holding the account.
 - b. Names, addresses, phone numbers and email addresses of individuals provided as references.
 - c. Medical information of any kind.
 - d. Information regarding tax returns or the filing of tax returns.
 - e. Criminal history information.
 - f. Investigatory information which if disclosed would prejudice the possibility of effective law enforcement.
 - g. any information deemed to be covered by the attorney client privilege.

h. intra-agency policy memoranda or documents used to formulate agency policy prior to the final formulation of the policy unless the commission, after review, approves the release of such information.

i. notebooks and materials prepared by a commissioner or employee of the commission which is personal to him or her and not made part of the commission's Official Records.

2. Among other things, this policy means that the commission will not redact the following information from records it releases:

a. information obtained from public media reports

b. civil litigation records obtained from public sources

Responsibility

The legal department shall be responsible for this policy. Any questions regarding this policy should be directed to the General Counsel.



SMALL BUSINESS IMPACT STATEMENT

The Massachusetts Gaming Commission (“Commission”) hereby files this small business impact statement in accordance with G.L. c.30A, §2 relative to the proposed new regulations in 205 CMR 129.00: Transfer of Interests; notice of which was filed this day with the Secretary of the Commonwealth. These regulations were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. The proposed regulations are largely directed by G.L. c.23K, §2, 4(3), 5, 14(c), 19(c), 20(e), 21(b), 22, 23(c), 23(d) and 31(e).

These regulations apply solely to the interest holders in a gaming license. The Commission does not anticipate any impacts on small businesses resulting from these regulations. Accordingly, there are no expected projected reporting or recordkeeping requirements created by these regulations that would affect small businesses, there are no design or performance standards established, there are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

G.L. c.23K was enacted to create a new industry in the Commonwealth and to promote and grow local small businesses and the tourism industry, including the development of small businesses such a lodging, dining, retail, cultural, and social facilities. These regulations, as part of the overall process, are designed to effectuate those intentions.

Massachusetts Gaming Commission
By:

Danielle Holmes
Attorney

Dated:



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION
205 CMR 14338.00: UNIFORM STANDARDS OF ACCOUNTING PROCEDURES
AND INTERNAL CONTROLS

138.13: Complimentary services or items and promotional gaming credits

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a detailed complimentary distribution program consistent with M.G.L. c.23K, §28 and a description of its proposed use and distribution of promotional gaming credits.
- (2) The gaming licensee's complimentary distribution program shall be such that reasonable assurance is provided that any complimentary services or items, as defined by M.G.L. c.23K, §2, whether provided directly to the patron and the patron's guests by the gaming licensee or indirectly to the patron and the patron's guests on behalf of a third party, are:
 - (a) Issued by employees authorized for such purposes in accordance with the program;
 - (b) In accordance with M.G.L. c.23K, §28(c), valued in an amount based upon the retail price normally charged by the gaming licensee for the service or item. The value of a complimentary service or item not normally offered for sale by a gaming licensee or provided by a third party on behalf of a gaming licensee shall be the cost to the gaming licensee of providing the service or item, as determined under rules adopted by the commission; and
 - (c) Recorded, compiled and maintained in such a way so as to allow a system of reporting in accordance with M.G.L. c.23K, §28(b) that can report complimentaries by date, issuer, recipient, type, and value.
- (3) A gaming licensee may include in its policy and procedure provisions for the discretionary discounting of the amount of an outstanding Counter Check or Slot Counter Check to be redeemed by a patron for any marketing related reason.
- (4) A players card or rewards card program offered by a gaming licensee shall include a process that allows a player to enable play management tools for use at gaming devices as provided by 205 CMR 143.06(1)(c), as follows:
 - (a) A player shall be given the ability to set a monetary loss limit at a gaming device for a specified session. The specified session shall either be for a gaming day or calendar month measured from the time of making the election. A play management setting must be affirmatively set by a player to become effective; no default settings shall be established. Further, the player shall be offered an incentive for establishing settings during the initial enrollment.
 - (b) In addition to allowing a player to establish settings at a gaming device as described in 205 CMR 143.06(1)(c), a player shall be allowed to establish settings at on-site responsible gaming information centers, self-service kiosks, and a player reward portal on the gaming licensee's website, if these services are otherwise offered by the gaming licensee. A player shall be allowed to change the previously established settings at on-site responsible gaming information centers, self-service kiosks, and a player reward portal on the gaming licensee's website, if these services are otherwise offered by the gaming licensee. A player shall not be allowed to change established setting on a gaming device other than a self-service kiosk.

- (c) A player who has enrolled in the gaming licensee's players card or rewards card program shall have access to the following information at on-site responsible gaming information centers, self-service kiosks, and a player reward portal on the gaming licensee's website, if these services are offered by the gaming licensee:
- (1) a statement of the player's number of total bets, wins, and losses;
 - (2) a problem gambling self-assessment tool adopted by the commission;
 - (3) educational quizzes and tips on responsible gaming adopted by the commission;
 - and
 - (4) information relative to accessing assistance for problem gambling.
- (5) In accordance with M.G.L. c.23K, §29, the gaming licensee shall issue to each patron who has been issued a rewards card a monthly statement, mailed to the patron at the patron's physical mailing address or email address, which shall include the patron's total bets, wins and losses; provided, however, that a patron shall be given the opportunity to decline receiving a monthly statement at the time the rewards card is issued; provided further, that a patron may later opt out of receiving monthly statements by providing a request to the gaming licensee to cease monthly statements.

205 CMR: MASSACHUSETTS GAMING COMMISSION
205 CMR 143.00: GAMING DEVICES AND ELECTRONIC GAMING EQUIPMENT

Section

143.01: Promotional Systems

(1) A gaming licensee and gaming device vendor shall comply with and the commission adopts and incorporates by reference Gaming Laboratories International, LLC Standard GLI-18: Promotional Systems in Casinos, version 2.1, released Sept 6, 2011, subject to the following amendments:

(a) Delete section 1.2.

(b) Delete section 1.4.

(c) Add the following section after section 2.5.5 Account Balance

2.5.6 Play Management

2.5.6.1 General. All gaming devices shall be enabled with play management capabilities. These capabilities shall offer a player the ability to set a monetary loss limit for a specified session as follows:

(1) Upon initial insertion of a player card into a gaming device, a display shall appear on the gaming device offering a player who has not already established play management settings in accordance with 205 CMR 138.13(4) an opportunity to do so. A play management setting must be affirmatively set by a player to become effective; no default settings shall be established. No display shall appear on a gaming device if a player card or rewards card is not inserted.

(2) At the prompt, if a player elects to establish play management settings, a display on the gaming device shall offer the player an opportunity to set a monetary loss limit for a specified period of time. The period of time shall either be for a gaming day or calendar month measured from the time of making the election. Further, the display shall offer the player an incentive, **to be provided by the commission**, for establishing settings.

(3) A player shall not be permitted to change established play management settings from a gaming device. A player shall be permitted to change established play management settings at a self-service kiosk, responsible gaming information center, customer service station, or player reward portal of the gaming establishment website.

(4) On a quarterly basis as measured from the time a player card or reward card is first inserted into a gaming device, if a player has not established play management settings a display message shall appear on the gaming device upon the insertion of the player card or reward card offering a player an opportunity to establish play management settings.

2.5.6.2 Reaching the limit A display shall appear on the screen of the gaming device as promptly as feasible upon reaching the thresholds below as follows:

- (1) A display shall appear on the screen of the gaming device when a player reaches 60% and 90% of the established monetary loss limit for a specified time period informing the player that they have reached that percentage of the limit. The display shall require the player to affirmatively elect to continue play prior to the gaming device permitting further play. The message shall only appear the first time each percentage level is reached even if the same percentage level is reached on multiple occasions due to the player's wins and losses.
- (2) When a player reaches 100% of the monetary loss limit set for the specified time period, a display shall appear on the screen informing the player that the established limit has been reached. The player shall not be prohibited from continuing play beyond the limit, but a display shall require the player to affirmatively elect to continue play prior to the gaming device permitting further play. The message shall only appear the first time the monetary loss limit is reached even if the same percentage level is reached on multiple occasions due to the player's wins and losses.
- (3) If a player elects to continue play beyond the established monetary loss limit, a display shall appear on the screen of the gaming device when the player reaches 150%, 200%, and 250% of the established monetary loss limit informing the player that they have exceeded the established limit by the applicable percentage. The display shall require the player to affirmatively elect to continue play prior to the gaming device permitting further play. The message shall only appear the first time each percentage level is reached even if the same percentage level is reached on multiple occasions due to the player's wins and losses.

2.5.6.3 Provision of information Upon insertion of a player card into a slot machine or self-service kiosk, a player who has established play management settings shall have access to information describing the amount of money spent and percentage of monetary loss limit consumed during the elected time period.

2.5.6.4 Uniformity The displays described in section 2.5.6 shall be uniform on all gaming devices within a gaming establishment.