



## **MASSACHUSETTS GAMING COMMISSION MEETING**

March 20, 2014

9:30 a.m.

**Boston Convention and Exhibition Center**

415 Summer Street, Room 102B

Boston, MA



Massachusetts Gaming Commission



**NOTICE OF MEETING and AGENDA**  
March 20, 2014

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

Thursday, March 20, 2014  
9:30 a.m.

**Boston Convention and Exhibition Center**  
415 Summer Street, Room 102B  
Boston, MA

**PUBLIC MEETING #113**

1. Call to order
2. Approval of Minutes
  - a. March 6, 2014
3. Administration – Rick Day, Executive Director
  - a. General Update- Beginning April 3, Commission Meetings will start at 10:30 a.m.
  - b. Policy and Process Review – Derek Lennon, CFAO and Commissioner Zuniga
  - c. Project Monitoring Recommendation
4. Legal Division – Catherine Blue, General Counsel
  - a. Arbitration Regulation
5. Racing Division – Jennifer Durenberger, Director
  - a. Administrative Update
  - b. Emergency Regulations
    - i. Conflict of Interest
    - ii. Access to Records
  - c. Suffolk Racing Schedule Amendment
  - d. Penn Racing Schedule Amendment
6. Research and Responsible Gambling – Mark Vander Linden, Director
  - a. National Problem Gambling Awareness Month
  - b. Update from Marlene Warner, MA Council on Compulsive Gambling
  - c. Contract Amendment- Problem Gambling Solutions
7. Workforce Development and Diversity – Jill Griffin, Director
  - a. Training Schools and Regulations – 1<sup>st</sup> Draft

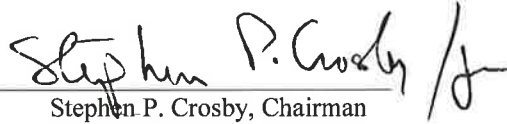


Massachusetts Gaming Commission

8. Ombudsman Report – John Ziemba
  - a. Master Licensing Schedule – Region C
  - b. Category 1 Surrounding Community Designations
  - c. Involuntary Disbursements
  
9. Other business – reserved for matters the Chair did not reasonably anticipate at the time of posting.

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

3/18/14  
(date)

  
Stephen P. Crosby, Chairman

**Date Posted to Website:** March 18, 2014 at 9:30 a.m.



Massachusetts Gaming Commission



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## Meeting Minutes

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**Date/Time:** February 24, 2014 – 1:30 p.m.

**Place:** Boston Convention and Exhibition Center  
415 Summer Street, Room 104  
Boston, Massachusetts

**Present:** Commissioner Stephen P. Crosby, Chairman  
Commissioner Gayle Cameron  
Commissioner James F. McHugh  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga

**Absent:** None

Clicking on the time posted in the margin will link directly to the appropriate section of the video.

### Call to Order

See transcript page 2.

1:30 p.m. Chairman Crosby opened the 109th public meeting.

### Administration

See transcript pages 2-27.

1:30 p.m. The Commission discussed its agreement with McFarland Johnson for consulting services relative to review of Category 1 RFA-2 applications and agreed to terminate its relationship with McFarland Johnson due to a possible conflict of interest and lack of compliance with the terms of the agreement.

1:39 p.m. *Motion made by Commissioner Cameron that the Commission accept the recommendation of the legal department to terminate the contract of McFarland Johnson. Motion seconded by Commissioner McHugh. The motion passed unanimously.*

1:41 p.m. The Commission considered the schedule for Region A surrounding community determinations and agreed to hold the public meeting to review petitions on March 20.

### **City of Boston Petition**

See transcript pages 27-60.

- 1:55 p.m. Ombudsman Ziemba presented the City of Boston's petition to extend the deadline for surrounding community determinations from February 18 to March 18.
- 2:03 p.m. Elizabeth Dello Russo, Gene O'Flaherty, Bill Kennedy, Tom Frongillo, and Ariel Raphael representing the City of Boston presented the city's two petitions for an emergency hearing. Jacqui Krum presented Wynn MA's position.
- 2:30 p.m. The Commission took a brief recess.

### **Legal Division**

See transcript pages 60-99.

- 2:35 p.m. General Counsel Blue presented a draft of the license award with conditions for the commission's review.

### **Eastern States Exposition – Impacted Live Entertainment Venue Petition**

See transcript pages 99-139.

- 3:15 p.m. Director Griffin and Lyle Hall presented the status of the Eastern States Exposition petition for ILEV designation with respect to Blue Tarp Redevelopment's proposed gaming establishment. Jed Nosal, representing Blue Tarp Redevelopment, and Mark Cress and Eugene Cassidy, representing Eastern States Exposition, responded to the Commission's questions.
- 4:02 p.m. *Motion made by Commissioner Zuniga that the Commission not designate the Eastern States Exposition as an ILEV based on information presented and the public discussion provided that MGM adheres to its 17 day blackout and without prejudice to the Eastern States Exposition's right to repetition the Commission in the event that it experiences a negative impact from the operation of an MGM controlled venue. Motion seconded by Commissioner Cameron. The motion passed 3-2 with Commissioners Cameron, McHugh, and Zuniga voting aye and Commissioners Crosby and Stebbins voting nay.*
- 4:05 p.m. The Commission took a brief recess.

### **Other Business**

See transcript pages 139-145.

- 4:10 p.m. Chairman Crosby opened discussion about the recent media report regarding the Commission's expenditures.
- 4:18 p.m. Meeting adjourned.

**List of Documents and Other Items Used**

1. Massachusetts Gaming Commission February 24, 2014 Notice of Meeting and Agenda
2. Massachusetts Gaming Commission Checklist for Issuance of Category 2 License
3. The City of Boston's Petition for an Emergency Hearing
4. Massachusetts Gaming Commission Draft License to Operate a Category 2 Gaming Establishment
5. Massachusetts Gaming Commission ILEV Petition Analysis for Eastern States Exposition

/s/ Catherine Blue  
Catherine Blue  
Assistant Secretary



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## Meeting Minutes

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**Date/Time:** February 25-28, 2014

**Place:** Boston Convention and Exhibition Center  
415 Summer Street, Room 104  
Boston, Massachusetts

**Present:** Commissioner Stephen P. Crosby, Chairman  
Commissioner Gayle Cameron  
Commissioner James F. McHugh  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga

**Absent:** None

Clicking on the time posted in the margin will link directly to the appropriate section of the video.

### **Call to Order February 25, 2014**

See transcript page 2-23.

9:30 a.m. Chairman Crosby opened the 110th public meeting and provided an overview the process for making the final determination of Category 2 license award.

### **Building and Site Design**

See transcript pages 23-120.

9:55 a.m. Commissioner McHugh presented his team's evaluation of the building and site design components of the three Category 2 applications.

11:30 a.m. The Commission took a brief recess.

11:35 a.m. Commissioner McHugh continued his presentation.

11:58 a.m. The Commission took a recess for lunch.

### **Building and Site Design**

See transcript pages 120-244.

- 1:28 p.m. Commissioner Zuniga presented his team's evaluation of the financial components of the three Category 2 applications.
- 2:06 p.m. The Commission took a brief recess.
- 2:21 p.m. Commissioner Zuniga continued his presentation.
- 3:31 p.m. The Commission took a brief recess.
- 3:41 p.m. Commissioner Zuniga continued his presentation.
- 4:24 p.m. Meeting recessed until Wednesday, February 26, 2014.

**Call to Order February 26, 2014**

See transcript pages 2-9.

- 9:30 a.m. Chairman Crosby reconvened the 110th public meeting. The Commission discussed additional information from applicants and staff addressing issues discussed the prior day.

**Mitigation**

See transcript pages 9-49.

- 9:38 a.m. Commissioner Cameron presented her team's evaluation of the mitigation components of the three Category 2 applications.
- 10:23 a.m. The Commission took a brief recess.

**Economic Development**

See transcript pages 50-110.

- 10:55 a.m. Commissioner Stebbins presented his team's evaluation of the economic development components of the three Category 2 applications.
- 12:03 p.m. The Commission took a brief recess.

**Overview**

See transcript pages 111-171.

- 12:10 p.m. Chairman Crosby presented his team's evaluation of the overview components of the three Category 2 applications.
- 1:05 p.m. The Commission took a recess for lunch.
- 2:05 p.m. The Commission considered several issues raised during the presentations.



2:19 p.m. Meeting recessed until Thursday, February 27, 2014.

**Call to Order February 27, 2014**

See transcript pages 2-45.

9:30 a.m. Chairman Crosby reconvened the 110th public meeting. The Commission discussed additional information from applicants and staff addressing issues discussed the prior day.

**Deliberations**

See transcript pages 45-153.

10:26 a.m. The Commission began deliberations of the materials presented.

11:45 a.m. The Commission took a recess for lunch.

1:05 p.m. The Commission continued deliberations.

2:05 p.m. *Motion made by Commissioner McHugh that the Gaming Commission award the Category 2 gaming license to Springfield Gaming and Redevelopment, LLC provided that the applicant Springfield Gaming and Redevelopment, LLC agree to the conditions just recited and notify the Commission of its willingness to do so by tomorrow morning at 9:30 a.m. Motion seconded by Commissioner Cameron. The motion passed by a 3-2 vote with Commissioners Cameron, Stebbins, and Zuniga voting aye and Commissioners Crosby and McHugh voting nay.*

2:07 p.m. Meeting recessed until Friday, February 28, 2014.

**Call to Order February 28, 2014**

See transcript page 2.

9:30 a.m. Chairman Crosby reconvened the 110th public meeting.

**License Award**

See transcript pages 2-9.

9:30 a.m. Mr. Wilmott, on behalf of Springfield Gaming and Redevelopment, LLC, stated that the applicant has reviewed and is willing to accept all of the conditions to the license.

9:30 a.m. *Motion made by Commissioner McHugh that the Commission award to Springfield Gaming and Redevelopment, LLC the license for the Category 2 slots parlor under the conditions set out in the document that Director Day referred to and that Mr. Wilmott said he had reviewed and accepted. Motion seconded by Commissioner Cameron. The motion passed unanimously.*

9:34 a.m. Meeting adjourned.

**List of Documents and Other Items Used**

1. Massachusetts Gaming Commission February 25-28, 2014 Notice of Meeting and Agenda
2. Massachusetts Gaming Commission evaluation team presentations.

/s/ Catherine Blue  
Catherine Blue  
Assistant Secretary



**DATE:** March 20, 2014

**TO:** Chairman Stephen Crosby  
Commissioner Gayle Cameron  
Commissioner James McHugh  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga

**FROM:** Rick Day, Executive Director  
Derek Lennon, CFAO

**RE:** Policy and Financial Process Recommendations

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For the past several months, we have been in the process of establishing a more extensive policy, employee accountability and internal control infrastructure. This framework is part of the foundation necessary for organizational high performance and our ability to implement the necessary performance management tools. A critical part of this process was our recent hiring of our Human Resources Manager and Chief Financial and Accounting Officer.

The Commission in its early stages had previously approved an employee policy handbook. We have been in the process of revising and strengthening this handbook while aligning it closer with the “Redbook”, which is the handbook the Commonwealth’s human resources division publishes for unclassified employees and managers. In addition, we have been developing temporary policies until the final policies are in place. The recent public discussion about the Commission’s expenses provides an opportunity to examine several of those policies in light of the criticisms to determine if any further revisions are appropriate.

The following outlines our plan:

1. We recommend that the Commission review the revisions to the handbook over the upcoming weeks, and today approve those that apply to travel and Purchase Card use to serve as temporary policies pending completion of our more extensive project and an outside, independent review.
2. We are obtaining outside assistance to examine our financial and internal control policies and identify areas we need to develop any proposed improvements. In



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addition, we have requested an outside expert compare our travel policy to other similar peer agencies and report findings. The final policy manual to be produced as part of our High Performance project will be informed by the independent review and will replace the temporary policies that are pending approval.

The Commission is required to use the state accounting system and follow state finance law. Finance policy of the Commonwealth is established by the Office of the State Comptroller. Processes and systems will need to be based on these established laws and policies.

The following outlines the processes and deliverables that relate to the financial and internal control engagement:

- a. Assess the current policies, systems and processes in use at MGC and then make recommendations to the MGC for stronger polices or systems where warranted.
  - b. Review current usage of Payment Card Industry (PCI) devices and databases and identify the need for future scans or audits included in assessment.
  - c. Recommend additional systems, policies and processes with finance staff at MGC to mitigate any weaknesses or vulnerabilities identified during the assessment. Policies, processes and systems developed and recommended should be based on MA Government best practices and industry standards.
  - d. Produce, within 11 weeks, a policy manual format master list of state policies and corresponding procedures to be incorporated into the High Performance Project manual.
3. We will implement the High Performance Project which is focused on strengthening the agency's ability to fulfill its mission and long term role. The following outlines some of the process and deliverables that relate to the policy question:
- a. Conduct a thorough review of the overall human resource organizational structure, policies and practices. The methodology will include interviews with management and current employees to identify current policies, procedures, and practices as well as an in depth study of policies and records. Specific compliance assessments will occur including, but not limited to: Americans with Disabilities Act, COBRA, Affirmative Action/EEO, FLSA, HIPPA, personnel records management, insurances, personnel policies, recruitment and promotional processes, and overall employee relations



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- policies. Obtain and review policy and organization from two comparable agencies.
- b. Develop a policy manual format and a master list of personnel policies and procedures to be developed for MGC. This would include but not be limited to the policies currently available in the existing employee handbook, sourcing/recruitment, background checks, intake/orientation, job classification, training, mentoring, compensation management, employee accountability/performance appraisal and management, career development, succession planning, etc. Review components already in place.
  - c. Compare and evaluate the level of fit with MGC requirements, best practices, existing state personnel policies and procedures, and policies from two peer agencies selected by the MGC. Develop a fit analysis highlighting unique requirements of MGC that must be developed in-house. Draft and provide MGC with recommended policies for review and consideration by MGC.

**Deliverables:**

1. A policy manual format and a master list of HR policies and procedures including source of material.
2. A draft of each personnel policy or revision to existing policies to conform to federal and state law, comparison to peer agencies and best practices.
3. Prepare draft position descriptions for the MGC and/or analyze compensation rates and prepare recommendations.
4. Draft of organizational structure recommendations that support the future regulatory role of the Commission.
5. A report outlining best practices in employee performance evaluation, assessing several against those best practices and the needs of the MGC, and recommending a system to be used by the MGC.
6. HR IT Strategy.
7. Improvements to HR Processes.

**Duration / Timing**

Months 1 through 4

1. Policy Manual format and master list- 1 month
2. Draft of each personnel policy and position descriptions for the MGC and analyze compensation rates and prepare recommendations - 2 months
3. A report outlining best practices in employee performance evaluation and recommending a system to be used by the MGC and HR improvements- 3 months
4. HR IT strategy- 4 Months



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5. Draft of the proposed organizational structure - due at the completion of Work stream #2 (Goals and Objectives)

In May we plan to bring an outline of services needed to ensure the Commission is prepared to function as a High Performance Organization prior to the opening of a gaming establishment in Massachusetts.



Massachusetts Gaming Commission

# MASSACHUSETTS GAMING COMMISSION

## Proposed Travel Policy



3/19/2014

## Proposed MGC Travel Policy

### TRAVEL EXPENSES AND MEAL REIMBURSEMENT

#### \_.01 Travel

- No expenses for out of state travel, including the use of state-owned cars, shall be reimbursed unless it is within the division/bureau's budget and prior approval is given by the Division or Bureau Head and Executive Director for staff, the Commission Chair for Commissioners and the Executive Director, and the Treasurer for the Commission Chair.
- No expenses for in-state travel, including the use of state-owned cars, shall be reimbursed unless prior approval is given by the immediate supervisor.

#### \_.02 Economy of Travel Expenses

In every case the means of transportation which is least expensive to the Commission and which is in the interest of economy, with proper consideration to the circumstances, should be used. Reduced-rate round trip tickets shall be used when possible. The cost of transportation shall include fares less federal taxes. Reference should be made to the detailed procedures for cost-effective authorized travel as issued from time to time by the Executive Director and/or Chief Financial and Accounting Officer (CFAO).

#### \_.03 Travel Between Home and Work Assignment

- Transportation of any kind between an employee's home and permanently assigned office (official headquarters) is not reimbursable (M.G.L., Chapter 30, §25).
- If employees travel from home to temporary assignments rather than to their permanently assigned offices, transportation expenses shall be allowed either for the distance from their homes to places of temporary assignment, or from their permanently assigned offices to places of temporary assignment, whichever is nearer.
- In all instances in which the Supervisor assigns the employee's home as his/her permanent office, prior approval must be given by the Executive Director for staff, the Commission Chair for Commissioners and the Executive Director, and the Treasurer for the Commission Chair before such assignment becomes valid.

#### \_.04 Full Travel Status

This is defined as temporary absence from home on assignment to duty for more than 24 hours. The following items including but not limited to shall be reimbursable while on full travel status:

- Reasonable charges for hotel rooms, based upon submission of receipted hotel bill.
- Reasonable tips not to exceed 20%
- Telephone and facsimile (fax) charges over 25 cents, if itemized and listing the exchange called or place to which fax was sent. Use of a Commission issued cellular device is advised and preferred to telephone costs incurred at a hotel.

#### \_.05 Unallowable Travel Expenses

Reimbursement shall not be made for expenses incurred for the sole benefit of the traveler, such as valet service, entertainment, etc.



#### \_.06 Duration of Full Travel Status

Full travel status, other than out-of-state travel, for any employee shall not exceed a period of 30 consecutive days unless prior approval is given by the Executive Director for staff, the Commission Chair for Commissioners and the Executive Director, and the Treasurer for the Commission Chair.

#### \_.07 Use of State-owned Automobiles

- State-owned cars shall be used on official business only. They shall not be operated outside the necessary working hours (working hours to include time required to travel to and from place of authorized garaging).
- Pleasure riding or use for private purposes is absolutely forbidden.
- No operator of a state-owned motor vehicle shall transport a passenger or passengers other than those traveling on official business except with the approval of the Executive Director or Commission Chair.

#### \_.08 Liability When Using State-owned Automobiles

Operators are personally responsible for damage liabilities arising from accidents occurring during non-work related travel or involving passengers not traveling on official business. Any accident in which a state-owned vehicle is involved shall be reported immediately to the Commission's Division of Administration and Finance and Legal Division. Any such accident involving death or personal injury shall be reported immediately in writing to the Registrar of Motor Vehicles. (M.G.L., Chapter 90, §26).

#### \_.09 Reimbursement of Expenses of State-owned Automobiles

Reimbursement shall be allowed for expenses incurred in the operation of state-owned cars, including charges for gas, oil and reasonable charges for minor repairs, public garage and parking fees, toll charges and reasonable charges for car washing.

#### \_.10 Privately-owned Automobiles and Mileage Rate

- When use of a person's private automobile is necessary and has been authorized, the approved mileage rate as defined by the Secretary of ANF will be allowed. In addition to the approved mileage rate, reimbursement will be allowed for reasonable charges for tolls, garaging and parking.
- From time to time, the Secretary of Administration and Finance may adjust the mileage rate up or down, depending upon current conditions.
- For each trip, the city or town visited must be reported. If several addresses are visited within a city or town, state the number visited and total mileage covered.
- Mileage reported shall be based upon actual odometer readings or computed from a recognized mileage chart.
- Private automobile mileage reimbursement shall be payable only to one of two or more employees traveling together in the same vehicle.

#### \_.11 Unallowable Expenses for Automobiles

- No reimbursement shall be allowed or obligation incurred for the private garaging of a state-owned automobile operated by an employee as transportation from the place of employment to the vicinity of residence.
- No payment shall be made or obligation incurred for the garaging of any automobile in private garages under any circumstances except upon prior approval by the Executive Director for staff, the Commission Chair for Commissioners and the Executive Director, and the Treasurer for the Commission Chair.
- No charges for simonizing, polishing, or repainting will be allowed unless approved in advance by the Commission's Division of Administration and Finance.

#### \_.12 Meal Reimbursement

Maximum allowable reimbursements when on travel will be consistent with the amount set by the General Services Administration (GSA) for each city travelled to. Employees will only be reimbursed for actual costs incurred up to the maximum amounts allowed per sections \_.15-\_.17. Receipts must be included with reimbursement requests. In no instance will the MGC reimburse for alcohol and will not accept receipts with alcohol present on the receipt. Staff will not be reimbursed for any meals that are included in registration fees, price of passage, etc. and will not be reimbursed for the cost of meals for other individuals unless prior approval is sought from the Executive Director for staff, the Commission Chair for Commissioners and the Executive Director, and the Treasurer for the Commission Chair

- The rules on meal reimbursement (Rules \_.12 to \_.18) apply to all persons employed by the MGC
- Reimbursement shall be allowed for meals while on full travel status.

#### \_.13 Amount of Meal Reimbursement

Employees who are required to travel to other locations for business shall receive a per diem payment consistent with the amount set by the GSA for each city travelled to for meals, for each whole day during which they are on such assignment.

1. A whole day shall be a 24 hour period commencing at midnight;
2. The duration of travel shall begin from the employee's departure from his/her home or work location directly to the destination of the travel assignment, and shall conclude with the employee's arrival at his/her home or work location directly from such travel assignment.

The rates above shall apply only when meals are not included in the rate charged for lodging or otherwise included in registration or conference fees.

For travel for partial day periods (see rules \_.14 through \_.16), individual meal allowances are found at the GSA website

#### \_.14 When Meals May be Reimbursed

For travel status of 24 hours or more, the following are the allowances on the first day:

- When travel status begins before 6:00 A.M., the person will be entitled to the entire per diem amount.
- When travel status begins between 6:00 A.M. and noon, the person will be entitled to midday and evening meals.
- When travel status begins between noon and evening, the person will be entitled to the evening meal.

For travel status of 24 hours or more, the following are the allowances on the final day:

- When travel status ends between 6:00 A.M., and noon, the person will be entitled to breakfast.
- When travel status ends between noon and 6:00 P.M., breakfast and midday meals will be allowed.
- When travel status ends after 6:00 P.M., the entire per diem amount will be allowed.

Breakfast at the beginning and evening meal at the end of travel status will not be allowed unless the charge is accompanied by a statement of necessity for early departure or late return.

#### \_.15 Meal Reimbursement for Travel Less Than 24 Hours in Duration

- For travel of one day's duration starting two hours or more before compensated time, the person will be entitled to the breakfast allowance. Reimbursement form must state time of departure and time compensation commenced.
- For travel of one day's duration ending two hours or more after compensated time, the person will be entitled to the evening meal allowance. Reimbursement form must state the time compensation ceases and time of arrival home.
- In no event will the midday meal be allowed for travel of less than 24 hours' duration.
- Reimbursement form must state necessity for early departure or late return as well as a statement giving the regularly scheduled work hours.
- In computing travel under this rule, the two hour travel time must be computed from the person's permanently assigned office or home, whichever is nearer to the place of temporary assignment.

#### \_.16 Unallowable Meal Reimbursement

- Meals served by air, or at a conference at no charge to the traveler or where the price of passage includes a meal or meals shall not be reimbursable.
- In no instance will the MGC reimburse for alcohol and will not accept or reimburse in whole or in part any receipts with alcohol present on the receipt

#### \_.17 Foreign Travel

- Reference should be made to the detailed procedures for cost-effective authorized foreign travel as issued from time to time by the Executive Director and/or Chief Financial and Accounting Officer.
- Employees traveling in foreign countries shall report their expenditures by items in dollars, noting on hotel bills and other receipts submitted with vouchers the equivalent value in dollars at the then current rate of exchange.
- Supplemental expenses such as fees for passports, visas, photographs, birth and marriage certificates and inoculations shall be reimbursable.

# MASSACHUSETTS GAMING COMMISSION

## Travel Guidelines



3/19/2014

## **MGC Travel Guidelines**

The following guidelines apply to employees of the Massachusetts Gaming Commission. The purpose of these guidelines is to govern travel by MGC employees on Commonwealth business. All official in and out-of-state travel must be consistent with the following principles:

- All travel must serve a legitimate public purpose in support of the agency's mission.
- All travel arrangements must be cost effective.
- All travel must be consistent with the relevant rules of the State Comptroller's Office and the MGC's procurement rules/policies.
- All employees who participate or attend a work-sponsored event represent the MGC and the Commonwealth as a whole. Whether it is an official or after-hours event, all employees must conduct themselves in a manner that is consistent with the MGC's enhanced code of ethics. Failure to do so may result in disciplinary action up to and including termination.

### **I. Privately-owned Automobiles and Mileage Rate (Proposed Policy)**

Reimbursement for mileage is set at the same rate as state employees (currently \$0.45/mile). For each trip, the location visited (including start point and destination address) and the purpose of the visit must be listed on the travel reimbursement form. Mileage reported will be based upon odometer readings, or internet mapping software (like Google Maps or MapQuest). Any mileage requested that varies by 10% or more from the mapping software or the guide must be supported by a memo from the employee to his or her supervisor, explaining the variance, and approved by the supervisor. In addition to the approved mileage rate, reimbursement will be allowed for reasonable charges for tolls and parking, but documentation of these charges must be provided.

Private automobile mileage reimbursement is payable only to one employee if two or more employees are traveling together in the same vehicle.

Transportation between an employee's home and permanently assigned office is not reimbursable.

An employee who travels from his or her home to a temporary assignment rather than to his or her permanently assigned office, shall be allowed transportation expenses for the distance from his or her home and the temporary assignment, or from his or her permanently assigned offices to places of temporary assignment, whichever is less.

### **II. Accommodations**

Staff will be reimbursed for lodging for approved out-of-state travel and for approved overnight in-state travel. Employees are advised to take advantage of conference rate lodging. If conference lodging is not available, staff should seek and document competitive rates from 3 local area lodgings or ask the state contract vendor PanAm to find accommodations. Employees are not allowed to lodge at locations where a category 1 or category 2 current applicant/licensee has a financial interest in the establishment.

Employees should always request a government or business rate and should not consider a rate above the amount approved by the GSA for the city they are lodging in. Any room rates exceeding the GSA rate require prior approval from the Division/Bureau's supervisor and the CFAO. Requests for approval above the GSA rates must demonstrate that reasonable efforts have been made to request accommodations at the GSA rates and are not achievable, or that GSA rate accommodations are more costly (including travel expenses to and from meetings) than the closer location. Government approved

reimbursement rates can be found at the following website for US travel:  
<http://www.gsa.gov/portal/category/100120>

For foreign travel please use this site: [http://aoprals.state.gov/content.asp?content\\_id=184&menu\\_id=78](http://aoprals.state.gov/content.asp?content_id=184&menu_id=78)

### **III. Meals**

Overall allowable reimbursements when on travel will be consistent with the amount set by the GSA for each city travelled to. Employees will only be reimbursed for actual costs incurred up to the maximum amounts allowed per sections 13-16 of the MGC Travel Policy. Receipts must be included with reimbursement requests. In no instance will the MGC reimburse for alcohol and will not accept receipts with alcohol present on the receipt. Staff will not be reimbursed for any meals that are included in registration fees, price of passage, etc. and will not be reimbursed for the cost of meals for other individuals unless prior approval is sought from the Executive Director for staff, the Commission Chair for Commissioners and the Executive Director, and the Treasurer for the Commission Chair.

To find allowable meals and incidental rates by city please refer to the following GSA link:  
<http://www.gsa.gov/portal/category/100120>

### **IV. Instructions for Travel Reimbursement Requests/Required Documentation for Reimbursement**

In order to receive reimbursement for mileage, meals, and other incidental expenses, an MGC travel reimbursement form should be submitted no later than 30 days after the last travel date listed. Travel reimbursement forms not submitted within this timeframe may not be reimbursed.

Any travel undertaken without prior approval from your supervisor may not be reimbursed.

1. The travel reimbursement form along with receipts for any item to be reimbursed should be submitted no later than 30 days after the last date of travel listed.
2. In order to be reimbursed for mileage, employees must include the start and end destinations' addresses (including city or town), as well as the start and end odometer readings or mapping software printouts.
3. For meal reimbursements, please include the beginning and end time of the travel, as well as all receipts.
4. For out-of-state travel, employees must include original itemized receipts in order to be reimbursed for expenses such as airfare (economy class only and boarding passes must be included), ground transportation, lodging, and other incidental expense.
5. For foreign travel, employees should report their expenditures in US dollars on the travel reimbursement form. Submitted receipts should note the equivalent value and the current rate of exchange.
6. Supervisors must carefully review the completed travel reimbursement form and accompanying receipts to ensure it is in compliance with this policy before their approval signatures are granted.
7. After the travel reimbursement form is approved by the employee's supervisor, it must be submitted to the Chief Fiscal and Accounting Officer (CFAO) for approval. The CFAO will verify that travel rates being requested are compliant with this policy and receipts support the request and all costs are compliant with this policy. Fiscal will include the appropriate appropriation out of which the reimbursement is to be paid.

8. After the travel reimbursement form has been approved by the employee's supervisor and the Chief Fiscal and Accounting Officer, the CFAO will submit the reimbursement form to Payroll for processing.

## **V. Out-Of-State Travel**

All out-of-state travel requires the submission of a completed Travel Authorization Form (TAF) for approval by the Executive Director for staff, the Commission Chair for Commissioners and the Executive Director, and the Treasurer for the Commission Chair

TAFs should be submitted to your supervisor at least two weeks prior to travel to ensure adequate review and processing time. Any travel undertaken without a prior approved TAF may not be reimbursed.

The submitted TAF should comprise of a full and detailed statement, signed under the pains and penalties of perjury, and must provide at a minimum:

1. The purpose of the travel or event, including anticipated benefit to the Commonwealth and work-related benefit to employee.
2. The full itinerary or schedule of the travel or event with all dates, locations, accommodations and modes of transportation.
3. A detailed cost of the trip, including breakdown of all anticipated expenses. Indicate which expenses will be borne by the Commonwealth, private entity, if any, and the employee.
4. All relevant information regarding any private party subsidizing the travel, event, and related expenses, in whole or in part. Include the name, address, primary business activity, and detail the relationship, if any, between the private party and the Commonwealth.
5. A statement of all activities offered at the event, including meals or entertainment and the employee's intent to participate in such activities.
6. Arrangements, if any, to extend the travel for personal purposes.
7. Copies of all relevant brochures, meeting agendas, or other publications describing the purpose of the trip.
8. Upon submission of the TAF, the Executive Director must determine that the travel or event serves a legitimate public purpose that is not outweighed by any actual or apparent benefit to the employee or private sponsor. Such public purposes may include:
  - (a) Gaming Control and Enforcement activities;
  - (b) Training and educational activities; or
  - (c) Prudent purchasing and vendor selection.

Once this is completed the employee should submit a travel reimbursement form for reimbursement as outlined above.

## **VI. Subsidized Travel by a Non-Public Entity**

Employees who are approved to go on travel (whether in-state or out-of-state), which will be reimbursed, waived or paid by a non-public entity (but not a lobbyist) in the amount of \$50 or more are required to file a disclosure of such travel expenses. Employees should confer with MGC's legal unit at least 2 weeks prior to departure to ensure all travel and the disclosure thereof is in compliance with the State Ethics Commission's guidelines and polices as well as the MGC's enhanced code of ethics.

If the actual cost of the travel differs from the cost previously disclosed by \$50 or more, then the employee must confer with the MGC legal unit within 2 weeks of his or her return to file a reconciliation statement in compliance with the State Ethics Commission.

## **VII. Statewide Contract for Travel**

Employees are strongly encouraged to utilize the statewide contract (PanAm - PRF53) for travel agent related costs, i.e. booking all travel, booking airline fares with related accommodation, hotel rooms, etc. Information about this contract is available on the Operational Services Division Comm-PASS website. A fact sheet to help employees use this service is found as an attachment to this policy. In addition the PanAm website for MA companies to use can be found at the following location:

[http://mass.panam.travel/MASS/Welcome\\_Aboard.html](http://mass.panam.travel/MASS/Welcome_Aboard.html)

A TAF must be submitted for all out-of-state travel, including travel subsidized in whole or in part by any private entity. Otherwise, no such travel may be authorized or associated disbursements permitted. Within 2 weeks of return, the employee should submit a statement of reconciliation to his or her supervisor if the travel expenses vary by 20% or more from the estimated expenses TAF submitted prior to travel. This statement must be approved by the supervisor prior to submitting to the CFAO. Where deviations of 20% or more may have occurred, the Executive Director may request payments from the employee, authorize payments by the Commonwealth, or take other appropriate action.

## **VIII. Questions**

All questions regarding travel or anything within this document can be directed towards the MGC's Administration and Finance office or the Legal office.



# Travel Management & Related Services PRF53 - Statewide Contract

## CONTRACTOR FactSheet

**Vendor Code: VC0000653177 – Vendor Line 1**

**Contractor Information:** PanAm Travel, 600 17<sup>th</sup> Street, Suite 2800, Denver, CO 80202

Client Partner: Jordan Egbert

E-mail: [Jordan.egbert@panam.travel](mailto:Jordan.egbert@panam.travel)

Phone: 888 726 2645 x290

Dedicated Line: 617 904 9757

E-mail: [ma@panam.travel](mailto:ma@panam.travel)

Website: [http://mass.panam.travel/MASS/Welcome\\_Aboard.html](http://mass.panam.travel/MASS/Welcome_Aboard.html)

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The E-mail contact information featured on the Comm-PASS ([www.comm-pass.com](http://www.comm-pass.com)) website is incorrect please use this Contractor FactSheet as a resource until the proper updates and corrections have been completed to the website.

- PanAm and the Commonwealth have been under contract **since** March 1, 2013
- Ask for a PanAm fare 15%-40%+ savings on
- If you have any questions, or would like to learn more, get in touch with Jordan. He is YOUR dedicated Client Partner.

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### Pricing and Purchase Options

**Purchase Options:** Purchases made through this contract will be direct, outright purchases.

This contract was negotiated with net pricing for all service fees and provides the opportunity for extra savings through tier pricing based on Air Travel Spend.

In addition to the deeply discounted fee structure, no cost services and additional air volume rewards, PanAm works aggressively with travel service providers to negotiate discounts that will provide members with maximum savings and value added programs such as thousands of fully refundable heavily discounted airfares, discounts of up to 40% at 75% of known hotel properties and up to 15% for ground transportation services.

Customized member web portals are available upon request at no additional cost.

The Group Tiers are follows:

- >Level 1: \$0-\$ 5,250,000, 3% discount has been applied to pricing shown in this contract
- >Level 2: \$ 5,250,001-\$10,500,000, additional 2% discount
- >Level 3: \$10,500,001-\$12,950,000, additional 4% discount
- >Level 4: \$12,950,001-\$15,750,000, additional 6% discount
- >Level 5: \$15,750,001-\$21,000,000, additional 7% discount
- >Level 6: \$21,000,001-\$28,000,000, additional 9% discount
- >Level 7: \$28,000,001-\$35,000,000, additional 11% discount
- >Level 8: \$35,000,001-\$41,000,000, additional 13% discount
- >Level 9: \$41,000,001-\$48,000,000, additional 17% discount

# MASSACHUSETTS GAMING COMMISSION

## Procurement Card (P-Card) Policy



3/19/2014

DRAFT

## Procurement Card (P-Card) Policy for Employees

### Summary:

The primary goal of the Commonwealth P-Card program is to simplify and expedite a Department's routine purchases under 801 CMR 21.00, including incidental purchases. The program can also be used to minimize reimbursable travel processing costs or as an alternative payment method when purchasing under statewide contracts. The P-Card purchasing process includes pricing inquiry, order placement, delivery of goods, invoices and voucher review.

The Office of the State Comptroller (OSC) requires CFOs to develop and document appropriate internal control procedures to ensure P-Card usage is consistent with the state policy, and to develop guidelines for usage for department employees. MGC will be responsible for reconciling receipts with the monthly statement issued by the P-Card contractor (as of issuance of this it is Bank of America--BofA) and for making timely payments to BofA for all P-Card purchases made by MGC during a monthly billing cycle. P-Card usage is subject to audits and OSC Quality Assurance reviews. A criterion of the quality assurance reviews and audits includes checking backup documentation for payments, spending authorization, procurement compliance and validation of a monthly bill paying statements/reconciliations. The Massachusetts Management Accounting and Reporting System (MMARS) is the official financial record of the Commonwealth. All supporting documentation must reflect the information provided in each transaction. The P-Card contract has a 25 day payment schedule which must be adhered to in order to avoid finance charges.

The Policy and processes below are designed to ensure compliance with the Commonwealth's policy on allowable use and reconciliation of P-Cards.

### Section 1: MGC General Policy

- A. The standard P-Card limit for each account per monthly billing cycle will be determined based on the business need of the MGC as determined by the Executive Director and the Office of the Comptroller. All cards will be initially set up for \$10,000 limit, and will only be adjusted by following the process in Section 5.
- B. The Cardholder of a Commonwealth P-Card will have his/her name embossed on the card and it may ONLY be used by the Cardholder. NO PERSON OTHER THAN THE APPROVED CARDHOLDER IS AUTHORIZED to use that P-Card. The Cardholder may make expenditures on behalf of others in the MGC based on pre-authorization from the)CFAO as outlined in section 2E. However, the Cardholder is responsible for all use of his/her card. It is the Cardholder's responsibility to safeguard the P-Card and account number to the same degree that a Cardholder safeguards his/her personal credit information. Instances of when a cardholder may make purchases for others are below:
  - o Out-of-State Travel (there is a state approved travel agent that should be used in conjunction with P-Cards)
    - i. Hotel Accommodations

- ii. Airfare Accommodations
- iii. Rental Car Reservations
- iv. Registration Fees
- v. Meals (Aligned with the MGC's allowable meal guidelines)
- o Incidental Purchases

C. The MGC CFAO is responsible for ensuring that sufficient funds are encumbered to cover the charges anticipated under all cards issued to Department Cardholders. The CFAO will work with cardholders to ensure that recurring costs are not included on P-Cards. P-Cards should be used for non-routine business. The CFAO will work with cardholders at the beginning of the budget cycle to develop an anticipated cost for the fiscal year, and will review it on a quarterly basis with card holders to ensure sufficient funds are available to cover anticipated costs. The finance office will carefully monitor charges and payments on a monthly basis against amounts encumbered.

D. P-Card Usage:

MGC staff can use the P-card to purchase incidental goods, and services, as well as travel expenses consistent with established MGC policies and procedures. Approved business expenses generated while engaged in job related activities away from the regular place of employment may be placed on a P-Card. Travel expenses include but are not limited to the following:

- Registration fee payments
- Airline ticket payments
- Vehicle rental payments
- Gasoline for rental vehicles
- Other transportation ticket payments
- Hotel folio payments including business related costs such as business phone charges and business internet access.
- Payment for food up to the allowed amount in the MGC travel guidance. (Note: To reap the benefit of payment efficiencies that the P-Card offers, the card holder should not charge more than the authorized amount and “repay” the Department. The Cardholder should split the payment and only charge the authorized amount to the P-Card and pay the balance in cash or other means.)

See Section 2 for proper documentation and usage of the P-Card.

E. The Cardholder shall inform all MA Vendors that the Commonwealth is a Tax Exempt entity and that items purchased are NOT to be taxed. The Cardholder should not accept payments which include Massachusetts sales or meal tax. On the Hologram side of the cards the words “MA TAX EXMPT ID 046002284” are embossed.

F. The Commonwealth P-Card SHALL NOT BE USED for the following:

- Cash Advances (ATMs);
- Gift Cards
- Legal Services
- Medical services
- Alcohol purchases;

- A single purchase that exceeds the lower of the card limit (or other amount as determined by the Office of the Comptroller);
- Personal expenses of the Cardholder
- Anything not covered in section 4.

Note: the P-Card may not be used for personal charges even if the cardholder plans to repay back the Department.

- G. The P-Card may not be used to avoid competitive procurements. Incidental purchases must be approved by the CFAO prior to contacting a vendor/contractor
- H. Issuance of a P-Card is voluntary. An employee may refuse to accept a P-Card. Acceptance of a P-Card may not be a mandatory condition of employment and an employee may not be disciplined in any manner for refusing to accept a P-Card.
- I. Each cardholder identified for P-Card use must execute a Commonwealth P-Card Use Policy Employee Agreement certifying that they have been trained on and shall comply with MGC P-Card Use Policies and Procedures, including accounting for and providing supporting documentation for all purchases made under the card.

## **Section 2: Making a Purchase**

The P-Card is used for incidental and travel related expenditures where using normal contracting methods is not cost effective and/or is not feasible. Whenever possible, employees should use statewide or departmental contracts for purchases, including travel arrangements.

- A. The MGC is required to conduct competitive procurements for non-incidental purchases (801 CMR 21.00 or MGC thresholds). The P-Card may not be used to circumvent procurement requirements for purchases outside the scope of the program.
- B. For incidental purchase approval, cardholders shall consult the MGC CFAO to first see if there is a statewide contract that offers services, and then to verify that the procurement will not exceed the \$10K threshold. Email approval from the CFAO to conduct an incidental purchase must be sought and kept with the invoice.
- C. Once a procurement is made, the cardholder must verify that the selected vendor accepts P-Cards, and that the vendor's refund policy must include a credit to the P-Card, and not store credit or cash refund for items returned or not meeting the cardholders satisfaction.
- D. Except where otherwise exempted by statute or rule, an itemized receipt must be obtained for each transaction placed on the P-Card. The receipt must be legible, itemized (reflecting the good or services purchased), and contain the Vendor name, date of purchase and price of items. Receipt documentation may be paper or electronic and shall be retained by the Department as an audit trail. A receipt description, which only states "Miscellaneous" or "Merchandise" or only includes a Vendor's stock or item number, is

not acceptable. MGC will not honor any payments unless properly documented invoices (statements) are provided by the Cardholder.

P-Card invoices, packing slips or other confirmation of P-Card purchases should include the following:

- i. The date of the P-Card transaction
- ii. The Vendor Name (and address if available)
- iii. The Vendor order number or other identification number for the transaction
- iv. Department name (delivery address, if shipped)
- v. Cardholders name
- vi. Indicate purchase is a P-Card purchase
- vii. Identify items purchased, prices and other charges (itemized bill)

- E. When purchasing on behalf of others cardholders should send a request to the CFAO and Executive Director via email. The request should include at a minimum the following:
- i. In the email Subject line the following: Request for P-Card Purchase on Behalf of Other(s)
  - ii. Reason for purchasing on behalf of someone else
  - iii. Description of what is going to be purchased
  - iv. Estimate of the total cost of the purchase

The CFAO or the Executive Director will either approve or deny the request via email. If approved the email request and approval shall be part of the monthly documentation and submitted with the reconciliation process detailed in Section 4.

### **Section 3: P-Card Returns or Disputes**

- A. If an item is not satisfactory, received incorrectly, damaged and/or defective, duplicate order, etc., the Cardholder should make contact with the Vendor to explain the problem and arrange for return or correction.
- B. A Cardholder must not accept cash or a store credit refund for a purchase made with a Commonwealth P-Card but must obtain a credit to the P-card account or a replacement product.
- C. If items purchased by the use of the P-Card are found to be unacceptable, the Cardholder is responsible for obtaining replacement or correction of the item as soon as possible. If the Vendor has not replaced or corrected the item by the date the Cardholder receives his/her monthly statement, then, upon written notification to BofA, the purchase of that item will be considered in dispute. (see Dispute Procedure at the end of this section)
- D. If the Cardholder is disputing a charge, he/she shall complete a Dispute Form and include it with the statement package to the Approving Supervisor. (see Dispute Procedure at the end of this section)
- E. If an item has been returned and a credit received, the Cardholder shall verify that this credit is reflected on the monthly statement and follow up with the CFAO until matter resolved.

**Dispute procedure:**

After attempting to resolve a problem with the Vendor the Cardholder should attempt to resolve the problem by contacting BofA's Customer Service Desk (1-888-449-2273), they may be able to assist you in resolving the problem but cannot open a dispute over telephone. If necessary, complete a COMMERCIAL CARD CLAIMS STATEMENT OF DISPUTED ITEM which includes:

- Vendor Name and address
- Item Reference number from the Statement
- Nature of the dispute
- Who was contacted (individual name) at the Vendor in an attempt to resolve it
- Vendor's response to contact

**Section 4: Cardholder Record Keeping and Monthly Reconciliation**

Each employee assigned a P-Card is responsible for the items purchased and appearing on the monthly statements. The employee is also responsible for maintaining documentation to support each purchase and will be required to submit a full reconciliation of all costs appearing on the monthly statement to their supervisor for approval and then to the MGC CFAO for processing. Any charges that are not in compliance with the Commonwealth or MGC policy shall be the responsibility of the employee to reimburse the MGC for the costs, and could result in a revocation of the P-Card.

- A. Whenever a P-Card purchase is made, either over the counter, by telephone or Internet, the Cardholder is required to retain or maintain documentation as proof of the purchase. This documentation should include at a minimum, the information that a Cardholder is required to verify before signing a P-Card slip, or confirming a telephone charge, as outlined in Section 2D above.
- B. Cardholders will be responsible for certifying as part of this documentation that items purchased by P-Card have been received and the date of receipt. Such documentation will be used to verify the purchases listed on the Cardholder's monthly statement of account and the MGC monthly billing invoice, prior to payments to BofA.
- C. Statement closing dates are the 27<sup>th</sup> of each month. After the close of each billing cycle and before the 10<sup>th</sup> of following month, the Cardholder shall review the monthly statement on BofA's web product (<https://payment2.works.com/wpm/action/login.viewLoginPage>) to ensure the accuracy of statement and validate charges incurred are for approved departmental business only. The Cardholder shall check each transaction listed against his/her P-Card receipts, and any shipping documents to verify the accuracy of the monthly statement.
- D. By the 10<sup>th</sup> of each month, cardholders shall be responsible for timely submitting a signed (full signature and printed name) and dated (wet signature date) reconciled statement from the BofA web product with all original receipts attached to their supervisor for approval. Supervisors must, review the statement to verify costs charged received prior approval and then sign the statement and forward to the finance department for processing no later than the



15<sup>th</sup> of each month. Strict adherence to these dates is necessary to make timely P-Card monthly payments and avoid finance charges.

- E. If an item has been returned and a credit received, the Cardholder shall verify that this credit is reflected on the monthly statement of account.
- F. If purchased items or credits are not listed on the monthly statement of account, the appropriate expenditure documentation shall be retained by the Cardholder until the next monthly statement. If the purchase or credit does not appear on the statement within 60 days after the date of purchase, the Cardholder shall notify the Approving Supervisor and the Vendor, in writing, and submit the expenditure documentation for correction.
- G. Failure of a Cardholder to timely submit invoices, or any other failure to adhere to the Commonwealth or MGC P-Card Use Policies and Procedures shall be grounds for cancellation of Cardholder P-Card privileges.
- H. If a cardholder does not have an original receipt a memorandum to the supervisor and the CFAO must be attached to the monthly statement explaining why the receipt is not available. Continued practice of not maintaining adequate receipts will result in cancellation of P-Card privileges.
- I. If an expense made by a cardholder is found to be not compliant with Commonwealth or MGC P-Card policies, it shall be reported to the CFAO and the Executive Director. At a minimum, the cardholder will be responsible for paying the MGC the cost of the expense and be issued a warning. Serious offenses of P-Card usage will be reported to the Human Resources department and can result in personnel actions up to and including termination.

### **Section 5: Increasing Credit Limits**

All MGC employees assigned a P-Card shall have an initial limit of \$10,000. Depending on business needs, and possible travel/business cycles, cardholders may request their limit to be increased. Increased limits must be approved by the Executive Director, communicated to the CFAO, and a request must be made to the State Comptroller's Office. Final approval can only be made by the Comptroller's office. The Comptroller's Office should be given two weeks notice to process increases in limits. Therefore, cardholders should start the process below a month prior to needing the increased limit.

- A. To request an increase to credit limit an email should be sent to the Executive Director by the cardholder with the following information:
  - i. In the email subject line the following must appear: Request to Increase P-Card Limit
  - ii. Business justification/need for increase
  - iii. Amount of increase
  - iv. Duration of increase

- B. The Executive Director will either approve or deny the request and respond via email to the cardholder cc'ing the CFAO if it is an approval.
- C. The CFAO will then make a request to the Comptroller's P-Card unit to increase the limit using the email request and approval from the Executive Director.
- D. CFAO will forward the response from the Comptroller's unit to the Executive Director and the P-Card holder

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**MASSACHUSETTS GAMING COMMISSION**  
**TRANSPORTATION COMMUTING BENEFITS**



3/19/2014

## **Transportation Commuting Benefits**

The MGC may provide, where allowable in whole or in part, Commissioners and senior level positions with either an MBTA monthly pass, or a parking space.

MGC will follow the Department of Revenue (DOR) Technical Information Releases (TIRs), Internal Revenue Service (IRS) Fringe Benefits publications and the State Comptroller's annual "Tax and Payroll Updates" policy for compliance with tax reportable non-cash parking benefits provided to Commission employees.

For T-Pass benefits, the MGC will reimburse employees up to the maximum monthly amount allowed by the DOR and the IRS through an employee reimbursement. Any amounts above that threshold will be reimbursed at a taxable rate to the employee.

For the calendar year beginning 1/1/2014 the exclusion amounts are:

1. \$130 per month for combined commuter highway vehicle transportation and transit passes
2. \$250 per month for qualified parking



## MASSACHUSETTS GAMING COMMISSION

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### MEMORANDUM

**To:** Chairman Crosby and Commissioners Cameron, McHugh, Stebbins and Zuniga  
**From:** Jill Griffin, Derek Lennon and Karen Wells  
**CC:**  
**Date:** 3/19/2014  
**Re:** Oversight Project Manager RFR # MGC-OPM-2014

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#### **Background:**

On January 7, 2014 the Massachusetts Gaming Commission posted a competitive procurement for Oversight Project Managers. The solicitation was aimed at enlisting the services of professionals/firms with experience in multiple disciplines including but not limited to real estate development, design review, Massachusetts permitting processes, project financial assessment and construction schedules, and Massachusetts Supplier Diversity goals for construction projects. The Oversight Project Manager will work alongside the MGC commissioners and staff to coordinate the regulating and monitoring of the design and construction of gaming establishments for consistency with approved licenses. The MGC allowed for a single vendor to be chosen or multiple vendors. The initial contract duration as posted was three (3) years, with options to renew up to a maximum of five (5) years. Total scoring was on a 0-5 scale with 0 being the lowest and 5 being the highest possible score. 90% of the scoring was based on the written applications to determine which applicants would receive an interview, and the final 10% of the score was based on the cost proposal.

Responses were due to the MGC on January 31, 2014. The MGC conducted interviews of finalists on February 19, 2014 and March 7, 2014.

#### **Responses and Scoring:**

The MGC received four responses. The companies responding were McFarland-Pinck and Co. Collaborative, PMA Consultants LLC, Redgate, and Sneed Robertson and Associates. PMA Consultants LLC, and McFarland-Pinck and Co. Collaborative were the two highest scores from the initial review and were invited for an interview. In the time between arranging interviews and the actual interviews the possibility of a conflict arose with the McFarland and Pinck and Co. Collaborative. McFarland withdrew their involvement with the Pinck and Co. Collaborative. This



Massachusetts Gaming Commission

did not substantially change the application as all of the original subcontractors agreed to remain in the collaborative.

The scores for the two finalists were:

Scoring Area	Max Score	Pinck and Co. Collaborative	PMA Consultants LLC
Written	4.5	3.75	3.05
Cost	.5	0.4	0.4
<b>Total</b>	<b>5.0</b>	<b>4.15</b>	<b>3.45</b>

The scoring above demonstrates that both finalists did a good job of responding to the RFR, and the cost was in the area where the MGC can work to attain a cost that is reasonable. While the scoring may indicate a clear cut winner, the interviews were very informative and helped to add clarity to the approaches of the finalists, as well as recommended staffing patterns.

**Recommendation for Award:**

The MGC procurement committee for RFR# MGC-OPM-2014 recommends pre-qualifying both finalists (Pinck and Co. Collaborative and PMA Consultants LLC) for this contract. The team recommends engaging the Pinck and Co. Collaborative for oversight of the awarded slots parlor licensee. The MGC should reserve the right, but not make it mandatory, to ask for proposals from both finalists for oversight of category 1 licensees.

The committee recommends negotiating a price and scope with the Pinck and Co. Collaborative for the slots parlor licensee based on the higher overall scoring, the more intimate knowledge of the application and the community commitments, and a better understanding of the Expanded Gaming Act. All of those factors will help in getting oversight functions up to speed with the licensees schedule.



205 CMR 125.01 (6) (c) as amended

c. Binding Arbitration Procedure.

1. The applicant and surrounding community may, by mutual agreement, engage in this binding arbitration procedure at any time after the date the surrounding community determination is made by the commission in accordance with 205 CMR 125.01(1)(a) or 125.01(2). Provided, however, the parties must engage in this binding arbitration procedure if no surrounding community agreement is filed with the commission within 30 days of the date the surrounding community designation is made by the commission in accordance with 205 CMR 125.01(1)(a) or 125.01(2).
2. The parties shall file with the commission a notice of intent to commence arbitration prior to selecting an arbitrator.
3. No later than 5 days after the passage of 30 days since the surrounding community designation is made by the commission in accordance with 205 CMR 125.01(1) (a) or CMR 125.01(2) the parties shall select a neutral, independent arbitrator and submit their best and final offer for a surrounding community agreement pursuant to M.G.L. c. 23K, §15(9) to the arbitrator and to the other party. The best and final offer shall be in the form of an executable surrounding community agreement. If they cannot mutually select such single arbitrator, each party shall select one neutral, independent arbitrator who shall then mutually choose a third neutral, independent arbitrator. In the event that a third neutral, independent arbitrator is not selected within the 5 day period, the commission or its designee shall select the third neutral, independent arbitrator. The 3 arbitrators shall preside over the matter and resolve all issues, including the final decision, by majority vote.
4. In conjunction with the filing of its best and final offer submitted in accordance with 205 CMR 125.01(6)(c)(3), the applicant shall submit a copy of the surrounding community agreements it has executed with other surrounding communities concerning the applicant's proposed gaming establishment. Either party may submit executed surrounding community agreements from other proposed gaming establishments in the commonwealth which the party considers relevant.
5. The reasonable fees and expenses of the single arbitrator shall be paid by the applicant. In the event that 3 arbitrators are engaged, two thirds of the reasonable fees and expenses shall be paid by the applicant and one third shall be paid by the surrounding community.
- ~~5.6.~~ Within five (5) days of the filing of its best and final offer submitted in accordance with 205 CMR 125.01 (6) (c) (3) if a party (the "objecting party") believes that the best and final offer submitted by the other party contains a term or terms that are fundamentally inconsistent with a provision or with the purposes of G.L. c. 23K-, the objecting party shall file with the

commission and contemporaneously serve on the other party a petition that includes the best and final offer submitted by each party, a list of all of the terms that the objecting party believes are fundamentally inconsistent with a provision or with the purposes of G.L. c. 23K, the reason that the objecting party believes such terms are fundamentally inconsistent with a provision or with the purposes of G.L. c. 23K, any evidence supporting the objecting party's position, and a request that if the other party's best and final offer is selected by the arbitrator the commission hold a hearing to review whether the term or terms listed by the objecting party are fundamentally inconsistent with a provision or with the purposes of G.L. c. 23K. Upon receipt of the petition, the commission shall schedule a hearing at a public meeting to be held no later than three (3) days after the arbitrator issues its report pursuant to 205 CMR 125.01 (6) (c) (7).

If a petition is filed with the commission pursuant to 205 CMR 125.01(6) (c) (6), both parties shall contemporaneously file with the commission a copy of all documents filed with the arbitrator during the arbitration.

7. Within 20 days after receipt of the parties' submissions under 205 CMR 125.01(6) (c) (3), the arbitrator(s) shall conduct any necessary proceedings and file with the commission, and issue to the parties, a report specifying the terms of the surrounding community agreement between the applicant and the community. In reaching ~~the final its~~ decision, the arbitrator(s) shall select the best and final offer of one of the parties and incorporate those terms into the report. ~~The arbitrator(s) may make adjustments to the selected best and final offer only if necessary to ensure that the report is consistent with M.G.L. c. 23K.~~

8. If neither party requested a hearing pursuant to 205 CMR 125.01 (6) (c) (6), then no later than 5 days after the issuance of the report of the arbitrator(s) as provided in 205 CMR 125.01(6)(c)(6), the parties shall sign a surrounding community agreement and file it with the commission in accordance with M.G.L. c.23K, §15(9) and 205 CMR 125.01(3) or the arbitrator's report shall be deemed to be the surrounding community agreement between the parties. If a hearing has been requested pursuant to 205 CMR 125.01 (6) (c) (6), the decision of the arbitrator shall become final in accordance with the provisions of 205 CMR 125.01(6)(c)(11).

9. In accordance with 205 CMR 125.01(6) (c) (6), ~~t~~The commission shall hold a public hearing on the objecting party's petition. At the hearing the commission shall review the submissions of each party and take testimony from the parties in



the commission's discretion. At the conclusion of the public hearing the commission may:

- a. determine that the terms of the best and final offer selected by the arbitrator are consistent with c. 23K and that the arbitrator's decision shall be the surrounding community agreement between the parties; or
- b. determine that the best and final offer selected by the arbitrator contains a terms or terms that are fundamentally inconsistent with a provision or with the purposes of G.L. c. 23K -

10. If the commission determines that the best and final offer selected by the arbitrator contains a term or terms that are fundamentally inconsistent with a provision or with the purposes of G.L. c. 23K, the commission shall modify, cause to be modified or remove the terms that are fundamentally inconsistent with a provision or with the purposes of G.L. c. 23K. No later than five (5) days after the commission's decision the parties shall sign the surrounding community agreement and file it with the commission in accordance with M.G.L. c.23K, §15(9) and 205 CMR 125.01(3) or the arbitrator's report, as modified by the commission, shall be deemed to be the surrounding community agreement between the parties.

11. The arbitrator's decision shall be deemed final once the commission makes its determination pursuant to 205 CMR 125.01 (6) (c) (9) or (6) (c) (10).

12. In the absence of an objection filed in accordance with 205 CMR 125.01(6) (c) (6), the decision of the arbitrator shall be final and binding and shall not be subject to further review. If an objection has been filed in accordance with 205 CMR 125.01(6) (c) (6), the decision of the arbitrator shall become final in accordance with 205 CMR 125.01(6) (c) (11) and shall not be entitled to further review.

REGULATORY AUTHORITY

205 CMR 125: M.G.L. c.23K, §§4(37); 5; and 17.

5(a): No documents

5(b): No documents



March 14, 2014

By Electronic and U.S. Mail

Dr. Jennifer Durenberger  
Director, Racing Division  
Massachusetts Gaming Commission  
84 State Street, 10th Floor  
Boston, MA 02109  
*jennifer.durenberger@state.ma.us*

Re: Request to Amend Live Racing Schedule

Dear Director Durenberger:

I write to request that the Massachusetts Gaming Commission approve an amendment to the live racing schedule set forth in the Suffolk Downs application for a racing license in 2014 that advances the first day of live racing from June 2, 2014 to May 3, 2014, which is the date of the Kentucky Derby. I have enclosed a calendar showing the days on which we would intend to conduct live racing in 2014 under the revised schedule if it is approved.

For many years, Suffolk Downs began its live racing season on Derby Day, and we are seeking to return to that start date this year. Doing so will allow us to maximize the number of racing days in light of the challenges in this transition period, including those presented by the scheduled expiration of the racing statutes in July, an uncertain horse population, and the potential construction timetable for the Mohegan Sun resort casino in the event it is awarded a gaming license.

While we have not yet completed an agreement with the New England Horsemen's Benevolent and Protective Association for the 2014 meet, I am able to represent that we are in agreement that this year's meet should begin on May 3, 2014.

Please do not hesitate to contact me if you need anything further with regard to this request to amend the racing schedule.

Sincerely,

Sam Elliott  
Vice President of Racing

enclosure

cc: Chip Tuttle (by email only)  
Bruce Barnett, Esq. (by email only)

Telephone: 617-567-3900

EAST65965190.1

525 McClellan Highway, East Boston, Massachusetts 02128

Made in Massachusetts



# 2014

**Post Time 12:45 P.M. (Eastern)**

**May 3 - 1:45 P.M. Post Time Kentucky Derby Day**

**May 17 - 1:45 P.M. Post Time Preakness Stakes Day**

**June 7 - 1:45 P.M. Post Time Belmont Stakes Day**

**November 1 - 12:15 P.M. Post Time Breeders' Cup Classic Day**

**May 14**

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

**JUNE 17**

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

**JULY 18**

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**AUGUST 17**

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

**SEPTEMBER 17**

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

**OCTOBER 16**

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

**NOVEMBER 1**

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

**Revised 2/7/14**

**100** = Live Racing



Plainridge Racecourse  
301 Washington Street  
Plainville, MA 02762  
508.643.2500

March 15, 2014

Massachusetts Gaming Commission  
Racing Division  
84 State St., 10<sup>th</sup> Floor  
Boston, MA 02109

Attention: Jennifer Durenberger  
Director of Racing

Dear Director Durenberger,

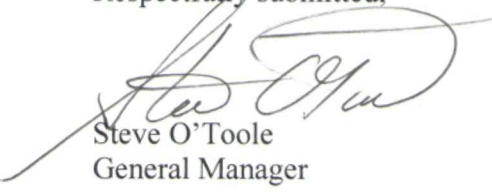
Plainridge Racecourse respectfully requests approval to amend its previously approved 2014 live racing schedule to be more compatible with the anticipated accelerated construction schedule at the property for the planned Plainridge Park Casino.

We propose these schedule changes in order to ease the conflicting interests of construction and live racing, with safety and expediting the construction timeline as ancillary benefits.

Our current schedule consists of live racing on Monday, Tuesday & Thursday each week, all full construction workdays. In order to accomplish a more reasonable schedule, the proposed schedule change would consist of live racing starting April 16 and running Wednesday and Saturday (4 p.m. post time) and Sunday at 1 p.m. through August 31. Post time would change to 1 p.m. for all days beginning September 3 through December 6. There would be no live racing on Sunday, April 20 (Easter Sunday). This change would allow for racing on two days that full construction activities are not taking place.

The Harness Horsemen's Association of New England has enthusiastically endorsed this proposed live racing schedule change.

Respectfully submitted,

  
Steve O'Toole  
General Manager



# 2014 Live Racing Calendar

Revised

APRIL						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			
6						

MAY						
S	M	T	W	T	F	S
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18	19	20	21	22	23	24
25	26	27	28	29	30	31
13						

JUNE						
S	M	T	W	T	F	S
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					
13						

JULY						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
13						

AUGUST						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25	26	27	28	29	30
14						

SEPTEMBER						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				
12						

OCTOBER						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	
13						

NOVEMBER						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24	25	26	27	28	29
14						

DECEMBER						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			
2						

100

4:00 PM Post Time
1:00 PM Post Time



P.O. Box 1811 ~ Plainville, MA 02762

Jennifer Durenberger  
Director of Racing  
Mass Gaming Commission  
Racing Division  
84 State St.  
Boston, MA 02109

Dear Jennifer,

On Wednesday March 12, 2014, Plainridge Racecourse General Manager, Steve O'Toole presented the HHANE Board of Directors with an update on the construction timeline for the new class 2 facility. The presentation was highlighted by activities that could possibly affect the horsemen and how to address and coordinate any issues that may arise.

At that meeting, a plan was brought forth to change the racing days in order to minimize disruptions to both the horsemen as well as the construction team. A productive discussion on the topic began and there seem to be so many benefits to a change in schedule to Wednesday, Saturday and Sunday racing, that the board unanimously voted to support a change to the currently approved racing calendar.

We are aware that a request may be presented to the Mass Gaming Commission for this change in schedule and the HHANE Board of Directors wholeheartedly supports the request and we urge the Commission to approve this request.

Thank you for your consideration in this matter.

Sincerely,

Robert Bogigian  
Director

6(a): No documents

6(b): No documents





## MASSACHUSETTS GAMING COMMISSION

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### MEMORANDUM

**To: Chairman Crosby and Members of the Gaming Commission**  
**From: Mark Vander Linden, Director of Research and Problem Gambling**  
**Date: March 20, 2014**  
**Re: Proposed amendment to contract with Problem Gambling Solutions, Inc.**

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On September 10, 2013, the Massachusetts Gaming Commission (MGC) entered into a consulting contract with Problem Gambling Solutions, Inc. The agreement is a “rate contract” not to exceed \$10,000 and it expires on June 30, 2014. The Scope of Services (Section 3) is under the direction of the MGC Director of Research and Problem Gambling and included the following:

- Assist in the establishment of an MGC Responsible Gaming Framework for the Commission,
- Participate in the Commission’s Forum on Responsible Gaming on October 28, 2013
- Evaluate Section 5 (Mitigation) of RFA-2 applications submitted for the Category 2 Gaming license.

I propose to amend the contract with Problem Gambling Solutions, Inc., as follows:

- Increase the total budget amount from \$10,000 to \$22,000
- Extend the contract end date from June 30, 2014, to June 30, 2015.
- Amend the Scope of Services (Section 3) to include:
  - Assist in the establishment of an MGC Responsible Gaming Framework. (unchanged)
  - Participate in the *Community Forum on Problem Gambling* on April 11, 2014, in conjunction with the Annual Conference of the Massachusetts Council on Compulsive Gambling. The *Community Forum* supports and informs the strategies of the MGC Responsible Gaming Framework.
  - Evaluate Section 5 (Mitigation) of RFA-2 applications submitted for Category 1 Gaming licenses.

Consultant and President of Problem Gambling Solutions, Inc., Dr. Jeff Marotta, has been notified of the proposed changes and I request the Commission’s approval of this recommendation.



Massachusetts Gaming Commission

7(a): No documents