

# Maryland Lottery and Gaming Control Agency



Larry Hogan, Governor • Gordon Medenica, Director

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TO: Maryland Lottery and Gaming Control Commission  
Gordon Medenica, Director  
Jim Nielsen, COO

FROM: Charles LaBoy, Managing Director of Gaming

DIVISION: Gaming

DATE: May 16, 2016

SUBJECT: Report for the May 26 Commission Meeting

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- A. Gaming Division
- B. VLT Audit Department

<b>Audit Summary</b>			
<b>Location</b>	<b>Audit Area</b>	<b>Status</b>	<b>Periods Covered</b>
Maryland Live Casino	Compliance & Operations	Completed	March
Rocky Gap	Compliance & Operations	Completed	March
Ocean Downs	Compliance & Operations	Completed	March
Hollywood Casino	Compliance & Operations	Completed	March
Horseshoe Casino	Compliance & Operations	Completed	March
2014 & 2015 (VLT) Facilities MBE Compliance Status Report	Financial Reporting Review	In Process	2014 & 2015
Maryland Live Casino	Compliance & Operations	In Process	April - May
Rocky Gap	Compliance & Operations	In Process	April - May
Ocean Downs	Compliance & Operations	In Process	April - May
Hollywood Casino	Compliance & Operations	In Process	April - May
Horseshoe Casino	Compliance & Operations	In Process	April - May
Mayo American Legion #226	Compliance & Operations	In Process	May
Chesapeake Beach Resort	Compliance & Operations	In Process	May
American Legion Post 206	Compliance & Operations	In Process	May

- a. Staffing Update – Positions in recruitment:
  1. Gaming Auditor Ocean Downs – new hire starts 5/25/16.
  2. Gaming Auditor Rocky Gap – offer pending.
  3. Gaming Auditor Horseshoe – new hire starts 5/25/16.

## C. Electronic Gaming Device Operations

	Hollywood	Ocean Downs	MD Live	Rocky Gap	Horseshoe	Bingo Halls
VLT Installs	0	6	0	3	0	0
VLT Removals	0	6	6	0	0	0
Floor Moves	3	0	0	0	0	0
Game Conversions	1	43	73	21	0	0
Change Requests	7	6	12	1	0	1
Operation Reviews	1	1	1	0	0	4

- a. Quarterly Performance Benchmarking – Leased VLTs
  1. As a result of the 1st quarter performance benchmarking process for Ocean Downs and Rocky Gap the following changes have been approved to address performance deficiencies:
    - i Ocean Downs – 47 game theme conversions
    - ii Rocky Gap – 89 game theme conversions
- b. ITLMs
  1. Staff continues to work with both internal and external parties on the Phase II development criteria. Phase II will incorporate the ability to award jackpots in excess of \$599 and the ability to process the corresponding W2-G and various statutory required setoffs.

## D. Responsible Gambling

- a. Voluntary Exclusion Program
  1. 30 new participants joined the casino VEP program since the last report; the total number of participants is 1,137.
  2. There have been 42 removals from the VEP with 36 additional requests for removal pending.
  3. To date, 181 violations have occurred since the casino VEP program began, with 8 violations occurring last month; all have been cited for criminal trespass and court resolution is pending.
  4. There are 10 additional enrollments on the lottery VEP list; the total number of participants is 188.
- b. Staff is working on the development of a voluntary exclusion program for the instant bingo halls.
- c. Staff will be presenting information on the VEP program at the Annual Maryland Conference on Problem Gambling on May 27<sup>th</sup>.