

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC 22-073
Ameristar Casino St. Charles, LLC)

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

Comes now the Missouri Gaming Commission acting in its official capacity pursuant to 11 CSR 45-13.050, and states as follows:

1. The Missouri Gaming Commission (the “Commission”) is a State commission created under Chapter 313, RSMo, with jurisdiction over gaming activities, including riverboat gambling activities, in the state of Missouri.
2. The Commission issued a Class A gaming license to Boyd Gaming Corporation to develop and operate Class B gaming licensees in the State of Missouri.
3. Boyd Gaming Corporation is the parent organization or controlling entity of Ameristar Casino St. Charles, LLC (the “Company”).
4. The Commission issued a Class B riverboat gambling license to the Company to conduct games on and operate the excursion gambling boat known as Ameristar Casino St. Charles (the “Casino”).
5. As the holder of a Class B license, the Company is subject to the provisions of Sections 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

6. Commission auditors performed an audit of the Casino for the period of July 1, 2018 through October 31, 2020, which resulted in MGC Audit Report Nos. 20-20 and 20-21 being issued on December 30, 2020.
7. Subsequently, Commission auditors performed a follow-up review in June and July 2021 to determine if the findings contained in the audit reports had been addressed and corrected by the Casino.
8. The follow-up review revealed that the following findings from the audit reports had not been addressed and corrected:
 - i. Finding A-1 in Audit Report No. 20-20 noted that the key access for two (2) Casino employees terminated between October 2019 and February 2020 had not been updated within 72 hours of their change in status in violation of the Casino’s ICS and the Commission’s

¹ GIR 20211117002

MICS, Chapter B, Section 1.05(D). The follow-up review revealed that the key access for two (2) different Casino employees terminated between March and April 2021 had not been updated within 72 hours of their change in status, again in violation of the Casino's ICS and the Commission's MICS, Chapter B, Section 1.05(D);

ii. Finding A-5 in Audit Report No. 20-20 noted that three (3) Casino employees, who had transferred from the Casino Cage Department to other Casino departments between December 2019 and January 2020, still had proximity card access to the Casino's main bank and cages as of June 26, 2020, in violation of the Casino's ICS and the Commission's MICS, Chapter B, Section 8.05. The follow-up review revealed that one (1) Casino employee, who had transferred from the Casino Cage Department to the Casino Security Department on April 23, 2021, still had proximity card access to the Casino's main bank and cages as of June 21, 2021, again in violation of the Casino's ICS and the Commission's MICS, Chapter B, Section 8.05;

iii. Finding C-8 in Audit Report No. 20-20 noted that four (4) non-ticketing Casino employees, specifically the Vice President of Finance, a Security Shift Manager, the Cage and Credit Manager, and an Executive Casino Host, had system access to create player accounts in violation of the Casino's ICS and the Commission's MICS, Chapter I, Section 12.03. The follow-up review revealed that the Casino's Cage and Credit Manager and ten (10) Executive Casino Hosts had system access to create player accounts on May 20, 2021, again in violation of the Casino's ICS and the Commission's MICS, Chapter I, Section 12.03;

iv. Finding E-6 in Audit Report No. 20-21 noted that six (6) Casino employees, who transferred Casino departments or who were terminated between December 1, 2019 and February 29, 2020, were not included on the ASL Checklist Active Directory Account Deletions Report showing their player tracking system access had been removed in violation of the Casino's ICS and the Commission's MICS, Chapter S, Section 5.04(H). The follow-up review revealed that six (6) Casino employees, who transferred Casino departments or who were terminated between March 1 and April 30, 2021, were not included on the ASL Checklist Active Directory Account Deletions Report showing their player tracking system access had been removed, again in violation of the Casino's ICS and the Commission's MICS, Chapter S, Section 5.04(H); and

v. Finding E-7 in Audit Report No. 20-21 noted that "[t]he ATI User List did not include the time of last login for each user account...[t]he time of last login noted for each user account listed on the ATI User List was 12:00:00 a.m." in violation of the Casino's ICS and the Commission's MICS, Chapter S, Section 5.04(F). The follow-up review revealed that "the user access listing provided by the IT Department revealed that each user's last login date/time are still not being captured at the actual time of the last login," again in violation of the Casino's ICS and the Commission's MICS, Chapter S, Section 5.04(F).

LAW

9. Section 313.805, RSMo, states, in pertinent part, as follows:

The commission shall have full jurisdiction over and shall supervise all gambling operations governed by sections 313.800 to 313.850. The commission shall have the following powers and shall promulgate rules and regulations to implement sections 313.800 to 313.850:

* * *

(5) To investigate alleged violations of sections 313.800 to 313.850 or the commission rules, orders, or final decisions;

(6) To assess any appropriate administrative penalty against a licensee, including, but not limited to, suspension, revocation, and penalties of an amount as determined by the commission up to three times the highest daily amount of gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted during the previous twelve months as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games. Forfeitures pursuant to this section shall be enforced as provided in sections 513.600 to 513.645;

* * *

(19) To take any other action as may be reasonable or appropriate to enforce sections 313.800 to 313.850 and the commission rules.

10. Section 313.812, RSMo, states, in pertinent part, as follows:

14. A holder of any license shall be subject to imposition of penalties, suspension or revocation of such license, or if the person is an applicant for licensure, the denial of the application, for any act or failure to act by such person or such person's agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri, or that would discredit or tend to discredit the Missouri gaming industry or the state of Missouri unless the licensee proves by clear and convincing evidence that it is not guilty of such action. The commission shall take appropriate action against any licensee who violates the law or the rules and regulations of the commission. Without limiting other provisions of this subsection, the following acts or omissions may be grounds for such discipline.

(1) Failing to comply with or make provision for compliance with sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulation;

(2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming;

* * *

(9) Incompetence, misconduct, gross negligence, fraud, misrepresentation or dishonesty in the performance of the functions or duties regulated by sections 313.800 to 313.850.

11. Title 11 CSR 45-9.060 states, in pertinent part, as follows:

(3) Violations of the minimum internal control standards [“MICS”] by a Class A or Class B licensee or an agent or employee of a Class A or Class B licensee are deemed to be unsuitable conduct for which the Class A or Class B licensee and/or its agent or employee is subject to administrative penalty pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time-to-time. Any agent or employee of a Class A or Class B licensee that is involved in a violation of the minimum internal control standards may be subject to fine, discipline, or license revocation.

(4) Violations of the Class B licensee’s internal control system [“ICS”] by the Class A or Class B licensee or an agent or employee of the Class A or Class B licensee shall be *prima facie* evidence of unsuitable conduct for which the Class A or Class B licensee and/or its agents or employees may be subject to discipline pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time-to-time.

12. The Commission’s MICS, Chapter B, in pertinent part, states:

1.05 If an automated key control system is used, the ICS shall also include:

* * *

(D) position(s) authorized to enter, modify, and delete which keys/which positions are authorized for access. Changes must be made within 72 hours of an employee being suspended subject to termination by the Class B Licensee or any change in job position or status that would result in a change in key access[.]

* * *

8.05 The Internal Control System shall specify the job position(s) in charge of the proximity card system and job positions authorized to make changes in the proximity card system. Changes must be made in the system within 72 hours of an employee being suspended by the Class B Licensee or any change in job position or status that would result in a change in access to sensitive areas allowed by the proximity card.

13. The Casino’s ICS, Chapter B, in pertinent part, states:

1.05 An automated key control system is used, the ICS shall also include:

* * *

(D) The Technical Support Analyst, Systems Analyst, Senior Systems Analyst and Manager IT are directly responsible for entering and modifying keys and deleting keys and positions.; Changes must be made within 72 hours of an employee being suspended subject to termination by ACSC or any change in job position or status that would result in a change in key access[.]

* * *

8.05 The Information Technology department is in charge of the proximity card system. IT positions authorized to make these changes are the Senior Systems Analyst, Systems Analyst, and the Technical Support Analyst. Job positions authorized to make changes in the proximity card system are the IT positions listed above and Security Officers, Security Officer - Events and above in the Security department. The Human Resources Department including the Business Partner, Talent Partner, Talent Specialist, Administrator, Coordinator and VP HR has access to perform the daily termination of employees in Infinium. The changes in Infinium automatically flag the employee account for removal. A daily job removes the proximity card access for all terminated employees. Changes must be made in the system within 72 hours of an employee being suspended by ACSC or any change in job position or status that would result in a change in access to sensitive areas allowed by the proximity card.

14. The Commission's MICS, Chapter I, Section 12.03, states:

Prior to creating a player reward account and printing a player's card for a patron, the ticketing employee, Table Games Supervisor, Assistant Pit Manager, or Pit Manager shall require the patron to present a valid government-issued photo identification and confirm the identification matches the physical characteristics of the person presenting the identification.

15. The Casino's ICS, Chapter I, Section 12.03, in pertinent part, states:

Prior to creating a player reward account and printing a player's card for a patron, the ticketing employee, Floor Supervisors or Lead Casino Supervisor (PIT MGR) shall require the patron to present a valid government-issued photo identification and confirm the identification matches the physical characteristics of the person presenting the identification.

16. The Commission's MICS, Chapter S, Section 5.04, in pertinent part, states:

The Class B Licensee shall generate on request user access listings, which shall include at a minimum:

* * *

(F) Date and time of last login;

* * *

(H) Date and time account disabled/deactivated/reactivated[.]

17. The Casino's ICS, Chapter S, Section 5.04, in pertinent part, states:

ACSC shall generate on request user access listings, which shall include at a minimum:

* * *

(F) date and time of last login;

* * *

(H) date and time account disabled/deactivated/reactivated[.]

VIOLATIONS

18. The Company's actions in failing to address and correct the five (5) issues identified by the Commission in its audit reports is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri and discredits the Missouri gaming industry and the State of Missouri, in that the Company's acts violate the Commission's MICS and the Casino's ICS, Chapter B, Sections 1.05(D) and 8.05, Chapter I, Section 12.03, and Chapter S, Section 5.04(F) and (H).

19. The Company is therefore subject to discipline for such violations pursuant to Sections 313.805 and 313.812.14(1), (2), and (9), RSMo, and 11 CSR 45-9.060(3) and (4).

PENALTY PROPOSED

20. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against the Company as the holder of a Class B license.

21. THEREFORE, it is proposed that the Commission fine Ameristar Casino St. Charles, LLC the amount of \$12,500 for the violations set forth herein.



Mike Leara
Chairman
Missouri Gaming Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused a true and correct copy of the foregoing to be mailed, postage prepaid, this 27th day of October, 2022, to:

Howard Shaw
Ameristar Casino St. Charles
1 Ameristar Blvd.
St. Charles, MO 63301



Mike Lera
Chairman
Missouri Gaming Commission