

**NEW YORK STATE GAMING COMMISSION VIOLATION NOTIFICATION**

**A. Facility/Vendor:**  
Resorts World Hudson Valley

**Date of Notification:** 09-19-2023

**Date of Violation:** 09-07-2023

**Case Number:** Gaming 23-13

**B. Facility/Employee Cited:**

<u>Name</u>	<u>License #</u>	<u>Address</u>
Resorts World Hudson Valley		1401 NY-300, Newburgh, NY 12550
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

**C. Statute, Regulation or Internal Control Violated:**

Minimum Internal Control Standards for New York State Video Lottery Gaming Agents

**IV CONTROLLER PHYSICAL SECURITY**

This section of the report addresses internal controls to be utilized for controller physical security. Specific controls addressed in this section pertain to VLG Agent Controller Room Security.

**Control Objective**

To ensure the VLG Agent controller room (MGAM Room) is secure and accessed only by authorized personnel.

**Risk**

Unauthorized access to the controller room could result in physical damage to the equipment, unauthorized access to data, and lost revenue or assets.

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

**D. Summary of Violations:**

On Thursday September 7<sup>th</sup>, 2023 at 5:08pm, Facility Mechanic [REDACTED], Security Officer [REDACTED] and a contractor from [REDACTED], all entered the controller room (Everi IDF) without requesting or receiving proper authorization. Mr. [REDACTED] used a facility key to gain access through the door. Officer [REDACTED] was providing escort to the party. They were checking the sprinkler system by following the pipeline from one area to the next. Prior to the breach, Security Officer [REDACTED] pointed them the direction to the room, but also did not advise that it is a secured area and permissions are needed.

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Everyone involved in the incident did not practice necessary vigilance to prevent the facility from being exposed to potential risks. Allowing an outside contractor access to a secure area that hosts the servers for gaming operations is a major breach of security. Facility staff using a key instead of a badge swipe for access means there were no electronic access log recorded. No one would know who gained access or whether the person or group have proper credentials without the help of surveillance footages or motion detection cameras. Key use to gain access to controller rooms is reserved for security personnel in emergency situations only. All staff needs to be reminded to practice proper due diligence when accessing secured areas.

Please respond to the New York State Gaming Commission on or before 10/19/2023. If you wish to contest the violation set forth in this notice, you may request an administrative review by the New York State Gaming Commission including a hearing pursuant to Racing, Pari-Mutuel Wagering and Breeding Law 104(6). Please submit a request for any such administrative review to Kristen Buckley, Acting Secretary to the Commission, New York State Gaming Commission, One Broadway Center, Schenectady, New York 12305, within 30 days of receipt of this notice.

**Explanation of Violation (use additional sheets if required)\*:**

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**E. Action Taken By Facility:**

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**F. Name of Individual Completing this Form:**

Printed: Jim Googas Signature:   
 Title: Deputy Director, Division of Gaming Date: 09/19/23

\*To avoid further action pursuant to Video Gaming Regulation §5113.1, please provide sufficient explanation and action taken by facility within 30 days of the date of this notification. Please submit this completed form to:

New York State Gaming Commission  
 Video Gaming Unit  
 One Broadway Center  
 Schenectady, NY 12301

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**For New York State Gaming Commission Use Only:**

cc: Tom Anapolis, Director, Division of Gaming  
 Licensing