The Virgin Islands Consortium

Casino Control Commission Members Say Some Financial Woes Continue After Arrest of Ex-Chairman On Fraud, Embezzlement And Conspiracy Charges

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V.I. Casino Control Commission (CCC) officials appeared before Senate lawmakers Wednesday for the first time since ex-chairwoman of the commission, Violet Anne Golden, was charged with looting the CCC treasury.

Usie R. Richards, vice chairman of the CCC, testified at the V.I. Senate Finance Committee on Wednesday, delivering good news and some bad news.

Mostly bad news, though.

The commission had accumulated $280,000 in overdue bills, money owed to vendors, service providers, landlords and contractors. Mr. Richards said the past due invoices were recently paid.

It turns out, Mr. Richards said, the commission discovered yet another $70,000 in delinquent debt owed to even more vendors, service providers and contractors.

And the commission was so far behind in rent – $42,003 – that back in December, the landlord, the Government Employee Retirement System, wanted to evict the CCC from its St. Croix offices.

The commission received a hand-delivered “Notice to Vacate Premises,” the 4,667-square-foot office located at #3005 Estate Orange Grove, Christiansted. “This is a demand for payment. Only full payment of the amount owed will prevent the termination of the month-to-month tenancy," read the letter, according to Mr. Richards.


CASINO

Casino Control Commission Office at #3005 Estate Orange Grove, Christiansted (Ernice Gilbert, VIC)

Current members of the commission were able to make the $42,003 payment in full. A new lease agreement is in the works, Mr. Richards informed the Finance panel.

The financial woes come to light just weeks after a federal grand jury indicted former CCC chairwoman Violet Anne Golden and cohort Stephanie Barnes on charges that include embezzlement, wire fraud, conspiracy and obtaining money under false pretenses. The pair was accused of swindling the commission, and making personal use of the public funds.

Mr. Richards acknowledged the commission has a long road ahead to regain credibility.

“We recognize the difficulties that we have over the upcoming months to continue to improve the impression, the integrity of the commission,” he said in closing remarks to legislators.

Among the first changes: The commission has ended its contract with ABC Behavioral Services LLC, the company run by Ms. Barnes, the alleged co-conspirator with Ms. Golden. The company was hired by Ms. Golden to provide problem-gambler counseling services to the CCC, even though Ms. Barnes had no training or formal education in the field.

Sen. Marvin A. Blyden, Finance Committee vice chairman wanted assurances that the CCC was implementing stronger controls and oversight on spending and hiring contractors. “In light of the current predicament that the former chair found herself in, it is clear that a considerable change must be done in how the commission operates,” Mr. Blyden said.

In past years, “the commissioners that were there did not exercise their due duty and responsibility” to properly oversee spending Mr. Richards said. Under the new leadership, the CCC will “run the commission by majority decision by commission members.” He laid out the commission's plans to beef-up financial oversight and contracting procedures.

Mr. Richards and Labor Commissioner Gary Malloy are in the throes of a intense war of words over millions of dollars the Dept. of Labor (D.O.L.) says the CCC owes it for youth jobs programs.

D.O.L. asserts that the Casino Commission owes roughly $2.8 million in funds tied to Labor’s Disadvantaged Youth Fund. Even before Mr. Malloy took office, the labor department had written several times to ex-CCC Chairman Golden about the delinquent payments, but the department pleas were ignored.

Mr. Richards disputes the $2.8 million figure. After exchanges of correspondence with the labor department chief, Mr. Richards said he is convinced the $2.8 million figure includes costs that should not be covered by the CCC.