

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 65754 / November 16, 2011

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3336 / November 16, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14624

In the Matter of

STEVEN M. DES CHAMPS, CPA

Respondent.

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**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO RULE
102(e) OF THE COMMISSION’S RULES OF
PRACTICE, MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Steven M. Des Champs (“Respondent” or “Des Champs”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings and the findings contained in Section III. 3. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Des Champs, age 46, of Las Vegas, Nevada, served as the Chief Accounting Officer ("CAO") of Bally Technologies, Inc. ("Bally" or "Bally Technologies") from February 2000 to March 2005; as Bally's Chief Financial Officer ("CFO") from March 2005 to March 2006; and as Bally's Senior Vice President, Business Analysis, from March 2006 to November 2006. Des Champs was licensed to practice as a certified public accountant in the state of Nevada from December 1990 until December 2008.

2. Bally Technologies is a Nevada corporation headquartered in Las Vegas, Nevada whose common stock during the relevant period was registered with the Commission under Section 12(b) of the Securities Exchange Act of 1934 ("Exchange Act") and traded on the New York Stock Exchange. Bally's primary business is the design, manufacture, and sale of gaming machines and related casino monitoring systems.

3. On October 21, 2011, a final judgment of permanent injunction was entered by consent against Des Champs, permanently enjoining him from future violations of Sections 17(a)(2) and (a)(3) of the Securities Act of 1933 ("Securities Act") and Rule 13a-14 of the Exchange Act, and from aiding and abetting violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11, and 13a-13 thereunder, in the civil action entitled Securities and Exchange Commission v. Steven M. Des Champs et al., Civil Action Number 2:08-CV-1279-KJD-GWF in the United States District Court for the District of Nevada. Des Champs was ordered to pay disgorgement in the amount of \$138,865, prejudgment interest in the amount of \$47,655, and a civil penalty in the amount of \$130,000.

the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

4. The Commission's complaint alleged, among other things, that Bally materially misstated its revenue in its Form 10-K for the fiscal year ended June 30, 2003; its Forms 10-Q for the quarters ended June 30, 2003, September 30, 2003, December 31, 2003, December 31, 2004 and March 31, 2005; in Form S-8 registration statements filed May 7, 2004 and January 14, 2005; and in Forms 8-K filed August 5, 2003, October 15, 2003, January 15, 2004, February 1, 2005 and April 29, 2005. The complaint alleged that in his positions as CAO and CFO of Bally, Des Champs aided and abetted Bally's violation of Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11, and 13a-13 thereunder, by providing substantial assistance to an issuer that files false and misleading annual, quarterly, and current reports with the Commission. The complaint further alleged that Des Champs aided and abetted Bally's violation of Exchange Act Section 13(b)(2)(A) by providing substantial assistance to an issuer that fails to make or keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the company's transactions and dispositions of its assets. The complaint also alleged that Des Champs violated Sections 17(a)(2) and (a)(3) of the Securities Act; and certified Bally's Form 10-K for the year ended June 30, 2005, and its Form 10-Q for the period ended March 31, 2005, in violation of Exchange Act Rule 13a-14.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Des Champs is suspended from appearing or practicing before the Commission as an accountant.

B. After five years from the date of this Order, Respondent may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent's work in his practice before the Commission will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Respondent, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board ("Board") in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Respondent, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the Respondent's or the firm's quality control system that would indicate that the Respondent will not receive appropriate supervision;

(c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Respondent acknowledges his responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards.

C. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission provided that his state CPA license is current and he has resolved all other disciplinary issues with the applicable state boards of accountancy. However, if state licensure is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission's review may include consideration of, in addition to the matters referenced above, any other matters relating to Respondent's character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Elizabeth M. Murphy
Secretary