

ORDER 2019-106

IN RE SETTLEMENT AGREEMENT

**CAESARS RIVERBOAT CASINO, LLC d/b/a HORSESHOE CASINO HOTEL
SOUTHERN INDIANA
19-CS-02**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

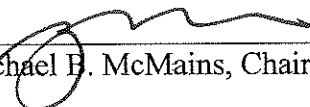
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

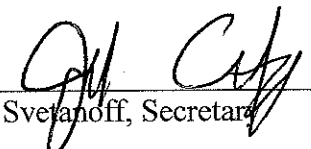
IT IS SO ORDERED THIS THE 30th DAY OF MAY, 2019.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
CAESARS RIVERBOAT CASINO, LLC)	19-CS-02
d/b/a HORSESHOE CASINO HOTEL)	
SOUTHERN INDIANA)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Caesars Riverboat Casino, LLC d/b/a Horseshoe Casino Hotel Southern Indiana (“Horseshoe South”), (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. 68 IAC 11-9-2(a) provides that the casino licensee or trustee shall submit to the executive director internal control procedures concerning the withholding of cash winnings from delinquent obligors in accordance with 68 IAC 11-1.
2. 68 IAC 11-1-3(c)(4) provides that that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
3. 68 IAC 13-1-1(b)(2) and (3) provides that the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
4. Horseshoe South’s approved internal controls, E-33, describe its procedures for the Child Support Intercept Process.
5. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (“CSADR”) for January 2019. The results of this audit were that three (3) patrons were not searched in the CSADR after winning a taxable jackpot.
6. Gaming Agents conducted an audit of the CSADR for February 2019. The results of this audit were that one (1) patron was not searched in the CSADR after winning a taxable jackpot.

7. Gaming Agents conducted an audit of the CSADR for March 2019. The results of this audit were that two (2) patrons were not searched in the CSADR after winning a taxable jackpot.

COUNT II

8. 68 IAC 15-12-3 provides that live gaming device fills shall proceed in the following manner:
 - (1) The appropriate occupational licensee shall initiate a live gaming device fill by completing an input form. The input form is either carried to the casino cage or the information is electronically transmitted to the casino cage.
 - (2) The appropriate occupational licensee uses the input form to prepare and print a live gaming device fill slip.
 - (3) Surveillance shall be notified that a live gaming device fill is being processed.
 - (4) Based on the information contained on the fill slip, the casino cashier shall prepare the proper denomination and amount of chips and sign the fill slip. The casino cashier shall sign the fill slip, summon a security officer, and present the chips and the fill slip to the security officer.
 - (5) The security officer shall verify that the denomination and amount of chips match the amount on the fill slip. The security officer shall sign the fill slip after verifying the chips match the fill slips. The security officer who begins the live gaming device fill must complete the process of witnessing, escorting, and signing the appropriate documentation to verify that the live gaming device fill was completed. If there is a discrepancy with the live gaming device fill, the same security officer who began the live gaming device fill must accompany the fill back to the cage to resolve the discrepancy.
 - (6) The casino cashier shall retain one (1) copy of the fill slip in the casino cage.
 - (7) The security officer shall transport the chips to the appropriate pit area.
 - (8) The appropriate level of occupational licensee shall count the chips that are received as a live gaming device fill to ensure the denomination and amounts received match the amount and denomination reflected on the fill slip.
 - (9) If the amounts in subdivision (4) agree, the occupational licensee who counted the fill shall sign the fill slip. The pit supervisor or the equivalent shall also sign the fill slip. A copy of the fill slip or the original shall be inserted into the drop box of the live gaming device that received the fill. A copy of the fill slip or the original fill slip shall be returned to the casino cage.
 - (10) If the amounts in subdivision (4) do not agree, the fill slip shall not be signed and the discrepancy shall be resolved in accordance with the policy and procedure submitted in accordance with section 2(b)(8) of this rule. Surveillance shall be notified and the security officer shall return the chips and the fill slip to the casino cage.
 - (b) The casino cashier or appropriate department shall use copies of the completed live gaming device fill slip to balance the cage. All completed live gaming device fill slips shall be used to complete the soft count.
 - (c) If a live gaming device fill slip was erroneous, it shall be voided and a new live gaming device fill slip generated. The person voiding the fill slip shall indicate the reason the slip was voided and sign the slip. A voided live gaming device fill shall be retained and deposited into a locked accounting box.

9. Horseshoe South's approved internal controls, C-9, describe its procedures for table fills.
10. On March 8, 2019, Gaming Agents were notified by Surveillance that an incorrect table fill had occurred. A Cage Cashier completed a table fill that was short by \$500 in red (\$5) chips. The table fill was verified by a Security Officer. The Floor Supervisor at the table identified that the table fill was incorrect and sent it back to the Cage. However, the Floor Supervisor failed to void the table fill and failed to contact Surveillance regarding the incorrect fill.
11. On March 16, 2019, Gaming Agents were notified by Surveillance that a surveillance review was being conducted because a Cage Cashier drawer was found to be short by \$1,000 as a result of an incorrect table fill. After a review of surveillance, it was determined that the table fill had been completed incorrectly by a Cage Cashier. The incorrect fill was also verified by a Security Officer. The Dual Rate Supervisor and Dealer accepted the incorrect fill at the table.

COUNT III

12. 68 IAC 6-3-4(a)-(b) provides, in relevant part, that each casino licensee and casino license applicant shall establish internal control procedures for compliance with this rule, which shall be submitted and approved under 68 IAC 11.
 - (b) The internal controls must, at a minimum, address the following:
 - (2) Provide a process whereby gaming agents and security and surveillance are notified immediately when a voluntarily excluded person is detected in the gaming area of a casino.
13. Horseshoe South's approved Internal Control Procedures, K-17, describe its procedures of the Voluntary Exclusion Program.
14. On March 9, 2019, a Gaming Agent requested that Surveillance put together the surveillance coverage on a VEP participant that was found at property. Surveillance advised that they had not been made aware of any VEP participants found on property. Apparently, Security brought the VEP participant to the Gaming Agent office after being discovered on property, but Security failed to first notify Surveillance that a VEP was on property. Surveillance, Security, and Gaming Agents must be notified immediately of a VEP's presence on the casino floor.

COUNT IV

15. 68 IAC 11-3-6(c)(6)-(7) provide that the soft count team shall separate the currency, cash, and chips into individual denominations and count the currency, cash, and chips. The soft count team may, at its discretion, separate and count manually or by the use of a currency counter. Currency counters used by the casino licensee must be capable of displaying the result of the count.

- (7) Once the currency and chips have been separated and counted, one (1) member of the soft count team shall:
- (A) complete the count slip on a form prescribed or approved by the commission; and
 - (B) sign and date the report.
16. Horseshoe South's approved internal control procedures, D-6, describe its procedures for the table games soft count.
17. On January 2, 2019, a Gaming Agent was notified by Surveillance that a Count Room Rep was fanning and bagging free play tickets when a \$100.00 bill was found in the stack of tickets that had come from a table game. After reviewing the surveillance coverage, it was determined that the Count Room Rep had collected several large clumps of free play tickets and cash before clipping and signing them. The Count Room Rep failed to find the \$100 bill in the free play tickets because he did not fan out the free play tickets to check them for currency.
18. The 24-Hour Gaming Operations plan requires the following procedures for drops being conducted at live gaming devices while the live gaming device is open for play: a. The Drop Team will consist of *three* Security Officers. b. Play will be suspended at the end of the roll/hand once winnings are paid. c. Table inventory is counted by *Floorperson or above and verified by the Dealer or Boyperson*. The "closer" is placed in the drop box by Table Games Management personnel. d. The boxes are exchanged by Security with the dropped box placed on the trolley. e. Play is resumed and the process is continued with next "live table" until the entire drop is completed.
19. Horseshoe South's approved internal control procedures, D-5, describe its procedures for the table game drop procedures.
20. On February 2, 2019, Gaming Agents were notified by Surveillance that a Security Officer pulled a hot box during a live table game.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Horseshoe South by and through its agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Horseshoe South's approved internal control procedures. The Commission and Horseshoe South hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Horseshoe South.

Horseshoe South shall pay to the Commission a total of \$7,500 (\$3,000 for Count I, \$2,500 for Count II, \$1,000 for Count III and \$1,000 for Count IV) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for


such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Horseshoe South agrees to promptly remit payment in the amount of \$7,500 and shall waive all rights to further administrative or judicial review.

This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement shall be binding upon the Commission and Horseshoe South.

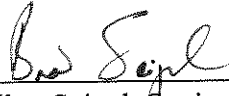
IN WITNESS WHEREOF, the parties have signed this Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

Date

5/28/19



Bradley Seigel, Senior VP & GM
Caesars Riverboat Casino, LLC

Date

5-16-19