

ORDER 2018-108
IN RE SETTLEMENT AGREEMENT
FRENCH LICK RESORT • CASINO
18-FL-02

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

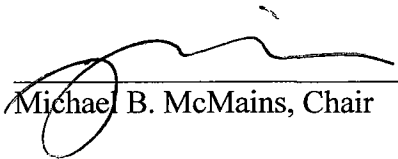
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

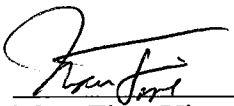
IT IS SO ORDERED THIS THE 28th DAY OF JUNE, 2018.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Marc Fine, Vice Chair

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
FRENCH LICK RESORT•CASINO)	18-FL-02
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and French Lick Resort•Casino (“French Lick”) (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) 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 15-12-3(a)(3) states live gaming device fills shall proceed in the following manner: Surveillance shall be notified that a live gaming device fill is being processed.
2. 68 IAC 11-1-3(c)(4) states 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)(3) states 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. French Lick Internal Control Procedures, Section K-8, describes the procedure for live gaming device fills.
5. On April 8, 2018, Surveillance notified Gaming Agents that a Cage Cashier and Security Officer failed to notify surveillance prior to a table fill being sent out to a table game.

COUNT II

6. 68 IAC 2-6-6(c) states if a casino licensee converts an electronic gaming device, the casino licensee must take the following steps: (5) The casino licensee shall do the following: (B) Perform a coin test to ensure that the electronic gaming device is communicating with the central computer system. If the electronic gaming device is not

communicating with the central computer system, the electronic gaming device must be disabled.

7. On February 24, 2018, a Slot Performance Manager notified Gaming Agents that an electronic gaming device (EGD) had been placed into service without a coin test. A review of surveillance coverage confirmed that the EGD had been placed into service for approximately seven (7) hours on February 23, 2018 without being coin tested. Three (3) patrons had played on this EGD during that time frame.
8. 68 IAC 11-1-3(c)(4) states 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.
9. 68 IAC 13-1-1(b)(2)(3) states 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.
10. French Lick Internal Control Procedures, Section M-8, describes the procedure for Slot Operations and Slot Pays.
11. On April 28, 2018, the Slot Operations Manager notified Gaming Agents that an electronic gaming device (EGD) on the casino floor had options set incorrectly. The options were last verified to be correct on March 15, 2018, which resulted in incorrect settings for approximately 44 days.

COUNT III

12. IC 4-33-9-12(a) states a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.
13. 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present in a casino.
14. On January 6, 2018, Security notified Gaming Agents that a 20 year old minor had obtained access to the casino floor. The minor approached the Security Officer at the turnstiles, handed over his identification and the Security Officer allowed him to enter the casino.

COUNT IV

15. 68 IAC 11-3-6(c) states the soft count team shall handle drop boxes in the following manner:
 - (3) The inside of the empty drop box shall be held up for full view by the surveillance camera, and at least one (1) member of the soft count team shall verify that the drop box is empty.

16. 68 IAC 11-1-3(c)(4) states 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.
17. 68 IAC 13-1-1(b)(2)(3) states 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.
18. French Lick Internal Control Procedures, Section D-4, describes the procedure for the live gaming device soft count process.
19. On January 23, 2018, Surveillance notified Gaming Agents that a Count Room Attendant opened a cash box from a closed table and found \$5 in the cash box. A surveillance review of the count process on January 21, 2018, determined that the Count Room Attendant emptying the cash box failed to notice the \$5 stuck in the box. The other Count Room Attendant and Surveillance also failed to notice the \$5 still in the cash box.
20. 68 IAC 11-3-5 states the currency collection process shall proceed in the following manner:
 - (2) Surveillance shall be notified at the initiation of the currency collection process. The entire currency collection process shall be monitored and recorded by surveillance.
21. French Lick Internal Control Procedures, Section D-6, describes the Bill Validator Drop Procedure.
22. On February 14, 2018, Security had failed to notify surveillance before starting the drop process. Security acknowledged that they forgot to notify Surveillance.
23. French Lick Internal Control Procedures, Section D-7, describes the bill validator soft count process.
24. On March 22, 2018, Surveillance notified Gaming Agents that Revenue Audit was reporting a \$100 variance from a cash box. Surveillance coverage showed a Count Room Attendant remove the contents of the box but a \$100 bill was still visible and remained in the box. The other Count Room Attendant responsible for visual inspection also failed to notice the \$100 bill.
25. On May 2, 2018, Surveillance notified Gaming Agents of a soft count violation. A review of surveillance coverage showed a Count Room Attendant open a cash box and the lock appeared to break. The Count Room Attendant made an attempt to fix the cash box but was unsuccessful. The Count Room Attendant placed a note on the cash box that it needed to go to the slot office for repair. The Count Room Attendant never cleared the cash box and the cash remained in the cash box.

Prior to taking the cash boxes to the slot office for repair, Security did an inspection of the cash boxes and discovered the box still contained cash. The soft count team was required to re-enter the soft count room to count the contents of the box.

26. On January 17, 2018, Surveillance notified Gaming Agents that Revenue Audit was reporting a \$100 variance from a cash box. Surveillance coverage showed a Count Room Attendant remove the contents of the box but a \$100 bill was still visible and remained in the box. The other Count Room Attendant responsible for visual inspection also failed to notice the \$100 bill.

TERMS AND CONDITIONS

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

French Lick shall pay to the Commission a total of \$12,500 (\$1,500 for Count I, \$3,000 for Count II, \$3,000 for Count III and \$5,000 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, French Lick agrees to promptly remit payment in the amount of \$12,500 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 French Lick.

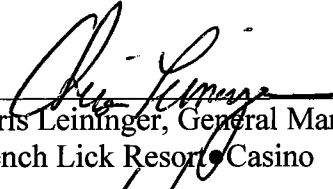
IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

6/26/18

Date



Chris Leininger, General Manager
French Lick Resort Casino

6/18/18

Date