

**ORDER 2009-48  
IN RE SETTLEMENT AGREEMENT  
INDIANA GAMING COMPANY, L.P.  
09-AR-01**

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

*Approves*

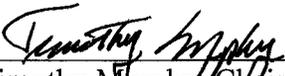
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APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 19<sup>th</sup> DAY OF MARCH, 2009.**

**THE INDIANA GAMING COMMISSION:**

  
\_\_\_\_\_  
Timothy Murphy, Chair

ATTEST:

  
\_\_\_\_\_  
Thomas Swihart, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>INDIANA GAMING COMPANY, L.P.</b>	)	<b>09-AR-01</b>
	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Indiana Gaming Company, L.P. (“Argosy”) (collectively, the “Parties”) desire to settle this matter 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 11-7-1(b) states for the purposes of this rule, “sensitive keys” means keys that either management or the commission considers sensitive to the riverboat licensee’s operation and therefore require strict control over custody and issuance. The term includes, but is not limited to, keys that will allow access to the following:
  - a. Currency
  - b. Chips
  
2. On September 3, 2008, the Gaming Agents were notified by the Director of Security that a set of sensitive keys were taken home by a Security Officer. The key was not noticed as missing until the Security Officer returned for his shift the next day. A Gaming Agent spoke with the Security Officer in charge of regulating the Key Watcher System and inquired why the keys had not been reported as missing. He stated that all Security Shift Supervisors are required to check the Key Watcher System twice a shift for any overdue keys. The Security Shift Supervisor’s check at their own discretion and the times they check are not logged. Also, the only way to see if keys are overdue is to check a computer. The key taken off property was the key to access the emergency BV.

## COUNT II

3. 68 IAC 11-7-1(b) states for the purposes of this rule, “sensitive keys” means keys that either management or the commission considers sensitive to the riverboat licensee’s operation and therefore require strict control over custody and issuance. The term includes, but is not limited to, keys that will allow access to the following:
  - a. Currency
  - b. Chips
  
4. On October 16, 2008, a Gaming Agent was contacted by the Table Games Maintenance Supervisor that he was needed to observe the movement of non-value roulette chips from the card and dice room to the PODS storage unit outside of the casino. When the Agent arrived at the card and dice room, he was met by a Table Games Manager, a Security Officer and the Table Games Maintenance Supervisor. The roulette chips were transported to the POD unit where the Agent noted that there was only one lock on the door. When the Agent questioned the Compliance Administrator, she stated that there should be two locks on the storage unit and one key should be accessed by security and the other by a Count Room Attendant. The Agent asked the Security Officer to unlock the unit and the Officer did not have the key. After looking for the key for an hour, it was discovered that the key was on the key ring of the Table Games Manager. The key that unlocked the storage unit is also the key that unlocks the float lids on the Craps and Roulette tables. The POD unit was also storing lead based value chips waiting to be destroyed.
  
5. In a letter sent to an IGC Auditor and dated May 29, 2008, the Regulatory Compliance Manager requested permission from the IGC to use the storage unit for the Roulette chips. In the letter, it states that the keys that open the storage unit will be stored in the Key Watcher System and would require dual access, both a Security Officer and Count Room Attendant would need to have their hand scanned before being allowed to remove the keys. The Count Room Attendant would be escorted by Security at all times.

## COUNT III

6. 68 IAC 11-7-1(b) states for the purposes of this rule, “sensitive keys” means keys that either management or the commission considers sensitive to the riverboat licensee’s operation and therefore require strict control over custody and issuance. The term includes, but is not limited to, keys that will allow access to the following: (2) Chips
  
7. 68 IAC 11-4-3(a) states immediately before opening a live gaming device, a security officer shall do the following:

- a. Obtain the key to the locked live gaming device tray lid from the main bank in accordance with 68 IAC 11-7.
  - b. Turn the key over to the pit boss or the equivalent who is designated to access the live gaming device tray
8. In April of 2008, the Casino Association, of which this casino is a member of, was granted a waiver from the requirement that a security officer access the float key and then turn the key over to the pit boss. The waiver allowed that responsibility be delegated to the Table Games Department based on the Casino Associations argument that this would alleviate the float lid key from passing through multiple hands. The Commission granted the waiver on the condition that the Pit Manager or higher level employee be in possession of the float lid key at all times.
9. On October 15, 2008, a Gaming Agent observed a Senior Table Games Manager standing in Pit 2 hand his sensitive keys to a Floor Supervisor, who is not a higher level employee. The Floor Supervisor proceeded to Pit 1 where she used the keys to open a float lid on a Craps table. The Agent checked to see what keys were on the key ring and found several keys that the Floor Supervisor is not authorized to access.

#### **COUNT IV**

10. 68 IAC 15-9-1 (d)(2) states no riverboat gaming operation key person or occupational licensee who serves in a supervisory position shall solicit or accept tips or gratuities from a patron.
11. On November 25, 2008, a Gaming Agent overheard a Poker Room Supervisor tell to two patrons, who had just placed in a tournament, "you can tip the dealers right here if you want to." The Poker Room Supervisor pointed at the poker dealer tip box. The Agent spoke with a Casino Manager informing him that the Agent had been told that past Poker Room Supervisors had made comments to patrons such as "with gas prices going up money is getting tight for our dealers," "our dealers work on tips and you can tip them here" and "you tip your dealers here" while pointing at the tip box. The Casino Manager stated that he would look into the issue.
12. The Agent then spoke with a Poker Shift Manager, who indicated that since the opening of the poker room they have been told by the Poker Room Manager that when patrons are taken to the cage to collect their winnings from tournaments that they should be told that they can tip the dealers if they want to. The Agent spoke to other Argosy licensees and was advised that nearly every Poker Room Supervisor had solicited tips.

## **COUNT V**

13. 68 IAC 2-3-8 states that an occupational license must be renewed annually.
14. On November 19, 2008, a Gaming Agent was asked by the Count Room Lead if the IGC would be badging any time during the night. The Count Room Lead's badge had expired on October 16, 2008 and she had been working with an expired badge for approximately one month.

## **TERMS AND CONDITIONS**

Commission staff alleges that the acts or omissions of Argosy by and through its agents as described herein constitute a breach of the Riverboat Gambling Act, Title 68 of the Indiana Administrative Code and/or Argosy's approved internal control procedures. The Commission and Argosy hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Argosy. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Argosy shall pay to the Commission \$27,500 (\$1,500 for Count I; \$20,000 for Count II; \$2,500 for Count III; \$2,500 for Count IV and \$1,000 for Count V) 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 herein. If the Commission subsequently discovers facts that give rise to additional or separate violations, which are not described herein, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described herein.

Upon execution and approval of this Settlement Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Settlement Agreement by the Commission, Argosy agrees to promptly remit payment in the amount of \$27,500 and shall waive all rights to further administrative or judicial review.

This Settlement 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 Settlement Agreement. This Settlement Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Settlement Agreement shall be binding upon the Commission and Argosy.

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



Ernest E. Yelton, Executive Director  
Indiana Gaming Commission

3.18.09

Date



Tony Rodio, General Manager  
Indiana Gaming Company, L.P.

3/13/09

Date