

**ORDER 2017-48  
IN RE SETTLEMENT AGREEMENT  
AMERISTAR CASINO EAST CHICAGO, LLC  
17-AS-01**

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

**APPROVED**

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APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 23<sup>rd</sup> DAY OF MARCH, 2017.**

**THE INDIANA GAMING COMMISSION:**

  
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Cris Johnston, Chair

ATTEST:

  
\_\_\_\_\_  
Joseph Svetanoff, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>AMERISTAR CASINO EAST</b>	)	<b>17-AS-01</b>
<b>CHICAGO, LLC</b>	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Ameristar Casino East Chicago, LLC (“Ameristar”), (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**

1. 68 IAC 11-3-6(c)(2) states the drop box shall be opened by the appropriate soft count team member, and the entire contents of the drop box shall be emptied onto the soft count table.
2. 68 IAC 11-3-6(c)(23) states in accordance with 68 IAC 15-7-3, the revenue auditor or the equivalent shall trace the total of the bill-in meter readings as recorded by the bill acceptor flash report to the actual count performed by the soft count team to determine variances. The casino licensee shall require the investigation of all variances. The results of the investigation shall be recorded and reported to the head of the accounting department and the commission audit staff.
3. 68 IAC 15-7-3(b) requires variances or discrepancies to be investigated, recorded, and reported to the head of the accounting department or its equivalent and the commission staff.
4. On November 16, 2016, the Gaming Enforcement Assistant Director asked a Gaming Agent to investigate an incident that occurred on November 13, 2016 wherein several bill validator (“BV”) boxes were not properly counted. The Agent contacted a Surveillance Observer to review the incident with the BV boxes. The Observer stated a review was conducted and at 10:32am a Soft Count Team Member was observed removing all but three rows of hot boxes (BV boxes containing cash and TITO tickets) from a cart. At 10:57am a second Soft Count Team Member was observed placing cold boxes (BV boxes that are empty) back onto the cart. The Agent asked the Observer who requested the review and if Surveillance or Gaming Agents were notified of the hot boxes being left in the count room? The Observer stated that he had received an email request from a Count Room Supervisor stating that the Count Room

Manager wanted to know who pulled and opened the 5<sup>th</sup> row from the top in the cart and who cleared the row (inspect the cart to make sure all the BV boxes were removed) for the count from November 14, 2016. The Observer also stated that there was no record of Surveillance or Gaming Agents being contacted about the uncounted BV boxes.

5. The Agent investigated further and found during the slot audit it was noted by a Revenue Audit Supervisor that the estimated amounts column on the report did not read zero as it should have. Per the Revenue Audit Manager, the Revenue Audit Supervisor reviewed the report and found nine BV boxes that had zero in the drop column. The Revenue Audit Supervisor spoke to a Slot Technician who wrote down the electronic gaming device (“EGD”) numbers so an emergency drop could be performed on those EGDs. After the emergency drop was performed it was discovered that the BV boxes had little to no money in them and it was concluded the missing BV boxes were still in the soft count room. The cart was checked and the nine “hot” BV boxes were found.
6. The Agent spoke to the Count Room Manager who had reviewed the surveillance video. The Count Room Manager stated that a Soft Count Team Member was removing BV boxes from the cart when he was called away to assist at another station. Another Soft Count Team Member took over his station and began to open the BV boxes, not realizing that “hot” BV boxes were still in the cart. The first Soft Count Team Member returned to his station and the second Soft Count Team Member left. The first Soft Count Team Member assumed all of the “hot” boxes had been removed, finished emptying the BV boxes on the table and then placed the empty BV boxes back in the cart. The Commission became aware of the variance when on November 15, 2016, the casino’s Director of Compliance left a voicemail for the Commission’s Assistant Director of Compliance asking for procedural guidance. The Commission’s Director of Audit and the Assistant Director of Compliance called the casino’s Director of Finance to ask why the Commission was not notified immediately about the variance. The Director of Finance stated they did not feel it was a variance.

### **TERMS AND CONDITIONS**

Commission staff alleges that the acts or omissions of Ameristar by and through its agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Ameristar’s approved internal control procedures. The Commission and Ameristar hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Ameristar. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Ameristar shall pay to the Commission \$2,500 in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this



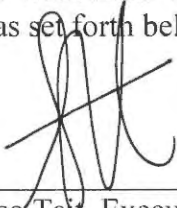
agreement. This agreement extends only to those violations and findings of fact specifically alleged herein. If the Commission subsequently discovers facts that give rise to additional or separate violations, which are not described herein, the Commission may pursue disciplinary action for such violations 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, Ameristar agrees to promptly remit payment in the amount of \$2,500 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 Ameristar.

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



\_\_\_\_\_  
Sara Gonso Tait, Executive Director  
Indiana Gaming Commission

3/27/17

\_\_\_\_\_  
Date



\_\_\_\_\_  
Matthew Schuffert, VP/GM  
Ameristar Casino East Chicago, LLC

3/21/17

\_\_\_\_\_  
Date