

**ORDER 2017-53
IN RE SETTLEMENT AGREEMENT
THE MAJESTIC STAR CASINO, LLC
17-MS-01**

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 23rd DAY OF MARCH, 2017.

THE INDIANA GAMING COMMISSION:



Cris Johnston, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
THE MAJESTIC STAR CASINO, LLC)	17-MS-01
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and The Majestic Star Casino, LLC and The Majestic Star Casino II, Inc. (together referred to herein as “Majestic Star”) (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 12-1-1.7(a) states the surveillance room in the casino shall be staffed by at least two (2) surveillance employees engaged in monitoring operations at all times.
 - (b) In addition to the minimum staffing level outlined in subsection (a), the surveillance room shall be staffed with additional surveillance employees as necessary to ensure that the requirements of this rule are met. Factors relevant to determining staffing levels include, but are not limited to, the following:
 - (1) The time of day.
 - (2) The size of the casino.
 - (3) The number of patrons present.
 - (4) Special events taking place in the casino.
 - (5) Events taking place that require continuous monitoring in accordance with this rule.
 - (6) Any other factor identified by the executive director or the executive director's designee.
2. 68 IAC 12-1-5(b)(4) states the surveillance system shall provide dedicated coverage with sufficient clarity to identify the location in which cards and dice are stored and canceled.
3. 68 IAC 12-1-5(g) states the surveillance system must include cameras dedicated to monitoring areas where the following items are transported or stored:
 - (4) Cards.
 - (5) Dice.all dice or playing cards that are not being utilized at a live gaming device shall be kept in locked compartments.

4. 68 IAC 12-1-9(a) states surveillance equipment that is out of service due to malfunction must be as follows:
 - (1) Immediately:
 - (A) reported to an enforcement agent; and
 - (B) repaired or:
 - (i) the equipment replaced with:
 - (AA) alternative camera coverage; or
 - (BB) live surveillance at the discretion of the enforcement agent; or
 - (ii) activity in the area affected by the malfunction must be ceased and security personnel shall guard the area until coverage is restored.
 - (2) Repaired within twenty-four (24) hours.
5. On October 8, 2016, a Gaming Agent was notified by a Surveillance Supervisor that the casino Surveillance Department would not be in compliance due to an employee not showing up for their scheduled shift. There would only be six total employees in the room instead of the required seven. The Agent found a waiver from March 12, 2014 wherein the casino was granted a request to have one surveillance room for both MS I and MS II. In the waiver it stated that during the drop and count process the surveillance room would be staffed with seven employees including the supervisor/manager. The Agent provided the waiver to the Director of Surveillance who stated that the surveillance department had been short staffed for a long time. The Agent requested staff schedules dating back to March 2014. After reviewing the schedules during the time of the drop/count process, the Agent found the surveillance room was understaffed numerous times from 2014 through 2016.
6. On October 27, 2016, a Gaming Agent was notified by the Director of Surveillance that while a Surveillance Supervisor was conducting a review of the Table Games Card and Dice room he found a camera was not recording. A review of the coverage found that the camera had not been recording since September 22, 2016. Coverage was lost for approximately 35 days, except when there was live coverage on the monitor that recorded when the door opened for entries or exits. Surveillance review showed a vendor, who installed new equipment in the area, tripped on cords causing a disconnection between the camera and recorder.

COUNT II

1. 68 IAC 15-12-3(a) states live gaming device fills shall proceed in the following manner:
 - (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.
 - (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.
 - (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.

2. On October 20, 2016, a Gaming Agent was notified by a Cage Shift Manager of a variance that had taken place in the early morning. A Main Banker had received a table game fill request for \$2,000. The Main Banker prepared a fill for \$1,500. A Surveillance Officer verified the fill, a Security Officer signed that the fill was correct and a Dealer and Floor Supervisor also signed the form indicating the fill was correct. When the Main Banker ended her shift and counted down her drawer she had an overage of \$500. A surveillance review was requested and the incorrect table fill was discovered.

COUNT III

3. 68 IAC 2-3-9.2 (b) states riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when one (1) of the following events occurs with an occupational licensee:
 - (1) The occupational licensee's employment with the riverboat licensee is terminated for any reason.The forms must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.

4. On December 2, 2016, a Gaming Agent was contacted by the Human Resources Manager regarding an employee who had been terminated on September 9, 2016. The paperwork had not been submitted to the Human Resources Department and therefore had not been submitted to the Gaming Agents. The form was submitted to the Gaming Agents on December 2, 2016.

TERMS AND CONDITIONS

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

Majestic Star shall pay to the Commission a sum of \$10,000 (\$7,500 for Count I; \$1,500 for Count II and \$1,000 for Count III) 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, Majestic Star agrees to promptly remit payment in the amount of \$10,000 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 Majestic Star.

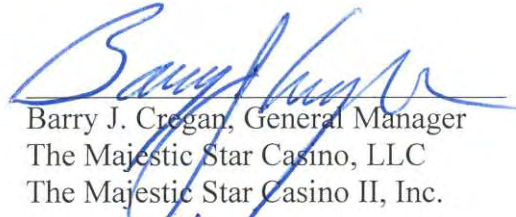
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

3/14/17

Date



Barry J. Cregan, General Manager
The Majestic Star Casino, LLC
The Majestic Star Casino II, Inc.

3/17/17

Date