

ORDER 2018-158

IN RE SETTLEMENT AGREEMENT

**CAESARS RESORT COLLECTION, LLC d/b/a INDIANA GRAND RACING &
CASINO
18-IG-03**

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

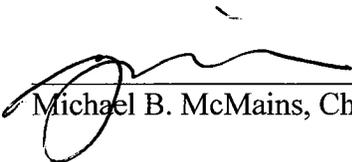
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 13th DAY OF SEPTEMBER, 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
CAESARS RESORT COLLECTION, LLC)	18-IG-03
d/b/a INDIANA GRAND RACING &)	
CASINO)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Caesars Resort Collection, LLC d/b/a Indiana Grand Racing & Casino (“Indiana Grand”), (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 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 form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
2. On July 10, 2018, HR notified Gaming Agents that they were late in turning in a termination form. The termination form was for an Electronic DigiDealer who had her license revoked on June 15, 2018.
3. On August 13, 2018, HR notified Gaming Agents that after running the monthly renewal list, it was determined that a Programs Clerk's employment had been terminated on June 22, 2018. HR received notification on July 19th and Gaming Agents were not notified until August 13th.

COUNT II

4. 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.

5. On June 12, 2018, an Electronic Games Tech Supervisor notified Gaming Agents that an electronic gaming device (EGD) was left in service without a coin test. The EGD was on a current project and had not been approved by Gaming Agents to be placed back in service.

COUNT III

6. IC 4-35-7-2 states, “[e]xcept as provided in subsection (c), a person who is less than twenty-one (21) years of age may not be present in the area of a racetrack where gambling games are conducted.”
7. 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present in a casino.
8. On August 5, 2018, Security requested Gaming Agents assistance at the garage entrance due to a male patron presenting identification (ID) to a Security Officer that clearly did not belong to him. Gaming Agents located the male patron in the parking garage. The male patron confirmed he had attempted to enter the casino with this ID and he said he got the ID from his friend that was in the casino. The male patron also confirmed he was underage. A surveillance review indicated that the underage male patron was able to enter the casino earlier that morning with the same ID.

COUNT IV

9. 68 IAC 12-1-5(a) states surveillance employees shall:
 - (1) monitor regularly; and
 - (2) visually record, either by:
 - (A) continuous recording; or
 - (B) motion activation;whichever is appropriate; the surveillance system coverage of the areas described in this section.
 - (b) The surveillance system shall provide coverage of each of the following areas as specified in this rule:
 - (1) Areas of the main bank, including the following:
 - (A) A general overview of the entire area of each cage and vault area with sufficient clarity to identify patrons and employees.
 - (B) Dedicated coverage with sufficient clarity to identify the following:
 - (i) Currency.
 - (ii) Coin.
 - (iii) Cash.
 - (iv) Cash equivalents.
 - (v) Chip values.
 - (vi) Amounts on credit slips in an area where fills and credits are transacted.
 - (2) Hard and soft count rooms including a general overview of each room and additional dedicated coverage capable of clearly identifying the following:
 - (A) Employees.

- (B) The value of cash and cash equivalents.
- (3) The route, both inside and outside the casino, through which monies are transported.
- (4) The location in which cards and dice are stored and canceled.
- (5) Ticket redemption kiosks, automated teller machines, and bill breakers with dedicated coverage sufficient to identify the following:
 - (A) Individuals using or servicing the machine.
 - (B) Whether or not cash was received by the individual as a result of the transaction.
- (f) Electronic gaming device surveillance must be capable of providing the following:
 - (1) A view of all patrons.
 - (2) A facial view of the patrons with sufficient clarity to allow identification of a patron.
 - (3) A view of the electronic gaming device with sufficient clarity to observe the result of the game.
 - (4) An overall view of the areas around the electronic gaming device.
 - (5) A view of bill validators with sufficient clarity to determine bill value and the amount of credit obtained.
 - (6) Progressive games, including dedicated coverage of the following:
 - (A) An electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000).
 - (B) The progressive display showing the incrementation of the progressive jackpot for an electronic gaming device or a bank of electronic gaming devices.
 - (g) The surveillance system must include cameras dedicated to monitoring areas where the following items are transported or stored:
 - (1) Cash.
 - (2) Cash equivalents.
 - (3) Chips.
 - (4) Cards.
 - (5) Dice.
 - (h) The surveillance system must include cameras dedicated to monitoring the following:
 - (1) All activities in any area of the security office where a person may be detained and questioned by the security department. Areas where a person may be detained and questioned must display a notice clearly stating that the area is or may be under surveillance.
 - (2) The entrances and exits of the casino and the entrances and exits of the following rooms in the casino with sufficient clarity to identify a person using the entrances and exits:
 - (A) Count rooms.
 - (B) Vaults.
 - (C) Surveillance rooms.
 - (D) Security rooms.
 - (E) Cage areas.

9. On June 2, 2018, Surveillance notified Gaming Agents that several cameras were not functioning properly. While preparing to begin the drop surveillance, it was determined that thirty-one (31) cameras covering the casino floor were black with no video. Surveillance did not receive an alert that the cameras were not functioning. There was no

coverage available on these cameras for approximately two (2) hours as a result of a power supply failure.

COUNT V

10. 68 IAC 11-9-2(a) states 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.
11. 68 IAC 11-9-2(b)(11) states the measures the casino licensee or trustee will take to ensure compliance with: (A) IC 4-33-4-27 or IC 4-35-4-16; and (B) this rule.
12. 68 IAC 11-9-2(b)(12) states any other information the commission or the executive director deems necessary to ensure compliance with: (A) IC 4-33-4-27 or IC 4-35-4-16; and (B) this rule.
13. Indiana Grand's approved internal control procedures, N-1.1, describe the procedures for Child Support Intercept.
14. On July 15, 2018, the Electronic Games Shift Manager ("EGSM") notified a Gaming Agent that a second place winner in the Indiana Derby Poker Tournament was identified as a child support obligor. The patron won \$3,181 and the entire amount should have been withheld for child support. The patron was erroneously paid \$3,087.25 and child support was not withheld as required.

The EGSM advised that he correctly followed procedure by completing the promotional paperwork, the W-2G, and providing the patron with the child support intercept documentation. The EGSM escorted the patron to the Cage and provided the W-2G and promotional paperwork to the Cage Supervisor. The EGSM advised that the Cage Supervisor was told it was a child support intercept. The EGSM left the patron at the Cage and failed to further facilitate the jackpot process. The Cage Supervisor processed the paperwork and paid the patron the winnings.

15. On July 16, 2018, Revenue Audit notified Gaming Agents that an incorrect patron had been searched in the Child Support Arrears Delinquency Reporting ("CSADR") on July 11, 2018. The W-2G had been completed for a male patron and the male patron was the correct winner of the jackpot, however, the Electronic Games Attendant searched the CSADR for a female patron.
16. On July 16, 2018, Revenue Audit notified Gaming Agents that an incorrect patron had been searched in CSADR on July 10th. The W-2G had been completed for a male patron and the male patron was the correct winner of the jackpot, however, the Electronic Games Attendant searched the CSADR for a female patron.

COUNT VI

17. 68 IAC 15-13-2(d) states manually paid jackpots shall proceed in the following manner:
- (1) The jackpot shall be verified in accordance with the policies and procedures submitted under subsection (b)(1).
 - (2) Based on the information contained on the manually paid jackpot slip, the casino cashier shall present the proper amount of cash to the slot attendant.
 - (3) The slot attendant shall ensure that the amount of cash presented by the casino cashier matches the information contained on the manually paid jackpot slip.
 - (4) After the slot attendant and the casino cashier ensure the cash presented matches the information contained on the manually paid jackpot slip, both the slot attendant and the casino cashier shall sign the manually paid jackpot slip.
 - (5) The casino cashier shall retain the original copy of the manually paid jackpot slip and issue remaining copies to the slot attendant.
 - (6) A security officer or slot department employee shall escort the slot attendant from the cage to the appropriate electronic gaming device. The security officer or slot department employee who begins completing the manually paid jackpot must complete the process of witnessing, escorting, and signing the appropriate documentation to verify the manually paid jackpot was completed. If there is a discrepancy with the manually paid jackpot, the same security officer or slot department employee who began the manually paid jackpot must accompany the manually paid jackpot back to the cage to resolve the discrepancy.
 - (7) After arriving at the appropriate electronic gaming device, the security officer or slot department employee shall do the following:
 - (A) Verify the jackpot.
 - (B) Witness the jackpot payout to the patron.
 - (C) Complete the appropriate sections of the manually paid jackpot slip.
 - (8) The slot attendant shall reset the electronic gaming device so that play on the electronic gaming device may continue. The electronic gaming device shall be relocked after it is cleared. The security officer or slot department employee shall remain present throughout this procedure.
 - (9) One (1) copy of the completed manually paid jackpot slip shall be deposited into a locked accounting box so that it will not be available to slot attendants or other persons who participate in manually paid jackpots.
 - (10) The remaining copy of the completed manually paid jackpot slip shall be returned to the casino cage.
18. 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.
19. 68 IAC 13-1-1(b)(2) and (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.

20. Indiana Grand's approved internal control procedures, E-9, describe the procedures for Jackpot payouts for Electronic Gaming Devices.
21. On July 23, 2018, Revenue Audit notified Gaming Agents of an improper jackpot payout on July 22, 2018. The W-2G was completed for Patron A but was signed and searched in CSADR for Patron B. Patron B was the correct winner of the jackpot. The W-2G was incorrect and not properly verified.
22. On July 29, 2018, Revenue Audit notified Gaming agents of an improper jackpot payout on July 28, 2018. The W-2G was completed for male patron but was signed and searched in CSADR by a female patron. The female patron was the correct winner of the jackpot. The W-2G was incorrect and not properly verified.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Indiana Grand by and through its agents as described herein constitute a breach of IC 4-35, 68 IAC and/or Indiana Grand's approved internal control procedures. The Commission and Indiana Grand hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Indiana Grand.

Indiana Grand shall pay to the Commission a total of \$17,000 (\$2,000 for Count I, \$1,000 for Count II, \$1,500 for Count III, \$3,000 for Count IV, \$7,500 for Count V and \$2,000 for Count VI) 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, Indiana Grand agrees to promptly remit payment in the amount of \$17,000 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 Indiana Grand.

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



Sara Gonso Taft, Executive Director
Indiana Gaming Commission

9-11-18

Date



Ron Baumann, Sr. Vice President and
General Manager
Indiana Grand

9/7/18

Date