

**ORDER 2022-148
IN RE SETTLEMENT AGREEMENT**

**CSI OPERATING COMPANY, LLC
d/b/a CAESARS SOUTHERN INDIANA
22-CS-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 27th DAY OF SEPTEMBER, 2022.

THE INDIANA GAMING COMMISSION:


Milton Thompson, Chair

ATTEST:


Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
CSI OPERATING COMPANY, LLC)	22-CS-03
d/b/a CAESARS SOUTHERN INDIANA)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and CSI Operating Company, LLC d/b/a Caesars Southern Indiana ("Caesars Southern Indiana"), (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 11-9-2(a) provides 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.
2. 68 IAC 11-1-3(c)(4) provides 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) and (3) provides 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. Caesars Southern Indiana approved internal control procedures, E-33, describe the procedures for Child Support Intercept Process.
5. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for June 2022. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.

COUNT II

6. 68 IAC 15-10-1(b) provides a casino licensee shall submit policies and procedures that shall describe the location, functions, and controls for the casino cashiering areas. These policies and procedures shall be submitted to and approved by the executive director in accordance with 68 IAC 15-1.

7. Caesars Southern Indiana's approved internal control procedures, G-17, describes cage accountability.
8. On May 22, 2022, Surveillance notified Gaming Agents that a Cage Supervisor had taken cash from the Main Bank to the Cage Cashier window without notifying surveillance or requesting a Security escort since the amount was over \$20,000. The Cage Supervisor was transporting \$34,000.
9. 68 IAC 13-1-1(b)(2) and (3) provides 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. Caesars Southern Indiana's approved internal control procedures, C-5, describe the procedures for table inventories.
11. On April 25, 2022, Surveillance notified Gaming Agents that while conducting general observation of the poker room that a Poker Supervisor removed chips and paperwork from the poker bank and transferred them to two (2) poker tables without notifying surveillance.

COUNT III

12. IC 4-33-9-12(a) provides 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) provides a person under twenty-one (21) years of age shall not be present in a casino.
14. On May 1, 2022, Surveillance notified Gaming Agents that while conducting general observation of the turnstiles, they observed a possible underage person access the casino floor. Surveillance advised that a Security Officer appeared to stop the female and subsequently called for assistance in verifying her identification. A second Security Officer approached the turnstiles, placed the identification in the scanner and allowed the female onto the casino floor.
15. Gaming Agents reviewed the surveillance coverage of the incident in question. Surveillance coverage showed the female enter the casino through the garage entrance. The Security Officer ran her identification through the scanner and then requested a second officer help verify the identification. The second Security Officer attempted to validate the identification through the scanner but it failed validation. The second Security Officer then had the female write her name on a piece of paper and compared it to the identification. The second Security Officer allowed the female to enter the casino floor. The Gaming Agents were able to confirm that the female was underage and had two (2) identifications on her person when questioned by Gaming Agents.

COUNT IV

16. 68 IAC 15-10-5 provides the casino licensee shall establish policies and procedures for the even exchange of funds between two (2) casino cashiering areas or between a casino cashiering area and change banks, which shall include the following: (1) A designation of the occupational licensee who may process the even exchange transaction. (2) A description of the even exchange form and the required information and signatures. The form shall be at least a two (2) part form. (3) A description of the distribution of each part of the form. (4) Types of items allowed to be exchanged. (5) Requirement that security personnel must accompany the transfer of the funds between locations. (6) Any other policy or procedure deemed necessary by the executive director or commission to ensure compliance with IC 4-33, IC 4-35, and this title.
17. 68 IAC 15-10-4.1(a) provides cage inventories must be accurately reported at the conclusion of a shift on the inventory form used by the casino licensee.
18. Caesars Southern Indiana's approved internal control procedures, G-16, describes the procedures for even exchanges.
19. Caesars Southern Indiana's approved internal control procedures, G-17, describes the procedures for casino cage accountability.
20. On May 9, 2022, Surveillance notified Gaming Agents that the Poker Supervisor reported that the poker podium was reporting a shortage of \$500. A review of surveillance coverage determined that the Poker Supervisor prepared an even exchange to the cage for \$14,600 in cash. The Poker Supervisor included an additional \$500 for a total of \$15,100 which accounted for the \$500 shortage. The Poker Supervisor delivered the even exchange to the cage where a Cage Cashier accepted it. The even exchange was incorrect and not properly verified which led to a cage variance.
21. On June 6, 2022, Surveillance notified Gaming Agents that a Cage Cashier failed to verify cash funds of an even exchange. A surveillance review was requested because the Cage Cashier's drawer was \$400 over. A review of the surveillance coverage determined that the Cage Cashier received funds from the Main Bank. The cash should have totaled \$45,300; however, there was only \$40,000. The Cage Cashier failed to verify the funds.
22. 68 IAC 14-3-5(a) provides that all dice and playing cards that are not being utilized at a live gaming device shall be kept in locked compartments.
23. 68 IAC 14-3-5(b) provides dice and playing cards shall not be left at a live gaming device while unattended.
24. Caesars Southern Indiana's approved internal control procedures, C-17, describe the card and dice layout procedures.

25. On June 14, 2022, the VP of Gaming Operations notified Gaming Agents of playing cards being left unsecured at a table game. A review of surveillance coverage determined that a Dealer was provided a deck of playing cards to count down. The Dealer placed the playing cards for his table game in the shoe and placed the shoe below the table. When the Dealer was replaced, he did not advise the incoming Dealer of the cards in the shoe below the table.
26. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills including the requirement that surveillance shall be notified that a live gaming device fill is being processed.
27. On May 12, 2022, Surveillance notified the Gaming Agents that a Cage Cashier processed a table fill in the amount of \$6,100 without notifying surveillance.
28. On May 28, 2022, Surveillance notified the Gaming Agents that a Cage Cashier processed a table fill in the amount of \$24,000 without notifying surveillance.
29. 68 IAC 15-12-3(c) provides if a live gaming device fill slip was erroneous, it shall be voided and a new live gaming device fill slip generated. The person voiding the fill slip shall indicate the reason the slip was voided and sign the slip. A voided live gaming device fill shall be retained and deposited into a locked accounting box.
30. On May 29, 2022, Surveillance notified Gaming Agents that a table fill was conducted incorrectly. The Cage Cashier provided only one (1) barrel of white chips when the fill had requested three (3) barrels. The error was discovered at the table game, however, they failed to properly void the table fill or notify surveillance of the incorrect table fill.
31. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
32. On July 24, 2022, Surveillance notified Gaming Agents that a table fill was delivered to the wrong table by a Security Officer. The table fill was accepted by a Dealer and Table Games Supervisor at the wrong table.
33. On July 29, 2022, Surveillance notified Gaming Agents of an incorrect table fill delivered to a table game. A review of surveillance coverage determined that the fill was incorrect as it had \$2,000 in black \$100 chips instead of green \$25 chips. The fill was accepted at the table by a Dealer and Supervisor.
34. 68 IAC 11-4-4(a) provides at any time when a live gaming device is closed, chips remaining at the live gaming device shall be counted by the appropriate level of occupational licensee assigned to the live gaming device and verified by the pit boss or the equivalent.
 - (b) A live gaming device inventory slip shall be prepared.
 - (c) The occupational licensee and the pit boss or the equivalent who observed the count of the contents of the tray shall sign the inventory slip at the time of closing the live gaming device attesting to the accuracy of the information recorded.

- (d) The occupational licensee shall immediately deposit the closer in the drop box.
- (e) The pit boss or the equivalent shall place the opener on the live gaming device tray in a manner that the amounts on the opener may be read through the cover, and lock the transparent live gaming device tray lid in place.

- 35. On May 2, 2022, a Dual Rate Casino Audit Representative notified Gaming Agents of a table inventory closer error. The table inventory closer slip was completed on April 30, 2022, showing \$36,015, however, the physical inventory was \$36,515.
- 36. On June 13, 2022, a Dual Rate Casino Audit Representative notified Gaming Agents of a table inventory closer error. The table inventory closer slip was completed on June 10, 2022, showing \$23,005, however, the physical inventory was \$23,505.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Caesars Southern Indiana by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, and/or Caesars Southern Indiana's approved internal control procedures. The Commission and Caesars Southern Indiana hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Caesars Southern Indiana.

Caesars Southern Indiana shall pay to the Commission a total of \$32,500 (\$1,000 for Count I, \$2,000 for Count II, \$19,500 for Count III and \$10,000 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, Caesars Southern Indiana agrees to promptly remit payment in the amount of \$32,500 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 may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile,

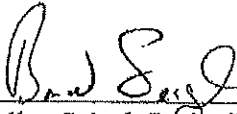
or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Caesars Southern Indiana:

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



Greg Small, Executive Director
Indiana Gaming Commission



Bradley Seigel, Senior VP & GM
Caesars Riverboat Casino, LLC

9/20/2022
Date

9-23-22
Date