

ORDER 2019-163

IN RE SETTLEMENT AGREEMENT

**BLUE CHIP CASINO, LLC
19-BC-03**

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

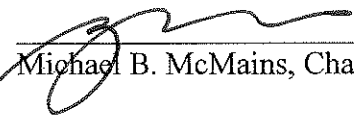
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

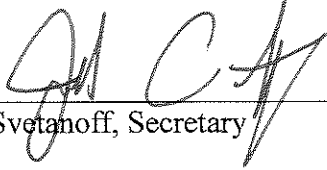
IT IS SO ORDERED THIS THE 28th DAY OF AUGUST, 2019.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
BLUE CHIP CASINO, LLC) **19-BC-03**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Blue Chip Casino, LLC (“Blue Chip”) (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 11-1-3(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.
2. 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.
3. Blue Chip’s approved Internal Control Procedures, NPR-21, describe the procedures for the Poker Room Chip Bank.
4. On April 19, 2019, Surveillance notified Gaming Agents of a poker podium funds transfer error due an overage in \$2,000 in red \$5 chips. A Dual-Rate Card Room Attendant requested a transfer of \$6,850 in red \$5 chips and \$2,000 in white \$1 chips. The Dual-Rate Card Room Attendant prepared \$8,865 in currency which was transported to the land cage by a Security Officer. A Cage Cashier counted the funds and prepared the chips. The Cage Cashier erred by preparing \$8,865 in red \$5 chips, creating an overage of \$2,000. The Security Officer witnessed and signed off on the incorrect transfer.

Once the overage was discovered, the Dual Rate Card Room Attendant gave the \$2,000 in red \$5 chips to the Security Officer to be taken back to the land cage. A variance slip was not completed.

6. 68 IAC 14-3-7(a) states before dice are placed in to play at a live gaming device, the pit boss or the equivalent shall inspect the dice to ensure the dice comply with this rule.

(b) Dice shall be inspected by the following methods on a flat surface that allows the inspection of the dice to be monitored by the surveillance system:

(1) A micrometer or any other approved instrument that performs the same function.

(2) A balancing caliper.

(3) A steel set square and magnet.

(c) The micrometer or other approved instrument, the balancing caliper, and the steel set square and magnet should be stored in a secure place not accessible by the public.

7. On April 28 2019, a Pit Manager notified Gaming Agents that a Pit Manager failed to inspect dice prior to putting them in play on a craps table. The dice were in play for approximately 3.25 hours on April 27, 2019. This violation was self-reported.

COUNT II

8. 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.
9. 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.
10. Blue Chip's approved Internal Control Procedures, D-26, describe the procedures for redemption of TITO tickets.
11. On April 22, 2019, surveillance notified Gaming Agents that a Cage Cashier cashed an invalid TITO ticket at the Cage.

A review of surveillance coverage determined that a patron presented a TITO ticket to the Cage Cashier. The Cage Cashier scanned the TITO and paid the patron \$400. After the patron left the Cage, the Cage Cashier looked at the computer, re-scanned the TITO and then, manually entered the TITO. Surveillance also determined that a printer error occurred on the slot machine when the patron cashed out and pulled her player's card out of the machine at the same time which resulted in the machine printing out an invalid ticket in the computer system.

COUNT III

12. 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.
13. 68 IAC 11-3-6(c)(3) The inside of the empty drop box shall be held up for full view by the surveillance camera, and at least one (1) member of the soft count team shall verify that the drop box is empty.

14. On April 29, 2019, surveillance notified Gaming Agents that a drop box had not been counted during the count process. A review of surveillance coverage determined that the “hot” bill validator box remained on the drop cart during the count process and the buy was completed with the “hot” box in the drop cart. Revenue Audit determined the funds to be missing which led to inspection of the drop cart.
15. On April 28, 2019, surveillance notified Gaming Agents that the table inventory form was missing. A review of surveillance coverage determined that the table inventory form had been left in the table game drop box during the count process and the Count Room Supervisor failed to verify the drop box was empty.
16. On June 1, 2019, surveillance notified Gaming Agents that a drop box had not been counted during the count process. A review of surveillance coverage determined a Count Room Attendant opened the drop box, allowing the contents of the box to be visible but placed the drop box back into the drop cart without emptying the contents of the box.
17. 68 IAC 11-3-2(c)(2) states the internal control procedures for the currency collection and soft count process must include the manner in which the currency collection process will proceed.
18. Blue Chip’s approved Internal Control Procedures, L-4, describe the approved drop route.
19. On May 8, 2019, a Gaming Agent was observing the drop for the slot machines in The Game when a Count Room Attendant and Security Officer deviated from the approved drop route. A Count Room Attendant and Security Officer found the front gate locked and then proceeded to enter The Game through Its Vegas Baby. Gaming Agents were not notified of the deviation of the drop route.

COUNT IV

20. 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.
21. On May 24, 2019, a Gaming Agent received an occupational licensee separation of service form for a Direct Marketing Manager which is a corporate employee. The employee’s last day was April 25, 2019.
22. On July 16, 2019, a Gaming Agent received an occupational licensee separation of service form for a Lead Room Reservation Clerk which is a corporate employee. The employee’s last day was February 21, 2019.

COUNT V

23. 68 IAC 15-6-4(b) states vendors and visitors must report to security to complete the vendor and visitor log and to obtain a badge. When the vendor or visitor leaves the casino, the vendor or visitor must complete the appropriate portion of the log.
24. 68 IAC 15-6-4(e) states the vendor and visitor log shall contain the following information: (5) The date and time that the vendor or visitor exits the casino. The casino licensee is responsible for instituting a policy that ensures that vendor and visitor badges are returned to the security department and accounted for when the vendor or visitor exits the casino.
25. On January 24, 2019, the Commission issued a memorandum to all casino licensees on occupational licenses which states vendor and visitor badges are not to be utilized by those who hold or should hold an occupational license. If individuals referenced above attempt to access the gaming floor using a vendor or visitor badge, casino staff should assist in the matter by refusing entry and directing the individuals to local Gaming Agents for assistance.
26. On May 28, 2019, a Gaming Agent performed an inspection of the vendor log and identified that the Security Officer failed to properly complete the log.
27. On June 10, 2019, a Gaming Agent performed an inspection of the vendor log for April and May 2019 and identified the following violations.
28. On April 2, 2019, a licensed Scientific Games/Bally Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
29. On April 5, 2019, a licensed Scientific Games/Bally Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
30. On April 12, 2019, a licensed Scientific Games/Bally Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
31. On April 19, 2019, a licensed NRT Tech obtained a vendor's badge. The log noted his IGC occupational license number, however, his last name was listed incorrectly.
32. On April 29, 2019, a licensed Konami Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
33. On May 4, 2019, a licensed NRT Tech obtained a vendor's badge. The log did not note his exit time, however, his IGC occupational license number was listed.

34. On May 5, 2019, a licensed NRT Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
35. On May 9, 2019, a licensed IGT Tech obtained a vendor's badge. The log did not note his name. The log did note his IGC occupational license number. The Tech did not obtain and/or wear his IGC badge.
36. On May 22, 2019, a licensed NRT Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
37. On May 31, 2019, a licensed NRT Tech obtained a vendor's badge. The log did not note his exit time or IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
38. On May 31, 2019, another licensed NRT Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
39. On June 4, 2019, a licensed NRT Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
40. On June 5, 2019, a licensed NRT Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
41. On June 15, 2019, a licensed NRT Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
42. On June 7, 2019, a licensed Aristocrat Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.
43. On June 16, 2019, a licensed Ainsworth Tech obtained a vendor's badge. The log did not note his IGC occupational license number and the Tech did not obtain and/or wear his IGC badge.

The vendor logs reviewed during the inspection also noted multiple errors consisting of no date, no exit time, name misspellings, no vendor name and first or last name missing.

COUNT VI

44. 68 IAC 11-9-2(a) provides that 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.

45. 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.
46. 68 IAC 13-1-1(b)(2) and (3) provides that 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.
47. Blue Chip's approved internal control procedures, K. 23, describe the procedures for Child Support Arrears Delinquency Registry ("CSADR").
48. On July 3, 2019, a Gaming Agent audited the Child Support Arrears Delinquency Registry (CSADR) for June 2019. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.

TERMS AND CONDITIONS

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

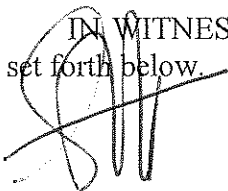
Blue Chip shall pay to the Commission a total of \$15,500 (\$2,500 for Count I, \$1,000 for Count II, \$2,000 for Count III, \$2,000 for Count IV, \$7,500 for Count V and \$500 for Count VI) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in 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, Blue Chip agrees to promptly remit payment in the amount of \$15,500 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 shall be binding upon the Commission and Blue Chip.

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



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

8/27/19

Date



Brenda Temple, V.P. and Gen. Mgr.
Blue Chip Casino, LLC

8.23.19

Date