

ORDER 2018-115

IN RE SETTLEMENT AGREEMENT

**GAMING ENTERTAINMENT (INDIANA), LLC d/b/a RISING STAR CASINO
RESORT
18-RR-02**

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

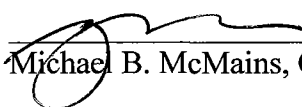
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.


IT IS SO ORDERED THIS THE 28th DAY OF JUNE, 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:)
)
GAMING ENTERTAINMENT (INDIANA),) **SETTLEMENT**
LLC d/b/a RISING STAR CASINO RESORT) **18-RR-02**

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Gaming Entertainment (Indiana), LLC d/b/a Rising Star Casino Resort (“Rising Star”) (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) 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.
2. Rising Star Internal Control Procedures, 3-14, letter H, describes the intercept procedures for withholding outstanding child support from W-2G winnings of child support obligors.
3. On February 12, 2018, a Gaming Agent reviewed the Rising Star Audit Exception Report for the Child Support Arrears Delinquency Report (CSADR) for the month of December 2017. On December 22 and December 31, a total of two (2) patrons were not searched in the CSADR while their winning taxable jackpots were processed. A follow-up determined that none of the patrons owed child support.
4. A Gaming Agent reviewed the Rising Star Audit Exception Report for the CSADR for the month of February 2018. On February 5, 2018, one (1) patron was not searched in the CSADR after winning a taxable jackpot. A follow-up determined that the patron did not owe child support.

COUNT II

5. 68 IAC 2-6-35 states the electronic gaming device must be linked to a progressive meter or meters showing the current payoff to all players who are playing an electronic gaming device which may potentially win the progressive amount.

6. On January 25, 2018, the Table Games Manager notified Gaming Agents that five (5) table games were experiencing a malfunction with the progressive jackpot linked to the tables. The computer that tracks the coin-in had not been working properly for approximately four (4) hours and twenty (20) minutes causing the an incorrect progressive amount to be displayed.
9. 68 IAC 2-6-33(a) states a progressive jackpot that is currently in play may be transferred to other progressive electronic gaming devices in the casino in the event of:
 - (1) electronic gaming device malfunction;
 - (2) electronic gaming device replacement; and
 - (3) another good reason deemed appropriate by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.(b) If the events set forth in subsection (a) do not occur, the progressive award must be permitted to remain until it is won by a player or transfer is approved by the executive.
10. 68 IAC 2-6-34(a) states he casino licensee must maintain a record of the amount shown on a progressive jackpot meter.
 - (b) Supporting documents must be maintained to explain a reduction in the payoff amount from a previous entry.
 - (c) The records and documents must be retained for a period of five (5) years unless otherwise provided by the executive director in writing.
11. On February 23, 2018, the Slot Performance Manager notified Gaming Agents that progressive transfer amounts were not recorded on the Progressive Transfer Log before completing a move and conversion of four (4) electronic gaming devices (EGD). The Slot Performance Manager provided documentation to the Gaming Agents for the EGD's through the use of the ACSC (Rising Star's slot accounting system). The Gaming Agent was able to confirm that the amounts were correct before the amounts could be transferred.

COUNT III

12. 68 IAC 12-1-8(a) states an activity log must be as follows:
 - (1) Continuously maintained by surveillance employees.
 - (2) Changed with each shift change of employees.
 - (3) Chronological.
 - (4) Contain, at a minimum, the following:
 - (A) The date and time of each entry.
 - (B) The identity of the employee making the entry.
 - (C) A summary of the activity recorded.
 - (D) Detail of whether the activity was monitored.
 - (E) Detail of the disposition of copies of recordings of the activity.
 - (5) Include entries for the following events and notifications received by surveillance employees about the events:
 - (A) The identity of surveillance employees on duty.
 - (B) Maintenance or repair of a gaming device or money handling equipment.

- (C) Live table drop box exchanges.
- (D) Electronic gaming device drop bucket exchanges.
- (E) Movements or transfers of the following:
 - (i) Cash.
 - (ii) Cash equivalents.
 - (iii) Chips.
 - (iv) Cards.
 - (v) Dice.
- (F) Detention or questioning of patrons or employees by the security department, including the identity of the following:
 - (i) Patrons or employees.
 - (ii) Security department personnel involved.
- (G) The beginning, end, and any interruptions of the following:
 - (i) The soft count.
 - (ii) The hard count.
- (H) Observed:
 - (i) procedural or control errors; or
 - (ii) criminal activity.
- (I) Pertinent:
 - (i) telephone calls; or
 - (ii) radio transmissions.
- (J) Malfunctions or repair of surveillance equipment.
- (K) Emergency activity.
- (L) Surveillance conducted on anyone or any activity that appears:
 - (i) unusual, irregular, or illegal; or
 - (ii) to violate IC 4-33, IC 4-35, or this title.
- (M) Surveillance conducted at the request of:
 - (i) a casino licensee;
 - (ii) personnel of the casino licensee;
 - (iii) a commission employee; or
 - (iv) an enforcement agent.
- (N) Any other notations deemed necessary by surveillance employees or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.

13. On April 4, 2018, Surveillance planned to replace a primary storage node (PSN) due to the PSN not hot swapping correctly. A Surveillance Tech advised the replacement would only take about twenty (20) minutes. One (1) hour into the replacement, the replacement PSN was not accepting video feed and at the same time, the surveillance server system stalled locking all of the surveillance observers out of their clients for approximately thirteen (13) minutes. Without access to their clients, Surveillance observers could not review footage, alarms, control or access the cameras in the system. The Surveillance Tech was able to reset the server which unlocked the clients and the PSN began to function properly.

Surveillance failed to log the incident where the observers were locked out of their client and failed to complete a surveillance incident report on this incident. Surveillance also failed to make entries into the daily shift log.

TERMS AND CONDITIONS

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

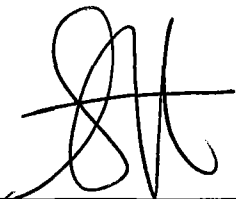
Rising Star shall pay to the Commission a total of \$12,000 (\$9,000 for Count I, \$1,500 for Count II and \$1,500 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged 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, Rising Star agrees to promptly remit payment in the amount of \$12,000 and shall waive all rights to further administrative or judicial review.

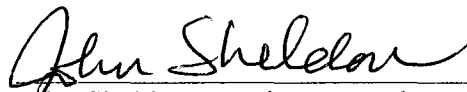
This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement shall be binding upon the Commission and Rising 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



John Sheldon, Interim General Manager
Rising Star Casino & Resort

Date 6/27/18

Date 6/25/18