

**ORDER 2024-79
IN RE SETTLEMENT AGREEMENT**

**AZTAR INDIANA GAMING CO., LLC
d/b/a BALLY'S EVANSVILLE
24-BE-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 20th DAY OF JUNE, 2024.

THE INDIANA GAMING COMMISSION:


Milton O. Thompson, Chair

ATTEST:


Marc Fine, Commissioner

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
AZTAR INDIANA GAMING CO., LLC)	24-BE-02
d/b/a BALLY'S EVANSVILLE)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and Aztar Indiana Gaming Co., LLC d/b/a Bally's Evansville Casino & Hotel ("Bally's" or "Bally's Evansville"), (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 11-1-2(1) provides that the procedures of the internal control system are designed to ensure assets of the casino licensee are safeguarded.
2. 68 IAC 15-1-2(1) provides the assets of the casino licensee are safeguarded.
3. Bally's Evansville's approved internal controls, N-12, describes the procedures for Accounting Controls.
4. 68 IAC 11-9-2 provides the casino licensee 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.
5. Bally's Evansville's approved internal controls, B-2, describes the procedures for Child Support.
6. On March 3, 2024, Surveillance notified Gaming Agents that a Ticket Writer failed to notify surveillance he was transporting his bank bag to the Main Bank. Surveillance called the Sportsbook and informed them that they needed to notify Surveillance prior to transporting their bank bag of funds. Sportsbook employees informed Surveillance that they were not aware of this internal regulation. A review of Surveillance coverage on March 2, 2024, determined that there were an additional three (3) different violations where Surveillance was not notified of money transports from the Sportsbook.
7. On April 3, 2024, Surveillance notified Gaming Agents that there was a child support arrears delinquency reporting ("CSADR") forfeiture and surveillance was not notified. A review of Surveillance coverage confirmed this information.

COUNT II

8. 68 IAC 11-3-5(1) provides the currency collection process shall proceed under the constant observation of a security officer.
9. 68 IAC 11-1-2(1) provides that the procedures of the internal control system are designed to ensure the assets of the casino licensee are safeguarded.
10. The Commission's 24-hour Gaming Operations Plan provides that Security will define the drop area and after all patrons and non-drop team employees have been cleared from the designated drop area, Security will station themselves at opposite ends of the designated drop area. Security will prevent patrons and non-drop employees from entering the designated drop area while the bill validators are being collected.
11. Bally's Evansville's approved internal controls, D-2, describes the procedures for Currency Collection.
12. Bally's Evansville's approved internal control procedures, M-10, describe the procedures for the 24-hour Gaming Operations and the slot drop.
13. On March 20, 2024, a Gaming Agent observed an electronic gaming device ("EGD") bill validator ("BV") door had already been unlocked by the drop team, providing immediate access to the cashbox, however, there was no Security Officer in this area monitoring the open EGD's. To demonstrate the security risk this imposed, the Gaming Agent pulled the BV box from the EGD and held it in his hand until Security showed up. A review of Surveillance coverage showed that a Security Officer was in the area, but he had his back to the open doors and was in a conversation with another licensee. A Gaming Agent was able to remove the cash box from its housing without being noticed by a Security Officer.

COUNT III

14. 68 IAC 11-7-1(b) provides for the purposes of this rule, "sensitive keys" means keys that either management or the commission considers sensitive to the casino licensee's operation and therefore require strict control over custody and issuance.
15. 68 IAC 11-7-3(b) provides that sensitive keys shall be returned to custody and signed in by the same occupational licensee they were issued to unless there is a documented change of shift.
16. Bally's Evansville's approved internal controls, M-6, describe procedures for Sensitive Keys.
17. On March 18, 2024, a Slot Shift Manager notified Gaming Agents that a Dual Rate Slot Shift Supervisor self-reported that she had left sensitive keys unsecured in her employee wall locker when she left the casino at the end of her shift on March 17, 2024. She returned the keys to the key-watcher when she arrived for work on March 18, 2024.

18. On April 13, 2024, Surveillance notified Gaming Agents that a Table Games Floor Supervisor left property with a sensitive keyset and returned them to the casino approximately twenty-eight (28) minutes later. The keyset is used for the Poker Bank, Poker Booth Card drawer, and Poker Booth Card Cabinet.

COUNT IV

19. 68 IAC 1-5-1(1) provides a casino licensee shall provide written notice to the Executive Director as soon as the casino licensee become aware of a violation or apparent violation of a rule of the commission by any of the following: (A) The casino or supplier licensee, (B) A substantial owner, key person, or employee of the casino or supplier licensee, or (C) A person acting, or authorized to act, on behalf of or in furtherance of the interests of the casino or supplier licensee or an affiliate of the licensee.
20. Bally's Evansville's approved internal controls, F-9, describe the EGD Ticket Procedures.
21. On March 7, 2024, a Slot Service Manager notified Gaming Agents that a patron printed a TITO out from an electronic gaming device ("EGD") for \$1,517.02. The amount went over the \$1,199.99 threshold due to accumulated play, not a jackpot. The patron attempted to cash out the TITO at a ticket redemption machine, however, his attempt was unsuccessful. The TITO was printed at the Cage.
22. The EGD was checked by a Lead Slot Technician who confirmed that the settings on the EGD were correct. The Lead Slot Technician reviewed the machine entry authorization log for the EGD and determined that the EGD had been checked on February 23, 2024, for another TITO that printed out in the amount of \$1,202.00, also due to accumulated play, and not a jackpot. The settings on the EGD were also checked on February 23, 2024, and found to be correct, and the machine was placed back into service. The incident on February 23, 2024, was not reported to the Gaming Agents. The EGD was reviewed by a Tech from Everi, the EGD's manufacturer, and found that the max payout limit had two numbers reversed. It was set up at \$1,999.99 coin, instead of \$1,199.99. The settings were corrected and placed back in service.

COUNT V

23. 68 IAC 11-1-2(1) provides that the procedures of the internal control system are designed to ensure assets of the casino licensee are safeguarded.
24. 68 IAC 11-3-6(c)(1)(2) & (3) provides the individual drop box shall be selected and the identification label displayed to the surveillance camera. 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. 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.

25. 68 IAC 12-1-6(1) provides surveillance employees must continuously monitor and visually record the soft count procedures in accordance with 68 IAC 11-3.
26. Bally's Evansville's approved internal controls, D-3, describes procedures for count and currency collection / bill validator drop.
27. On March 27, 2024, Bally's Evansville's Director of Compliance notified Gaming Agents that two (2) "hot" bill validator ("BV") boxes were left on a locked cart along with empty BV's for approximately six (6) days before they were discovered during drops.
28. A review of surveillance coverage of the soft count process on March 20, 2024, showed Count Team members opening and counting down the BV boxes. It appears that the Count Team members appear to get lost in a conversation and the two (2) "hot" BV boxes in question were placed on a section of the counting table with previously emptied BV boxes. The two (2) "hot" BV boxes along with the empty BV boxes were placed onto the drop cart and the drop cart was secured. Count Team members subsequently discovered the number of boxes counted were off. The paperwork showed there were 503 BV boxes, but only 501 BV boxes were emptied. One (1) Count Team member tried to give some feedback on the issues, but the Count Room Lead replied that he did not know and did not care. The Count Team did not notify Surveillance that their count was off. The cart containing the "hot" BV boxes was pushed out into the back of the house hallway where it stayed until March 25, 2024, when it was brought into the count room and secured in preparation for drops on the following morning.
29. On March 26, 2024, a Count Room Manager was in the count room and pulled out the drop cart and pushed it onto the floor for drops. While a Count Room Attendant was placing the empty boxes next to the electronic gaming devices ("EGD") in preparation for the drop process, the Count Room Attendant pulled one (1) of the "hot" BV boxes off the cart and noticed money inside the BV box. The Count Room Attendant called the Count Room Manager for assistance. They met up with Security and called Surveillance for coverage. Security escorted a Count Room Attendant with the "hot" BV box to secure it in the Main Bank.
30. On March 27, 2024, a Gaming Agent contacted the Director of Compliance to ascertain where the second "hot" BV box was. The Director of Compliance provided the second "hot" BV box was not caught in time and was placed into an EGD. The Director of Compliance advised that they would not know which EGD had the "hot" BV box until the EGD's were dropped next month. One (1) BV box contained 175 bills, totaling \$4,810 and 110 tickets totaling \$7,545.25. The second BV box contained thirteen (13) bills totaling \$279 and twenty-eight (28) tickets, totaling \$1,621.20.
31. On April 2, 2024, the Director of Finance advised Gaming Agents that the second "hot" BV box was discovered during the soft count process on March 27, 2024.

COUNT VI

32. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
33. 68 IAC 15-12-4 provides the requirements for live gaming device credits.
34. Bally's Evansville's approved internal controls, C-1, describes procedures for live gaming device fills and credits.
35. On March 29, 2024, Surveillance notified Gaming Agents that a live gaming device fill was taken to and accepted at the wrong table. A review of surveillance coverage confirmed that the live gaming device was accepted at the wrong table and the chips were placed into the float by a Dealer and Floor Supervisor. The Dealer continued dealing the game. The Security Officer appeared to recognize his error as he was leaving the pit area and spoke to the Floor Supervisor. The Floor Supervisor then removed the chips from the float and gave them to the Security Officer to return to the Cage.

COUNT VII

36. 68 IAC 15-6-4(b) provides 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.
37. 68 IAC 15-6-4(e) provides the vendor and visitor log shall contain the following information:
 - (1) The name of the vendor or visitor.
 - (2) The company or organization the vendor or visitor represents.
 - (3) The date and time the vendor or visitor entered the casino.
 - (4) The purpose that necessitates the vendor or visitor entering the casino.
 - (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.
 - (6) If the person is a visitor, the individual who authorized the visitor's presence in the casino.
 - (7) Any other information deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.
38. On January 24, 2019, the Commission issued a memorandum to all casino licensees on occupational licenses and the usage of the vendor log which states vendor and visitor badges are not to be utilized by those who hold or should hold an individual 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.

39. On April 1, 2024, Gaming Agents conducted an audit of the vendor log for February and March 2024.
40. On February 26, 2024, two (2) occupational licensees from Interblock were issued temporary badges instead of using their Commission issued occupational licensing badge.
41. On February 28, 2024, an occupational licensee from Caesars Sportsbook was issued a temporary badge instead of using their Commission issued occupational licensing badge.
42. On March 1, 2024, two (2) occupational licensees from Caesars Sportsbook were issued temporary badges instead of using their Commission issued occupational licensing badge.
43. In addition, Gaming Agents also found eight (8) instances of incomplete sign in/out information for March 2024. In six (6) instances, a Security Officer failed to log the date/time information that a Commission licensed vendor left Bally's Evansville property. In two (2) of the instances, a Security Officer failed to log the return date/time information of a previously issued temporary gaming badge.

COUNT VIII

44. 68 IAC 6-3-4(b)(4) provides that each casino licensee shall establish internal control procedures and the internal controls must make all reasonable attempts to ensure that voluntarily excluded persons do not receive direct marketing. A casino licensee will satisfy this requirement if the casino licensee removes the voluntarily excluded person's name from the list of patrons to whom direct marketing materials are sent, and the voluntarily excluded person does not receive direct marketing materials more than forty-five (45) days after the casino licensee receives notice, under section 3(a) of this rule, that the voluntarily excluded person has entered the VEP.
45. Bally's Evansville's approved internal controls, Q-2, describe the procedures for the VEP.
46. On October 25, 2023, Bally's Executive Director of Marketing provided a notification to Gaming Agents regarding a direct mail vendor error. The notification provided that a new member acquisition campaign had dropped on October 20, 2023, by a third-party vendor. The third-party vendor failed to follow instructions and only checked patron account numbers instead of checking against all available data fields.
47. The Executive Director of Marketing advised that Bally's bought a list from Everi. This list was provided to Bally's third-party vendor who should have cross referenced the information on the list to the "no mail" list provided by Bally's Evansville. As a result, 112 active VEP's received direct mail.
48. Bally's Director of Compliance advised Gaming Agents that the new member acquisition campaign was a decision from corporate and completed across several properties. The Director of Compliance placed blame on the third-party vendor and said that Bally's was

not involved other than sending the list to the third-party vendor. Bally's is responsible for the actions of their third-party vendor.

TERMS AND CONDITIONS

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

Bally's shall pay to the Commission a total of \$73,700 (\$5,000 for Count I, \$1,500 for Count II, \$1,500 for Count III, \$1,500 for Count IV, \$7,500 for Count V, \$1,500 for VI, \$5,700 for Count VII and \$49,500 for Count VIII) and submit a corrective action plan for Count V in consideration for the Commission foregoing disciplinary action based on the facts specifically described in 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, Bally's agrees to: 1) promptly remit payment in the amount of \$73,700, 2) submit a corrective action plan for Count V and 3) shall waive all rights to further administrative or judicial review.

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 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 Bally's.

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

Greg Small

Greg Small, Executive Director
Indiana Gaming Commission

6/11/24

Date



Timothy Bollmann, General Manager
Aztar Indiana Gaming Co., LLC d/b/a
Bally's Evansville Casino & Hotel

6/10/24

Date