

STATE OF NEW JERSEY
Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement
Dkt No. 10-0323-VC

STATE OF NEW JERSEY, DEPARTMENT)
OF LAW AND PUBLIC SAFETY,)
DIVISION OF GAMING ENFORCEMENT,)
)
Petitioner,)
)
v.)
)
BOARDWALK REGENCY CORPORATION,)
d/b/a CAESARS ATLANTIC CITY,)
)
Respondent.)
_____)

ORDER

The Division filed a complaint on October 29, 2010, Docket No. 10-0323-VC, seeking sanctions against BOARDWALK REGENCY CORPORATION d/b/a CAESARS ATLANTIC CITY ("CAESARS") for reasons set forth therein and, more specifically that CAESARS permitted cage cashiers to perform functions from multiple cashier impressments and, further, permitted cashier supervisors to perform functions of a cashier; and,

Having considered the relevant provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., specifically N.J.S.A. 5:12-99 and the regulations promulgated thereunder, specifically N.J.A.C. 19:45-3, N.J.A.C. 19:45-1.11, N.J.A.C. 19:45-1.15; and,

Having considered the Stipulation of Settlement which the parties executed and finding sufficient legal and factual support for the recommended penalty therein.

I hereby ORDER that the settlement be adopted and that a civil penalty in the amount of \$25,000 be imposed upon CAESARS, payable upon receipt of an invoice from the Division.

Dated: _____

June 7, 2012

A handwritten signature in cursive script, appearing to read "David Rebeck", written over a horizontal line.

DAVID REBUCK
DIRECTOR

JEFFREY S. CHIESA
Attorney General of New Jersey
Attorney for Complainant
State of New Jersey
Department of Law and Public Safety
Division of Gaming Enforcement
1300 Atlantic Avenue
Atlantic City, New Jersey 08401

By: R. Lane Stebbins
Deputy Attorney General
(609) 317-6218

STATE OF NEW JERSEY
DOCKET NO. 10-0323-VC

| | | |
|---------------------------------|---|----------------|
| STATE OF NEW JERSEY, DEPARTMENT |) | |
| OF LAW AND PUBLIC SAFETY, |) | |
| DIVISION OF GAMING ENFORCEMENT, |) | |
| |) | |
| Complainant, |) | Civil Action |
| |) | |
| v. |) | STIPULATION OF |
| |) | SETTLEMENT |
| BOARDWALK REGENCY CORPORATION |) | |
| d/b/a CAESARS ATLANTIC CITY |) | |
| |) | |
| Respondent. |) | |
| |) | |

The above-captioned matter having been discussed by and between the parties involved, Jeffery S. Chiesa, Attorney General of New Jersey, attorney for Complainant State of New Jersey, Department of Law and Public Safety, Division of Gaming Enforcement by R. Lane Stebbins, Deputy Attorney General, and N. Lynne Hughes,

Esq., Vice President, Legal Affairs, Chief Legal Officer, attorney for Respondent, BOARDWALK REGENCY CORPORATION d/b/a CAESARS ATLANTIC CITY (“Caesars”), the following facts have been agreed upon and stipulated.

Preliminary Facts
License History and Corporate Structure

1. Respondent, BOARDWALK REGENCY CORPORATION d/b/a CAESARS ATLANTIC CITY (“Caesars”) is a New Jersey corporation having its principal place of business at 2100 Pacific Avenue, Atlantic City, New Jersey 08401.

2. Caesars is the holder of a plenary casino license first issued by the Casino Control Commission (“Commission”) on October 25, 1980 and continuously renewed thereafter.

3. At all times relevant herein, Caesars was authorized to conduct casino gaming within its casino hotel facility.

Applicable Law

4. N.J.A.C. 19:45-1.11 provides, in pertinent part, that:

(a) Each casino licensee's system of internal controls shall, in accordance with the provisions of N.J.A.C. 19:45-1.11A, include tables of organization. Each casino licensee shall be permitted, except as otherwise provided in this section and N.J.A.C. 19:53-1.4, to tailor its organizational structure to meet the needs or policies of its own particular management philosophy....Each casino licensee's tables of organization shall provide for:

2. The segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties.

5. N.J.A.C. 19:45-1.11(b)1 provides, in pertinent part, that the surveillance department shall be responsible for:

v. The clandestine surveillance of the operation of the cashiers' cage and satellite cages;

6. N.J.A.C. 19:45-1.15 provides in pertinent part that:

(a) The assets for which the general cashiers are responsible shall be maintained on an imprest basis. At the end of each shift, the cashiers assigned to the outgoing shift shall record on a Cashiers' Count Sheet the face value of each cage inventory item counted and the total of the opening and closing cage inventories and shall reconcile the total closing inventory with the total opening inventory.

(b) At the opening of every shift, in addition to the imprest funds normally maintained by the general cashiers, each casino licensee shall have on hand in the cage or readily available thereto, a reserve cash bankroll adequately funded to pay winning patrons.

c) Except as otherwise authorized by N.J.A.C. 19:45-1.14(i), the cashiers' cage and any satellite cage shall be physically segregated by personnel and function as follows:

1. General cashiers shall operate with individual imprest inventories of cash and, at the discretion of the casino licensee, slot tokens and gaming chips and such cashiers' functions shall include, but are not limited to the following:

xi. Receive from check, chip bank, master coin bank and reserve cash cashiers documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashiers' cage;

7. N.J.S.A. 5:12-99(a) provides in pertinent part that:

Each applicant for a casino license shall submit to the commission a description of its initial system of internal procedures and administrative

and accounting controls for gaming and simulcast wagering operations.....Except as otherwise provided in subsection b. of this section, a casino licensee, upon submission to the commission of a narrative description of a change in its system of internal procedures and controls ... may ... implement the change. Each initial internal control submission shall contain a narrative description of the internal control system to be utilized by the casino, including, but not limited to:

(1) Accounting controls, including the standardization of forms and definition of terms to be utilized in the gaming and simulcast wagering operations;

(4) Procedures within the cashier's cage for the receipt, storage and disbursement of chips, cash, and other cash equivalents used in gaming and simulcast wagering; the cashing of checks; the redemption of chips and other cash equivalents used in gaming and simulcast wagering; the payoff of jackpots and simulcast wagers; and the recording of transactions pertaining to gaming and simulcast wagering operations;

(8) Procedures and security for the counting and recordation of revenue;

8. N.J.A.C. 19:45-1.3 provides in pertinent part that:

a) Each applicant for a casino license shall submit to the Commission a narrative description of its initial system of internal procedures and administrative and accounting controls ("internal controls") at least 30 days before gaming operations are to commence, unless otherwise directed by the Commission..... Each submission by a casino licensee or applicant shall include, as applicable and without limitation, the following:

1. Administrative controls which include, without limitation, the procedures and records that are concerned with the decision making processes leading to management's authorization of transactions;

2. Accounting controls which have as their primary objectives the safeguarding of assets and the reliability of financial records and are consequently designed to provide reasonable assurance that:

i. Transactions are executed in accordance with management's general and specific authorization;

ii. Transactions are recorded as necessary to permit preparation of

financial statements in conformity with generally accepted accounting principles and N.J.A.C. 19:45-1.6, and to maintain accountability for assets;

iii. Access to assets is permitted only in accordance with management authorization; and,

iv. The recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences;

(b) The Commission shall review a submission made pursuant to (a) above and determine whether it conforms to the requirements of the Act and the Commission's rules and provides adequate and effective controls for the operations of the casino licensee or applicant. No applicant for a casino license shall commence gaming operations unless and until its system of internal controls is approved by the Commission.

9. At all times relevant herein, Caesars' Internal Control submission, regarding Accounting Controls within the Cashier's Cage, provided, in pertinent part:

a) At the end of each shift, the cashiers assigned to the outgoing shift will record on their applicable form the face value of each cage inventory item counted and the total of the opening and closing cage inventories and will reconcile the total closing inventory with the total opening inventory.

3. When a Casino Services Cashier Supervisor is assigned to supervise in the Casino Cage or Satellite Casino Cage, the Casino Services Cashier Supervisor **will perform only those functions associated with a Cage Supervisor.**

[Emphasis supplied]

4. When a Casino Services Cashier Manager is assigned to manage the Casino Cage or Satellite Casino Cage, the Casino Services Cashier Manager **will perform only those functions associated with a Cage Shift Manager.** [Emphasis supplied]

10. At all times relevant herein, Caesars' Internal Control submission, regarding Accounting Controls within the Casino Cage, provided, in pertinent

part:

b) The Casino Cage will be physically segregated by personnel and will function as follows:

1. A Casino Services Cashier (Level I, II or III) working a Window Bank which is maintained on an imprest basis.

11. At all times relevant herein, Caesars' Internal Control submission, 1.40 Appendix "C", regarding Window Bank Check In/Check Out, provided, in pertinent part:

(g) The Window Bank Cashier will reconcile the bank to the original starting bankroll and sign the original count sheet on the outgoing side at the end of the shift. All discrepancies (shortage or overage) will be immediately reported to a Cage Supervisor who will sign the count sheet to acknowledge that they have been informed of the discrepancy.

Facts and Admissions

12. The Division, by Complaint filed October 29, 2010, Docket No. 10-0323-VC, a copy of which is attached hereto as Exhibit "A", sought sanctions against Caesars for reasons set forth therein and, more specifically:

a) Caesars permitted an employee then performing the functions of a Cage Supervisor to perform the functions of a cashier, in violation of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3;

b) Caesars failed to segregate incompatible functions in violation of N.J.A.C. 19:45-1.11(a)2;

c) Caesars failed to adequately or effectively observe the operation of the cashiers' cage, in violation of N.J.A.C. 19:45-1.11(b)1v; and,

Caesars failed to effectively maintain responsibility for imprest assets, in violation of N.J.A.C. 19:45-1.15(a)

13. Caesars acknowledges the accuracy of the facts set forth in

Paragraph 12, *supra*, and admits that it violated the provisions of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3 and N.J.A.C. 19:48-2.4(a); N.J.A.C. 19:45-1.11(a)2, N.J.A.C. 19:45-1.11(b)1v; and, N.J.A.C. 19:45-1.15(a).

Prior Regulatory History of the Licensee

14. Within the prior five years, Caesars has not been the subject of any formal regulatory action for violations of the regulations pertaining to control of and operations within its casino cage.

Corrective Action Of The Licensee And Mitigating Factors

15. EZ was issued progressive discipline, a verbal warning, because the cash drawer assigned to EZ had an untraceable shortage of \$11,050.

16. Caesars represents that it has issued a read and sign memorandum to all cashiering personnel as a reminder that no employee may work out of a drawer assigned to another employee and that doing so will result in progressive discipline.

17. To prevent the reoccurrence of a similar incident, the Surveillance Department has implemented a new procedure wherein, in the event that the Surveillance Department observes a Cage employee working from another Cage employee's drawer, the Surveillance Department shall immediately call the Cage

Supervisor on duty to remind them of the proper procedure, request that all funds be returned to the drawer and that the drawer be secured. Any such incident shall be noted in the Surveillance logs and documented on an incident report.

18. The Cage Director shall also monitor compliance with proper procedures through periodic observation.

Settlement Agreement

IT IS THEREFORE AGREED AND STIPULATED by and between the parties hereto that:

- A. The facts stated herein are true and accurate.

- B. Caesars admits it violated the provisions of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3 and N.J.A.C. 19:48-2.4(a).; N.J.A.C. 19:45-1.11(a)2, N.J.A.C. 19:45-1.11(b)1v; and, N.J.A.C. 19:45-1.15(a);

- C. For the violations admitted herein Caesars, shall pay to the New Jersey Casino Revenue Fund, as a civil penalty pursuant N.J.S.A. 5:12-129(5), and in recognition of the provisions of N.J.S.A. 5:12-130, the aggregate sum of \$25,000; and,

- D. The parties agree that a monetary penalty, in the total amount of

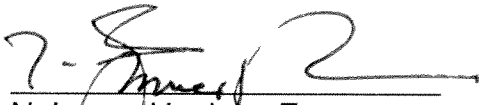
\$25,000 is just and equitable and in accordance with the criteria set forth in N.J.S.A.
5:12-130, and shall be in full and final settlement of the allegations set forth in the
above-captioned complaint.

The undersigned consent to the form and entry of the above Stipulation.



Dated: 6/7/12

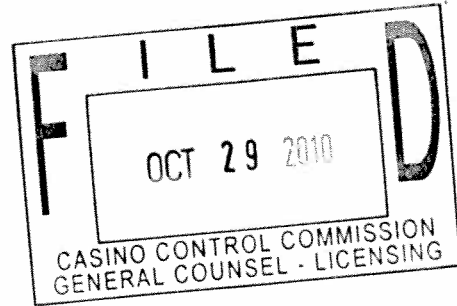
R. Lane Stebbins
Deputy Attorney General
Attorney for Complainant



Dated: 6/7/2012

N. Lynne Hughes, Esq.
Vice President, Legal Affairs,
Chief Legal Officer
Counsel for Respondent
Boardwalk Regency Corporation
d/b/a Caesars Atlantic City

PAULA T. DOW
 Attorney General of New Jersey
 Attorney for Complainant
 State of New Jersey
 Department of Law and Public Safety
 Division of Gaming Enforcement
 1300 Atlantic Avenue
 Atlantic City, New Jersey 08401



By: R. Lane Stebbins
 Deputy Attorney General
 (609) 317-6218

STATE OF NEW JERSEY
 CASINO CONTROL COMMISSION
 DOCKET NO. 10-0323-VC

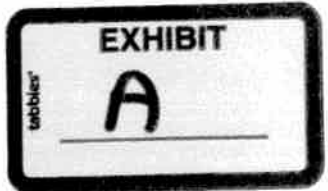
STATE OF NEW JERSEY, DEPARTMENT)
 OF LAW AND PUBLIC SAFETY,)
 DIVISION OF GAMING ENFORCEMENT,)
)
 Complainant,)
)
 v.)
)
 BOARDWALK REGENCY CORPORATION)
 d/b/a CAESARS ATLANTIC CITY)
)
 Respondent.)
)

Civil Action
 COMPLAINT

Complainant, State of New Jersey, Department of Law and Public Safety, Division of Gaming Enforcement ("Division"), located at 1300 Atlantic Avenue, Atlantic City, New Jersey, 08401 says:

COUNT I
(Cashier CD)

1. Respondent, BOARDWALK REGENCY CORPORATION d/b/a CAESARS ATLANTIC CITY ("Caesars") is a New Jersey corporation having its principal place of business at 2100 Pacific Avenue, Atlantic City, New Jersey 08401.



2. Caesars is the holder of a plenary casino license first issued by the Casino Control Commission ("Commission") on October 25, 1980 and continuously renewed thereafter. At all times relevant herein, Caesars was authorized to conduct casino gaming within its casino hotel facility.

3. N.J.A.C. 19:45-1.11 provides, in pertinent part, that:

(a) Each casino licensee's system of internal controls shall, in accordance with the provisions of N.J.A.C. 19:45-1.11A, include tables of organization. Each casino licensee shall be permitted, except as otherwise provided in this section and N.J.A.C. 19:53-1.4, to tailor its organizational structure to meet the needs or policies of its own particular management philosophy....Each casino licensee's tables of organization shall provide for:

2. The segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties.

4. N.J.A.C. 19:45-1.11(b)1 provides, in pertinent part, that the surveillance department shall be responsible for:

v. The clandestine surveillance of the operation of the cashiers' cage and satellite cages;

5. N.J.A.C. 19:45-1.15 provides in pertinent part that:

(a) The assets for which the general cashiers are responsible shall be maintained on an imprest basis. At the end of each shift, the cashiers assigned to the outgoing shift shall record on a Cashiers' Count Sheet the face value of each cage inventory item counted and the total of the opening and closing cage inventories and shall reconcile the total closing inventory with the total opening inventory.

(b) At the opening of every shift, in addition to the imprest funds normally maintained by the general cashiers, each casino licensee shall have on hand in the cage or readily available thereto, a reserve cash bankroll adequately funded to pay winning patrons.

c) Except as otherwise authorized by N.J.A.C. 19:45-1.14(i), the cashiers' cage and any satellite cage shall be physically segregated by personnel and function as follows:

1. General cashiers shall operate with individual imprest inventories of cash and, at the discretion of the casino licensee, slot tokens and gaming chips and such cashiers' functions shall include, but are not limited to the following:

xi. Receive from check, chip bank, master coin bank and reserve cash cashiers documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashiers' cage;

6. N.J.S.A. 5:12-99(a) provides in pertinent part that:

Each applicant for a casino license shall submit to the commission a description of its initial system of internal procedures and administrative and accounting controls for gaming and simulcast wagering operations.....Except as otherwise provided in subsection b. of this section, a casino licensee, upon submission to the commission of a narrative description of a change in its system of internal procedures and controls ... may ... implement the change. Each initial internal control submission shall contain a narrative description of the internal control system to be utilized by the casino, including, but not limited to:

(1) Accounting controls, including the standardization of forms and definition of terms to be utilized in the gaming and simulcast wagering operations;

(4) Procedures within the cashier's cage for the receipt, storage and disbursement of chips, cash, and other cash equivalents used in gaming and simulcast wagering; the cashing of checks; the redemption of chips and other cash equivalents used in gaming and simulcast wagering; the pay-off of jackpots and simulcast wagers; and the recording of

transactions pertaining to gaming and simulcast wagering operations;

(8) Procedures and security for the counting and recordation of revenue;

7. N.J.A.C. 19:45-1.3 provides in pertinent part that:

a) Each applicant for a casino license shall submit to the Commission a narrative description of its initial system of internal procedures and administrative and accounting controls ("internal controls") at least 30 days before gaming operations are to commence, unless otherwise directed by the Commission. Each submission by a casino licensee or applicant shall include, as applicable and without limitation, the following:

1. Administrative controls which include, without limitation, the procedures and records that are concerned with the decision making processes leading to management's authorization of transactions;

2. Accounting controls which have as their primary objectives the safeguarding of assets and the reliability of financial records and are consequently designed to provide reasonable assurance that:

i. Transactions are executed in accordance with management's general and specific authorization;

ii. Transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and N.J.A.C. 19:45-1.6, and to maintain accountability for assets;

iii. Access to assets is permitted only in accordance with management authorization; and,

iv. The recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences;

(b) The Commission shall review a submission made pursuant

to (a) above and determine whether it conforms to the requirements of the Act and the Commission's rules and provides adequate and effective controls for the operations of the casino licensee or applicant. No applicant for a casino license shall commence gaming operations unless and until its system of internal controls is approved by the Commission.

8. At all times relevant herein, Caesars' Internal Control submission, regarding Accounting Controls within the Cashier's Cage, provided, in pertinent part:

a) At the end of each shift, the cashiers assigned to the outgoing shift will record on their applicable form the face value of each cage inventory item counted and the total of the opening and closing cage inventories and will reconcile the total closing inventory with the total opening inventory.

3. When a Casino Services Cashier Supervisor is assigned to supervise in the Casino Cage or Satellite Casino Cage, the Casino Services Cashier Supervisor **will perform only those functions associated with a Cage Supervisor.** [Emphasis supplied]

4. When a Casino Services Cashier Manager is assigned to manage the Casino Cage or Satellite Casino Cage, the Casino Services Cashier Manager **will perform only those functions associated with a Cage Shift Manager.** [Emphasis supplied]

9. At all times relevant herein, Caesars' Internal Control submission, regarding Accounting Controls within the Casino Cage, provided, in pertinent part:

b) The Casino Cage will be physically segregated by personnel and will function as follows:

1. A Casino Services Cashier (Level I, II or III) working a Window Bank which is maintained on an imprest basis.

10. At all times relevant herein, Caesars' Internal Control submission, 1.40 Appendix "C", regarding Window Bank Check In/Check Out, provided, in pertinent

part:

(g) The Window Bank Cashier will reconcile the bank to the original starting bankroll and sign the original count sheet on the outgoing side at the end of the shift. All discrepancies (shortage or overage) will be immediately reported to a Cage Supervisor who will sign the count sheet to acknowledge that they have been informed of the discrepancy.

11. On March 6, 2010, commencing from a time prior to 5:06 p.m. and continuing through 5:24 p.m., CD, then in the job title of Casino Services Cashier Supervisor, received and was responsible for a cash drawer containing an imprest amount. By receiving a cash drawer with an imprest amount, CD was performing the functions of a Casino Services Cashier, as described in Paragraphs 5 and 9, of this Complaint.

12. On March 6, 2010, during the time period identified in Paragraph 11 of this Complaint, JM, then in the job title of Casino Services Cashier Supervisor, was assigned as cage supervisor within Caesars Main Cage. By this assignment, JM, pursuant to Caesars' Internal Control submission, was to perform only those functions associated with a Cage Supervisor, as described in Paragraph 8a3, of this Complaint.

13. On March 6, 2010, at 5:06 p.m., JM, then in the job title of Casino Services Cashier Supervisor and assigned as a Cage Supervisor, removed currency from the cashier drawer then assigned, on an imprest basis, to CD.

14. Based upon the conduct described in Paragraphs 1 through 13 of this Complaint, Caesars, permitted an employee, JM, then assigned as a Cage Supervisor, to

perform the functions of a cashier, in violation of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3.

15. Based upon the conduct described in Paragraphs 1 through 13 of this Complaint, Caesars surveillance department failed to identify the conduct of the cashiers as being violative of its Internal Controls, thereby failing to adequately or effectively observe the operation of the cashiers' cage, in violation of N.J.A.C. 19:45-1.11(b)1v.

16. Based upon the conduct described in Paragraphs 1 through 13 of this Complaint, Caesars, by CD failing to prevent the actions of JM, failed to effectively maintain responsibility for imprest assets, in violation of N.J.A.C. 19:45-1.15(a).

17. Based upon the conduct described in Paragraphs 1 through 13 of this Complaint, Caesars, by CD failing to prevent the actions of JM, failed to segregate incompatible functions in violation of N.J.A.C. 19:45-1.11(a)2.

WHEREFORE, Complainant demands judgment that Caesars:

A. Judgment that Caesars permitted an employee then performing the functions of a Cage Supervisor to perform the functions of a cashier, in violation of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3;

B. Judgment that Caesars failed to segregate incompatible functions in

violation of N.J.A.C. 19:45-1.11(a)2;

C. Judgment that Caesars failed to adequately or effectively observe the operation of the cashiers' cage, in violation of N.J.A.C. 19:45-1.11(b)1v;

D. Judgment that Caesars failed to effectively maintain responsibility for imprest assets, in violation of N.J.A.C. 19:45-1.15(a);

E. Judgment imposing an appropriate monetary penalty pursuant to N.J.S.A. 5:12-129(5) upon Caesars for said violations; and,

F. Judgment imposing such other relief as the Commission in its discretion may deem just and appropriate.

COUNT II
(Cashier RA)

18. COUNT I is incorporated by reference herein and made a part hereof as if set forth at length.

19. On March 6, 2010, commencing at approximately 7:00 p.m. and continuing through 1:00 a.m. on March 7, 2010, RA, then in the job title of Casino Services Cashier Supervisor, received and was responsible for a cash drawer containing an imprest amount. By receiving a cash drawer with an imprest amount, RA was performing the

functions of a Casino Services Cashier, as described in Paragraphs 5 and 9, of this Complaint.

20. On March 6, 2010, during the time period identified in Paragraph 19 of this Complaint, NN, then in the job title of Casino Services Cashier Manager, was assigned as the Cage Shift Manager within Caesars Main Cage. By this assignment, NN, pursuant to Caesars' Internal Control submission, was to perform only those functions associated with a Cage Shift Manager, as described in Paragraph 8a4, of this Complaint.

21. On March 6, 2010, commencing at approximately 7:00 p.m. and continuing through 1:00 a.m. on March 7, 2010, NN, on three occasions, utilized the cash drawer assigned to RA to perform the functions of a cashier, thereby failing to restrict her functions to those associated with a Cage Shift Manager as required by Caesars' Internal Controls.

22. On March 6, 2010, from 5:00 p.m. to 1:00 a.m., AC, then in the job title of Casino Services Cashier Supervisor, was assigned as a Cage Supervisor within Caesars Main Cage. By this assignment, AC, pursuant to Caesars' Internal Control submission, was to perform only those functions associated with a Cage Supervisor, as described in Paragraph 8a3, of this Complaint.

23. On March 6, 2010, commencing at approximately 7:00 p.m. and continuing through 1:00 a.m. on March 7, 2010, AC, on two occasions, utilized the cash

drawer assigned to RA to perform the functions of a cashier, thereby failing to restrict her functions to those associated with a Cage Supervisor as required by Caesars' Internal Controls.

24. On March 6, 2010, commencing at approximately 7:00 p.m. and continuing through 1:00 a.m. on March 7, 2010, EZ, then in the job title of Casino Services Cashier Supervisor, was assigned a cash drawer adjacent to the drawer assigned to RA. On two occasions, EZ performed the functions of a Casino Services Cashier but did so utilizing the cash drawer assigned to RA.

25. The reconciliation of the cash drawer assigned to RA, required at the end of the shift by N.J.A.C. 19:45-1.15(a) and Caesars Internal Controls, resulted in a determination that the cash drawer assigned to RA had a variance, specifically, an overage of \$1,050. Pursuant to Caesars approved Internal Controls, 1.40 Appendix "C" subsection (g), a Cage Supervisor was required to sign the count sheet acknowledging the variance. However, no Cage Supervisor signed the count sheet.

26. Based upon the conduct described in Paragraphs 18 through 25 of this Complaint, Caesars permitted employees, then assigned as a Cage Supervisor or a Cage Shift Manager, to perform the functions of a cashier, in violation of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3 and 8a4.

27. Based upon the conduct described in Paragraphs 18 through 25 of this

Complaint, Caesars Surveillance Department failed to identify the conduct of RA, NN, AC, and EZ as being violative of its Internal Controls, thereby failing to adequately or effectively observe the operation of the cashiers' cage, in violation of N.J.A.C. 19:45-1.11(b)1v.

28. Based upon the conduct described in Paragraphs 18 through 25 of this Complaint, Caesars, by RA failing to prevent the actions of NN, AC, and EZ, failed to effectively maintain responsibility for imprest assets, in violation of N.J.A.C. 19:45-1.15(a).

29. Based upon the conduct described in Paragraphs 18 through 25 of this Complaint, Caesars, by RA failing to prevent the actions of NN, AC, and EZ, failed to segregate incompatible functions in violation of N.J.A.C. 19:45-1.11(a)2.

WHEREFORE, Complainant demands judgment that Respondent Caesars:

A. Judgment that Caesars permitted employees then performing the functions of a Cage Cashier Supervisor or as a Cage Shift Manager to performed the function of a cashier, in violation of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3 and 8a4;

B. Judgment that Caesars failed to segregate incompatible functions in violation of N.J.A.C. 19:45-1.11(a)2;

C. Judgment that Caesars failed to adequately or effectively observe the

operation of the cashiers' cage, in violation of N.J.A.C. 19:45-1.11(b)1v;

D. Judgment that Caesars failed to effectively maintain responsibility for imprest assets, in violation of N.J.A.C. 19:45-1.15(a);

E. Judgment imposing an appropriate monetary penalty pursuant to N.J.S.A. 5:12-129(5) upon Caesars for said violations; and,

F. Judgment imposing such other relief as the Commission in its discretion may deem just and appropriate.

COUNT III
(Cashier EZ)

30. COUNTS I and II are incorporated by reference herein and made a part hereof as if set forth at length.

31. On March 6, 2010, commencing at approximately 5:00 p.m. and continuing through 12:10 a.m. on March 7, 2010, EZ, then in the job title of Casino Services Cashier Supervisor, received and was responsible for a cash drawer containing an imprest amount. By receiving a cash drawer with an imprest amount, EZ was performing the functions of a Casino Services Cashier, as described in Paragraphs 5 and 9, above.

32. On March 6, 2010, during the time period identified in Paragraph 31 of this Complaint, NN, then in the job title of Casino Services Cashier Manager, was assigned as the Cage Shift Manager within Caesars Main Cage. By this assignment, NN, pursuant to Caesars' Internal Control submission, was performing the functions of a Cage Shift Manager, as described in Paragraph 8a4, of this Complaint.

33. On March 6, 2010, during the time period identified in Paragraph 31 of this Complaint, NN, on seventeen occasions, utilized the cash drawer assigned to EZ to perform the functions of a cashier, thereby failing to restrict her functions to those associated with a Cage Shift Manager as required by Caesars' Internal Controls.

34. On March 6, 2010, during the time period identified in Paragraph 31 of this Complaint, AC, then in the job title of Casino Services Cashier Supervisor, was assigned as a Cage Supervisor within Caesars Main Cage. By this assignment, AC, pursuant to Caesars' Internal Control submission, was performing the functions of a Cage Supervisor, as described in Paragraph 8a3, above.

35. On March 6, 2010, during the time period identified in Paragraph 31 of this Complaint, AC, on seven occasions, utilized the cash drawer assigned to EZ to perform the functions of a cashier, thereby failing to restrict her functions to those associated with a Cage Supervisor as required by Caesars' Internal Controls.

36. On March 6, 2010, during the time period identified in Paragraph 31

of this Complaint, RA, was assigned a cash drawer adjacent to the drawer assigned to EZ. On two occasions, RZ performed the functions of a Casino Services Cashier but did so utilizing the cash drawer assigned to EZ.

37. The reconciliation of the cash drawer assigned to EZ, required at the end of the shift by N.J.A.C. 19:45-1.15(a) and Caesars' Internal Controls, resulted in a determination that the cash drawer assigned to EZ had a variance, specifically, a shortage of \$11,050. Pursuant to Caesars approved Internal Controls, 1.40 Appendix "C" subsection (g), a Cage Supervisor was required to sign the count sheet acknowledging the variance. However, no Cage Supervisor signed the count sheet.

38. Based upon the conduct described in Paragraphs 30 through 37 of this Complaint, Caesars, permitted employees, then assigned as a Cage Supervisor or as a Cage Shift Manager, to perform the functions of a cashier, in violation of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3 and 8a4.

39. Based upon the conduct described in Paragraphs 30 through 36 of this Complaint, Caesars Surveillance Department failed to identify the conduct of RA, NN, AC, and EZ as being violative of its Internal Controls, thereby failing to adequately or effectively observe the operation of the cashiers' cage, in violation of N.J.A.C. 19:45-1.11(b)1v.

40. Based upon the conduct described in Paragraphs 30 through 36 of this Complaint, Caesars, by EZ failing to prevent the actions of NN, AC, and RA, failed to

effectively maintain responsibility for imprest assets, in violation of N.J.A.C. 19:45-1.15(a).

41. Based upon the conduct described in Paragraphs 29 through 35 of this Complaint, Caesars, by EZ failing to prevent the actions of NN, AC, and, failed to segregate incompatible functions in violation of N.J.A.C. 19:45-1.11(a)2.

WHEREFORE, Complainant demands judgment that Respondent Caesars:

A. Judgment that Caesars permitted employees then performing the functions of a Cage Supervisor or as a Cage Shift Manager to perform the functions of a cashier, in violation of N.J.S.A. 5:12-99(a), N.J.A.C. 19:45-1.3 and its Internal Controls as set forth in Paragraph 8a3 and 8a4;

B. Judgment that Caesars failed to segregate incompatible functions in violation of N.J.A.C. 19:45-1.11(a)2;

C. Judgment that Caesars failed to adequately or effectively observe the operation of the cashiers' cage, in violation of N.J.A.C. 19:45-1.11(b)1v;

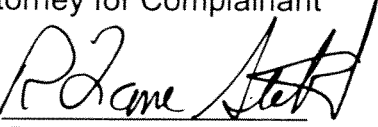
D. Judgment that Caesars failed to effectively maintain responsibility for imprest assets, in violation of N.J.A.C. 19:45-1.15(a);

E. Judgment imposing an appropriate monetary penalty pursuant to

N.J.S.A. 5:12-129(5) upon Caesars for said violations; and,

F. Judgment imposing such other relief as the Commission in its discretion may deem just and appropriate.

Respectfully submitted,
PAULA T. DOW
Attorney General of New Jersey
Attorney for Complainant

By: 
R. Lane Stebbins
Deputy Attorney General

Dated:  29, 2010