

Gamblers cash in on Caesars casino error

The Caesars Indiana casino lost nearly half a million dollars over two-days last month on one slot machine that had been incorrectly set to give players credit for 10 times the amount of money they put into it.

Caesars and Indiana Gaming Commission officials say the machine – named Extra Money – paid out USD 487,000 over the July 21 weekend before an honest gambler from Louisville brought the problem to their attention.

The commission is investigating the matter and might penalize Caesars for failing to follow procedures designed to prevent such a problem, said Jennifer Arnold, its deputy director.

But so far, at least, there's no indication that criminal behavior was involved, according to casino management and the Indiana State Police.

Caesars, which is on the Ohio River in Harrison County, plans to try to track down the missing money.

But Ernest Yelton, executive director of the Indiana Gaming Commission, said he doesn't know whether the players who benefited are under any legal obligation.

"I would suggest you consult an attorney," he told a reporter.

Friendly competition exposes problem

The problem came to Caesars' attention after Kathryn Ford and her husband, David, sat down at two of the Extra Money slot machines on the night of July 23.

"We were going to have a race to see who could accumulate the most at one time on the same machine," Kathryn Ford said

Thursday.

But it soon became apparent that she had a very big advantage.

“He put a twenty in, and I put a twenty in, and my credits registered at 200 (dollars),” she said.

Confused, she tried a different USD 20 bill “and the same thing happened.”

Ford said she put eight USD 20 bills in the machine, and without playing even once she found herself with vouchers that could be redeemed for USD 1,600 in cash.

The extra cash put out by the Extra Money machine caught the attention of other gamblers, she said.

“There was even a young woman who jumped in while I was sitting there,” Ford said. “She ... reached across me, popped a hundred in, popped out a thousand and then she took off.”

Ford said she and her husband flagged down a security officer to report the problem.

Machine set for use in Philippines

It turned out that the machine was one of a bank of eight slots in which new software had been installed on July 21, according to a gaming commission incident report.

The other seven machines checked out fine. But the one Ford was using had a switch set in a position for use in the Philippines instead of the United States, and it instructed the machine to multiply credits by 10, the report states.

Ed Garruto, general manager of the casino, said “our testing procedures before putting the game in place were not completely followed.”

Arnold said Caesars needed “to test a machine to make sure that if you put USD 10 in, you get USD 10 in credit, and then

when you push cash out, that you get what you're due."

She added: "It appears that they failed to do that test. Had they done that they would have known that the machine was set to the wrong setting for currency."

Arnold said the commission will "be looking at what occurred in their operation that allowed this type of breakdown."

The results of the commission's investigation will be sent to the agency's compliance committee for review, she said.

Arnold said that Caesars' management has been cooperative, but that the casino could still face sanctions, including a possible fine or a requirement for a plan to address any flaws that are found.

Technician suspended

The commission's incident report said three technicians and one supervisor were involved in the installation and testing of the slot machine's software.

The technician who set the machine "has been suspended pending investigation with others to follow," the report stated.

Garruto said casino officials "have considered the possibility of collusion, but at this time we do not believe that it was deliberate or that there was collusion involved."

He added, "It looks like it was a costly mistake."

Garruto declined to comment on other possible disciplinary action or whether other employees might be affected.

Casino looks to get back money

Caesars, meanwhile, plans to try to get back its money.

"We are going to contact some of the patrons who may have benefited a great deal and see if we can effect a recovery,"

Garruto said.

He said he isn't sure whether the gamblers are legally required to return the money.

Some of those who benefited will be easy to track down. The incident report says that 24 patrons inserted their Player Cards – which allow the casino to track their gambling and reward them with perks – while getting vouchers out of the machine.

But Garruto said he thought “there were quite a few more” who did not use Player Cards and would thus require more effort to track down.

He said he was grateful that Ford alerted Caesars to the problem.

Ford said she thought about cashing her USD 1,600 in tickets but decided against it.

“Besides the guilt we would have for ... sitting there putting money in the thing and knowing it wasn't right, we are fully aware that they have cameras all over the place,” she said.

Ford said she and her husband go to the casino about once a week “on what we call date night.”

“We have four kids and a mom that lives with us and a dog, and we both work,” she said. “And one night a week we go and have some fun with young people ... and everybody's there to enjoy themselves and have a good time.”

Ford said Caesars was very nice to her when she reported the slot machine problem. And in the end officials told her she could keep one of those USD 200 vouchers.