

Activities Related to Casino Gaming Oversight

Fiscal Year 2010

January 1, 2011

Amount of Money Received and Expended

For fiscal year 2010, a projected budget of \$4,717,100 was allocated. At the end of the fiscal year, \$4,127,769 had been spent to cover Michigan State Police (MSP) operational expenses and the salary and wages for 32 FTE's.

Nature and Structure of MSP Gaming Section

The Michigan State Police Gaming Section's primary focus is on criminal enforcement related activities for all three Detroit casinos. Gaming Section personnel also assist the Michigan Gaming Control Board (MGCB) with regulatory matters and large-scale projects as requested. Since many criminal investigations entail regulatory matters, section personnel routinely coordinate their efforts with the MGCB. The MSP Gaming Section continues to provide assistance to MGCB, as necessary, in the form of LEIN (Law Enforcement Information Network) warrant and criminal history checks for licensing purposes. The Michigan Public Safety Communication System continues to be the primary mode of communication between the casinos, MGCB and MSP personnel.

The breakdown of staffing is as follows:

Full Staffing

1 Inspector
 2 Secretary 9
 1 D/F/Lt. 15
 2 D/Lt. 14
 5 D/Sgt. 12
 21 D/Spl. 11

32 Total Employees

Summary of Casino Enforcement Activities

Gaming Section personnel work from a central location in the Cadillac Place Building at 3062 W. Grand Boulevard, Suite I-750, Detroit, Michigan and rotate their patrols between the three casinos.

During fiscal year 2010 the Gaming Section affected 286 arrests. These included felony arrests for cheating at gaming, fraudulent activities, larceny, and counterfeiting. Misdemeanor arrests included charges of underage gambling, minor in possession of alcohol, and trespass by disassociated persons. Additionally, numerous fugitive arrests were made satisfying 23 fugitive warrants.

Counterfeit money continues to surface at Detroit based casinos. MSP Gaming Section responded to 208 complaints of patrons in possession of counterfeit money seizing \$13,191 in counterfeit currency. Additionally, the three casinos identified another \$8,370 in counterfeit currency within their cash cages. The total amount of counterfeit currency turned over to the U. S. Secret Service from the casinos during FY10 was \$21,561. Investigators continue to track occurrences via an in-house database to identify patterns and people. Most individuals are found to be in possession of a single counterfeit bill and maintain they received the money from stores, banks, and other casinos during legitimate business transactions.

In all, the Gaming Section conducted 862 complaint investigations during FY10. The largest numbers of investigations were of counterfeit currency, gambling violations, and disassociated persons. A significant increase in gambling violation investigations was the result of a spike in craps past-poster's. A coordinated security and law enforcement effort reduced those incidents back to normal levels.

A program offered by the MGCB allows problem gamblers to “disassociate” themselves from the Detroit casinos and their affiliates. The Disassociated Persons List (DPL) currently consists of 2550 individuals. Disassociated persons are excluded from frequenting the casinos for life. Violating the exclusion is a misdemeanor offense and subjects the disassociated person to forfeiture of all gambling proceeds in their possession, if any. During the fiscal year, MSP Gaming section conducted 137 investigations of disassociated persons. Gambling proceeds in the amount of \$42,026.40 were seized, forfeited, and turned over to the Michigan Department of Community Health, Compulsive Gambling Prevention Fund in FY10.

The Michigan Department of State Police and the Michigan Gaming Control Board, in conjunction with the City of Detroit Fire Department, are responsible for emergency management training at the casinos and are required to annually train licensed casino security and surveillance personnel in critical incident management. The training is designed to prepare casino surveillance and security personnel in the proper procedures to follow in the event of a fire, robbery attempt, bomb threat, WMD incident, medical emergency, or other major emergency. Each of the three casinos participated in tabletop exercises, fulfilling their training requirement.

Investigative Highlights

- Gaming Section personnel arrested a bank robbery suspect at the MotorCity casino. The arrest stemmed from an attempted robbery of the Greektown Casino. The suspect told Greektown Casino’s cashier if she ever wanted to see her grandchildren again to give him all her \$100’s, \$50’s and \$20’s. The cashier slammed her cash drawer shut, ran from the cage window and hit the panic button. Troopers identified the suspect from surveillance video and compiled a photo line-up. Greektown Casino’s cashier was not able to identify the suspect. However, three days later there was a robbery of the First Independence Bank located in the Greektown business district. Although this robbery was being investigated by the Detroit Police Department, bank personnel identified the suspect from the photo line-up prepared by Troopers for the attempted casino robbery. The suspect was located playing roulette at the MotorCity Casino and was taken into custody without incident. A search of his hotel room resulted in the recovery of \$2500. Troopers contacted the FBI and by sharing information it was determined the suspect had also robbed several banks in the downriver Detroit area.
- Gaming Section – Casino Operations personnel arrested a subject for uttering & publishing two counterfeit \$100 bills at the MGM Grand Detroit Casino. Detectives obtained a search warrant for the suspect’s vehicle. Located in the vehicle were an additional 60 counterfeit \$100 bills and 150 cartons of cigarettes with counterfeit tobacco tax stamps. Gaming Section – Special Operations Team and MSP’s Tobacco Tax Team conducted an Administrative Inspection at the party store/gas station owned by the suspect. Additional cigarettes with counterfeit stamps and un-invoiced cigars were seized from the store.
- Three search warrants were executed simultaneously by Gaming Section personnel in the cities of Warren, Sterling Heights, and Southfield on an embezzlement case involving an MGM Grand Casino employee. The employee was responsible for issuing “markers” or lines of credit to patrons. The investigation has shown the employee embezzled five hundred thousand dollars by encouraging patrons to falsify documents to fraudulently obtain large lines of credit. Proceeds from the “markers” were split between the employee and patron and the accounts were later written off as uncollectible. Warrant requests are pending Attorney General approval.
- Gaming Section - Special Operations Team assisted the New Jersey State Police on a fraud complaint. The suspect had contacted a Sunoco gas station on the New Jersey Turnpike posing as a Corporate Executive for Sunoco. The suspect instructed an employee to put four hundred (\$400) dollars on two separate Green Dot money cards. One of the cards was used in a transaction at the Greektown Casino. Our detectives reviewed surveillance video, identified a suspect and retrieved the receipt with a thumb print from the casino. The suspect was positively identified by the thumb print and found to be a member of a multi-state fraud ring being investigated by the United States Secret Service. The New Jersey case and suspect were turned over to the Detroit Field Office of the Secret Service for federal prosecution.
- Gaming Section-Special Operations Team received information from the Indiana Gaming Control Board that a business in Coldwater, Michigan was conducting illegal gambling with Cherry Master video slot machines. The suspects were originally conducting business in Indiana before being shut down and relocating to Michigan. Undercover operations were conducted resulting in the seizure of fourteen video

slot machines and computer motherboards. Arrest warrant requests are pending Attorney General approval.

- After a three-month investigation that included 52 interviews, hours of surveillance video review, three photo line-ups, three confessions, and recovery of fraudulently obtained property from suspects' residence and a local pawn shop, Gaming Section personnel arrested three individuals. The three suspects were responsible for fraudulently accessing customer 'comp' accounts to purchase electronics and other property from the casino gift shop. Charges are pending authorization by Attorney General staff.

Positions and Classifications of Employees Currently Assigned - (32 FTE's)

1	Inspector, State Administrative Manager 16
1	Detective First Lieutenant, State Police Detective First Lieutenant 15
2	Detective Lieutenant, State Police Detective Lieutenant 14
5	Detective Sergeant, State Police Detective Sergeant 12
21	Detective Specialist, State Police Detective Specialist – Trooper 11
2	Management Assistant, Secretary 9

Number of Full Time and Part Time Employees and Aggregate Number of FTE's

The current staffing cap is for 32 full time employees. There are two position vacancies at this time.

During the reporting period two detective specialist vacancies were filled. One Detective Specialist is on extended medical leave.

Number of Enlisted and Civilian Positions

Of the 32 positions currently assigned, 30 are enlisted and 2 are civilian.

Duties and Responsibilities of Assigned Employees

Inspector - State Administrative Manager 16 (Commander) – This officer serves as assistant to the Second District Commander. The role of this position is to provide leadership, direction, administration, and supervision to personnel in the north region of Second District.

This position provides primary command responsibilities for the Gaming Section and shares responsibilities with the Attorney General and the MGCB for the licensing, regulation, and enforcement of legalized gaming in the State of Michigan.

This officer also maintains liaison with federal, state, and local authorities to maintain cooperative team efforts and establish professional gaming standards, as well as to help enhance the quality of life in the Metro Detroit area. This officer supervises, administers, and provides leadership for State Police resources and personnel committed to the licensing, regulation, and enforcement of gaming and criminal enforcement initiatives.

D/F/Lt. 15 – State Police Detective First Lieutenant 15 (Section Commander) – This position is responsible to command the Gaming Section, which is charged to assist the MGCB in regulating and enforcing Michigan law at three Detroit-based casinos. This officer is also responsible to the commander for the coordination and provision of State Police services and resources necessary for the licensing, regulation, and enforcement of legalized gaming in the State of Michigan. These duties are performed at the direction of the commander when he/she is available, and may assume the position of command when the sector commander is not available. The officer may be contacted for duty any hour of the day. This officer is also responsible to supervise detective lieutenants, detective sergeants, detective specialists, and secretaries assigned to the section.

D/Lt. 14 - State Police Detective Lieutenant 14 (Casino Operations Team Leader) – This officer is responsible for the coordination and provision of State Police activities, services, and resources necessary for the regulation and enforcement of legalized gaming in the State of Michigan. This position also serves as a casino team leader at a licensed casino operation, providing assistance, as necessary, to the MGCB to ensure effective regulatory and enforcement measures are in place. These duties are performed at the direction of the section commander when he/she is available, and may assume the position of command when the section commander is not available. The employee may be contacted for duty at any hour of the day.

D/Lt. 14 - State Police Detective Lieutenant 14 (Special Operations Team Leader) – This officer is responsible for the administration and supervision of the Gaming Section’s Special Operations Team in its conduct of complex conspiratorial crimes within the three Detroit casinos and illegal gambling operations outside the casinos. This position also provides and coordinates investigative support services, information, intelligence data, and training expertise in areas including, but not limited to, illegal gambling, money laundering, embezzlement, dealer patron collusion, and identity theft. These duties are performed at the direction of the section commander and may assume the position of command when the section commander is not available. The employee may be contacted for duty at any hour of the day.

D/Sgt. 12 – State Police Detective Sergeant 12 (Casino Operations Supervisor) – This officer provides supervision to Casino Operations detective specialists assigned to the section. Upon MGCB request to help ensure proper compliance with the Michigan Gaming Control Board and Revenue Act, the Administrative Rules, and Casino Internal Controls, this officer assigns regulatory inspections and other related projects and tasks to detective specialists. This individual also supervises investigations into criminal activity at the casinos and assists detective specialists in completing their assignments, duties, and investigations. These duties are performed at the direction of the section commander, and the employee may be contacted for duty at any hour of the day.

D/Sgt. 12 – State Police Detective Sergeant 12 (Special Operations Supervisor) – This officer provides supervision to Special Operations detective specialists assigned to the section. This position assists the team leader in conducting, assigning, and monitoring investigations, reviewing reports, and controlling and accounting of sub-unit account funds. In the absence of the detective lieutenant 14, serves as acting Team Leader. These duties are performed at the direction of the section commander, and the employee may be contacted for duty at any hour of the day.

D/Sgt. 12 – State Police Detective Sergeant 12 (Administrative Sergeant) – This officer assists the section commander in developing schedules, maintaining the section property room, monitoring fleet vehicle usage and maintenance, maintaining forfeiture files and equipment, including radio inventory and maintenance, coordinating mandatory and voluntary training programs, and conducting, assigning and monitoring investigations, and performing other administrative tasks as directed. These duties are performed at the direction of the section commander, and the employee may be contacted for duty at any hour of the day.

D/Spl. 11 – State Police Detective Specialist Trooper 11 (Casino Operations Patrol/Investigator) – The primary role of this position is to patrol for criminal violators, respond to criminal activity, initiate investigations into casino-related crimes, and provide for public safety. This officer also conducts regulatory inspections and other related tasks, as directed by superiors, when requests are received from the MGCB. These duties are performed at the direction of Casino Operations supervisors, and the employee may be contacted for duty at any hour of the day.

D/Spl. 11 – State Police Detective Specialist Trooper 11 (Special Operations Investigator) – This officer functions as part of a team assigned to conduct investigations of complex conspiratorial and financial crimes including embezzlement, dealer/patron collusion, identity theft, and money laundering which occur inside the casinos as well as illegal gambling operations outside the casinos. These duties are performed at the direction of the Special Operations supervisor, and the employee may be contacted for duty at any hour of the day.

Management Assistant - Secretary 9 – This person serves as an administrative assistant to either the Commander or Gaming Section Commander. This person coordinates office activities and performs secretarial assignments for management staff in support of ongoing operations that surround enforcement activities in the north region of Second District, which includes the licensing, regulation, and enforcement of legalized gaming. This person also tracks budgetary expenses and processes financial transactions.

Immediate Past Position of the Enlisted Employees Assigned

<u>Employee</u>	<u>Current Position</u>	<u>Immediate Past Position</u>
Insp.	Commander Second District – Livonia	Insp. – FSB, CID, Sector II

D/F/Lt.	Section Commander	D/Sgt. – ISB, Field Detective Division Metro South Post
<u>Employee</u>	<u>Current Position</u>	<u>Immediate Past Position</u>
D/Lt.	Special Operations Team Leader	D/Lt. – FSB, SECID Gaming Section Casino Team Leader
D/Lt.	Casino Operations Team Leader	D/Lt. – FSB, 2 nd District Metro North Post
D/Sgt.	Administrative Sergeant	D/Sgt. – FSB, 2 nd District Metro North Post
D/Sgt.	Special Operations Supervisor	D/Sgt. – SECID Gaming Section Enforcement Supervisor
D/Sgt.	Casino Operations Supervisor	Sgt. – USB, 2 nd District Detroit Post
D/Sgt.	Casino Operations Supervisor	D/Sgt. – SECID Gaming Section Special Operations Supervisor
D/Sgt.	Casino Operations Supervisor	Sgt. – USB, 2 nd District Metro North Post
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	Tpr. – Road Patrol USB – 2 nd District, Richmond Post
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	Tpr. – Road Patrol USB – 2 nd District, Detroit Post
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	D/Spl. – ISB, SECID, North Region ISS, Mint Team 2
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	D/Spl.– Special Operations Investigator FSB, CID, Sector I, Gaming Section
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	Tpr. – Road Patrol USB – 2 nd District, Metro South Post
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	Tpr. – Road Patrol USB – 2 nd District, Metro South Post
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	D/Tpr. – FSB, ERSID, Sector II MINT Surveillance
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	Tpr. – Road Patrol FSB – 1 st District, Brighton Post #12
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	Tpr. – Road Patrol FSB – 2 nd District, Metro South Post #25
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	D/Tpr. – FSB, ERSID, Sector II MINT Surveillance
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	Tpr. – Road Patrol USB – 2 nd District, Richmond Post

D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	D/Spl. – ISB, SECID, South Region DRANO
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	D/Spl.– Special Operations Investigator FSB, CID, Sector I, Gaming Section
<u>Employee</u>	<u>Current Position</u>	<u>Immediate Past Position</u>
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	D/Spl.– Special Operations Investigator FSB, CID, Sector I, Gaming Section
D/Spl.	Casino Operations Patrol/Investigator MGM/MotorCity/Greektown Casinos	Tpr. – Road Patrol FSB – 2 nd District, Metro North Post #21
D/Spl.	Special Operations Investigator	D/Spl. – FSB, CID, Sector I County of Macomb Enforcement Team
D/Spl.	Special Operations Investigator	Vacant
D/Spl.	Special Operations Investigator	D/Spl.– Casino Operations Investigator FSB, CID, Sector I, Gaming Section
D/Spl.	Special Operations Investigator	Vacant
D/Spl.	Special Operations Investigator	D/Spl. – Casino Patrol/Investigator FSB, CID, Sector I, Gaming Section
D/Spl.	Special Operations/Casino Operations Court Officer	D/Spl. – Enforcement Patrol/Investigator FSB, ERSID, Sector I, Gaming Section