



Caesars Entertainment Corporation (CEC) is the world's most diversified casino-entertainment provider and the most geographically diverse U.S. casino-entertainment company. Since its beginning in Reno, Nevada, 75 years ago, CEC has grown through development of new resorts, expansions and acquisitions, and its portfolio of subsidiaries now operate 50 casinos in 13 U.S. states and five countries. The company is focused on building loyalty and value with its guests through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership.

**Company:** Caesars Entertainment Corporation

**Industry:** Gaming

**Solution:** Xcellerator

**Team:** Office of the Corporate Controller

**Deployment:** Caesars Entertainment  
and Subsidiaries

## The Challenge

When presenting Information Used in the Execution of Controls (IPE or IUC) to auditors, Caesars was routinely faced with the task of proving the accuracy and completeness of the information being used. With respect to accuracy, it was necessary to answer two important questions: How do you know this information is accurate? And, what are your internal testing procedures that support your position that the information is accurate?

Both legitimate questions considering that data was frequently compiled from various sources in Excel spreadsheets. The pervasive use of spreadsheets and dependence upon other "IPE" across the organization ultimately drove management to conclude that Caesars had a material weakness in internal controls over financial reporting.

Caesars' manual processes were struggling to keep pace with the growing complexity of compliance and reporting requirements, particularly with tight turnaround times to meet upcoming deadlines.

"As the size and complexity of our Excel files grew, so did the risk that human error could go undetected," said John Santon, Manager of Consolidated Accounting and Financial Reporting for Caesars Entertainment. "While we didn't have errors that reached our financial statements, we routinely found issues in our underlying support. We realized that if we're catching some of these small issues, there have to be more that we aren't catching. We needed to ramp up internal controls to reduce this risk on our complex spreadsheets."

## The Solution

Caesars wanted an automated solution that could analyze volumes of spreadsheet data to detect errors and give the organization much-needed visibility into spreadsheet risk. Xcellerator was recognized in the industry as a trusted solution for finding and fixing spreadsheet errors and Caesars was also impressed with the solution's straightforward implementation and ease of use.

Xcellerator was immediately put into action, applying nearly 40 different standard tests to check the accuracy of Caesars' key spreadsheets. Any formula errors, issues with cell accuracy, hidden or blank cells, omitted references, or problems with external references, were detected and displayed.



“A big challenge for auditors is not knowing what type of internal review processes have been conducted for IPE and then us being able to prove that we in fact performed those procedures,” said Santon. “With Xcellerator, everyone knows that spreadsheet testing and analysis is comprehensive and consistent—and regardless of who initiates the testing, the results will be the same.”

## Xcellerator at Work

Today, Xcellerator plays a vital role in the company’s financial reporting, used several times a day during critical review cycles. With the ability for users to group Xcellerator tests into Profiles, Caesars can ensure consistency and transparency throughout these cycles from the preparer to the receiver and auditor.

“When you have massive spreadsheets with 30–40 tabs, it’s not safe to assume they all have the same formulas,” said Santon. “With Xcellerator, if risks are identified, I can easily share the findings with the finance team and we have documentation of what was done to validate the data.”

Xcellerator’s instant reporting capabilities have helped close the communications loop between the finance and audit teams. As a best practice, a detailed Xcellerator Summary Report is included with any IPE Excel files sent to auditors—providing clear documentation of accuracy testing.

## The Results

The simplicity of Xcellerator, coupled with the documentation summary and customized reports, more than met the company’s need for enhanced data controls—all without requiring experience in data analysis or computer programming.

In 2015, Caesars remediated its material weakness in internal controls over financial reporting. “Management identified the following measures to strengthen our internal control over financial reporting and to address the material weakness. We began implementing certain measures in the second quarter of 2014 and continued to develop remediation plans and implemented additional measures throughout the remainder of the year and throughout 2015, including (among others):

- Evaluating and designing of controls to address the completeness and accuracy of data used to support key estimations, accounting transactions and disclosures, primarily associated with spreadsheets and other key reports.
- Implementing new systems and tools to automate manual processes, to document and monitor adherence to standardized processes and controls.”

“To have uniform documentation of what you did to validate the accuracy of high-risk IPE makes the auditor’s job much easier, which is critical in a complex control environment,” said Santon. “Auditors know we’ve done our due diligence and we gain the peace of mind that our support is accurate and complete and we’re able to prove it.”

Incise allows Caesars Entertainment to:

- Automatically analyze volumes of spreadsheet data and identify errors.
- Clearly and consistently document accuracy testing of IPE.
- More efficiently meet compliance reporting deadlines.
- Close the communications loop between finance and audit departments with regards to how the finance teams validate the accuracy of spreadsheets.
- Review, simplify, and improve the quality of our spreadsheets through identification of risks.

## About Incisive

Based in San Jose, California, Incisive provides award-winning and innovative spreadsheet risk analysis and management solutions. Our enterprise offerings provide visibility and control to all business areas that use or interact with spreadsheets. Incisive products have been recognized for accurately and reliably highlighting risks to give users confidence in their spreadsheet information. For more information about Incisive and the company’s solutions, visit [www.incisive.com](http://www.incisive.com).



**Incisive Software Corporation**  
300 Santana Row, Suite 200  
San Jose, CA 95128  
408.660.3090 | [info@incisive.com](mailto:info@incisive.com)



©2016 Incisive Software Corporation. All rights reserved.

<sup>1</sup> Caesars Entertainment Corporation, 10-K filing, Item 9A, 2014  
<sup>2</sup> Caesars Entertainment Corporation, 10-K Filing, Item 9A, 2015