

ORDER 2019-104

IN RE SETTLEMENT AGREEMENT

**HOOSIER PARK, LLC d/b/a HARRAH'S HOOSIER PARK
19-HP-02**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

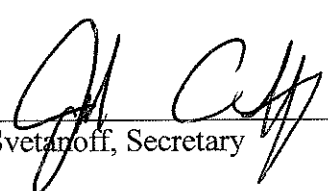
IT IS SO ORDERED THIS THE 30th DAY OF MAY, 2019.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
HOOSIER PARK, LLC)	19-HP-02
d/b/a HARRAH'S HOOSIER PARK)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Sara Gonso Tait and Hoosier Park, LLC ("Hoosier Park"), (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 6-3-4(a) provides, in relevant part, that each casino licensee and casino license applicant shall establish internal control procedures for compliance with this rule, which shall be submitted and approved under 68 IAC 11.
 - (b) The internal controls must, at a minimum, address the following:
 - (4) 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.
2. Hoosier Park's approved internal control procedures, M-1.2, describe the procedures of its Voluntary Exclusion Program ("VEP").
3. On March 21, 2019, a participant in the VEP called the Commission's VEP Coordinator to report that she was receiving promotional mail from Hoosier Park.
4. The participant enrolled in the VEP on December 7, 2018, and Hoosier Park received notice from Commission staff of the participant's enrollment in the VEP on December 26, 2018.
5. On February 9, 2019, Hoosier Park had had forty-five days' notice of the participant's enrollment in the VEP and was required to cease directing marketing materials to the VEP participant on February 9, 2019.

6. On February 12, 2019, Hoosier Park sent a direct mail piece to the VEP participant for a weekly gift.
7. On March 8, 2019, Hoosier Park sent a direct mail piece to the VEP participant for a \$5 Free Play Offer.
8. On March 11, 2019, Hoosier Park sent a direct mail piece to the VEP participant for \$15 Core free play, \$10 dining credit, \$20 super bonus free play, \$5 extra bonus free play, \$5/10/10 progressive bonus free play and kiosk game.
9. On March 13, 2019, Hoosier Park sent a direct mail piece to the VEP participant for a weekly gift.

COUNT II

10. 68 IAC 11-9-2(a) provides that the casino licensee or trustee 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.
11. 68 IAC 11-1-3(c)(4) provides that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
12. 68 IAC 13-1-1(b)(2) and (3) provides that the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
13. Hoosier Park's approved internal control procedures, N-1, describe its procedures for the Child Support Intercept Process.
14. On February 20, 2019, a Gaming Agent audited the Child Support Arrears Delinquency Registry ("CSADR") for the fourth quarter of 2018 (October 2018-December 2018). The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.

COUNT III

16. 68 IAC 2-6-1, provides, in relevant part, that before an individual may enter an electronic gaming device for any reason, the individual must insert a card into the electronic gaming device that will record, at a minimum, the following information on the central computer system:
 - (1) The identity of the individual entering the electronic gaming device.
 - (2) The date and time that the electronic gaming device is:
 - (A) entered; and
 - (B) exited.
 - (3) The identity of the electronic gaming device that is entered.

(e) After an individual has entered an electronic gaming device for any reason, the individual must complete a log that is maintained inside the electronic gaming device. The log shall contain, at a minimum, the following information:

- (1) The name and occupational license number of the individual entering the electronic gaming device.
- (2) The date and time that the electronic gaming device is:
 - (A) entered; and
 - (B) exited.
- (3) The identity of the electronic gaming device.
- (4) The reason for the entry.

17. 68 IAC 2-6-18, provides, in relevant part, that the following must be in a separate locked or sealed area within the electronic gaming device:

- (1) Logic boards.
- (2) ROM.
- (3) RAM.
- (c) no access to the area described in subsection (b) is allowed without prior notification to the executive director or the executive director's designee.

18. 68 IAC 11-1-2 (1) provides that the procedures of the internal control system are designed to ensure the assets of the casino are safeguarded.

19. Hoosier Park's approved internal control procedures, E.4.1, describe the procedures for Electronic Gaming Devices.

20. On February 6, 2019, Gaming Agents were requested at a slot machine due to an open belly door. Upon inspection of the slot machine, the Gaming Agent determined that there was no tampering with the slot machine. The Gaming Agent requested Surveillance to review the slot machine since the machine entry authorization log ("MEAL") did not appear to be properly completed. The slot data system ("SDS") determined that on February 2, 2019, the Electronic Games Tech Director had been in the slot machine multiple times without signing the MEAL and properly securing the slot machine.

After contacting casino management about disciplinary action that would be taken against the Electronic Games Tech Director, Hoosier Park's Compliance Manager informed the Gaming Agent that it was determined that the Electronic Games Tech Director was not responsible for the violations. Rather, A technician from American Gaming and Electronics, Inc. (AG&E) was the individual identified as accessing the slot machine on February 2, 2019.

The Gaming Agent further investigated how the AG&E Technician could possess the Electronic Games Tech Director's card based on the SDS tracking information. It was determined that during the slot system conversion in 2018 an unknown individual printed dozens of duplicate cards using the SDS account of the Electronic Games Tech Director and the EG Tech Supervisor at the time, creating a mechanism where the identity of an individual accessing a slot machine could not be properly identified. Hoosier Park also

failed to create a log to determine whom and when these duplicate cards were issued to and if these cards were returned. Gaming Agents also determined that several accounts still exist in SDS for individuals no longer employed by Caesars.

COUNT IV

21. 68 IAC 15-13-2(d) provides that manually paid jackpots shall proceed in the following manner:

(1) The jackpot shall be verified in accordance with the policies and procedures submitted under subsection (b)(1).

(2) Based on the information contained on the manually paid jackpot slip, the casino cashier shall present the proper amount of cash to the slot attendant.

(3) The slot attendant shall ensure that the amount of cash presented by the casino cashier matches the information contained on the manually paid jackpot slip.

(4) After the slot attendant and the casino cashier ensure the cash presented matches the information contained on the manually paid jackpot slip, both the slot attendant and the casino cashier shall sign the manually paid jackpot slip.

(5) The casino cashier shall retain the original copy of the manually paid jackpot slip and issue remaining copies to the slot attendant.

(6) A security officer or slot department employee shall escort the slot attendant from the cage to the appropriate electronic gaming device. The security officer or slot department employee who begins completing the manually paid jackpot must complete the process of witnessing, escorting, and signing the appropriate documentation to verify the manually paid jackpot was completed. If there is a discrepancy with the manually paid jackpot, the same security officer or slot department employee who began the manually paid jackpot must accompany the manually paid jackpot back to the cage to resolve the discrepancy.

(7) After arriving at the appropriate electronic gaming device, the security officer or slot department employee shall do the following:

(A) Verify the jackpot.

(B) Witness the jackpot payout to the patron.

(C) Complete the appropriate sections of the manually paid jackpot slip.

(8) The slot attendant shall reset the electronic gaming device so that play on the electronic gaming device may continue. The electronic gaming device shall be relocked after it is cleared. The security officer or slot department employee shall remain present throughout this procedure.

(9) One (1) copy of the completed manually paid jackpot slip shall be deposited into a locked accounting box so that it will not be available to slot attendants or other persons who participate in manually paid jackpots.

(10) The remaining copy of the completed manually paid jackpot slip shall be returned to the casino cage.

22. Hoosier Park's approved internal control procedures, E-12 and E-15, describe its procedures for electronic gaming device jackpot payouts.

23. On February 17, 2019, a Gaming Agent was notified by Surveillance that an Electronic

Games Floor Attendant paid an \$840 hand pay jackpot but failed to have security verify the payout.

24. On March 14, 2019, a Gaming Agent was notified of a jackpot violation by the Electronic Games Dual Rate Supervisor. A jackpot in the amount of \$17,835.62 was won and processed by an Electronic Games Attendant ("EGA"). The EGA started processing the jackpot prior to a Supervisor or Security Officer being present to witness and verify the winning spin on the slot machine. When the Supervisor arrived at the slot machine, the EGA had already carded the data system, cleared the jackpot, and re-set the slot machine.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Hoosier Park by and through its agents as described herein constitute a breach of IC 4-35, 68 IAC and/or Hoosier Park's approved internal control procedures. The Commission and Hoosier Park hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Hoosier Park.

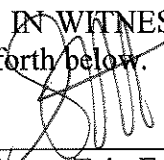
Hoosier Park shall pay to the Commission a total of \$20,500 (\$9,000 for Count I, \$500 for Count II, \$10,000 for Count III and \$1,000 for Count IV) and submit a corrective action plan regarding Count III for replacing and developing new cards for the slot system in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of 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, Hoosier Park agrees to promptly remit payment in the amount of \$20,500 and submit a corrective action plan and shall waive all rights to further administrative or judicial review.

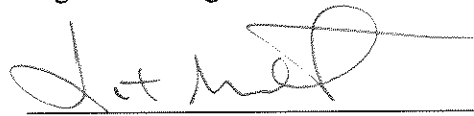
This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement shall be binding upon the Commission and Hoosier Park.

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



Sara Gonso Tait, Executive Director



Trent McIntosh, General Manager

Indiana Gaming Commission

5/28/19
Date

Harrah's Hoosier Park, LLC

5/23/19
Date