

**ORDER 2021-90
IN RE SETTLEMENT AGREEMENT**

**CENTAUR ACQUISITION, LLC d/b/a INDIANA GRAND RACING & CASINO
21-IG-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 25th DAY OF MAY, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
CENTAUR ACQUISITION, LLC)	21-IG-02
d/b/a INDIANA GRAND RACING &)	
CASINO)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Centaur Acquisition, LLC d/b/a Indiana Grand Racing & Casino (“Indiana Grand”), (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 15-2-5 provides the casino licensee shall establish policies and procedures for the notification of surveillance prior to completing a currency transaction report. The procedures shall include, at a minimum, the following:
 - (1) The window cashier, pit boss, table games shift manager, or table games manager must notify surveillance.
 - (2) Surveillance shall take a photograph of the patron from the surveillance camera.
 - (3) Prior to the completion of the transaction, surveillance shall notify the window cashier, pit boss, table games shift manager, or table games manager that it has an acceptable photograph.
2. On January 20, 2021, Surveillance notified Gaming Agents that a Cage Cashier failed to notify Surveillance for a photograph for a currency transaction report (“CTR”). The patron completed a CTR transaction for \$11,700.
3. On January 28, 2021, Surveillance notified Gaming Agents that a Cage Cashier failed to notify Surveillance for a photograph for a CTR. The patron completed a CTR transaction for \$14,000.

COUNT II

4. 68 IAC 11-3-6 describes the procedures for the soft count process.
5. On January 16, 2021, the Count Room Manager notified Gaming Agents that a full cash box was found unsecured in the man trap. A surveillance review determined that a Slot Technician and Security Officer failed to place the full cash box in the proper lock box when performing an emergency drop. On January 13, 2021, the full cash box was placed

on a stack of empty cash boxes and the paperwork was placed in a different cash box and placed in the lock box. The full cash box remained on the stack of empty cash boxes. The full cash box was not discovered until January 16, 2021 by a Count Room Attendant.

COUNT III

8. IC 4-38-11-1 provides (a) the bureau shall provide information to a certificate holder concerning persons who are delinquent in child support.
 - (b) Prior to a certificate holder disbursing a payout of six hundred dollars (\$600) or more, in winnings, from sports wagering to a person who is delinquent in child support and who is claiming the winning sports wager in person at the certificate holder's facility, the certificate holder:
 - (1) may deduct and retain an administrative fee in the amount of the lesser of:
 - (A) three percent (3%) of the amount of delinquent child support withheld under subdivision (2)(A); or
 - (B) one hundred dollars (\$100); and
 - (2) shall:
 - (A) withhold the amount of delinquent child support owed from winnings;
 - (B) transmit to the bureau:
 - (i) the amount withheld for delinquent child support; and
 - (ii) identifying information, including the full name, address, and Social Security number of the obligor and the child support case identifier, the date and amount of the payment, and the name and location of the licensed owner, operating agent, or trustee; and
 - (C) issue the obligor a receipt in a form prescribed by the bureau with the total amount withheld for delinquent child support and the administrative fee.
 - (c) The bureau shall notify the obligor at the address provided by the certificate holder that the bureau intends to offset the obligor's delinquent child support with the winnings.
 - (d) The bureau shall hold the amount withheld from the winnings of an obligor for ten (10) business days before applying the amount as payment to the obligor's delinquent child support.
 - (e) The delinquent child support required to be withheld under this section and an administrative fee described under subsection (b)(1) have priority over any secured or unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.
9. Chapter 5, Section 2(2)(W) of the Emergency Rules for Sports Wagering provide prior to beginning sports wagering operations, a sports wagering operator must submit for approval under 68 IAC 11 internal controls for withholding winnings from delinquent child support obligors in accordance with IC 4-38-11, including a plan for complying with IC 4-38-11 if the sports wagering operator allows the redemption of tickets via mail.
10. 68 IAC 11-9-2(a) provides 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. Indiana Grand's approved internal control procedures, N-1 and V-17, describe the procedures for Child Support Intercept Process.
13. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry ("CSADR") for December 2020. The results of this audit found two (2) individuals were not searched through the CSADR system: one (1) at the time a taxable jackpot was won; and one (1) at the time sports wagering winnings in excess of \$600 was won.

COUNT IV

14. 68 IAC 11-7-1(b) provides for the purposes of this rule, "sensitive keys" means keys that either management or the commission considers sensitive to the casino licensee's operation and therefore require strict control over custody and issuance.
15. 68 IAC 11-7-3(b) provides that sensitive keys shall be returned to custody and signed in by the same occupational licensee they were issued to unless there is a documented change of shift.
16. On January 12, 2021, a Slot Shift Manager notified Gaming Agents that a Slot Attendant left a key fob in her personal locker outside the slot offices. The key fob was unsecured for approximately ten (10) hours. The locker the Slot Attendant was utilizing was unlocked.
17. On January 22, 2021, Surveillance notified Gaming Agents that a Slot Supervisor left the casino property with sensitive keys. The keys were off property for approximately one (1) hour.
18. On January 30, 2021, Security notified Gaming Agents that a Table Games Supervisor left the casino property with sensitive keys. The Table Games Supervisor left property on two occasions with the sensitive keys in his possession. The keys were off property for approximately two (2) hours.
19. On March 24, 2021, Security notified Gaming Agents that a Slot Supervisor left the casino property with sensitive keys. The alarm did not go off. The Slot Supervisor made it to her vehicle but realized the keys were in her possession and returned the key prior to leaving property.

COUNT V

20. IC 4-35-7-2 provides except as provided in subsection (c), a person who is less than twenty-one (21) years of age may not be present in the area of a racetrack where gambling games are conducted.

21. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
22. On January 5, 2021, Security notified Gaming Agents of an underage person at the player's club booth. Security examined the identification and allowed the underage person to enter the casino. She was identified as an underage person at the player's club.

COUNT VI

23. 68 IAC 1-16-2 provides (a) casino licensees shall conspicuously display a toll-free telephone number that provides the public with information about compulsive gambling addictions on a poster or placard that is on display in a public area of the casino.
(b) The toll free telephone number to be displayed shall be specified by the division of mental health and addiction.
24. On January 15, 2021, the Regulatory Compliance Manager at Harrah's Hoosier Park notified the Commission that an error on a marketing email sent to patrons had an error on the responsible gaming telephone number.
25. On January 13, 2021, Harrah's Hoosier Park identified that the full telephone number next to the vanity number 1-800-9-WITH-IT was incorrect on marketing emails that were sent out. The correct telephone number is 1-800-994-8448, however, the emails provided 1-800-944-8448.
26. Indiana Grand's VP of Marketing provided that a batch of mailers was distributed by Indiana Grand in December 2020 with this error. 34,815 mailers were sent with the error.

COUNT VII

27. 68 IAC 13-1-1(b)(2) and (3) provides 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.
28. Indiana Grand's approved internal control procedures, W-11, describe the procedures for table game progressives.
29. On February 21, 2021, a Gaming Agent was observing surveillance when a Gaming Agent noticed a progressive jackpot win at a table game. The Gaming Agent contacted Surveillance and Surveillance confirmed a table game progressive win at a Three Card Poker table totaling \$126,640. The casino failed to notify the Gaming Agents of the progressive win which is required by their internal controls
30. 68 IAC 14-3-5(a) provides all dice or playing cards that are not being utilized at a live gaming device shall be kept in locked compartments.

31. On January 4, 2021, an Assistant Table Games Shift Supervisor notified Gaming Agents that a pit podium was unsecured where the playing cards were stored. The podium was unsecured for approximately nine (9) hours.
32. On February 26, 2021, a Table Game Supervisor notified Gaming Agents that a pit podium was unsecured where playing cards were stored. The podium was unsecured for fifteen (15) minutes.
33. On March 20, 2021, Security notified Gaming Agents that an Assistant Table Games Shift Manager discovered two (2) bricks of playing cards were found unsecured at a table games pit podium. The podium was unsecured for approximately an hour.
34. 68 IAC 15-12-3 provides the procedures for live gaming device fills.
35. On January 1, 2021, an Assistant Table Games Supervisor notified Gaming Agents that an incorrect table fill occurred. The incorrect fill was accepted at the table and the paperwork was dropped in the drop box.
36. On January 22, 2021, a Cage Supervisor notified Gaming Agents that an incorrect table fill had occurred on January 21, 2021. The table fill error was not discovered until the chip bank failed to balance.
37. On March 3, 2021, a Cage Supervisor notified Gaming Agents that an incorrect table fill had occurred. The incorrect fill was accepted at the table and the paperwork was dropped in the drop box.
38. On March 7, 2021, an Assistant Table Games Shift Manager notified Gaming Agents that an incorrect table fill had occurred. The incorrect fill was accepted at the table and the paperwork was dropped in the drop box.
39. 68 IAC 11-4-4 provides (a) at any time when a live gaming device is closed, chips remaining at the live gaming device shall be counted by the appropriate level of occupational licensee assigned to the live gaming device and verified by the pit boss or the equivalent.
 - (b) A live gaming device inventory slip shall be prepared.
 - (c) The occupational licensee and the pit boss or the equivalent who observed the count of the contents of the tray shall sign the inventory slip at the time of closing the live gaming device attesting to the accuracy of the information recorded.
 - (d) The occupational licensee shall immediately deposit the closer in the drop box.
 - (e) The pit boss or the equivalent shall place the opener on the live gaming device tray in a manner that the amounts on the opener may be read through the cover, and lock the transparent live gaming device tray lid in place.
40. On January 21, 2021, a Gaming Agent reviewed surveillance reports from January 12, 2021 and discovered there had been an incorrect table inventory form.

41. 68 IAC 14-5.5-5 provides that approved TITOs shall be: (1) capable of insertion into an electronic gaming device in the casino to activate play; (2) available as a payout from an electronic gaming device; (3) redeemable by the patron in accordance with IC 4-33, IC 4-35, and this rule; and (4) capable of being used as tips and gratuities for gaming and nongaming employees.
42. On March 14, 2021, a Count Room Supervisor notified Gaming Agents that two (2) TITO tickets were found in a table game drop box. A review of surveillance coverage confirmed that a patron exchanged the TITO tickets for chips at a table game.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Indiana Grand by and through its agents as described herein constitute a breach of IC 4-35, IC 4-38, the Emergency Rules for Sports Wagering, 68 IAC and/or Indiana Grand's approved internal control procedures. The Commission and Indiana Grand hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Indiana Grand.

Indiana Grand shall pay to the Commission a total of \$23,000 (\$2,000 for Count I, \$1,500 for Count II, \$2,000 for Count III, \$3,000 for Count IV, \$1,500 for Count V, \$2,500 for Count VI, and \$10,500 for Count VII) and submit a corrective action plan for Count IV 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 each Count 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, Indiana Grand agrees to: 1) promptly remit payment in the amount of \$23,000; 2) submit a corrective action plan for Count IV and 3) 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.

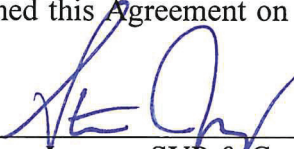
This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the

receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Indiana Grand.

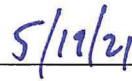
IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.

Sara Gonso Tait, Executive Director
Indiana Gaming Commission



Steven Jarmuz, SVP & General Manager
Centaur Acquisition, LLC

Date



Date

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Sara Gonso Tait, Executive Director
Indiana Gaming Commission

5/24/21

Date

Steven Jarmuz, SVP & General Manager
Centaur Acquisition, LLC

Date