

**ORDER 2022-28
IN RE SETTLEMENT AGREEMENT**

**HOOSIER PARK, LLC
d/b/a HARRAH'S HOOSIER PARK
22-HP-01**

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

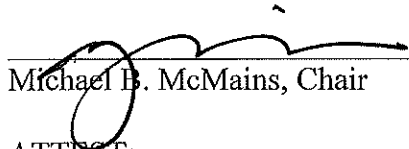
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

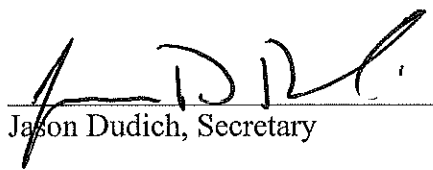
IT IS SO ORDERED THIS THE 8th DAY OF MARCH, 2022.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
HOOSIER PARK, LLC)	22-HP-01
d/b/a HARRAH'S HOOSIER PARK)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small 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 11-3-6 provides the requirements for the soft count process.
2. On December 30, 2021, Surveillance notified Gaming Agents that while reviewing the soft count process for table games, a discrepancy was noted. A Cage Shift Supervisor incorrectly counted and verified \$100 notes that were included in the drop. A Count Room Lead was also involved in the discrepancy and cleared the incorrect count even though the numbers on his Table Games Drop Sheet did not match the Cage Shift Supervisor's.
3. A review of surveillance coverage showed the Cage Shift Supervisor open the window between soft count and the cage. The Cage Shift Supervisor completed the count of the \$100 notes and incorrectly wrote down \$177,500. The actual total was \$277,500. The \$100,000 discrepancy was not caught by the Cage Shift Supervisor or the Count Room Lead. The Cage Shift Manager subsequently completed the count for the \$50, \$20, \$10, \$5 and \$1 notes. The Cage Shift Manager verbally called out her final table game drop number of \$221,334. The Count Room Lead verbally agreed to this number and gave the Table Games Drop Sheet to the Cage Shift Supervisor to sign. This amount was incorrect. The correct total was \$321,334, a \$100,000 discrepancy.
4. The Cage Operations Manager acknowledged the following: 1) There was a miscount; 2) After reviewing in Surveillance, the \$100's were counted and verbally verified by both the Cage Shift Supervisor ("Supervisor") and Count Room Lead ("Lead") prior to the \$50's being placed on the counter; 3) The Cage Shift Supervisor and the Count Room Lead verbally agreed to the incorrect numbers even though the Count Room Lead's sheet showed different numbers; and 4) After reviewing in Surveillance, the Lead handed the Supervisor the TG Drop Sheet after the final total was agreed upon by both parties as required (even though the totals were indeed incorrect).

COUNT II

5. 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.
6. 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.
7. Hoosier Park's approved internal control procedures describe the procedures for the Child Support Arrears Delinquency Registry in N-1.
8. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for September 2021. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.
9. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for November 2021. 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

10. 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.
11. 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present in a casino.
12. On October 21, 2021, Security notified Gaming Agents that an underage person was on the casino floor. A Security Officer informed the Gaming Agent that an underage person entered the casino to go to the restroom. A review of the surveillance coverage found that the underage person approached Security and exchanged words with the Security Officer. The Security Officer appeared to point in the direction of the restroom. The underage person handed the Security Officer her identification and walked away towards the restroom. The Security Officer did not try to stop her as she walked past him. The Security Officer does not look at the identification, however, when scanning the identification, it identified that the patron was underage.

COUNT IV

13. 68 IAC 2-6-5 provides electronic gaming devices (EGD) must meet the following security and audit specifications: (1) Be controlled by a microprocessor. (2) Be connected and communicating to the central computer system. (3) Have an internal enclosure for the circuit board that is locked and sealed prior to game play.

14. On December 9, 2021, a Gaming Agent was conducting an audit of EGD's as a result of a previous investigation into a broken seal on a central processing unit (CPU). The audit determined that an EGD was placed into service prior to receiving Commission approval since the Gaming Agent was still in the process of validating the software from this EGD. A review of surveillance coverage found the EGD was dropped and was subsequently placed into service by two Electronic Game Technicians without reviewing the machine entry authorization log (MEAL). The MEAL noted that the EGD was not to be enabled until the audit of the software was completed.

COUNT V

22. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
23. On December 6, 2021, Hoosier Park's Manager of Regulatory Compliance, Assistant Table Games Shift Manager and Surveillance Supervisor notified Gaming Agents that an error occurred on a table fill. The incorrect table fill was verified and accepted by the Dealer and Table Games Supervisor.

COUNT VI

24. 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.
25. Harrah's Hoosier Park approved internal control procedures, U-19, describe the jackpot payout procedures for table games.
26. Internal Revenue Service requires for any table games win over \$5,000 that both federal and state taxes be withheld.
27. On November 4, 2021, the Table Games Casino Manager notified Gaming Agents that a table games jackpot was paid out on October 25, 2021, however, table games personnel failed to deduct taxes as required. A patron hit a non-progressive royal flush jackpot and was paid \$1,500 in error. The error was corrected, and the patron was paid an additional \$6,000. The Table Games Casino Manager was just made aware of the tax error.

COUNT VII

28. 68 IAC 15-1-2(1) provides the purpose of the accounting records and procedures is to ensure the assets of the casino are safeguarded.
29. 68 IAC 12-1-6(3) provides surveillance employees shall continuously monitor and visually record the currency collection process.

30. On August 24, 2021, Security requested a Gaming Agent's presence at the Electronic Games Tech Shop. A Security Shift Supervisor advised that a "hot" bill validator ("BV") box was found by an Electronic Games Tech amongst a bunch of old electronic gaming device ("EGD") parts. Upon closer look, the Electronic Games Tech noticed the BV box had currency and TITO tickets in it. The Electronic Games Tech notified her supervisor, who also notified Security. Upon meeting with the Electronic Games Tech and Security, the Gaming Agent asked them to take the BV box to the soft count room to ascertain the location information for the BV box and to secure the BV box in the soft count room. The Electronic Games Tech was able to determine which EGD the BV box came from, and the EGD was part of a previously approved move request, as the EGD was scheduled to be retired from the casino floor.
31. A review of surveillance coverage determined that on August 23, 2021, this EGD was missed during the BV drop. This bank of EGD's was being retired and did not require a "cold" BV box to be placed in the EGD which led to the "hot" BV box being missed. Two (2) Electronic Tech's were also present at the bank during the drop process.
32. The uncollected box was also not discovered during the Revenue Audit process on August 23, 2021. The box contained \$14,616.90 in currency and TITO's, \$3,229 in currency. The Revenue Audit process did not have an adequate check and balance system in place to ensure a "hot" box was collected for every "cold" box sent out.
33. A review of surveillance coverage showed the EGD remained untouched until August 24, 2021, when an Electronic Games Tech opened the main door to the EGD and removed the internal paperwork from the EGD. The Electronic Games Tech appeared to notice there was a cash box in the EGD and subsequently spoke to another Electronic Games Tech working at a nearby EGD. The second Electronic Games Tech moved a cardboard box over the base of the EGD and was observed lifting the cardboard box up to the open EGD. The "hot" BV box was removed from the inside of the EGD to the cardboard box. The Electronic Games Tech immediately covered the BV box with packages of TITO's that were sitting inside the EGD. Additional parts and supplies were added to the cardboard box while clearing the EGD's in this bank. The cardboard box was finally taken to the Tech Shop. During the course of the investigation, it was also discovered that a Surveillance Operator failed to properly monitor the drop process which resulted in a "hot" BV box not being pulled from an EGD.

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, IC 4-38, 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 \$20,000 (\$7,500 for Count I, \$2,000 for Count II, \$1,500 for Count III, \$1,500 for Count IV, \$1,500 for Count V, \$1,000 for Count

VI and \$5,000 for Count VII) 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, Hoosier Park agrees to promptly remit payment in the amount of \$20,000 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.

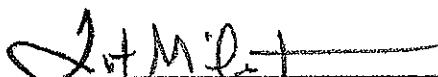
This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by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

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

Greg Small, Executive Director
Indiana Gaming Commission

Date



Trent McIntosh, General Manager
Hoosier Park, LLC d/b/a Harrah's Hoosier
Park

3/2/22

Date

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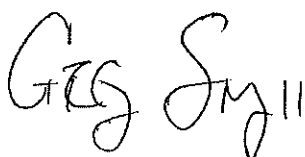
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Greg Small, Executive Director
Indiana Gaming Commission

3/8/22

Date

Trent McIntosh, General Manager
Hoosier Park, LLC d/b/a Harrah's Hoosier
Park

Date