

**ORDER 2022-81  
IN RE SETTLEMENT AGREEMENT**

**HARD ROCK CASINO  
NORTHERN INDIANA  
22-HR-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 30<sup>th</sup> DAY OF JUNE, 2022.**

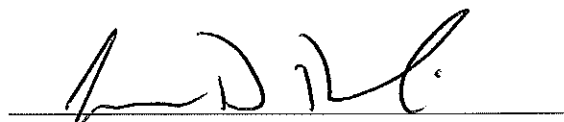
**THE INDIANA GAMING COMMISSION:**



---

Milton O. Thompson, Chair

ATTEST:



---

Jason Dudich, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>HARD ROCK CASINO</b>	)	<b>22-HR-02</b>
<b>NORTHERN INDIANA</b>	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and Hard Rock Casino Northern Indiana ("Hard Rock"), (collectively, the "Parties") desire to enter into this settlement agreement ("Agreement") prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-1.8(a). The Parties stipulate and agree that the following facts are true:

**FINDINGS OF FACT**

**COUNT I**

1. IC 4-33-4-27 provides that (b) If a licensed owner, an operating agent, or a trustee is required to file Form W-2G or a substantially equivalent form with the United States Internal Revenue Service for a person who is delinquent in child support, before payment of cash winnings to the person, the licensed owner, operating agent, or trustee:
  - (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 the cash 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.
2. 68 IAC 11-9-2(a) provides the casino license 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.

3. 68 IAC 11-1-3(c)(4) provides that no casino license or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
4. Hard Rock's approved internal control procedures, A-5, describe the procedures for child support delinquency reporting.
5. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for December 2021. The results of this audit found two (2) individuals were not searched through the CSADR system at the time a taxable jackpot was won.
6. Gaming Agent's audited the CSADR for January 2022. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.
7. Gaming Agent's audited the CSADR for February 2022. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.
8. Gaming Agent's audited the CSADR for March 2022. 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 II

9. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
10. On December 31, 2021, Surveillance notified a Gaming Agent that a table fill error occurred. The table fill requested \$4,000: \$2,000 in black \$100 chips and \$2,000 in red \$5 chips, however, the fill sent to the table included \$2,000 in green \$25 chips instead of the red chips. The Dealer and Dual Rate Supervisor at the table game accepted the incorrect fill. The Cage prepared the table fill incorrectly and the error was not identified by Security, Surveillance or Table Games.
11. On February 27, 2022, Gaming Agents were reviewing a Surveillance report detailing a table fill error that occurred on February 26, 2022. Security delivered a \$1,640 table fill to the incorrect table. The Dealer and Table Games Dual Rate Supervisor accepted the table fill.
12. On March 7, 2022, a Pit Manager notified Gaming Agents that a table fill error occurred. Security delivered a \$5,000 table fill to the incorrect table. The Table Games Dual Rate Supervisor/Dealer accepted the table fill.
13. 68 IAC 15-12-3(c) provides if a live gaming device fill slip was erroneous, it shall be voided and a new live gaming device fill slip generated. The person voiding the fill

slip shall indicate the reason the slip was voided and sign the slip. A voided live gaming device fill shall be retained and deposited into a locked accounting box.

14. On January 11, 2022, Surveillance notified Gaming Agents that a table fill error occurred. The table fill slip requested in part \$10,000 in black \$100 chips, however, the actual fill contained \$10,000 in purple \$500 chips. The table fill was rejected by Table Games personnel, however, the table fill was not properly voided.
15. On February 14, 2022, Gaming Agents were reviewing a Surveillance report detailing a table fill error that occurred on February 10, 2022. Security delivered a \$6,200 table fill to the wrong table. Surveillance notified the Security Officer that she had delivered the fill to the wrong table, however, the Floor Supervisor, Dealer and Security Officer had already signed the fill slip. The fill was not placed in the float and the paperwork was not dropped. The Security Officer proceeds to take the fill to the correct table. The fill was accepted at the correct table, however, the table games personnel at this table did not sign the fill slip verifying the fill was correct and the fill slip was dropped in the drop box with the signatures of the table games personnel from the wrong table game.
16. On May 1, 2022, Surveillance notified Gaming Agents that a table fill error occurred. The table fill slip requested \$2,000 in black \$100 chips and \$800 in red \$5 chips, however, the table fill was prepared with \$4,000 in black \$100 chips and \$800 in red \$5 chips. The table fill was rejected by Table Games personnel, however, the table fill was not properly voided.
17. 68 IAC 15-1-2(1) provides the purpose of the accounting records and procedures is to ensure the assets of the licensee are safeguarded.
18. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
19. On February 14, 2022, Surveillance notified Gaming Agents that a table fill was left unsecured in two (2) minutes in a table games pit. The Security Officer received radio transmission that a \$100 chip was unsecured on the casino floor. The Security Officer left the \$8,000 table fill unsecured while the Security Officer went to stand by the \$100 chip on the casino floor.

### COUNT III

20. 68 IAC 15-6-4(b) provides vendors and visitors must report to security to complete the vendor and visitor log and to obtain a badge. When the vendor or visitor leaves the casino, the vendor or visitor must complete the appropriate portion of the log.
21. 68 IAC 15-6-4(e) provides the vendor and visitor log shall contain the following information:
  - (1) The name of the vendor or visitor.
  - (2) The company or organization the vendor or visitor represents.

- (3) The date and time the vendor or visitor entered the casino.
  - (4) The purpose that necessitates the vendor or visitor entering the casino.
  - (5) The date and time that the vendor or visitor exits the casino. The casino licensee is responsible for instituting a policy that ensures that vendor and visitor badges are returned to the security department and accounted for when the vendor or visitor exits the casino.
  - (6) If the person is a visitor, the individual who authorized the visitor's presence in the casino.
  - (7) Any other information deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.
22. On January 24, 2019, the Commission issued a memorandum to all casino licensees on occupational licenses and the usage of the vendor log which states vendor and visitor badges are not to be utilized by those who hold or should hold an individual license. If individuals referenced above attempt to access the gaming floor using a vendor or visitor badge, casino staff should assist in the matter by refusing entry and directing the individuals to local Gaming Agents for assistance.
23. On February 28, 2022, Surveillance notified Gaming Agents that they had observed four (4) unknown males in the back of the house area without badges and did not recognize any of them as Hard Rock Northern Indiana employees. The Gaming Agent located the individuals in the Hard Rock Live area. The individuals stated that they were being escorted by a contractor and he brought them back there to show them the layout of the Hard Rock Live area as they were working on the Rockford Hard Rock casino. The contractor presented a dirty badge that appeared similar to the employee gaming licenses. The Gaming Agent asked if they had checked in with Security Dispatch and he advised that they had not checked in with Security and had entered from the casino floor.
24. After the visitors were signed in properly, the Gaming Agent asked the Security Officer what the Contractor's position was. The Security Officer was not sure but mentioned he had a badge that gave him door access. Surveillance provided that the Contractor was not a licensee and he was one of the Contractors that build Hard Rock Northern Indiana. The Contractor was still in possession of the temporary badge that select individuals and employees had prior to opening. This badge allowed him access to most employee areas. He was allowed to enter through the employee entrance and bypassed Security Dispatch by using his badge to enter the executive offices nearby.
25. The Contractor's badge should have been disabled after the casino opened and he should not have had unlimited access to the property unless he was a licensed employee. Because Hard Rock failed to remove his access, the Contractor circumvented Commission regulations by allowing three (3) individuals back of house without signing in with Security and obtaining a vendor or visitor badge.

#### COUNT IV:

26. 68 IAC 6-3-4(b)(2) requires that internal controls must provide a process whereby gaming agents and security and surveillance are notified immediately when a voluntarily excluded person is detected in the gaming area of a casino.
27. 68 IAC 6-3-4(b)(3) requires internal controls for refusing wagers from and denying gaming privileges to any voluntarily excluded person.
28. 68 IAC 6-3-4(e)(3) provides a casino licensee shall be subject to disciplinary action under 68 IAC 13 for failure to comply with the requirements of this section and the internal control procedures outlined under this section, including, but not limited to, failure to follow internal control procedures adopted under this rule.
29. Hard Rock's approved internal control procedures, A-2, describe the procedures for the Voluntary Exclusion Program (VEP).
30. On January 18, 2022, Hard Rock's Director of Compliance notified Gaming Agents that a VEP participant entered the casino and obtained a player's card. A duplicate player's account was created for the VEP. The VEP's initial account was properly flagged, however, the new account was created without the middle name. After obtaining a new player's card, the VEP gambled for approximately twelve (12) hours at table games and cashed out at the High Limit Cage for \$13,650.

#### TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Hard Rock by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, and/or Hard Rock's approved internal control procedures. The Commission and Hard Rock hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Hard Rock.

Hard Rock shall pay to the Commission a total of \$47,500 (\$5,000 for Count I, \$8,500 for Count II, \$4,000 for Count III and \$30,000 for Count IV) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained in 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.

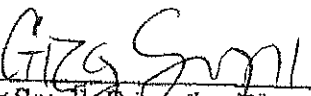
Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Hard Rock agrees to promptly remit payment in the amount of \$47,500 and waive all rights to further administrative 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.

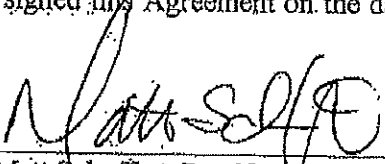
This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by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

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

6/27/2022  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Matt Schuffert, President  
Hard Rock Casino Northern Indiana

6/16/22  
\_\_\_\_\_  
Date