

**ORDER 2011-66  
IN RE SETTLEMENT AGREEMENT  
HOOSIER PARK L.P.: CENTAUR, INC.  
11-HP-01**

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

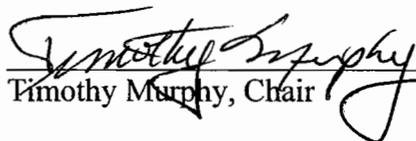
Approves

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 17<sup>th</sup> DAY OF MARCH, 2011.**

**THE INDIANA GAMING COMMISSION:**

  
Timothy Murphy, Chair

ATTEST:

  
Marc Fine, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

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|---|---|-------------------|
| <b>IN RE THE MATTER OF:</b>             | ) |                   |
|   | ) | <b>SETTLEMENT</b> |
| <b>HOOSIER PARK L.P.: CENTAUR, INC.</b> | ) | <b>11-HP-01</b>   |
|   | ) |                   |

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Hoosier Park L.P.: Centaur, Inc. (“Hoosier Park”), (collectively, the “Parties”) desire to settle this matter 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 1-15-1(b) Riverboat licensees and riverboat license applicants may not destroy records of any type that relate to the riverboat gambling operation unless they have complied with this rule.
2. (c) At least twenty (20) working days before a riverboat licensee or riverboat license applicant intends to destroy any records that relate to the riverboat gambling operation, the riverboat licensee or riverboat license applicant must notify, in writing, the regional audit administrator for the commission of the following information:
  - (1) The records the riverboat licensee or riverboat license applicant intends to destroy.
  - (2) The date, time, and manner of destruction.
  - (3) The date that the records were generated.
  - (4) The applicable length of time that the record was to be maintained in accordance with this title.
  - (5) The reason for the destruction.
  - (d) The riverboat licensee or riverboat license applicant shall not destroy any records that relate to the riverboat gambling operation until the regional audit administrator for the commission has approved, in writing, the destruction of the records.
  - (e) Violation of this rule may result in the initiation of a disciplinary action under 68 IAC 13-1.
3. 68 IAC 15-10-2(a) states riverboat licensee shall establish policies and procedures to ensure that all transactions that flow through the casino cage shall be accounted

for. These policies and procedures shall include, but are not limited to, the following:

- (1) All transactions shall be recorded on a main bank or vault accountability form or its equivalent on a per shift basis.
  - (2) All increases or decreases to the main bank or vault shall be supported by the appropriate documentation.
  - (3) At the end of each shift, the cashiers assigned to the outgoing shift shall:
    - (A) record on a main bank or vault accountability form, or its equivalent, the face value of each cage inventory item counted and the total of the opening and closing cage inventories; and
    - (B) reconcile the total closing inventory with the total opening inventory.
  - (4) At the conclusion of gaming activity each day, copies of the main bank or vault accountability forms and all supporting documentation shall be forwarded to the accounting department.
  - (5) Signature requirements shall be established for outgoing and incoming cashiers.
  - (6) Any other policies and procedures deemed necessary by the executive director or the commission to ensure compliance with the Act and this title.
4. In September of 2010, an IGC Auditor reviewed internal audit reports for Hoosier Park and noted that there were repeat findings cited for the cage and slot departments. The reports stated that numerous days' paperwork had missing or illegible items as well as incorrect calculations. Two days of accounting paperwork was obtained from the casino. The IGC Auditor reviewed the paperwork and found several minor issues, but the main issue was that the casino had issues with balancing with the NRT kiosks. Also on one day a \$100 bill was found mixed in with the paperwork. The Auditor found variances between the totals for the TITO tickets and the NRT totals, Transaction Settlement sheets were missing from individual NRTs and there were NRT totals that were changed without explanation.
5. On September 24, 2010 several of the IGC Audit staff met with the Internal Auditors from Hoosier Park. The Internal Auditors informed the IGC Audit staff that the documentation used in researching NRT balances prior to September 14, 2010 had been destroyed; NRT variances over \$500 may not have been properly reported to the IGC; NRT balancing is not done by individual machines; missing balance sheets could not be explained and they could not account for the reason some machine balances being altered on the balance sheet.
6. On October 1, 2010 the Director of Internal Audit sent to the IGC Audit Staff a corrective action plan to address the issues with the NRT balancing. As of this date there have been no further issues.

## COUNT II

7. Pursuant to IC 4-35-7-2 and 68 IAC 1-11-1(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 is being conducted.
8. On September 2, 2010 a Gaming Agent was advised by the Assistant Director of Security that a minor had entered the casino. A review of surveillance footage showed the minor was allowed to enter the casino without showing any identification.

## COUNT III

9. 68 IAC 2-3-9.2 (b) states riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when the occupational licensee's employment with the riverboat licensee is terminated for any reason. The form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
10. On January 10, 2011 a Gaming Agent was notified by a Gaming Commission Legal Intern concerning the employment status of a Security Officer. The Agent was informed that the Security Officer had been terminated on November 20, 2010. Human Resources had failed send the Separation of Service paperwork.

## COUNT IV

11. 68 IAC 6-3-4(b) states each casino shall establish internal control procedures for compliance with this rule, which shall be submitted and approved by the commission under 68 IAC 11-1-3. The internal controls must, at a minimum, address the following:
  - (3) Must:
    - (A) refuse wagers from; and
    - (B) deny gaming privileges to any individual who the casino knows to be a voluntarily excluded person.
12. On November 3, 2010 a Gaming Agent and Surveillance Manager were discussing an incident that had occurred regarding suspicious activity of a jackpot over \$1200. The Surveillance Manager informed the Agent that a man who had won a jackpot switched seats with the man at a machine next to him. An Electronic Games Attendant witnessed the two men switch seats and reported the incident to her supervisor, an Electronic Games Shift Manager. The man who won the jackpot exited the casino immediately after that. The Electronic Games Shift Manager used the cell phone of the man who remained to obtain the

information of the man who had supposedly won the jackpot since the man (remaining) claimed he was on the phone with the man who had won. The Electronic Games Shift Manager thought the man who left may have owed child support and the casino would be able to confirm it when the jackpot was processed. Upon further investigation, the Agent discovered that the man who won the jackpot and fled was a VEP. The man who switched seats with the VEP had the same last name and lived at the same address as the VEP. The man who came to the casino to claim the jackpot also had the same last name as the other two men. The Agent showed a picture of the man who claimed the jackpot to the Electronic Games Attendant and she stated that it was not the man who won the jackpot. The Agent then showed her a picture of the VEP and she confirmed that he was the one who won the jackpot.

### **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 the Riverboat Gambling Act, Title 68 of the Indiana Administrative Code 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. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Hoosier Park shall pay to the Commission a total of \$18,000 (\$10,000 for Count I; \$4,500 for Count II; \$2,000 for Count III and \$1,500 for Count IV) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. Neither this agreement nor any action performed pursuant to it will constitute an admission of any violation by Hoosier Park. This agreement extends only to known incidents specifically alleged in this agreement and wholly based on the facts described herein. If the Commission subsequently discovers additional facts, which are not described in this agreement, that may support an independent determination that a violation has occurred, the Commission may pursue disciplinary action for such violations even if the facts are related to an incident described herein.

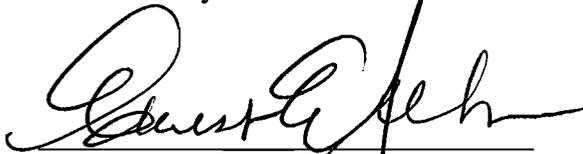
Upon execution and approval of this Settlement Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Settlement Agreement by the Commission, Hoosier Park agrees to promptly remit payment in the amount of \$18,000 and shall waive all rights to further administrative or judicial review.

This Settlement 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

Settlement Agreement. This Settlement Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

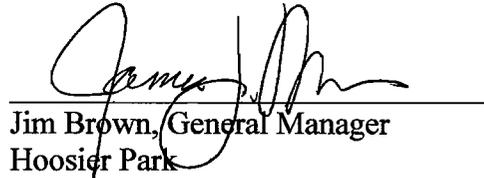
This Settlement Agreement shall be binding upon the Commission and Hoosier Park.

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



Ernest E. Yelton, Executive Director  
Indiana Gaming Commission

3.15.11  
Date



Jim Brown, General Manager  
Hoosier Park

2/23/11  
Date