

ORDER 2008-152
IN RE SETTLEMENT AGREEMENT
HOOSIER PARK L.P.: CENTAUR, INC.
08-HP-01

COMMISSION ACTION

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 13th DAY OF NOVEMBER, 2008.

THE INDIANA GAMING COMMISSION:



William Barrett, Chair

ATTEST:



Thomas Swihart, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
)
HOOSIER PARK L.P.: CENTAUR, INC.) **SETTLEMENT**
) **08-HP-01**
)

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 6-3-4(b)(2) and (3) requires that casinos must provide a process whereby enforcement agents and security and surveillance are notified immediately when a voluntarily excluded person ("VEP") is detected in the gaming area of a facility. Casinos must refuse wagers from and deny gaming privileges to any individual who the casino knows to be a voluntarily excluded person.
2. On August 27, 2008, a Security Manager contacted a Gaming Agent regarding the possible presence of a VEP on the casino floor. The Gaming Agent confirmed that the person was a VEP. When the Agent asked why she was in the casino, the VEP replied that she was under the impression she was not excluded because she had been to the casino on several occasions since she signed up. The VEP then gave the Agent information on when she had cashed checks and won a jackpot. The VEP had signed up in June 2008 and in August had won a jackpot for \$1208 and cashed three checks totaling \$1,000 during four separate visits.

COUNT II

3. Pursuant to IC 4-33-9-12(a), a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.
4. 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present on a riverboat.

5. On July 5, 2008, a Gaming Agent overheard a security radio channel transmission regarding a baby on the casino floor. Upon responding to the call, the Agent along with the Director of Security and the Security Manager, witnessed a woman playing a slot machine with a baby strapped to her chest in a baby harness. Review of the surveillance footage showed the couple entering through the track side entrance and the Security Officer checking their identifications but not inquiring about the obvious lump on the woman's chest. At the time of entry, the baby was covered with a blanket.

COUNT III

6. 68 IAC 11-3-3 (b)(1)(B) states there shall be one (1) door to the soft count room. The door must be lockable from outside the soft count room.
7. 68 IAC 11-3-3 (c)(11) states that keys to the soft count room shall be maintained by the security department in accordance with 11-7. Access to the soft count room shall be gained only by or through a security officer.
8. On July 28, 2008, a Gaming Agent was called to surveillance to review a possible violation. The Agent was shown footage of a Security Officer leaving the soft count room door unsecured while he took a break. The Security Officer was posted in the mantrap while cage personnel worked in the soft count room on NRT cassettes. The Security Officer left the mantrap area after the two cage employees exited the soft count room. Ten minutes later, the Security Officer returned to the mantrap area with a Cage Supervisor who needed to remove the NRT cassettes from the soft count room. Without using a key, the Security Officer opened the door.

COUNT IV

9. 68 IAC 11-3-5(4) states the security officer shall obtain a key to the bill validator boxes from the main bank in accordance with 68 IAC 11-7. The security officer shall turn the key over to the currency collection team member who is designated to collect the bill validator drop boxes.
10. 68 IAC 11-3-5(5) states the designated currency collection team member shall collect the bill validator drop boxes.
11. On July 26, 2008, a Gaming Agent discovered access to two bill validator (BV) boxes at an electronic table game. There was a "cold" BV box set on each station to replace the "hot" BV box. The drop team had opened the stations so the "hot" BV boxes could be removed and replaced, but the drop team had failed to do this. The Agent asked a Slot Tech to lock the stations so the BV boxes would be

secured. The stations were left open with the “hot” BV boxes exposed for an hour and twenty minutes.

COUNT V

12. 68 IAC 11-3-5(6) states the live gaming device or bill validator drop box that was removed shall be placed in the drop box storage cart for transportation to the soft count room.
13. 68 IAC 1-15-1(b) states 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.
14. 68 IAC 2-3-9 (c)(2) and (d) requires an occupational licensee to cooperate with and provide truthful information to enforcement agents and staff during any investigation regarding regulatory violations and must notify the commission that a riverboat licensee or an occupational licensee has violated the Act of this title as soon as the occupational licensee becomes aware of the violation.
15. On July 22, 2008, a Gaming Agent was advised that a BV box had been found on the gaming floor unattended sometime during the weekend. On July 20, 2008, a Security Officer found an unattended BV box lying on the casino floor. She observed the drop team about four banks over and thought the box could have been there for about ten to fifteen minutes. The Security Officer was able to get the attention of a Drop Team Member who identified the box as a “hot” box. The Drop Team Member took the box to the drop cart. The Security Officer went to her on-duty Security Supervisor (#1) and notified him of the incident. The Security Officer stated she knew she should have reported this to surveillance but did not want to get anyone in trouble.
16. According to a Security Supervisor (#2), during an interview with two Gaming Agents, he stated that he was in another area when he was informed about the “hot” box being found. The Security Supervisor (#2) wrote an incident report regarding the incident, and gave the report to his Shift Manager. About fifteen minutes later, Security Supervisor (#2) was summoned back to the security office by Security Supervisor (#1). When the Security Supervisor (#2) arrived at the office, he heard the Shift Manager tell Security Supervisor (#1) to shred the incident report. The Shift Manager then looked at the Security Supervisor (#2) and told him “this never happened.” The Shift Manager and a Surveillance Supervisor decided this would make security look bad and they would treat it as if it had never happened. When the Security Supervisor (#2) told his Shift Manager he felt it was not right, the Shift Manager replied that he was the shift manager and that is the way it was going to be. Security Supervisor (#2) told the Security Supervisor (#1) that he had a copy of his incident report and they would just have to get the paperwork together. Security Supervisor (#2) told the Shift Manager

Comment [I1]:

that a lot of people were aware of the incident and they should forward the paperwork to the proper people. The Shift Manager stated he was going to handle it.

17. The Gaming Agents interviewed the Shift Manager who stated that he had a conversation with Security Supervisor (#2) about the box. Security Supervisor (#2) told the Shift Manager that he had completed a full report on the incident. Once this was reported, they notified surveillance and spoke to the Surveillance Supervisor. The Surveillance Supervisor had a difficult time locating the incident due to the time and location possibly being incorrect, so the Security Supervisor (#2) returned to the floor to confirm the information. The Security Supervisor (#2) returned to the office and told the Shift Manager the box had been retrieved quickly once the money cart had been moved. He also stated that it wasn't a big deal and he wasn't going to complete a report on the incident. The Shift Manager then called the Surveillance Supervisor to notify him that he wasn't going to log it. The Shift Manager didn't feel that the policies and procedures required the report. The Shift Manager went on to say that he did not tell the Security Supervisor (#2) to shred the report, nor did he ever tell the Security Supervisor (#2) they were going to act like nothing had ever happened. The Shift Manager stated that after this incident he had not received any further calls from Security Supervisor (#2) about this.
18. The Agents interviewed Security Supervisor (#1). He stated that he had been taking a smoke break when a Security Officer told him that a hot box had been found on the casino floor during the morning drop. Security Supervisor (#1) immediately went to speak with Security Supervisor (#2) who confirmed that the money box had been discovered when the money cart was moved. He also told Security Supervisor (#1) that he was completing a security report on the incident. Since Security Supervisor (#2) was handling the situation, Security Supervisor (#1) stepped away from it. Later Security Supervisor (#1) went back to the security office and found the Shift Manager on the phone apparently speaking with surveillance. The Shift Manager gave Security Supervisor (#1) some papers to shred. Security Supervisor (#1) did not look at the papers but did as he was told. The Shift Manager then asked him to summon Security Supervisor (#2) back to the office. When Security Supervisor (#2) came to the office, the Shift Manager told him he had spoken to surveillance and he and surveillance both agreed this incident would make security look bad. He indicated surveillance was going to delete the video and he wanted Security Supervisor (#2) to delete the report. Security Supervisor (#1) stated he knew this wasn't right so he left the office. Later that morning, Security Supervisor (#1) stated that a Security Supervisor (#3) mentioned the incident to him, so he knew it was going to become an issue. Security Supervisor (#1) then tried to call the Shift Manager but could not get a hold of him. He then called Security Supervisor (#2) who was still upset about the situation and they both decided they had to handle the situation appropriately. Security Supervisor (#1) again called the Shift Manager and was able to reach him. The Shift Manager again stated it was his decision to make.

The Shift Manager told Security Supervisor (#1) to call Security Supervisor (#2) and calm him down. Security Supervisor (#1) contacted Security Supervisor (#2) and both agreed that this was wrong and they had to figure out how to handle it.

17. The Agents interviewed the Surveillance Supervisor. The Surveillance Supervisor indicated that during his normal shift, one of the surveillance personnel called him over to observe on the monitor a money box dropped on the floor. While he was observing this he saw what he thought was a Security Officer pick up the box and place it on the drop cart. After this, the Shift Manager called him and requested surveillance to look up the incident, which they did. The Surveillance Supervisor was able to locate the incident and made a copy of it. He advised the Shift Manager that he had a copy of the coverage. The Shift Manager never came to pick up the copy so the Surveillance Supervisor put it in the Surveillance Supervisor's office. The Agents went to the office with the Surveillance Supervisor and located the copy.

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 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.

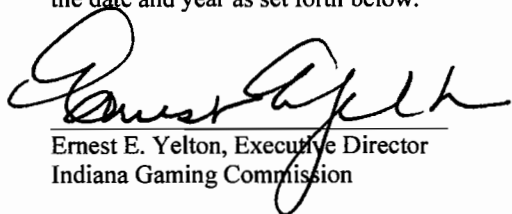
Hoosier Park shall pay to the Commission a total of \$50,708 (\$6,208 for Count I; \$1,500 for Count II; \$10,000 for Count III; \$3,000 for Count IV; and \$30,000 for Count V) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of 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 \$50,708 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.

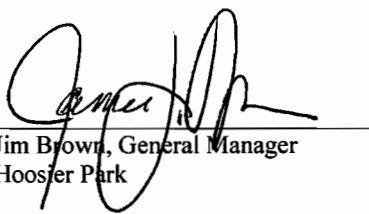
This Settlement Agreement shall be binding upon the Commission and Hoosier Park.

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

11.13.08
Date



Jim Brown, General Manager
Hoosier Park

11/7/08
Date