

**ORDER 2020-50  
IN RE SETTLEMENT AGREEMENT**

**HOOSIER PARK, LLC d/b/a HARRAH'S HOOSIER PARK  
20-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 10<sup>th</sup> DAY OF JULY, 2020.**

**THE INDIANA GAMING COMMISSION:**



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Michael B. McMains, Chair

ATTEST:



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Joseph Svetanoff, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>HOOSIER PARK, LLC</b>	)	<b>20-HP-01</b>
<b>d/b/a HARRAH'S HOOSIER PARK</b>	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait 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. IC 4-38-11-1(a) provides that 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.

2. Chapter 5, Section 2(2)(W) of the Emergency Rules for Sports Wagering provides that 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.
3. 68 IAC 11-9-2(a) provides that 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.
4. 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.
5. Hoosier Park's approved internal control procedures describe its procedures for the Child Support Arrears Delinquency Registry ("CSADR") in N-1 and in V-17.
6. Gaming Agent's audited the CSADR for October 2019. The results of this audit found two (2) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.

## **COUNT II**

7. 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.
8. 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.
9. On January 10, 2020, Security notified Gaming Agents that a Dual Rate Floor Supervisor had taken sensitive keys off property. The keys were off property for approximately 58 minutes. The keys provide access to table game chip trays, podium, roulette wheel, and table game storage.
10. On January 11, 2020, Security notified Gaming Agents that a Table Games Floor Supervisor had taken sensitive keys off property. The keys were off property for approximately 8 hours. The keys provide access to table game chip trays, podium, roulette wheel, and table game storage.
11. On January 25, 2020, Security notified Gaming Agents that an Electronic Games Attendant had taken sensitive keys off property. The keys were off property for

approximately 2 hours and 16 minutes. The keys provide access to electronic gaming device controllers, belly glass, main door, money pouch lock, and Digi Deal table limit.

### **COUNT III**

12. 68 IAC 2-3-9.2 provides, in relevant part, that riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when one (1) of the following events occurs with an occupational licensee: (1) 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.
13. On January 15, 2020, Gaming Agents received a license badge through the mail from a Floor Supervisor. The badge was given to the Events and Compliance Coordinator in Human Resources. It was determined that the Floor Supervisor had been terminated for not showing up to work. The last day he reported to work was on December 13, 2019. Hoosier Park failed to timely report his termination to Gaming Agents.

### **COUNT IV**

14. 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.
15. 68 IAC 13-1-1(b)(2) and (3) provides that 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.
16. Hoosier Park's approved internal control procedures, Section J-5, describe its procedures for soft count.
17. On January 5, 2020, Gaming Agents were made aware that a Cage Shift Supervisor requested and received permission from surveillance to conduct a buy while the soft count process was actively underway.
18. 68 IAC 11-3-3(c)(2) provides that access to the soft count room shall be restricted to the following individuals:
  - (A) Members of the soft count team.
  - (B) Members of the currency collection team.
  - (C) Maintenance personnel and supervisors who are accompanied by security personnel for problem resolution.
  - (D) The internal auditor or equivalent, accompanied by security personnel, to verify the accuracy of the count machine.
  - (E) Security personnel in conjunction with official duties.
  - (F) Main bank employees in conjunction with official duties reconciling the soft count.
  - (G) Enforcement agents in the performance of official duties.

(H) Individuals specifically authorized by the commission or enforcement agents.

19. On January 23, 2020, the Gaming Agent Assistant Supervisor identified that a new strapper machine for the count room had been delivered and stored back of house. The Gaming Agent Assistant Supervisor noted the machine had been moved. The Gaming Agent Assistant Supervisor inquired with the Cage Operations Manager where the machine had been relocated to, and she responded that she had not been consulted but assumed it was in soft count room.

Surveillance confirmed they received a call and had approved for a Security Officer to enter the soft count room with a Receiving Warehouse Clerk and Buyer. At no point was the box searched, nor did anyone from Security or Surveillance question the contents of the box. Additionally, the Receiving Warehouse Clerk and Buyer are not authorized to be in the soft count room unless approval is granted by the Commission. No such request had been made by Hoosier Park.

20. 68 IAC 11-3-1(b) provides members of the currency collection team and soft count team shall wear clothing that is not conducive to the concealment of currency. Members of the currency collection team and soft count team shall not wear hats.
21. On October 24, 2019, Surveillance notified Gaming Agents that a Count Room Attendant was wearing jean pants with pockets and had dropped electronic gaming devices (“EGD”) during the bill validator drop. The Count Room Attendant was eventually sent home.
22. On November 8, 2019, the Count Room Manager notified Gaming Agents that a Count Room Attendant had been sent home due to wearing shorts with pockets. A review of surveillance coverage determined that the Count Room Attendant was in the soft count room from 5:36 to 7:13 and assisted with the count activity on two (2) carts. Surveillance also noticed that the Count Room Attendant had placed an item into a pocket of her shorts after she dropped it on the ground while at her locker. The Count Room Attendant’s pockets were not checked prior to her leaving property.
23. On November 10, 2019, a Gaming Agent was observing the count team from surveillance as the count team jumpsuits were checked by Security. It was observed that a Count Room Attendant was wearing shorts with pockets.

#### **COUNT V**

24. 68 IAC 15-12-3 provides that live gaming device fills shall proceed in the following manner:
  - (1) The appropriate occupational licensee shall initiate a live gaming device fill by completing an input form. The input form is either carried to the casino cage or the information is electronically transmitted to the casino cage.
  - (2) The appropriate occupational licensee uses the input form to prepare and print a live gaming device fill slip.

- (3) Surveillance shall be notified that a live gaming device fill is being processed.
  - (4) Based on the information contained on the fill slip, the casino cashier shall prepare the proper denomination and amount of chips and sign the fill slip. The casino cashier shall sign the fill slip, summon a security officer, and present the chips and the fill slip to the security officer.
  - (5) The security officer shall verify that the denomination and amount of chips match the amount on the fill slip. The security officer shall sign the fill slip after verifying the chips match the fill slips. The security officer who begins the live gaming device fill must complete the process of witnessing, escorting, and signing the appropriate documentation to verify that the live gaming device fill was completed. If there is a discrepancy with the live gaming device fill, the same security officer who began the live gaming device fill must accompany the fill back to the cage to resolve the discrepancy.
  - (6) The casino cashier shall retain one (1) copy of the fill slip in the casino cage.
  - (7) The security officer shall transport the chips to the appropriate pit area.
  - (8) The appropriate level of occupational licensee shall count the chips that are received as a live gaming device fill to ensure the denomination and amounts received match the amount and denomination reflected on the fill slip.
  - (9) If the amounts in subdivision (4) agree, the occupational licensee who counted the fill shall sign the fill slip. The pit supervisor or the equivalent shall also sign the fill slip. A copy of the fill slip or the original shall be inserted into the drop box of the live gaming device that received the fill. A copy of the fill slip or the original fill slip shall be returned to the casino cage.
  - (10) If the amounts in subdivision (4) do not agree, the fill slip shall not be signed and the discrepancy shall be resolved in accordance with the policy and procedure submitted in accordance with section 2(b)(8) of this rule. Surveillance shall be notified and the security officer shall return the chips and the fill slip to the casino cage.
- (b) The casino cashier or appropriate department shall use copies of the completed live gaming device fill slip to balance the cage. All completed live gaming device fill slips shall be used to complete the soft count.
  - (c) 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.

25. On January 17, 2020, a Cage Shift Supervisor notified Gaming Agents that a table fill error had occurred earlier in the evening. When a Cage Cashier balanced her drawer at the end of her shift, it was determined that she was \$500 over her expected amount to balance. Surveillance was able to review camera coverage and determine that a table fill had been sent out for \$4,000 but the table fill slip showed \$4,500.

Cage, Security and Table Games failed to properly verify the table fill, and Surveillance did not catch the error at the time of the violation. The error was only caught because of the variance on the drawer.

## COUNT VI

26. 68 IAC 1-5-1(10) provides that a casino or supplier licensee shall provide a written notice to the executive director as soon as the casino or supplier licensee becomes aware of the following: (10) apparent criminal activity taking place at the casino. A casino licensee shall submit the notice required under this subdivision to a gaming agent in addition to submitting it to the executive director.
27. On November 7, 2019, an Electronic Games Shift Manager (“EGSM”) mentioned to a Gaming Agent that she had a patron win a jackpot earlier in the evening that had acted suspicious, and she was going to complete a Suspicious Activity Incident Report. The Gaming Agent advised the EGSM that he was unaware of the incident. The EGSM further explained that while processing a jackpot earlier that a patron first stated his wife had won the jackpot but had left to go to the gas station to buy him some cigarettes.

A review of surveillance coverage, however, indicated that a man had won the jackpot and appeared to be by himself. The male patron finally admitted to winning the jackpot but said he did not have identification on him. The male patron continued to act suspicious. The EGSM was under the impression that Gaming Agents had been notified by Security or Surveillance, but Security told the Gaming Agent it was the EGSM’s responsibility to notify the Gaming Agents. Since Gaming Agents were not called, they were unable to speak with the patron and the patron still had not returned to the casino to collect his jackpot which was placed in safekeeping as a no-ID jackpot.

28. On November 15, 2019, a Gaming Agent received the Security Incident Reports. Upon review, one (1) of the reports detailed a verbal altercation amongst two (2) patrons that included a threat of violence. The incident occurred on November 14<sup>th</sup>. Gaming Agents were not notified of this incident until receiving the Security report.

## COUNT VII

29. 68 IAC 2-6-5 provides, in relevant part, that electronic gaming devices must be following security and audit specifications: (10) The par sheet for the program used in an electronic gaming device must be stored in the electronic gaming device.
30. 68 IAC 2-6-6 provides, in relevant part, that the casino licensee must maintain an inventory of electronic gaming devices and equipment. The casino licensee shall do the following: (A) Ensure that a copy of the par sheet for each game theme is placed in the electronic gaming device in accordance with section 5 of this rule.
31. Hoosier Park’s approved internal controls, III. Characteristics of an EGD, states the Erasable Programmable Read-Only Memory (“EPROM”) and hold percentage from a par sheet for a program utilized in an EGD must be stored in the EGD.
32. On October 3, 2019, a Gaming Agent was conducting an EGD audit when it was determined that an EGD did not have a PAR sheet.

33. On October 8, 2019, a Gaming Agent was conducting an EGD audit when it was determined that an EGD did not have a PAR sheet.
34. On November 10, 2019, a Gaming Agent was conducting an EGD audit when it was determined that an EGD did not have a PAR sheet.
35. On January 8, 2020, a Gaming Agent was conducting an EGD audit when it was determined that an EGD did not have a PAR sheet.
36. 68 IAC 2-6-33 provides that a progressive jackpot that is currently in play may be transferred to other progressive electronic gaming devices in the casino in the event of:
  - (1) electronic gaming device malfunction;
  - (2) electronic gaming device replacement; and
  - (3) another good reason deemed appropriate by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.(b) If the events set forth in subsection (a) do not occur, the progressive award must be permitted to remain until it is won by a player or transfer is approved by the executive director.
37. On November 30, 2009, a memo was issued by the Commission that states, in the event a casino wishes to transfer a progressive amount to another progressive on the casino floor, the casino must post signs 30 days prior to moving the progressive in order to inform patrons that the machine will be shut down. The incremental amount must then be transferred to a progressive with a similar denomination and the casino may retain the seed amount.
38. On October 12, 2019, Gaming Agents became aware that an EGD was found to have an incorrect progressive jackpot total by the Finance Department. The original bank of EGDs had five (5) levels of progressives and were being transferred to a bank of EGDs that only had four (4) levels of progressives. Therefore, the casino took Level four (4) and five (5) of the original bank and placed them on Level four (4) of the new bank. Ultimately, the progressive transfer amounts should have only applied to the \$.01 denomination. The multiple progressive denomination was not indicated on the progressive log which the casino employee and Gaming Agent utilized when verifying progressive information.
39. On September 12, 2019, the progressive transfer was approved by the Commission's Audit Division; however, Hoosier Park did not indicate the new progressive was multi-denom. If presented with that information, the Audit Division would have requested additional information to ensure that the transfer would be to a similar EGD.

### **COUNT VIII**

40. 68 IAC 2-2-6.1(b) provides that an employee, independent contractor, agent, or subagent of a supplier licensee shall obtain a Level 2 occupational license under 68 IAC 2-3 if the

executive director or the executive director's designee determines it is necessary. In making that determination, the executive director or the executive director's designee shall consider the: (1) frequency and duration of the individual's work in a casino or access to devices or systems that relate to the conduct or integrity of gaming; and (2) tasks that the individual will perform as part of the individual's job duties in a casino or while accessing devices or systems that relate to the conduct or integrity of gaming.

41. 68 IAC 12-1-4 provides that the surveillance system must be capable of monitoring activities on the:
  - (1) casino floor;
  - (2) support areas;
  - (3) areas of the pavilion through which monies are transported; and
  - (4) all other areas necessary to further the purpose of the surveillance system; including, but not limited to, the areas specifically outlined in this rule.

(b) The executive director or the executive director's designee may require additional areas be monitored to ensure compliance with IC 4-33 and this title.
42. 68 IAC 12-1-5(b)(1) provides that the surveillance system shall provide coverage of each of the following areas as specified in this rule. Areas of the main bank, including the following:
  - (A) A general overview of the entire area of each cage and vault area with sufficient clarity to identify patrons and employees.
  - (B) Dedicated coverage with sufficient clarity to identify the following:
    - (i) Currency.
    - (ii) Coin.
    - (iii) Cash.
    - (iv) Cash equivalents.
    - (v) Chip values.
    - (vi) Amounts on credit slips in an area where fills and credits are transacted.
43. 68 IAC 12-1-5(f) provides that electronic gaming device surveillance must be capable of providing the following:
  - (1) A view of all patrons.
  - (2) A facial view of the patrons with sufficient clarity to allow identification of a patron.
  - (3) A view of the electronic gaming device with sufficient clarity to observe the result of the game.
  - (4) An overall view of the areas around the electronic gaming device.
  - (5) A view of bill validators with sufficient clarity to determine bill value and the amount of credit obtained.
  - (6) Progressive games, including dedicated coverage of the following:
    - (A) An electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000).
    - (B) The progressive display showing the incrementation of the progressive jackpot for an electronic gaming device or a bank of electronic gaming devices.
44. 68 IAC 12-1-7(a) and (b) provides that all recordings must be kept in accordance with this section.

- (b) Recordings depicting routine activity must:
- (1) contain the date and time reading; and
  - (2) be retained a minimum of seven (7) days.

45. On January 10, 2020, a Gaming Agent was conducting an audit of surveillance cameras and discovered that the progressive meters on two (2) EGDs could not be read. The linked progressive amount on these EGDs was \$104,000. During a system changeover, the camera dedicated to covering the progressive meters was reset to its home position preventing the viewing of the progressive meters. The progressive meters did not have coverage for approximately one (1) hour.
46. On January 19, 2020, the Gaming Agent Assistant Supervisor inquired with a Gaming Agent if they had approved the installation of a 78" wall in the main chip bank. While there had been previous discussions with casino staff and the Commission about placing a barrier to make the area more secure, nothing formal had been submitted nor had it been approved for construction. The wall constructed obstructed views of the surveillance cameras covering the drawers at the front of the bank and blocked any visual from surveillance of the back side of where the NRT boxes were stored. The barrier was installed on January 18, 2020 without approval and was subsequently taken down on January 19<sup>th</sup> at the direction of Gaming Agents.
47. On January 21, 2020, Surveillance notified Gaming Agents that the casino lost coverage on approximately 300 cameras for three (3) hours. The surveillance coverage could not be recovered.

The Surveillance Manager stated that, when transferring cameras from one system to another, a camera cable was removed from one system server and placed into the new system server, and the camera would have to be refreshed at the user interface in order for recording to begin. The Surveillance Manager advised that a Surveillance System Integration, Inc. ("SSI") employee was switching camera cables without testing them which caused the cameras not to get refreshed at the user interface.

48. On January 22, 2020, the Gaming Agent Assistant Supervisor inquired about credentials for an individual working on the surveillance system migration. It was at this time it was discovered that SSI brought in an individual on January 21, 2020 and January 22, 2020 to assist with the surveillance migration project. The individual was sub contracted by SSI from a company named J2. The individual did not hold an occupational license in Indiana. The individual had access to the surveillance room and the surveillance system. Neither SSI nor Hoosier Park did their due diligence prior to allowing this individual to perform work on the surveillance system.
49. On January 31, 2020, Gaming Agents became aware that another unlicensed individual performed work on the surveillance migration project. This individual worked on January 10, 2020 for approximately three (3) hours and on January 21, 2020, for approximately six (6) hours. The individual had access to the surveillance room and the surveillance system.

50. On January 27, 2020, surveillance notified Gaming Agents that due to ribbon cables being disconnected during the surveillance system migration coverage on sixty-three (63) cameras had been lost and the pan, tilt and zoom (PTZ) control was lost.

An SSI employee disconnected ribbon cables without knowing that doing so would cause a camera outage. These cables crisscrossed and fed to cameras two racks away. The first camera went out at 9:50 and the last camera was restored at 18:24.

### **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, the Emergency Rules for Sports Wagering, 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 \$34,000 (\$2,000 for Count I, \$4,500 for Count II, \$1,000 for Count III, \$3,500 for Count IV, \$1,500 for Count V, \$2,000 for VI, \$3,500 for Count VII, and \$16,000 for Count VIII) 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.

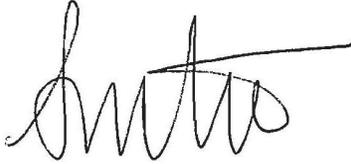
Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Hoosier Park agrees to promptly remit payment in the amount of \$34,000 and shall waive all rights to further administrative 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.



\_\_\_\_\_  
Sara Gonso Tait, Executive Director  
Indiana Gaming Commission

\_\_\_\_\_  
Trent McIntosh, General Manager  
Hoosier Park, LLC

6/24/20

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Date

\_\_\_\_\_  
Date

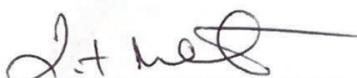
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Sara Gonso Tait, Executive Director  
Indiana Gaming Commission

  
\_\_\_\_\_  
Trent McIntosh, General Manager  
Hoosier Park, LLC

\_\_\_\_\_  
Date  
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4/17/20  
\_\_\_\_\_  
Date