

**ORDER 2020-57
IN RE SETTLEMENT AGREEMENT**

**HOOSIER PARK, LLC d/b/a WINNER'S CIRCLE PUB, GRILLE AND OFF
TRACK BETTING, INDIANAPOLIS
20-OTB-IN-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 10th DAY OF JULY, 2020.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
)
HOOSIER PARK, LLC) **SETTLEMENT**
d/b/a WINNER’S CIRCLE PUB, GRILLE AND) **20-OTB-IN-01**
OFF TRACK BETTING, INDIANAPOLIS)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Hoosier Park, LLC d/b/a Winner’s Circle Pub, Grille and Off Track Betting, Indianapolis (“OTB Indy”), (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. Chapter 10, Section 3(d) of the Emergency Sports Wagering Rules provides that if the sports wagering window net receipts for the shift, as generated by the system, does not agree with the sports wagering count sheet total plus the sports wagering inventory, the shift supervisor shall record any overage or shortage. If the count does not agree, the cashier and the shift supervisor shall attempt to determine the cause of the discrepancy in the count. Any discrepancy that cannot be resolved by the cashier and the shift supervisor shall be reported in writing to the department supervisor in charge at such time. Any discrepancy in excess of five hundred dollars (\$500) shall be reported to the commission. The report shall include:
 - (1) date on which the discrepancy occurred;
 - (2) shift during which the discrepancy occurred;
 - (3) name of the cashier;
 - (4) name of the supervisor;
 - (5) window number; and
 - (6) amount of the discrepancy.
2. On September 10, 2019, a Gaming Agent was assigned to conduct an investigation into variance issues at OTB Indy during the count room reconciliation process.
3. On September 9, 2019, a possible \$28,000 variance had occurred. This variance occurred due to a settlement paperwork and system related error. The errors were as follows: 1) \$54,900 in Ticket Writer Banks “out” from first shift were posted a second time on swing shift; 2) \$27,450 less in Ticket Writer Banks “in” was posted a second time on swing shift; and 3) \$1,275 in cash transfers from first shift was posted again for second shift.

4. On September 13, 2019, the Gaming Agent met with the General Manager (“GM”) of OTB Indy and the Indiana Grand (“IG”) Director of Cage and Count Operations and specifically requested the training that had been given to staff before and after the variance issues. The GM responded that staff was doing much better but did not provide the specifics on training.
5. On September 30, 2019, the Gaming Agent reached out to the Director of Cage and Count Operations for specifics on the variances and training. The following information was received: 1) On September 9, 2019, the Ticket Writer Banks out were double posted on day and swing shift. The Ticket Writer Banks in total on the front page of settlement sheet did not match the amount they actually counted which is reflected on the settlement sheets. An amount was mistakenly posted under the Coin/Cash Transfer Out section; 2) On September 7, 2019, the Ticket Writer Banks out were double posted on day and swing shift; and 3) Corrective action was put into place.
6. A Gaming Agent determined that variances initially reported by the VP of Finance at Hoosier Park (“HP”) and IG’s Director of Cage and Count Operations had some discrepancies.
7. On October 7, 2019, the Gaming Agent reached out to both individuals to inquire about the discrepancies. The IG Director of Cage and Count Operations responded that the discrepancies were actually the same and it was a matter of how they were logged. Very little detail was provided for the initial variances and how they were resolved. The Ticket Writer Count Sheet was mentioned but no example was provided.

The Commission’s Director of Audit noted that these issues remain at OTB Indy and that OTB Indy has not provided sufficient training to staff.

8. 68 IAC 11-1-2(1) provides that the procedures of the internal control system are designed to ensure that the assets are safeguarded.
9. OTB Indy’s approved internal control procedures, A-1, describe its procedure for safeguarding assets.
9. On January 14, 2020, the Commission’s Director of Audit found the front door to OTB Indy unsecured.

The GM reported to Gaming Agents that the “pin” at the top of the door frame was not completely extending the bar through the top of the door every time. The GM advised the doors are checked upon closing but could not explain how the door became unlocked through the course of the night.

10. On January 21, 2020, the Gaming Agent spoke to the Commission’s Director of Audit who advised he stopped to see if there was anyone at the facility and when he pulled the front door it came open. The Commission’s Director of Audit also found the second set of doors had a chair propped against them and those doors were also unsecured. This

triggered an alarm. When no one responded to the alarm, the Commission's Director of Audit proceeded to the Commission office and sent an email to the Assistant GM of OTB Indy.

A surveillance review also indicated that currency in the main bank was left in drawers and not in the safe.

COUNT II

7. IC 4-38-5-3(a) provides a person who is less than twenty-one (21) years of age may not be present in an area where sports wagering is being conducted.
8. On September 28, 2019, Surveillance notified Gaming Agents that an underage person had entered OTB Indy. At 2:08 p.m., the underage person presented identification and engaged in a brief conversation with the Security Officer at the entrance and then quickly left after retrieving his identification. Approximately one (1) minute later, a male patron entered and engaged in conversation with the Security Officer. The underage person re-entered the OTB Indy entrance. The male patron and underage person engaged in conversation with the Security Officer and were allowed to enter OTB Indy.

COUNT III

9. Chapter 3, Section 5(a) of the Emergency rules for Sports Wagering provides that Sports wagering operations within a licensed facility shall be designed to promote optimum security of the licensed facility, and shall include the installation and maintenance of security and surveillance equipment, including closed circuit television equipment, pursuant to the requirements set forth in 68 IAC 12-1 and any other specifications approved by the executive director or executive director's designee.
10. 68 IAC 12-1-8(a)(5)(G)(i) provides an activity log must include entries for the following events and notifications received by surveillance employees about the events: The beginning, end, and any interruptions of the soft count.
11. On January 15, 2020, Surveillance notified a Gaming Agent that OTB Indy failed to notify Hoosier Park's surveillance team before starting the closing count.
12. On January 22, 2020, Surveillance notified a Gaming Agent that OTB Indy failed to notify Hoosier Park's surveillance team at the conclusion of the count process.
13. On February 5, 2020, Surveillance notified a Gaming Agent that OTB Indy to notify Hoosier Park's surveillance team before starting the closing count and at the conclusion of the count process.

TERMS AND CONDITIONS

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

OTB Indy shall pay to the Commission a total of \$7,500 (\$3,000 for Count I, \$1,500 for Count II, and \$3,000 for Count III) 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.

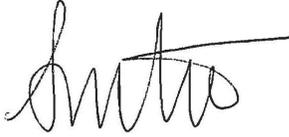
Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, OTB Indy agrees to promptly remit payment in the amount of \$7,500 and shall waive all rights to further administrative 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 OTB Indy.

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

6/24/20

Date

Trent McIntosh, General Manager
Hoosier Park, LLC

Date

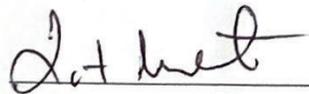
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Sara Gonso Tait, Executive Director
Indiana Gaming Commission



Trent McIntosh, General Manager
Hoosier Park, LLC

Date
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4/7/20

Date