

AGENDA
KANSAS RACING AND GAMING COMMISSION
10:00 a.m., Friday, December 14, 2018

EAST TOWER CONFERENCE ROOM
EISENHOWER STATE OFFICE BUILDING
700 SW Harrison, Suite 410
Topeka, KS 66603

- A. CALL TO ORDER
- B. APPROVAL OF AGENDA
- C. APPROVAL OF MINUTES

- 1. [Minutes of November 16, 2018](#)

- D. CONSENT AGENDA

Items listed on the consent agenda are routine in nature. If requested by a commissioner, an item may be removed from the Consent Agenda and placed under Commission Items for further discussion and consideration.

- 1. Approvals and revocations for certain lottery facility games and related components
 - a. [GLI Approval Letters December 2018](#)
 - b. [BMM Approval Letters December 2018](#)
 - 2. Internal Control amendment approvals
 - a. [Boot Hill Casino internal control amendment approvals](#)
 - b. [Kansas Star Casino internal control amendment approvals](#)
 - c. [Kansas Crossing Casino internal control amendment approvals](#)
 - 3. Disciplinary Review Board Waivers
 - a. Robert Ray Clough, 2018-2005
 - b. Kansas Entertainment, LLC d/b/a Hollywood Casino at Kansas Speedway, 2018-3006
 - c. Mary Rose Carr, 2018-3007

d. Diana Michelle Crouch, 2018-3008

i. [Staff Memo](#)

E. Lottery Gaming Facility Reports/Items

1. Boot Hill Casino and Resort

a. [Monthly Report](#)

b. [November Revenue Report](#)

2. Kansas Star Casino

a. [Monthly Report](#)

b. [November Revenue Report](#)

3. Hollywood Casino at Kansas Speedway

a. [Monthly Report](#)

b. [November Revenue Report](#)

4. Kansas Crossing Casino

a. [Monthly Report](#)

b. [November Revenue Report](#)

F. COMMISSION ITEMS – OLD BUSINESS

NONE

G. COMMISSION ITEMS – NEW BUSINESS

NONE

H. PUBLIC COMMENTS

I. STAFF REPORTS

1. Sarah Lynch-Chaput, Paralegal

a. [Voluntary Exclusion Program Report](#)

2. Don Brownlee, Executive Director

J. DISCIPLINARY REVIEW PROCESS

1. Phetsamone Keovongkoth, KRGC Case Number 2018-1001

- a. [Summary Proceeding Order and Notice of Hearing and Right to Waive, 2018-1001](#)

K. EXECUTIVE SESSIONS

The Commission conducts executive sessions in accordance with the Kansas Open Meetings Act and all discussions are limited to the specified purposes listed in K.S.A. 75-4319. The Commission utilizes executive sessions to consult with the Commission's attorney on confidential legal matters, to discuss confidential personnel matters, to protect the confidentiality of necessarily closed information including licensee background reports, and to protect the integrity of gaming information and the confidentiality of lottery gaming facility manager finances.

1. Background Reports

L. OTHER BUSINESS/FURTHER COMMISSION ACTION

1. Consideration of proposed gaming licenses and renewals

M. ADJOURNMENT

KANSAS RACING AND GAMING COMMISSION

MINUTES – NOVEMBER 16, 2018

CALL TO ORDER
(A.)

Chairman Brandon Jones called the November 16, 2018 meeting to order at 10:00 a.m. The meeting was held in the East Tower Conference Room of the Eisenhower State Office Building, 700 SW Harrison, in Topeka, KS. Commissioners David Moses, Larry Turnquist, and Dave Myres were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Electronic Security and I.T. Dennis Bachman, Director of Security Joe Herridge, Recording Secretary Sarah Lynch-Chaput, and other staff.

MOTION, APPROVE
AGENDA
(B.)

Commissioner Turnquist (Myres) moved to approve the agenda. Motion carried unanimously.

MOTION, APPROVE
OCTOBER 12, 2018
MEETING MINUTES
(C.1.)

Commissioner Myres (Turnquist) moved to approve the minutes of the October 12, 2018 meeting. Motion carried unanimously.

MOTION, APPROVE
CONSENT AGENDA
(D.)

Commissioner Turnquist (Myres) moved to approve the consent agenda. Motion carried unanimously.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; BOOT
HILL CASINO & RESORT
(E.1.a.)

Diane Giardine, General Manager, reported:

- October 2018 revenue numbers compared to October 2017:
 - Total gaming revenue increased 7.21%
 - Total slot revenue increased 8.79%
 - Table games revenue decreased 4.24%
- Past Promotions and Events:
 - Ronnie Milsap, October 13th
 - Scotty McCreery, October 27th
- Upcoming Promotions and Events:
 - Earn & Eat Mondays
 - Thanksgiving Special Offers & Buffet
 - Hunting Opening Day Giveaway
 - The Oakridge Boys, November 29th

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
STAR
(E.2.a.)

Jeff Babinski, General Manager, reported:

- October 2018 revenue numbers compared to October 2017:
 - Admissions down 15%
 - Total gross gaming revenue flat
 - Slot coin-in flat
 - Slot hold down 1 point
 - Table games drop down 13.9%
 - Table games hold up 6.4 points
 - Poker revenue down 20%
- Past Events and Promotions:
 - Midwest Beerfest, October 13th
 - Evolution Fighting Championship, October 20th
 - All Hallows Gala, October 27th
 - National Final Steer Roping, November 2nd and 3rd
- Upcoming Events and Promotions:
 - Matchroom Boxing, November 17th
 - Miss Kansas USA & Miss Kansas Teen USA Pageants, November 24th and 25th
 - Mix, Mingle, Jingle Party, November 30th
 - Cirque Musica Holiday – Wonderland, December 1st

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
HOLLYWOOD CASINO AT
KANSAS SPEEDWAY
(E.3.a.)

Dave Rice, Compliance Manager, reported:

- October 2018 revenue numbers compared to October 2017:
 - Total gaming revenue was \$11.9 million, a decrease of \$69,000 or 0.6%
 - Table games revenue was \$1.3 million, a decrease of \$198,000 or 13%
 - Slot revenue was \$10.5 million, an increase of \$129,000 or 1.2%
- October Events and Promotions:
 - Hollywood 400 at Kansas Speedway
 - Iconic Weekend for Penn National

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
CROSSING CASINO
(E.4.a.)

Doug Fisher, General Manager, reported:

- October 2018 revenue numbers compared to October 2017:
 - Admissions increased 2.1%
 - Net slot win increased 2.0%
 - Net table games win increased 9.7%
 - Net gaming revenue increased 2.5%
- Past Events and Promotions:
 - October Fridays – Smash and Grab featuring \$5,000.00 weekly prize

- BoStyx, Boston and Styx Tribute Show, October 13th
- VIP Blackjack Tournament, October 20th
- VIP Slot Tournament, October 21st
- Quiet Riot, October 27th
- World Class Revolution Wrestling, November 3rd
- Upcoming Events and Promotions:
 - Saturdays – Wild Turkey Progressive
 - Tuesdays – Double Points and Double Jackpots
 - VIP Blackjack Tournament, November 17th
 - Bills, Bills, Bills – Invited guests receive either a \$20, \$50, or \$100 bill, November 23rd
 - Comedian Orny Adams, November 30th
 - Country Singer Moe Bandy, December 15th
 - Rock Band Great White, January 26th

COMMISSION ITEMS –
OLD BUSINESS
(F.)

There were no old business items.

COMMISSION ITEMS –
NEW BUSINESS
(G.)

There were no new business items.

PUBLIC COMMENTS
(H.)

There were no public comments.

STAFF REPORTS
(I.1.a. and I.2)

Sarah Lynch-Chaput, Paralegal, reported on the Voluntary Exclusion Program statistics for the month of October 2018.

Executive Director Brownlee reported:

- There are currently six states with operational sports wagering: Nevada, New Jersey, Delaware, Mississippi, West Virginia and New Mexico. New Mexico's sports wagering is only in tribal casinos.
- Pennsylvania, New York, and Rhode Island have passed legislation on sports wagering but do not yet have it operating.
- Nineteen other states introduced legislation in the last legislative session for sports wagering that did not pass.
- The Kansas Interim Committee has approved two days of sports wagering hearings tentatively scheduled for December 4th and 5th.

- Arkansas amended their Constitution to allow casinos and sports wagering in two existing tracks, and authorized Arkansas to add two more locations.
- Florida is currently the most active dog racing jurisdiction; however, an initiative passed in the most recent election to end commercial dog racing in Florida by 2020. This leaves five states with active racetracks: West Virginia, Alabama, Arkansas, Iowa, and Texas.
- The Kansas Department of Aging and Disability Services has resurrected its State Epidemiological Outcomes Workgroup (SEOW). Sarah Lynch-Chaput, paralegal and voluntary exclusion program coordinator, was nominated to be KRGC's liaison to the SEOW.

Commissioner Turnquist inquired about New Mexico's tribal casinos being able to conduct sports wagering, but it not being allowed in the rest of the state. Mark Dodd, Executive Director of Kansas State Gaming Agency, explained that in New Mexico the only gaming they have is in tribal casinos, and the state worked out an agreement with the tribes to allow sports wagering. In Kansas, the current tribal compacts exclude sports wagering. In order for the tribal casinos in Kansas to have sports wagering, the tribes would have to renegotiate their compacts.

MOTION, EXECUTIVE
SESSION; ATTORNEY-
CLIENT PRIVILEGE
(J.1)

Commissioner Myres (Turnquist) moved that the Commission go into executive session for the purpose of confidential attorney-client privileged communication relating to gambling machine seizures, forfeitures, and miscellaneous legal matters. Those included in the executive session, in addition to the commissioners, were the executive director and general counsel. The total time for the executive session was anticipated to be thirty minutes until 11:00 a.m. No action is to be taken in executive session, and the subject discussed is to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 10:30 a.m.

RECONVENE

The commission meeting returned to open session at 11:00 a.m. with all members present.

MOTION, EXECUTIVE
SESSION; BACKGROUND
REPORTS
(J.2)

Commissioner Moses (Turnquist) moved that the Commission go into executive session for the purpose of deliberating on license applications, including reviewing confidential background reports. Those included in the executive session, in addition to the commissioners, were the executive director, general counsel, and director of security. The total time for the executive session was anticipated to be fifteen minutes until 11:18 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 11:03 a.m.

RECONVENE

The commission meeting returned to open session at 11:18 a.m. with all members present.

MOTION TO DENY,
CONDITIONALLY
APPROVE, APPROVE
RECONSIDERATION,
TABLE, AND APPROVE
LICENSE APPLICATIONS
(K.1)

Commissioner Turnquist (Moses) moved to *deny* one license application, *conditionally approve* one license application, *approve the request for reconsideration* of one license application, *conditionally approve the request for reconsideration* of two license applications, and *approve* the remaining 179 license applications from the November 16, 2018 list of background reports referred to the commission for action. Motion carried unanimously.

ADJOURN
(L.)

Commissioner Moses (Turnquist) moved to adjourn the meeting. Motion carried unanimously. The meeting was adjourned at 11:25 a.m.

SUBMITTED BY:

Larry Turnquist
Secretary

APPROVED BY:

Brandon Jones
Chairman

<u>Manufacturer</u>	<u>Report Number</u>	<u>ID Number</u>	<u>Version</u>	<u>Game Name</u>	<u>Function</u>
AGS, LLC.	LO-00-AGY-18-01	TABLE GAME ANALYSIS	N/A	SUPER 4 PROGRESSIVE BLACKJACK	TABLE GAME
AGS, LLC.	SY-73-AGY-17-03	Ags.Stax.Domain.dll	1.0.0.0	AGS Stax Progressive System v1.0.0	Progressive
AGS, LLC.	SY-73-AGY-17-03	Ags.Stax.Logic.dll	1.0.0.0	AGS Stax Progressive System v1.0.0	Progressive
AGS, LLC.	SY-73-AGY-17-03	Ags.Stax.Portal.dll	1.0.0.0	AGS Stax Progressive System v1.0.0	Progressive
AGS, LLC.	SY-73-AGY-17-03	Ags.Stax.Portal.Domain.dll	1.0.0.0	AGS Stax Progressive System v1.0.0	Progressive
AGS, LLC.	SY-73-AGY-17-03	Ags.Stax.RNGLibrary.dll	1.0.1.0	AGS Stax Progressive System v1.0.0	SYSTEM
AGS, LLC.	SY-73-AGY-17-03	Ags.Stax.Service.exe	1.0.0.0	AGS Stax Progressive System v1.0.0	SYSTEM
AGS, LLC.	SY-73-AGY-17-03	Ags.Tables.Stax.DealerTerminal.exe	1.0.0	AGS Stax Progressive System v1.0.0	OTHER
AGS, LLC.	SY-73-AGY-17-03	BSSP-02K	BSSP-02K	AGX Stax Progressive System v1.0.0	HARDWARE
AINSWORTH GAMING TEC	MO-73-AWG-18- 80	GDINZ81F	1F	Super Charged 7s - Quick Spin	PERSONALIT Y PGM
ARISTOCRAT	MO-73-ARI-18- 102	1.03-63764	N/A	World of Riches	PERSONALIT Y PGM
ARISTOCRAT	MO-73-ARI-18- 141	BUFD_SCH_01	VERTEX	N/A	OTHER
ARISTOCRAT	MO-73-ARI-18- 149	1.01-66515	GEN8	Tarzan Lord of the Jungle	PERSONALIT Y PGM
ARISTOCRAT	MO-73-ARI-18- 162	1.02-66467	GEN8	Buffalo Diamond	PERSONALIT Y PGM
ARISTOCRAT	MO-73-ARI-18- 164	1.01-66648	GEN8	Wild Wild Nugget	PERSONALIT Y PGM

Recommended for Approval

GLI Testlabs

ARISTOCRAT	MO-73-ARI-18-74	5.10.0-1.00.4	GEN7/GEN7X/GEN8	N/A	MAIN PGM
ARISTOCRAT	SY-119-ARI-18-01	NIGAPropertyLiabilityPointDetail.rdl	12.10.3610.002	N/A	SYSTEM
ARISTOCRAT	SY-119-ARI-18-01	PatronBalanceDetails.rdl	1544079809	N/A	SYSTEM
ARISTOCRAT	SY-119-ARI-18-01	PropertyLiabilityPointDetail.rdl	12.10.3600.002	N/A	SYSTEM
ARISTOCRAT	SY-68-ARI-18-01	Non-Cash Gateway	TD280142/12.10.1140.7	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-17	onelink-slots-controlled-java.jar	5.6.1.389	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-18	FloorLogix	TD272543/12.10.3020.6	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-18	nConnect	1.7.3201.5	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-18	Non-Cash Gateway	TD277002/12.10.3020.28	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-20	SpeedMedia Administrator	12.11.1100.23	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-32	nConnect	TD292248/1.8.1000.12	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-32	Non-Cash Gateway	TD291326/12.11.1000.1	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-38	Patron Service	TD300593/12.11.1000.1	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-40	BlackBart	TD300779/12.11.1000.27	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-40	FloorLogix	TD295969/12.11.1000.15	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-40	Voucher Service	1.0.1001.8	N/A	SYSTEM

ARISTOCRAT	SY-73-ARI-18-42	BlackBart	TD303113/12.11.1000.27	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-16	Administrator	12.11.1000.6	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-16	AX98696_F2_07_02_82_ISP.bin	2.5.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	BlackBart	12.11.1000.27	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Cash Gateway	12.11.1000.1	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Count Interface	12.11.1000.1	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Diagnostic Monitor	12.11.1000.4	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	FloorLogix	12.11.1000.15	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Identity Server	2.1.1000.1	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	JackpotFill	12.11.1000.5	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nCLite1.25.6.0_1.18.6_to_1.56.0.3_1.46.0.S3DA	1.56.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nCLite1.53.4.2_1.43.4_to_1.56.0.3_1.46.0.S3DA	1.56.0.3	N/A	SYSTEM
ARISTOCRAT	SY-73-ARI-18-16	nCLite1.56.0.3_1.46.0.img	1.46.0	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nCLite1.56.0.3_1.46.0_to_1.25.6.0_1.18.6.S3DA	1.56.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nCLite1.56.0.3_1.46.0_to_1.53.4.2_1.43.4.S3DA	1.56.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nCompass1.25.6.0_1.29.6_to_1.56.0.3_1.56.0.S3DA	1.56.0.3	N/A	System

Recommended for Approval

GLI Testlabs

ARISTOCRAT	SY-73-ARI-18-16	nCompass1.53.4.2_1.53.4_to_1.56.0.3_1.56.0.S3DA	1.56.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nCompass1.56.0.3_1.56.0.img	1.56.0	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nCompass1.56.0.3_1.56.0_to_1.25.6.0_1.29.6.S3DA	1.56.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nCompass1.56.0.3_1.56.0_to_1.53.4.2_1.53.4.S3DA	1.56.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nConnect Batch Processor	1.8.1000.1	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	nConnect Service	1.8.1000.12	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Non-Cash Gateway	12.11.1000.1	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Oasis X2s	12.11.1000.1	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	os1186.S3DA	2.5.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Patron Balance Service	12.11.1000.11	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Patron Service	12.11.1000.1	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	PitBOSS	12.11.1000.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Quick Funds	12.11.1000.2	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Quickets	12.11.1000.10	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Quickets Handheld	12.11.1000.1	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Rootsys.img	1.1.86	N/A	System

ARISTOCRAT	SY-73-ARI-18-16	sbc87120008.S3DA	2.5.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Security Service	12.11.1000.2	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Sentinel.exe	1.56.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Sentinel.exe	1.56.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Sentinel.img	2.5.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	sentinel2.5.0.3.S3DA	2.5.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Senux_OS1.1.86_Sentinel2.5.0.3.img	2.5.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Senux_OS1.1.86_Sentinel2.5.0.3.S3DA	2.5.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Super-PlayMate	12.11.1000.5	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	userdll_rev2.dll	1.0.2.0	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	userdll_rev2.dll	0.0.3.0	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	vm7282.S3DA	2.5.0.3	N/A	System
ARISTOCRAT	SY-73-ARI-18-16	Voucher Service	1.0.1000.24	N/A	System
BALLY	MO-209-BAL-18-03	A12C-000-1000	1000	THE LORD OF THE RINGS RULE THEM ALL	PERSONALITY PGM
BALLY	MO-73-BAL-18-68	A168-000-1000	1000	Zhen Chan	PERSONALITY PGM
BALLY	MO-73-BAL-18-71	BAL_271949A	BAL_271949A	CONTROL LOGIC	PERSONALITY PGM

BALLY	MO-73-BAL-18-71	BAL_271950A	BAL_271950A	ULTIMATE FIRE LINK ROUTE 66 COMMON ART	SOUND/GRAPHICS
BALLY	MO-73-BAL-18-71	BAL_271951A	BAL_271951A	ULTIMATE FIRE LINK ROUTE 66 LANGUAGE PACK (ENGLISH)	SOUND/GRAPHICS
CUMMINS-ALLISON CORP	SY-394-CAL-18-03	JetTouch.exe	1.1.28.0	N/A	OTHER
Everi Games, Inc.	MO-294-MMG-18-14	7924-7923	OS2017.59x64_L1.19.0-45_P1.20.1-12	OS2017.59x64_L1.19.0-45_P1.20.1-12	MAIN PGM
Everi Games, Inc.	MO-294-MMG-18-14	7925-7923	OS1.46x86_L1.19.0-45_P1.20.1-12	OS1.46x86_L1.19.0-45_P1.20.1-12	MAIN PGM
Everi Games, Inc.	MO-294-MMG-18-14	7926-7923	OS2.26x86_L1.19.0-45_P1.20.1-12	OS2.26x86_L1.19.0-45_P1.20.1-12	MAIN PGM
Everi Games, Inc.	MO-73-MMG-18-38	8126-8124	OS2018.68x64_L1.21.1-52_P1.21.1-29	OS2018.68x64_L1.21.1-52_P1.21.1-29	MAIN PGM
Everi Games, Inc.	MO-73-MMG-18-38	8127-8124	OS1.46x86_L1.21.1-52_P1.21.1-29	OS1.46x86_L1.21.1-52_P1.21.1-29	MAIN PGM
Everi Games, Inc.	MO-73-MMG-18-38	8128-8124	OS2.26x86_L1.21.1-52_P1.21.1-29	OS2.26x86_L1.21.1-52_P1.21.1-29	MAIN PGM
Everi Games, Inc.	SY-171-MMG-15-03	AgentServiceDataAccess.dll	1.0.2.44	SQLExpressAgentService-1.0.2-44	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	BinkSoundWrapper.dll	N/A	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	binkw32.dll	1.9.21.0	ProgressiveSign-1.4.1-83	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	Combined Configuration.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Current Progressive Liability.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	CustomControls.dll	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	Daily Extract Summary for Export.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System

Everi Games, Inc.	SY-171-MMG-15-03	Daily Extract Summary.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System
Everi Games, Inc.	SY-171-MMG-15-03	DBAccess.dll	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	DeviceMeterManager.dll	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	EGM No Reported Activity.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System
Everi Games, Inc.	SY-171-MMG-15-03	EGM Revenue.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System
Everi Games, Inc.	SY-171-MMG-15-03	Encryption.dll	1.0.1671.25558	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	Encryption.dll	1.0.1671.25558	SQLExpressAgentService-1.0.2-44	System
Everi Games, Inc.	SY-171-MMG-15-03	Game Performance Report for Export.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System
Everi Games, Inc.	SY-171-MMG-15-03	Game Performance Report.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System
Everi Games, Inc.	SY-171-MMG-15-03	Group and Level Configuration Historical.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Group and Level Configuration.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Group and Level Summary.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	HashSigner.dll	1.0.0.0	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	httpcfg.exe	5.1.2600.2180	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	httpcfg.exe	5.1.2600.2180	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	HttpListenerWebServer.dll	3.3.0.276	SASMonitor-3.3.0-276	System

Everi Games, Inc.	SY-171-MMG-15-03	ICSharpCode.SharpZipLib NET 3.5.dll	1.0.0.29	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	InfrastructureManagementDB-1.2.1-94.msi	1.2.1-94	InfrastructureManagementDB-1.2.1-94	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	makecert.exe	5.131.3790.0	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	makecert.exe	5.131.3790.0	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	Meter Event History.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System
Everi Games, Inc.	SY-171-MMG-15-03	Meter Snapshot Exceptions.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.BinaryProtocol NET 3.5.dll	2.0.0.43	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.BinkWrapper NET 3.5.DLL	1.1.4.66	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.Core NET 3.5.DLL	2.5.8.50	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.Core NET 3.5.dll	2.5.9.51	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.Core NET 3.5.dll	2.5.9.51	SQLExpressAgentService-1.0.2-44	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.GSA_G2SProtocol NET 3.5.DLL	2.0.6.50	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.GSA_G2SProtocol NET 3.5.dll	2.0.6.51	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.HTML NET 3.5.DLL	2.1.4.54	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.HTML.BWC NET 3.5.dll	3.4.12.103	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.ManagedDirectX NET 3.5.DLL	1.6.0.110	ProgressiveSign-1.4.1-83	System

Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.OLG_XMLProtocol NET 3.5.DLL	2.0.0.41	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Atlas.OLG_XMLProtocol NET 3.5.dll	2.0.0.42	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.EnterpriseLibrary.Data NET 3.5.dll	2.19.0.24	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.EnterpriseLibrary.Data NET 3.5.dll	2.19.0.24	SQLExpressAgentService-1.0.2-44	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.EnterpriseLibrary.Logging.DLL	2.6.0.9	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.EnterpriseLibrary.Logging.dll	2.6.0.9	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.EnterpriseLibrary.Logging.dll	2.6.0.9	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.EnterpriseLibrary.Logging.dll	2.6.0.9	SQLExpressAgentService-1.0.2-44	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.HashSigner NET 3.5.DLL	2.0.0.30	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Security NEt 3.5.dll	2.0.1.16	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAM.Util.Encryption.dll	4.0.2.719	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAMSasMonitorService.exe	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MGAMSOAPHandler.dll	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	MimeTypes.dll	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	Newtonsoft.Json NET 3.5.dll	1.2.0.8	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	ObjectPoolManager.dll	3.3.0.276	SASMonitor-3.3.0-276	System

Everi Games, Inc.	SY-171-MMG-15-03	Pool Transfers.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Progressive Adjustment.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Progressive Liability.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Progressive Prize and Reset Variance.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Progressive Prize Detail.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Progressive Prize History By Asset.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Progressive Prize History.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	Progressive Prize Summary.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveComms NET 3.5.DLL	2.0.0.48	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveComms NET 3.5.dll	2.0.0.49	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveDatabaseInstaller-3.3.0-137.msi	3.3.0-137	ProgressiveDatabase-3.3.0-137	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveDll.dll	3.3.2.161	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveInterface.DLL	2.0.0.16	ProgressiveSign-1.4.1-83	System
Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveInterface.dll	2.0.0.16	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveReportsInstaller-3.3.0-93.msi	3.3.0-93	ProgressiveReports-3.3.0-93	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveSign.exe	1.4.1.83	ProgressiveSign-1.4.1-83	System

Everi Games, Inc.	SY-171-MMG-15-03	ProgressiveSignInstaller-1.4.1-83.msi	1.4.1-83	ProgressiveSign-1.4.1-83	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	SasComm.dll	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	SASMonitor Daily Data Export.rdl	3.3.0.122	SASMonitorReports-3.3.0-122	System
Everi Games, Inc.	SY-171-MMG-15-03	SASMonitor-3.3.0-276.msi	3.3.0-276	SASMonitor-3.3.0-276	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	SasMonitorDriver.dll	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	SASMonitorManagementTerminal.exe	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	SASMonitorManagementTerminal.XmlSerializers.dll	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	SASMonitorReportsInstaller-3.3.0-122.msi	3.3.0-122	SASMonitorReportsInstaller-3.3.0-122	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	ServiceManagerSvc.exe	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	ServiceManagerUI.exe	3.3.0.276	SASMonitor-3.3.0-276	System
Everi Games, Inc.	SY-171-MMG-15-03	Significant Events.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	System
Everi Games, Inc.	SY-171-MMG-15-03	SqlExpressAgentService.exe	1.0.2.44	SQLExpressAgentService-1.0.2-44	System
Everi Games, Inc.	SY-171-MMG-15-03	SQLExpressAgentService-1.0.2-44.msi	1.0.2-44	SQLExpressAgentService-1.0.2-44	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	SQLExpressAgentServiceSettingsManager.exe	1.0.2.44	SQLExpressAgentService-1.0.2-44	System
Everi Games, Inc.	SY-171-MMG-15-03	User Activity.rdl	3.3.0.93	ProgressiveReports-3.3.0-93	SYSTEM
Everi Games, Inc.	SY-171-MMG-15-03	XMLConfig.dll	3.3.0.276	SASMonitor-3.3.0-276	SYSTEM

Everi Payments, Inc.	SY-73-GAC-18-02	UXCHW.exe	22.15.0.0	N/A	KIOSK
Global Payments Gaming Services Inc	SY-73-GPG-17-03	Player Service.exe	2.30.15.0	N/A	KIOSK
Global Payments Gaming Services Inc	SY-73-GPG-17-03	Ticketing Service.exe	2.30.15.0	N/A	KIOSK
IGT	MO-07-IGT-18-01	UCG0077C2	N/A	SINGLE LEVEL STANDALONE WAP; NON-MLP; WI	OTHER
IGT	MO-10-IGT-18-16	GAME020003MTWN04	ASCENT GAME PACKAGE	WHEEL OF FORTUNE - MegaTower 2X 3X 4X 5X Super Times Pay	PERSONALITY PGM
IGT	MO-10-IGT-18-16	GI020003MTWN004	ASCENT INSTALL	WHEEL OF FORTUNE - MegaTower 2X 3X 4X 5X Super Times Pay	INSTALLER
IGT	MO-132-IGT-18-13	GAME020001HCBM03	ASCENT GAME PACKAGE	Triple Big Wheel Little Green Men 2 Re-Abducted!	PERSONALITY PGM
IGT	MO-132-IGT-18-13	GI020001HCBM003	ASCENT INSTALL	Triple Big Wheel Little Green Men 2 Re-Abducted!	INSTALLER
IGT	MO-132-IGT-18-14	GAME020001H5DM05	ASCENT GAME PACKAGE	Triple Big Wheel Little Green Men 2 Re-Abducted!	PERSONALITY PGM
IGT	MO-132-IGT-18-14	GI020001H5DM005	ASCENT INSTALL	Triple Big Wheel Little Green Men 2 Re-Abducted!	INSTALLER
IGT	MO-132-IGT-18-19	GAME020009IGMB02	ASCENT GAME PACKAGE	HOT HIT PEPPER PAYS	PERSONALITY PGM
IGT	MO-132-IGT-18-19	GI020009IGMB002	ASCENT INSTALL	HOT HIT PEPPER PAYS	INSTALLER
IGT	MO-135-IGT-18-11	GAME020001F1PM02	ASCENT GAME PACKAGE	BIG 5 CATS	PERSONALITY PGM
IGT	MO-135-IGT-18-11	GI020001F1PM002	ASCENT INSTALL	BIG 5 CATS	INSTALLER
IGT	MO-135-IGT-18-16	AVP014-00609	AVP PACKAGE	B SERIES DOMESTIC AND INTERNATIONAL	MAIN PGM
IGT	MO-22-IGT-18-159	GAME020009HAVM01	ASCENT GAME PACKAGE	SHADOW MASQUERADE FREE GAMES	PERSONALITY PGM

IGT	MO-22-IGT-18-159	GI020009HAVM001	ASCENT INSTALL	SHADOW MASQUERADE FREE GAMES	INSTALLER
IGT	MO-22-IGT-18-163	AI020000L0001	ASCENT INSTALL	INSTALL ASCENT020000L0001	INSTALLER
IGT	MO-22-IGT-18-163	ASCENT020000L0001	N/A	L SERIES	MAIN PGM
IGT	MO-22-IGT-18-164	AI014-B0D	AVP INSTALL	AVP01400609 W/O 2.0, 2.5 SUPPORT DOMESTI	INSTALLER
IGT	MO-22-IGT-18-164	AI014-B0D.V02	AVP INSTALL	AVP01400609 W/O 2.0, 2.5 SUPPORT DOMESTI	INSTALLER
IGT	MO-22-IGT-18-164	CONFIG014-007-213	CONFIG PACKAGE	B SERIES DOMESTIC	OTHER
IGT	MO-22-IGT-18-168	GAME020001J0IT04	ASCENT GAME PACKAGE	THREE KINGS DELUXE	PERSONALITY PGM
IGT	MO-22-IGT-18-168	GI020001J0IT004	ASCENT INSTALL	THREE KINGS DELUXE	INSTALLER
IGT	MO-22-IGT-18-181	AB020UXWD004	N/A	ULTIMATE X WHEEL POKER	INSTALLER
IGT	MO-22-IGT-18-181	ASGB020UXWD004	N/A	ULTIMATE X WHEEL POKER	Personality PGM
IGT	MO-22-IGT-18-182	UCGS196A1	N/A	WOF CASH LINK LED SIGN CONTROLLER	OTHER
IGT	MO-22-IGT-18-50	GAME020003MSDD01	ASCENT GAME PACKAGE	Money \$torm Link Double Gold	PERSONALITY PGM
IGT	MO-22-IGT-18-50	GI020003MSDD001	ASCENT INSTALL	Money \$torm Link Double Gold	INSTALLER
IGT	MO-73-IGT-18-51	GAME020003RHRD03	ASCENT GAME PACAGE	SALSA 7s RESPIN DELUXE	PERSONALITY PGM
IGT	MO-73-IGT-18-51	GI020003RHRD003	ASCENT INSTALL	SALSA 7s RESPIN DELUXE	INSTALLER
IGT	MO-73-IGT-18-79	ASB014-B40-I-21	4	B SERIES FOR SALE DOWNLOADABLE 4.0 BOOT	OTHER

IGT	MO-73-IGT-18-79	ASB014-E40-I-21	4	B SERIES DAILY FEE DOWNLOADABLE 4.0 BOOT	OTHER
INCREDIBLE TECHNOLOG	MO-22-INT-18-17	G00331	01.01.47	EYE OF ODIN	PERSONALITY PGM
INCREDIBLE TECHNOLOG	MO-22-INT-18-18	G00385	01.02.48	CLINKO KING OF BLING	PERSONALITY PGM
INCREDIBLE TECHNOLOG	MO-22-INT-18-19	G00384	01.01.28	ABSOLUTE POWER	PERSONALITY PGM
KONAMI GAMING INC.	MO-73-KON-18-135	311055	N/A	N/A	HARDWARE
KONAMI GAMING INC.	MO-73-KON-18-135	K-2649	N/A	N/A	HARDWARE
KONAMI GAMING INC.	MO-73-KON-18-135	UpdateTouchDashII_V010.zip	N/A	N/A	OTHER
KONAMI GAMING INC.	MO-73-KON-18-137	6NY420008406	4.20/4.06	MEI SC ADVANCE BILL VALIDATOR FIRMWARE	BILL VALIDATOR
KONAMI GAMING INC.	MO-73-KON-18-94	KGI_M562MSQ040WD09	GAME PROGRAM	Star Watch Magma	PERSONALITY PGM
NRT TECHNOLOGY CORP.	SY-73-NTC-18-05	CHS.1.3.0.0-Patch_Bug2827_hlpCli.exe	03.13.18	N/A	KIOSK
SDS	SY-22-SDS-18-09	DMGlass.hex	IDMTS06000F130C	NXP 13.12	SYSTEM
SDS	SY-286-SDS-18-01	BallyTech.Bonusing.Core.FloorSystemGateway.dll	13.5 Hotfix	EBS 13.5 Hotfix	SYSTEM

	<u>Manufacturer</u>	<u>Report Number</u>	<u>ID Number</u>	<u>Version</u>	<u>Game Name</u>	<u>Function</u>	<u>Replace With</u>	<u>Replaced By</u>
1	ARISTOCRAT	MO-73-ARI-16-175	1.01-63550	GEN8	Ancient Pearl	PERSONALITY PGM	N/A	13-Jan-19
2	ARISTOCRAT	MO-73-ARI-17-07	1.01-63740	GEN8	Red Odyssey	PERSONALITY PGM	N/A	13-Jan-19
3	ARISTOCRAT	MO-73-ARI-17-36	1.01-63742	GEN8	The Golden Tree	PERSONALITY PGM	N/A	13-Jan-19
4	IGT	MO-22-IGT-18-120	GAME020T01ETHK04	ASCENT GAME PACKAGE	Dynasty Roulette	PERSONALITY PGM	replacement was approved last month but	12-Feb-19
5	IGT	MO-22-IGT-18-120	GI020T01ETHK004	ASCENT INSTALL	Dynasty Roulette	INSTALLER	N/A	12-Feb-19
6	IGT	MO-22-IGT-18-120	UCG0180A2	N/A	ANIMATED/AUTOMATED ROULETTE (DYNASTY)	OTHER	N/A	12-Feb-19
7	IGT	MO-22-IGT-18-156	GAME020003RM9D02	ASCENT GAME PACKAGE	Triple Double Diamond	PERSONALITY PGM	N/A	13-Jan-19
8	IGT	MO-394-IGT-18-12	AI020000JMP01	SDVRNY INDYSLL	Dynasty Roulette	Universal Controller (UC) Program	AI020000JMP03	12-Feb-19
9	IGT	MO-394-IGT-18-12	ASCENT020000JMP01	SDVRNY INDYSLL	Dynasty Roulette	Universal Controller (UC) Program	ASCENT020000JMP03	12-Feb-19

	<u>Manufacturer</u>	<u>Report Number</u>	<u>ID Number</u>	<u>Version</u>	<u>Game Name</u>	<u>Function</u>
1	Aristocrat	ATI12581KS *	1.01-666142	GEN8	5 Dragons Gold Max	Game
2	Konami	KGI12221KS *	Synkors	3.24.2.209	Synkros Queued Ticketing	System

* - This will be approved on the successful completion of a 6 Month Trial Period - K.A.R. 112-107-3(i)

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Boot Hill Casino Internal Control Amendments

December 14, 2018

<u>Item #/ (Description)</u>	<u>Regulation Waiver?</u>	<u>Regulation/IC Reference</u>	<u>Staff Recommendation</u>
BH522 – Redemption Kiosks	No	KAR 112-104-16 / IC 120.060	Approval
BH528 – Offline Tickets	No	KAR 112-107-18 / IC 120.160 ; IC 170.120	Approval

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Kansas Star Casino Internal Control Amendments

December 14, 2018

<u>Item #/ (Description)</u>	<u>Regulation Waiver?</u>	<u>Regulation/IC Reference</u>	<u>Staff Recommendation</u>
KS268 – High Card Flush - Lottery Revisions	No	KAR 112-108-6 / Table Games Rules of Game § 17 High Card Flush	Approval
KS269 – Corporate Internal Audit Manager	No	KAR 112-104-2 / Admin § 3 Mandatory Positions and Admin Job Descriptions	Approval

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Kansas Crossing Casino Internal Control Amendments

December 14, 2018

<u>Item #/ (Description)</u>	<u>Regulation Waiver?</u>	<u>Regulation/IC Reference</u>	<u>Staff Recommendation</u>
KC77- High Card Flush Lottery Changes	No	KAR 112-108-2; KCC 180.9	Approval



Kansas Racing and Gaming Commission
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STAFF AGENDA MEMORANDUM

DATE OF MEETING: December 14, 2018

AGENDA ITEM: **Disciplinary Review Board Summary Proceeding Orders for:**
2018-2005 Robert Ray Clough
2018-3006 Kansas Entertainment, LLC d/b/a Hollywood Casino at
Kansas Speedway
2018-3007 Mary Rose Carr
2018-3008 Diana Michelle Crouch

PRESENTER: None – Consent Agenda

ISSUE SUMMARY: Pursuant to K.A.R. 112-114-1 *et seq.*, the Kansas Racing and Gaming Commission's Disciplinary Review Board (DRB) considered potential gaming regulation violations by licensees Robert Clough, Mary Carr, and Diana Crouch and facility manager Kansas Entertainment, LLC d/b/a Hollywood Casino at Kansas Speedway (Hollywood Casino). A Summary Proceeding Order and Notice of Hearing and Right to Waive was issued to each.

2018-2005 Robert Ray Clough

On March 7, 2018, Robert Clough, a lead slot technician, was on duty at Kansas Star Casino. During his shift, Mr. Clough checked out the EGM main door key, a sensitive key which gives access to the inside of the EGM. At the end of his shift, Mr. Clough left the sensitive key in his locker and exited Kansas Star Casino without returning the sensitive key to the secure key box. The sensitive key was left unsecured outside of the key box for approximately ten hours and fifteen minutes. Mr. Clough was ordered to serve a two-day suspension. Mr. Clough has stipulated to the above facts, waived the right to a hearing, and served the suspension. See attached Summary Proceeding Order and Hearing Waiver.

2018-3006 Kansas Entertainment, LLC d/b/a Hollywood Casino at Kansas Speedway

Between June 2012 and October 2018, Hollywood Casino employees from multiple departments did not maintain custody of and return sensitive keys to the key box on thirty occasions. Sensitive keys were taken off casino property on nine occasions. Hollywood Casino was ordered to pay a \$10,000.00 fine. Hollywood Casino has stipulated to the above facts and waived the right to a hearing. See attached Summary Proceeding Order and Hearing Waiver.

2018-3007 Mary Rose Carr

On August 10, 2018, Mary Carr, a player services cashier, was on duty at Hollywood Casino. During her shift, Respondent checked out a mobile bank key, a sensitive key which gives access to cash and gaming chips. At the end of her shift, Ms. Carr exited the casino with the sensitive key. The sensitive key was off casino property for approximately forty minutes. Ms. Carr was ordered to serve a one-day suspension. Ms. Carr has stipulated to the above facts and waived the right to a hearing. See attached Summary Proceeding Order and Hearing Waiver.

2018-3008 Diana Michelle Crouch

On February 17, 2018, Diana Crouch, a table games dealer, was on duty at Hollywood Casino. While dealing at a blackjack table, Ms. Crouch removed played cards from the table and placed them into the automatic shuffler. The automatic shuffler did not shuffle the cards. Ms. Crouch removed those unshuffled cards then placed them into play. Ms. Crouch dealt one hand of blackjack to five patrons with the unshuffled cards. Ms. Crouch was ordered to serve a one-day suspension. Ms. Crouch has stipulated to the above facts and waived the right to a hearing. See attached Summary Proceeding Order and Hearing Waiver.

COMMISSION ACTION REQUIRED/REQUESTED: Accept the Hearing Waivers filed by Robert Clough, Hollywood Casino, Mary Carr, and Diana Crouch and uphold the DRB's Summary Proceeding Orders issued in KRGC Case No. 2018-2005, 2018-3006, 2018-3007, and 2018-3008.

STAFF RECOMMENDATIONS: Staff recommends the Commission accept the Hearing Waivers filed by Robert Clough, Hollywood Casino, Mary Carr, and Diana Crouch and uphold the DRB's findings of fact, conclusions of law, and sanctions issued in KRGC Case No. 2018-2005, 2018-3006, 2018-3007, and 2018-3008.

STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603

IN THE MATTER OF

KRGC Case No. 2018-2005

Robert Ray Clough, Respondent.

**SUMMARY PROCEEDING ORDER AND
NOTICE OF HEARING AND RIGHT TO WAIVE**

The Kansas Racing and Gaming Commission (KRGC), through its Disciplinary Review Board (DRB), hereby gives notice that Robert Ray Clough (Respondent), a slot technician, has violated KRGC regulations K.A.R. 112-104-37(b) and Kansas Star Casino Internal Controls Security Sect. 3. D. 3. & 5. by failing to keep custody of and return a sensitive critical key to the secure key box:

FINDINGS OF FACT

1. On October 4, 2012, Respondent received a temporary occupation permit for a position as a slot technician from the KRGC. Respondent received a permanent level II gaming license on October 18, 2013, which is currently in active status. On May 20, 2015, Respondent was promoted to lead slot technician.
2. On March 7, 2018, Respondent was on duty as a lead slot technician at Kansas Star Casino.
3. During his shift, Respondent checked out key [REDACTED], which is named the [REDACTED] [REDACTED], from the dual-lock key box.
4. Key [REDACTED]
[REDACTED]
[REDACTED].

5. At the end of his shift, at approximately 2:00 p.m., Respondent left key [REDACTED] in his locker and left Kansas Star Casino without returning the key to the secure key box.
6. On March 8, 2018 at approximately 12:15 a.m., other casino employees noticed that key [REDACTED] was missing from the key box. After searching, they discovered key [REDACTED] in Respondent's locker and returned it to the key box.
7. Respondent left key [REDACTED] unsupervised outside of the key box for approximately ten hours and fifteen minutes.
8. KRGC regulation K.A.R. 112-104-34(a) states: "Sensitive keys' shall mean those unlocking devices designated by the Kansas lottery, a facility manager, or the commission as important to preserving the security of the facility manager's business. Each facility manager shall control the storage, duplication, custody, issuance, and return of sensitive keys. . . ."
9. K.A.R. 112-104-34(b) states: "Sensitive keys may be further designated as 'critical.' Critical keys shall mean those unlocking devices that shall be maintained in a dual-lock box. If a critical key is lost or becomes missing, all locks that the key fits shall be changed within 24 hours. At a minimum, the following keys shall be deemed critical keys: . . . (2) the EGM main door key. . . ."
10. Pursuant to K.A.R. 112-104-34(a) & (b), Kansas Star Casino implemented Kansas Star Casino Internal Controls Security Sect. 3. A. which states:
 - "1. Kansas Star Casino exercises strict control over the storage, duplication, custody, issuance and return of sensitive/critical sensitive keys.

2. Keys classified as critical/sensitive are maintained in an electronically locked key box . . .
9. Critical sensitive keys are those unlocking devices that require a higher level of security. . . .
11. The following are critical sensitive keys: . . . b. EGM Main Door Key. . . .”
11. Kansas Star Casino’s Key Access List lists key [REDACTED] as a critical sensitive key.
12. K.A.R. 112-104-37(b) requires that “[e]ach individual who signs out a sensitive key or a critical key *shall maintain custody of the key until the key is returned to the sensitive key or the critical key box.* . . . In the event of an emergency, illness, or injury rendering the individual incapable of returning the key, a supervisor may return the key with a notation on the sensitive key log.” (Emphasis added.)
13. Pursuant to K.A.R. 112-104-37(b), Kansas Star Casino implemented Kansas Star Casino Internal Controls Security Sect. 3. D. which states:
 - “3. The individual who accesses a sensitive or critical sensitive key maintains custody of the key until the key is returned to the Key Box. . . .
 5. If an emergency happens that renders an individual incapable of returning a key that he/she signed out, his/her supervisor may return the key. A Security Incident Report will be completed. . . .”
14. K.A.R. 112-113-1(a) states that “any licensee may be sanctioned for violating any provision of the . . . [KRGCC] regulations . . . including . . . [for] (5) failing to follow . . . the facility manager’s minimum internal control system. . . .”

CONCLUSIONS OF LAW

15. Pursuant to K.A.R. 112-104-34(b)(2), Kansas Star Casino Internal Controls Security Sect. 3. A. 11, and Kansas Star Casino's Key Access List, key [REDACTED] is a sensitive critical key that must always be kept in the authorized employee's custody when checked out and stored in Kansas Star Casino's secure dual-lock key box when not in use.
16. Respondent violated K.A.R. 112-104-37(b) and Kansas Star Casino Internal Controls Security Sect. 3. D. 3. & 5., when Respondent put key [REDACTED] in his locker and left the casino without returning the key to the key box. Respondent further violated these provisions because another employee had to return key [REDACTED] to the key box when there was no emergency, illness, or injury that prevented Respondent from returning the key.
17. Sensitive keys that are left unsecured outside the key box are vulnerable to copying and tampering. Because Respondent left unsecured a sensitive critical key which gave access to [REDACTED], Respondent put gaming facility assets at risk. Respondent further compromised the integrity of gaming by creating the risk that the EGMs' internal components would be tampered with which could affect the operation or outcome of lottery facility games.

STATEMENT OF POLICY

Under the Kansas Expanded Lottery Act, the Kansas Racing and Gaming Commission is required to oversee the enforcement of state laws, enforcement of internal controls, and the credentialing of employees at Kansas lottery gaming facilities. The Kansas Expanded Lottery Act directed the Kansas Racing and Gaming Commission to adopt rules and regulations to

oversee all lottery gaming facility operations. Pursuant to this mandate, the Kansas Racing and Gaming Commission created regulations that subject a licensee to sanctions, including license suspension or revocation, when the licensee violates any provision of the Kansas Expanded Lottery Act, KRGC regulations, or a facility manager's internal controls.

By requiring licensees to adhere to KRGC regulations and the facility manager's internal controls, the Kansas Racing and Gaming Commission ensures the security of gaming facilities in Kansas. Regulations and internal controls regarding requirements for checking out and returning sensitive and critical keys are integral to protecting gaming facility assets. When a licensee fails to return a sensitive key to the key box, that key is no longer secure and could be taken by unauthorized individuals to copy or tamper with the key in order to gain access to gaming facility assets or lottery facility games. Enforcement of these provisions is necessary to safeguard gaming facility assets and ensure the integrity of gaming in Kansas.

SANCTION

18. In accordance with K.A.R. 112-113-1(c), the DRB may consider certain factors in considering appropriate sanctions, including risk to the public and to the integrity of gaming operations created by the conduct of the licensee; the nature of the violation; culpability of the licensee; any justification or excuse for the conduct; the licensee's history with respect to compliance; and corrective action taken by the licensee. Moreover, K.A.R. 112-113-1(e) states "it shall be no absolute defense that the licensee . . . inadvertently, unintentionally, or unknowingly" committed a regulatory violation and "shall affect only the degree of the sanction to be imposed. . . ."
19. The DRB considers the following factors:

- a. Respondent had been employed as a slot technician for approximately five years and six months at the time of this incident. Respondent had been employed as a lead slot technician for approximately two years and ten months.
- b. Respondent has previously committed this same regulatory violation. In KRGC Case No. 2014-2002, the DRB found that Respondent had left sensitive keys unsecured in his locker for over 24 hours. Respondent entered into a Settlement Agreement in which he paid a \$100.00 fine, reviewed the KRGC regulations and Kansas Star Casino internal controls regarding sensitive keys, and created a narrative describing how the violation occurred and what he would do to prevent future violations. A Kansas Star Casino security incident report also shows that on March 28, 2016, Respondent again left sensitive keys in his locker before leaving the casino. This is the third documented incident of Respondent failing to keep custody of and return sensitive keys to the secure key box.
- c. Respondent's actions posed a risk to the security of gaming facility assets and to the integrity of lottery facility games.
- d. There is no justification or excuse for the conduct. There was no emergency, illness, injury, or other extraordinary circumstance which prevented Respondent from returning the key to the key box.
- e. Respondent is directly culpable. Respondent certified in 2014 that he had reviewed KRGC regulations and internal controls regarding sensitive keys and understood that sensitive keys must be returned to the secure key box.

Respondent knowingly failed to keep custody of and return a sensitive critical key in violation of KRGC regulations and Kansas Star Casino internal controls.

- f. Respondent took no corrective action. Other casino employees noticed the key was missing and had to search for it to return it to the secure key box.
20. Based on the above-described findings of fact, conclusions of law, statement of policy, and sanction factors the DRB orders the Respondent to serve a two-day unpaid suspension. The two-day suspension shall total 16 hours. The dates of the two-day unpaid suspension shall be determined by the KRGC supervising enforcement agent for the gaming facility where Respondent is employed.
21. Respondent is entitled to a hearing on the above matter, which Respondent may waive by signing and returning the enclosed Hearing Waiver to the KRGC by mail, email, or fax. (See Notice of Hearing and Right to Waive below.)
22. If Respondent waives the right to a hearing, the two-day unpaid suspension must be served within 30 days of this Order becoming final and effective. This Order becomes final and effective on December 14, 2018.
23. Once the suspension is served, Respondent must also send a timesheet showing the suspension occurred to the KRGC by mail, email, or fax to the address listed below within 30 days of this Order becoming final and effective.
24. If Respondent does not serve the ordered two-day unpaid suspension or does not send a timesheet showing the suspension occurred within 30 days of this Order becoming final and effective, Respondent's license will be automatically indefinitely suspended at the end of the business day without further notification

or action taken by the Commission until all terms of this Order are fulfilled and the Respondent's license is reinstated by the KRGC.

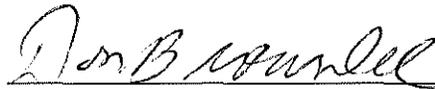
25. This Order shall become part of Respondent's permanent KRGC licensing file.

ORDER

In accordance with the above-described findings of fact, conclusions of law, statement of policy, and sanction factors,

IT IS HEREBY ORDERED that the Kansas Racing and Gaming Commission suspend Respondent's license for two days.

IT IS SO ORDERED,

A handwritten signature in cursive script, appearing to read "Don Brownlee", is written over a horizontal line.

Don Brownlee, Executive Director
Disciplinary Review Board

NOTICE OF HEARING AND RIGHT TO WAIVE

Respondent is entitled to a hearing on the above matter. This right to a hearing may be waived at Respondent's option. (See instructions below for Waiving Right to a Hearing.)

Hearing - Presentation of Written Evidence:

Unless Respondent waives the right to a hearing, this matter will be presented to the Commission on **Friday December 14, 2018 at 10:00 am** at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603.

Written evidence will be presented along with brief oral arguments by the agency and Respondent. Surveillance video may also be presented. Neither party will present live witness testimony at this time. Respondent has the right to be represented by counsel at the Respondent's expense.

If Respondent does not appear at the hearing, a decision will be made on the evidence presented, and any decision will become final agency action. If Respondent has written evidence to present to the Commission, copies of all relevant written evidence must be sent (by mail, email, or fax) no later than November 30, 2018 to the address below.

Following arguments, the Commission will consider the arguments and evidence presented, and if the Commission determines no further evidence is necessary for a finding, the Commission will issue its Order. The Commission can uphold, overturn, or amend the Disciplinary Review Board's Summary Order. If the Commission determines further evidence is necessary for a finding, the case will be continued to the next commission meeting to allow for a full evidentiary hearing. If the Commission issues an Order without a full evidentiary hearing, the Respondent has an automatic right to a full evidentiary hearing where witness testimony will be taken. The right to a full evidentiary hearing may be waived by Respondent prior to the scheduled hearing (see Waiving Right to a Hearing below).

Full Evidentiary Hearing – Presentation of Witness Testimony:

The full evidentiary hearing with witnesses, if required, will be held at the regularly scheduled Commission meeting on Friday January 11, 2019 at 10:00 am at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603. (Date and location subject to change).

At this hearing, Respondent has the right to produce additional evidence and witnesses on the Respondent's behalf, the right to cross-examine any witness who may testify against the Respondent, and the right to examine any evidence that may be produced against the Respondent.

The Commission will issue a final Order either directly after deliberation or within 30 days of the hearing date. This Order will constitute final agency action and is subject to appeal under the Kansas Judicial Review Act. If Respondent does not appear at the hearing in person or

by phone, a decision will be made on the evidence presented, and any decision will become final agency action subject to appeal under the Kansas Judicial Review Act. The agency officer to receive service of any petition for judicial review on behalf of the Kansas Racing and Gaming Commission is Judith Taylor, General Counsel, at the address below. Any sanction imposed by the Order may be stayed pending appeal.

Respondent shall submit any additional exhibits and a witness list no later than December 28, 2018 to Judith Taylor, General Counsel, at the address below.

If a full evidentiary hearing is held, the hearing will be conducted in accordance with KRGC regulations. Regulations may be found at <http://www.krgc.ks.gov/index.php/racing-gaming-law/regulations/gaming-regulations/21-government/statute-regulations/30-article-114-rules-of-hearings>. (You may also request that a copy of the regulations be sent to you.)

Appearing by Phone:

Respondent is expected to appear in person for all hearings. Respondent *may* be allowed to appear by phone, at the Commission's discretion, upon written request (by mail, email, or fax) to the address below no later than five days prior to the hearing. If allowed to appear by phone, KRGC will *not* be responsible for sound quality issues that arise from Respondent's use of a cell phone, voice-over-internet (VOIP) connection, or other non-landline phone connection. Sound quality issues could affect the Commission's ability to understand Respondent's testimony, thus every effort to appear in person should be made.

Waiving Right to a Hearing:

Respondent may choose to waive the right to a hearing by signing and returning the enclosed Hearing Waiver (by fax, email, or mail) at the address below. If Respondent chooses to waive the right to a hearing, the above Order becomes final and effective on December 14, 2018 or on the day of waiver, whichever is later. The suspension must be served within 30 days of this Order becoming final.

Send all requests to appear by phone, hearing waivers, written exhibits, witness testimony lists, notices, and petitions for judicial review to:

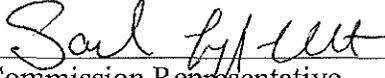
Judith Taylor, General Counsel
700 SW Harrison, Suite 500
Topeka, KS 66603-3754
(785) 296-0900 (fax)
judy.taylor@krgc.ks.gov

Nothing stated herein precludes Respondent from entering into informal settlement negotiations which could make a hearing unnecessary. To discuss your case, you may contact Michelle Neis, Enforcement Attorney, at 785-296-5800 or by email at michelle.neis@krgc.ks.gov.

CERTIFICATE OF SERVICE

I certify that on this 26th day of October, 2018 (date of service), I served a copy of the above Summary Proceeding Order and Notice of Hearing and Right to Waive on the following by U.S. Mail, first class postage prepaid, addressed to:

Robert Ray Clough
P.O. Box 115
Peck, KS 67120



Commission Representative

cc: KRGC Licensing File
Disciplinary Review Board Members
Harry Spencer, KRGC Supervisory Agent at Kansas Star Casino
Jeff Babinski, Kansas Star Casino General Manager
Kansas Star Casino Human Resource Department

STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603

IN THE MATTER OF

KRGC Case No. 2018-2005

Robert Ray Clough, Respondent.

HEARING WAIVER

I, Robert R Clough, stipulate to the Facts and Conclusions of Law as
(print name)
set forth in the Summary Proceeding Order and Notice of Hearing and Right to Waive issued to
me and therefore waive my right to a hearing. I agree to serve the two-day unpaid suspension as
ordered by the Disciplinary Review Board.

Robert R Clough 4371
Robert Ray Clough
License No. 2004371

11-12-18
Date

**STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603**

IN THE MATTER OF

KRGC Case No. 2018-3006

**Kansas Entertainment, LLC (d/b/a Hollywood
Casino at Kansas Speedway), Respondent.**

**SUMMARY PROCEEDING ORDER AND
NOTICE OF HEARING AND RIGHT TO WAIVE**

The Kansas Racing and Gaming Commission (KRGC), through its Disciplinary Review Board (DRB), hereby gives notice that Kansas Entertainment, LLC d/b/a Hollywood Casino at Kansas Speedway (Respondent), a lottery gaming facility manager, has violated KRGC regulations K.A.R. 112-104-34(a), 112-104-37(b), Hollywood Casino Internal Control Chpt N: Key Controls § 1.01, and Hollywood Casino Internal Control Chpt N: Key Controls § 4.02 by failing to control the custody and return of its sensitive keys:

FINDINGS OF FACT

1. Respondent was certified by the KRGC as a lottery gaming facility manager on January 30, 2012.
2. Between June 2012 and October 2018, Hollywood Casino employees from multiple departments did not maintain custody of and return sensitive keys to the key box. A brief description of each incident follows:
 - a. 10/2/2018: Security officer Jimmie Hattley left sensitive keys in his drop vest.
 - b. 9/14/2018: Slot technician Rico Howard-Faison left sensitive keys in the bottom of the key box which caused an overdue key alert to be issued.

- c. 8/11/2018: Player services cashier Mary Carr took sensitive keys off casino property.
- d. 2/10/2018: Poker supervisor Jared Hall took sensitive keys off casino property.
- e. 12/16/2017: Security officer Andrea King left sensitive keys in her garment bag.
- f. 11/7/2017: Player services cashier Mary Neill took sensitive keys off casino property.
- g. 6/8/2017: Slot technician Kyle Young took sensitive keys off casino property.
- h. 4/16/2017: Slot attendant Janice Espares left sensitive keys at an EGM.
- i. 4/11/2017: Security officer Stephen Schwab handed off sensitive keys to another employee for the emergency drop.
- j. 2/21/2017: Main banker Joshua Bush left sensitive keys in a kiosk.
- k. 1/25/2017: Slot attendant Ryan O'Banion left sensitive keys in an EGM.
- l. 9/26/2016: Slot technician Allen Horton left sensitive keys in an EGM.
- m. 9/6/2016: Count room cashier Christian Mosley left two sets of sensitive keys on the count room table and left the casino.
- n. 7/13/2016: Main banker William Duffy exited the casino with sensitive keys.
- o. 6/8/2016: Slot attendant Crystal Lea exited the casino with sensitive keys.
- p. 5/27/2016: Security officer Kathryn Adolph dropped sensitive keys into a poker table box and the keys were later discovered by a count room shift

- manager.
- q. 5/22/2016: Security officer Frank Gleason took sensitive keys off casino property.
 - r. 2/21/2015: Slot manager Ashley Foland left sensitive keys in an EGM lock. A patron took the sensitive keys out of the EGM lock and returned them to the slot manager.
 - s. 2/15/2015: Table games supervisor Jeremy McIntire took sensitive keys off property.
 - t. 1/26/2015: Slot repair supervisor Wade Avery took sensitive keys off casino property.
 - u. 1/11/2015: Players services shift manager Jeremy Reuschling took sensitive keys off casino property.
 - v. 8/24/2014: Count room cashier Daniel Wrigley left sensitive keys in the count room.
 - w. 7/23/2014: Poker supervisor James Moore left sensitive keys in the employee dining room.
 - x. 5/22/2014: Security officer/key watcher Bernard Barr took sensitive key off property.
 - y. 12/28/2013: Security officer Max Larcasse handed off sensitive keys to another employee during the table games drop.
 - z. 10/14/2013: Slot attendant Crystal Lee left sensitive keys on the slot dispatch desk.
 - aa. 6/18/2013: Slot attendant Phillip Kelley left sensitive keys in the men's

locker room.

- bb. 2/27/2013: Main banker Eric Bailey left sensitive keys in a kiosk door. A patron removed the sensitive keys and returned them to player services.
 - cc. 2/12/2013: Player services cashier Adam Hector left sensitive keys in the employee's men's restroom.
 - dd. 6/24/2012: Count room employee Zachary Olberding left sensitive keys in the count room.
3. The Hollywood Casino security department spreadsheet and KRGC incident report documenting these incidents in more detail are attached to this Summary Proceeding Order and incorporated herein by reference.
 4. K.A.R. 112-104-34(a) states: "Sensitive keys' shall mean those unlocking devices designated by the Kansas lottery, a facility manager, or the commission as important to preserving the security of the facility manager's business. Each facility manager shall control the storage, duplication, *custody, issuance, and return* of sensitive keys. . . ." (Emphasis added.)
 5. K.A.R. 112-104-34(b) states: "[s]ensitive keys may be further designated as 'critical.' Critical keys shall mean those unlocking devices that shall be maintained in a dual-lock box. If a critical key is lost or becomes missing, all locks that the key fits shall be changed within 24 hours."
 6. In accordance with K.A.R. 112-104-34(a), Hollywood Casino Internal Control Chpt N: Key Controls § 1.01 states: "Sensitive keys' will mean those unlocking devices designated by the Kansas Lottery, Hollywood Casino at Kansas Speedway, or the KRGC as important to preserving the security of Hollywood

Casino's business. Hollywood Casino will control the storage, duplication, *custody, issuance, and return* of sensitive keys. . . ." (Emphasis added.)

7. Hollywood Casino treats all of its sensitive keys as critical keys and maintains both sensitive and critical keys in dual-lock boxes.
8. K.A.R. 112-104-37(b) requires that "[e]ach individual who signs out a sensitive or critical key shall maintain custody of the key until the key is returned to the sensitive key or the critical key box. Keys may be passed only to count team leads and distributed to other count team members during bill validator drops and EGM drops. In the event of an emergency, illness, or injury rendering the individual incapable of returning the key, a supervisor may return the key with a notation on the sensitive key log."
9. In accordance with K.A.R. 112-104-37(b), Hollywood Casino Internal Control Chpt N: Key Controls § 4.02 states: "[e]ach individual who signs out a sensitive key will maintain custody of the key until the key is returned to the sensitive key box. Keys may be passed only to count team leads and distributed to other count team members during bill validator drops and EGM drops. In the event of an emergency, illness, or injury rendering the individual incapable of returning the key, a supervisor may return the key with a notation on the Sensitive Key Log."
10. K.A.R. 112-104-36(a) requires that "[e]ach facility manager shall maintain a current and accurate key access list for each sensitive or critical key. . . ."
11. Pursuant to K.A.R. 112-104-34(a), Hollywood Casino maintains a Key Access List for its South Key Box and North Key Box as part of its internal controls.
12. In all of the above-listed incidents, with the exception of one instance, the keys at

issue were designated by KRGC regulations and Hollywood Casino as sensitive and/or critical keys and listed on Respondent's Key Access List.

13. In the one instance that the key was not listed on Hollywood Casino's Key Access List, Hollywood Casino had created "[REDACTED]" which gave access to [REDACTED]
[REDACTED]
[REDACTED]. [REDACTED] was taken off casino property on May 22, 2014. As a result, locks were re-keyed so that [REDACTED] no longer gave access to sensitive or critical areas.
14. K.A.R. 112-104-34(b) requires that "... the following keys shall be deemed critical keys: ... (19) the access door key to any cage, EGM bank, or redemption booth; ... (21) the keys to the vault; (22) the keys to the soft count room; and (23) any key not listed ... that controls access to any cash or chip storage area."
15. K.A.R. 112-113-1(a) states that "any ... certificate holder ... may be sanctioned for violating any provision of ... these regulations ... including a violation of any of the following: ... (5) failing to follow the commission's minimum internal control standards or the facility manager's minimum internal control system. ..."

CONCLUSIONS OF LAW

16. The conduct of a facility manager's employees is imputed to the facility manager.
17. When multiple employees from multiple departments repeatedly failed to maintain custody of and return sensitive keys to the key box, Respondent failed to control the custody and return of its sensitive keys in violation of K.A.R. 112-104-34(a) and Hollywood Casino Internal Control Chpt N: Key Controls § 1.01.
18. When Respondent's employees left keys unattended and unsecured that later

required other employees to return them to the key box, Respondent violated 112-104-37(b) and Hollywood Casino Internal Control Chpt N: Key Controls § 4.02.

19. Repeated failure by multiple employees, including supervisory employees, to maintain custody of and return sensitive keys is evidence of widespread failure by Respondent's management and gaming operations personnel. Respondent has either failed to adequately train employees on what KRGC regulations and Hollywood Casino internal controls require regarding sensitive keys or employees are knowingly disregarding those regulations and internal controls. In either scenario, Respondent is ultimately responsible for training its employees and enforcing the applicable rules and regulations.
20. Keys that leave casino property, are left unsecured outside the key box, or are passed off to unauthorized individuals are vulnerable to copying and tampering. Because Respondent's employees failed to keep custody of and return sensitive keys that gave access to cash, gaming chips, and gaming tickets, Respondent put gaming facility assets at risk.
21. Because Respondent's employees failed to keep custody of and return sensitive keys that gave access to table games cards and EGMs, Respondent compromised the integrity of gaming by creating the risk that lottery facility games would be tampered with to affect the outcome of games.

STATEMENT OF POLICY

Under the Kansas Expanded Lottery Act, the Kansas Racing and Gaming Commission is required to oversee the enforcement of state laws, enforcement of internal controls, and the credentialing of employees at Kansas lottery gaming facilities. The Kansas Expanded Lottery

Act directed the Kansas Racing and Gaming Commission to adopt rules and regulations to oversee all lottery gaming facility operations. Pursuant to this mandate, the Kansas Racing and Gaming Commission created regulations that subject a facility manager to sanctions when the lottery gaming facility's employees violate any provision of the Kansas Expanded Lottery Act, KRGC regulations, or a facility manager's internal controls.

By requiring lottery gaming facilities to adhere to KRGC regulations and the facility manager's internal controls, the Kansas Racing and Gaming Commission ensures the security of gaming facility assets and integrity of gaming. Regulations and internal controls regarding requirements for checking out, maintaining custody of, and returning sensitive and critical keys are integral to protecting gaming facility assets and ensuring the integrity of lottery facility games. When a facility manager fails to ensure that its employees are keeping custody of and returning sensitive keys, those keys can be taken by or passed off to unauthorized individuals who could tamper with or copy the keys in order to gain access to gaming facility assets or lottery facility games. Enforcement of these provisions is necessary to safeguard gaming facility assets and ensure the integrity of gaming in Kansas.

SANCTION

22. In accordance with K.A.R. 112-113-1(c), the DRB may consider certain factors in considering appropriate sanctions, including risk to the public and to the integrity of gaming operations created by the conduct of the certificate holder; the nature of the violation; culpability of the certificate holder; any justification or excuse for the conduct; the certificate holder's history with respect to compliance; and any corrective action taken. Moreover, K.A.R. 112-113-1(e) states "it shall be no absolute defense that the licensee [or] certificate holder . . . inadvertently,

unintentionally, or unknowingly” committed a regulatory violation and “shall affect only the degree of the sanction to be imposed. . . .”

23. The DRB considers the following factors:
- a. Respondent has been certified as a gaming facility manager for approximately six years and nine months.
 - b. Respondent’s failure to control the custody and return of its sensitive keys endangered the security of gaming facility assets and compromised the integrity of gaming. Respondent’s employees took keys off casino property and left keys unsecured that gave access to cash, gaming chips, and/or gaming tickets. Other unsecured or unreturned keys gave access to table games cards and EGM doors, which could be tampered with to affect the outcome of lottery facility games.
 - c. The KRGC’s Executive Director has discussed with Respondent’s General Manager some of the issues regarding sensitive keys and Respondent was given an opportunity to strengthen its key controls. Respondent attempted to do so by relocating and installing a second set of sensors which should activate when anyone attempts to take sensitive keys out of the casino’s employee entrance. Those sensors have failed to activate on multiple occasions when employees have taken sensitive keys off casino property. Moreover, even supposing the sensors always activated properly, that would not prevent or address the instances of employees failing to return sensitive keys to the key box when they leave keys in places inside the casino.

- d. Despite efforts at remediation, key violations continue and are increasing. In 2013, Respondent had five incidents of employees mishandling keys; in 2014, three incidents; and in 2015, four incidents. In 2016, the number of incidents increased to six. In 2017, the number of incidents increased again to seven. As of this Summary Proceeding Order, there have been four incidents of employees mishandling sensitive keys in 2018.
- e. There is no justification or excuse for the conduct, particularly in light of previous efforts to prevent keys from leaving the property. When there are multiple employees including supervisors from multiple departments spanning thirty incidents who fail to maintain custody of and return sensitive keys, there would appear to be a failure by the Respondent to train its employees and to enforce regulatory provisions and Hollywood Casino policies regarding sensitive keys.
- f. Respondent is directly culpable. Respondent has the ultimate duty to control the issuance, custody, and return of its sensitive keys. Respondent has the duty to ensure all employees who have access to sensitive keys know and comply with regulatory requirements for securing sensitive keys.
- g. Respondent has previously committed regulatory violations in Kansas. Respondent has been issued a warning letter on two occasions, monetary fines on five occasions, and ordered to amend its internal controls on one occasion.
- h. Though sanctions have been issued to Respondent's employees for

mishandling sensitive keys, the Respondent itself has not previously been sanctioned for failing to control the custody and return of its sensitive keys.

24. Based on the above-described findings of fact, conclusions of law, statement of policy, and sanction factors the DRB orders the Respondent to pay a \$10,000.00 fine.
25. Payment shall be sent to the following address:

Kansas Racing and Gaming Commission
Attn: Judith Taylor, General Counsel
700 SW Harrison, Suite 500
Topeka, KS 66603-3754
26. Respondent is entitled to a hearing on the above matter, which Respondent may waive by signing and returning the enclosed Hearing Waiver to the KRGC by mail, email, or fax. (See Notice of Hearing and Right to Waive below.)
27. If Respondent waives the right to a hearing, the \$10,000.00 fine must be paid within 30 days of this Order becoming final and effective which would occur on December 14, 2018.
28. If Respondent does not pay the ordered fine within 30 days of this Order becoming final and effective, Respondent's certificate will be automatically indefinitely suspended at the end of the business day without further notification or action taken by the Commission until all terms of this Order are fulfilled and the Respondent's certificate is reinstated by the KRGC.
29. This Order shall become part of the Respondent's permanent KRGC licensing file.

ORDER

In accordance with the above-described findings of fact, conclusions of law, statement of policy, and sanction factors,

IT IS HEREBY ORDERED that the Kansas Racing and Gaming Commission issue a fine of \$10,000.00 to the Respondent.

IT IS SO ORDERED,



Joe Herridge, Director of Security
Disciplinary Review Board

NOTICE OF HEARING AND RIGHT TO WAIVE

Respondent is entitled to a hearing on the above matter. This right to a hearing may be waived at Respondent's option. (See instructions below for Waiving Right to a Hearing.)

Hearing - Presentation of Written Evidence:

Unless Respondent waives the right to a hearing, this matter will be presented to the Commission on **Friday December 14, 2018 at 10:00 am** at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603.

Written evidence will be presented along with brief oral arguments by the agency and Respondent. Surveillance video may also be presented. Neither party will present live witness testimony at this time. Respondent is not required to be represented by counsel at this hearing, but may choose to do so at the Respondent's expense.

If Respondent does not appear at the hearing, a decision will be made on the evidence presented, and any decision will become final agency action. If Respondent has written evidence to present to the Commission, copies of all relevant written evidence must be sent (by mail, email, or fax) no later than November 30, 2018 to the address below.

Following arguments, the Commission will consider the arguments and evidence presented, and if the Commission determines no further evidence is necessary for a finding, the Commission will issue its Order. The Commission can uphold, overturn, or amend the Disciplinary Review Board's Summary Order. If the Commission determines further evidence is necessary for a finding, the case will be continued to the next commission meeting to allow for a full evidentiary hearing. If the Commission issues an Order without a full evidentiary hearing, the Respondent has an automatic right to a full evidentiary hearing where witness testimony will be taken. The right to a full evidentiary hearing may be waived by Respondent prior to the scheduled hearing (see Waiving Right to a Hearing below).

Full Evidentiary Hearing – Presentation of Witness Testimony:

The full evidentiary hearing with witnesses, if required, will be held at the regularly scheduled Commission meeting on Friday January 11, 2019 at 10:00 am at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603. (Date and location subject to change).

At this hearing, Respondent must be represented by counsel. Additionally, Respondent has the right to produce additional evidence and witnesses on the Respondent's behalf, the right to cross-examine any witness who may testify against the Respondent, and the right to examine any evidence that may be produced against the Respondent.

The Commission will issue a final Order either directly after deliberation or within 30 days of the hearing date. This Order will constitute final agency action and is subject to appeal under the Kansas Judicial Review Act. If Respondent does not appear at the hearing, a decision

will be made on the evidence presented, and any decision will become final agency action subject to appeal under the Kansas Judicial Review Act. The agency officer to receive service of any petition for judicial review on behalf of the Kansas Racing and Gaming Commission is Judith Taylor, General Counsel, at the address below. Any sanction imposed by the Order may be stayed pending appeal.

Respondent shall submit any additional exhibits and a witness list no later than December 28, 2018 to Judith Taylor, General Counsel, at the address below.

If a full evidentiary hearing is held, the hearing will be conducted in accordance with KRGC regulations. Regulations may be found at <http://www.krgc.ks.gov/index.php/racing-gaming-law/regulations/gaming-regulations/21-government/statute-regulations/30-article-114-rules-of-hearings>. (You may also request that a copy of the regulations be sent to you.)

Waiving Right to a Hearing:

Respondent may choose to waive the right to a hearing by signing and returning the enclosed Hearing Waiver (by fax, email, or mail) at the address below. If Respondent chooses to waive the right to a hearing, the above Order becomes final and effective on December 14, 2018 or on the day of waiver, whichever is later. The fine must be paid within 30 days of this Order becoming final.

Send all requests to appear by phone, hearing waivers, written exhibits, witness testimony lists, notices, and petitions for judicial review to:

Judith Taylor, General Counsel
700 SW Harrison, Suite 500
Topeka, KS 66603-3754
(785) 296-0900 (fax)
judy.taylor@krgc.ks.gov

CERTIFICATE OF SERVICE

I certify that on this 2nd day of November, 2018, I served a copy of the above Summary Proceeding Order and Notice of Hearing and Right to Waive by U.S. Mail, first class postage prepaid to the following addresses:

Kansas Entertainment, LLC d/b/a
Hollywood Casino at Kansas Speedway
Attn: Richard Skinner, General Manager
777 Hollywood Casino Blvd.
Kansas City, KS 66111

Francis T. Donaghue
Penn National Gaming Corporate Office
825 Berkshire Blvd. Suite 200
Wyomissing, PA 19610

Timothy J. Wilmott
Penn Hollywood Kansas, Inc.
825 Berkshire Blvd., Suite 200
Wyomissing, PA 19610

Carl Sottosanti
Penn Hollywood Kansas, Inc.
825 Berkshire Blvd., Suite 200
Wyomissing, PA 19610

Jeff Boerger
Kansas Speedway Development Corp.
400 Speedway Blvd.
Kansas City, KS 66111

Brett Scharback
International Speedway Corp.
One Daytona Boulevard
Daytona Beach, FL 32114



Commission Representative

cc: KRGC Licensing File
Disciplinary Review Board Members
Brett Jacobs, KRGC Supervisory Agent at Hollywood Casino

HOLLYWOOD
Casino
AT KANSAS SPEEDWAY®

December 3, 2018

Don Brownlee
Executive Director
Kansas Racing and Gaming Commission
700 SW Harrison, Suite 500
Topeka, KS 66603

Hollywood Casino has received the Summary Proceeding Order (KRGC Case No. 2018-3006) from the Disciplinary Review Board, dated November 2, 2018, for failing to control the custody and return of sensitive keys.

While we are not requesting a hearing on the matter and will pay the associated fine, we would request the following comments be included in the record.

Sensitive keys, and the control of those keys, is vital to our operation. We take all incidents related to sensitive keys very seriously and have many layers of security in place to protect the assets of the casino. In addition to requiring multiple sets of keys (issued to employees in different departments) to access very sensitive locations, the keys and locks we use in those locations are uniquely designed to prevent duplication. In addition, when we opened the casino, even though it is not required by Kansas regulations, we installed sensors on each individual key ring and a set of electronic key detecting towers near the employee exit as an extra safeguard to prevent employees from removing keys from the property. Unfortunately, those towers are not 100% accurate and permitted a few employees to walk past the towers without detection. After discussions with the KRGC Executive Director regarding sensitive keys leaving property, the property installed a second set of key detecting towers at an expense of \$7,089. Even with two sets of towers, set to alarm when keys are walking thru them, they have failed to function as designed in a few instances. Regardless of how many protections we put in place, as long as employees are involved in the process, human error will occur and there will be incidents of non-compliance.

All incidents related to sensitive keys are documented and reported to the Kansas Racing and Gaming Commission (KRGC) agent on duty. Within the Summary Proceeding Order (SPO), there are thirty (30) incidents related to sensitive keys that occurred between June 24, 2012 and October 2, 2018. The most incidents in any given calendar year was seven (7) in 2017. Hollywood Casino objects to the language in the SPO that these 30 incidents "*is evidence of widespread failure by Respondent's management and gaming operations personnel. Respondent has either failed to adequately train employees on what KRGC regulations and Hollywood Casino internal controls require regarding sensitive keys or employees are knowingly disregarding those regulations and internal control*".

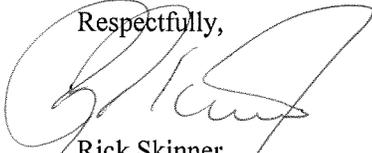
On average, Hollywood Casino employees check out 190 sets of sensitive key rings each day. That equates to over 69,000 sets of keys checked out each year. During the timeframe mentioned in the SPO that details each of the 30 incidents, Hollywood Casino employees have checked out, used, and returned keys approximately 400,000 times. We would not consider 30 incidents out of 400,000 transactions or .0075% of transactions to be a "widespread failure" of our management or a failure to

train our employees, and to enforce regulatory provisions and Hollywood Casino policies regarding sensitive keys.

As mentioned above, we take these incidents very seriously. We have always maintained a high level of accountability to regulatory compliance. Maintaining the integrity of our sensitive keys is vitally important. Each employee is properly trained on proper policies and procedures related to the issuance, control, and the return of sensitive keys. Any employees that fails to adhere to these policies is subject to disciplinary action. Any employee responsible for losing or taking keys off Hollywood Casino property will be and have been disciplined up to and including termination.

In closing, we view the integrity of sensitive keys as of the utmost importance. The property has gone to great lengths to ensure that integrity. Ultimately, we will pay the fine, but object to the language that was used depicting .0075% as "widespread failure."

Respectfully,

A handwritten signature in black ink, appearing to read "Rick Skinner", written over a large, light-colored circular scribble or stamp.

Rick Skinner
Vice President and General Manager

STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603

IN THE MATTER OF

KRGC Case No. 2018-3006

Kansas Entertainment, LLC (d/b/a Hollywood
Casino at Kansas Speedway), Respondent.

HEARING WAIVER

I, RIK SKINNER, on behalf of the Respondent, stipulate to the Facts
(print name)
and Conclusions of Law as set forth in the Summary Proceeding Order and Notice of Hearing
and Right to Waive issued to Kansas Entertainment, LLC d/b/a Hollywood Casino at Kansas
Speedway and therefore waive the right to a hearing. Respondent agrees to pay the \$10,000.00
fine as ordered by the Disciplinary Review Board.



Kansas Entertainment, LLC Representative

12-3-18
Date

License No. 2007500

STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603

IN THE MATTER OF

KRGC Case No. 2018-3007

Mary Rose Carr, Respondent.

**SUMMARY PROCEEDING ORDER AND
NOTICE OF HEARING AND RIGHT TO WAIVE**

The Kansas Racing and Gaming Commission (KRGC), through its Disciplinary Review Board (DRB), hereby gives notice that Mary Rose Carr (Respondent), a player services cashier, has violated KRGC regulations K.A.R. 112-104-34(b); Hollywood Casino Internal Controls Chpt N: Key Controls Sect. 1.01, 5.03; and the Hollywood Casino's Player Services Standard and Procedure for Check In/Out Keys by taking a sensitive and critical key off casino property:

FINDINGS OF FACT

1. On June 22, 2016, Respondent received a temporary occupation permit for a position as a player services cashier from the KRGC. Respondent received a permanent level II gaming license on August 23, 2016, which is currently in active status.
2. On August 10 and 11, 2018, Respondent was on duty as a player services cashier at Hollywood Casino at Kansas Speedway (Hollywood Casino).
3. On August 10, 2018, during her shift, Respondent checked out key [REDACTED], which is named the [REDACTED] key, from the dual-lock key box.
4. Key [REDACTED]
[REDACTED]
5. At the end of her shift, at approximately 12:40 a.m. on August 11, 2018,

Respondent exited Hollywood Casino without returning key [REDACTED] to the secure key box. When Respondent exited the casino, the sensors posted at the doors did not detect the key and the alarm did not activate.

6. After leaving casino property, Respondent discovered that she still possessed key [REDACTED] and drove back to Hollywood Casino. At approximately 1:20 a.m., Respondent arrived at Hollywood Casino and returned key [REDACTED] to the secure key box.
7. Key [REDACTED] was off casino property for approximately forty minutes.
8. KRGC regulation K.A.R. 112-104-34(a) states: “‘Sensitive keys’ shall mean those unlocking devices designated by the Kansas lottery, a facility manager, or the commission as important to preserving the security of the facility manager’s business. Each facility manager shall control the storage, duplication, custody, issuance, and return of sensitive keys. . . .”
9. K.A.R. 112-104-34(b) states: “‘Sensitive keys may be further designated as ‘critical.’ Critical keys shall mean those unlocking devices that shall be maintained in a dual-lock box. If a critical key is lost or becomes missing, all locks that the key fits shall be changed within 24 hours. At a minimum, the following keys shall be deemed critical keys: . . . (23) any key not listed in this subsection that controls access to any cash or chip storage area.”
10. Pursuant to K.A.R. 112-104-34(a) & (b), Hollywood Casino implemented Hollywood Casino Internal Controls Chpt N: Key Controls Sect. 1.01 which states: “‘Sensitive keys’ will mean those unlocking devices designated by the Kansas Lottery, Hollywood Casino at Kansas Speedway, or the KRGC as

important to preserving the security of Hollywood Casino's business. Hollywood Casino will control the storage, duplication, custody, issuance, and return of sensitive keys. At a minimum, the following keys will be deemed sensitive keys: . . . (P) [REDACTED] . . . [and] (T) Any keys not listed above controlling access to cash or chip storage areas."

11. Hollywood Casino treats all of its sensitive keys as critical keys and maintains both sensitive and critical keys in dual-lock boxes.
12. Hollywood Casino's Key Access List North Key Box designates key "[REDACTED] [REDACTED]" as a sensitive key.
13. K.A.R. 112-104-38(c) states that a facility manager's ". . . internal control system shall include procedures to be followed when a sensitive key or critical key is lost, missing, or taken from the premises."
14. Pursuant to K.A.R. 112-104-38(c) Hollywood Casino implemented Hollywood Casino Internal Controls Chpt N: Key Controls Sect. 5.03 which states: "When a sensitive key is determined to be have been lost, missing or taken from the premises, the [KRGCC] Agent on duty will be notified upon discovery that sensitive keys are missing. Security will perform an immediate investigation. The investigation will identify the key, who last had the key, and a determination if assets are at risk. When a critical key is . . . removed from the premises, all locks that the key fits will be changed within 24 hours. . . ."
15. After Respondent took key [REDACTED] off premises, Hollywood Casino was required to change the lock on [REDACTED]
16. K.A.R. 112-113-1(a) states that "any licensee may be sanctioned for violating any

provision of the . . . [KRGCC] regulations . . . including . . . [for] (5) failing to follow . . . the facility manager's minimum internal control system. . . .”

17. Hollywood Casino's Player Services Standard and Procedure for Check In/Out Keys states: "Player Services Team Members retrieve their assigned key each work day and make sure it is properly put away at the end of the shift. . . . Keys must be returned to the KeyWatcher [key box] prior to leaving to go outside for any reason. The keys are not allowed past the sensors located by Security at the Team Member exit. . . .”

CONCLUSIONS OF LAW

18. Pursuant to K.A.R. 112-104-34(a)&(b), Hollywood Casino Internal Controls Chpt N: Key Controls Sect. 1.01, and Hollywood Casino's Key Access List North Key Box, key [REDACTED] is a sensitive and critical that must be stored in a secured key box and is not permitted to leave Hollywood Casino premises.
19. Respondent violated K.A.R. 112-104-38(c), Hollywood Casino Internal Controls Chpt N: Key Controls Sect. 5.03, and Hollywood Casino's Player Services Standard and Procedure for Check In/Out Keys when Respondent took the sensitive and critical key [REDACTED] off casino property for approximately forty minutes.
20. Sensitive keys that are taken off casino premises and are outside the supervision of the casino are vulnerable to copying and tampering. Because Respondent took a sensitive and critical key that gave access to [REDACTED] which contains cash and gaming chips, Respondent put gaming facility assets at risk.

STATEMENT OF POLICY

Under the Kansas Expanded Lottery Act, the Kansas Racing and Gaming Commission is required to oversee the enforcement of state laws, enforcement of internal controls, and the credentialing of employees at Kansas lottery gaming facilities. The Kansas Expanded Lottery Act directed the Kansas Racing and Gaming Commission to adopt rules and regulations to oversee all lottery gaming facility operations. Pursuant to this mandate, the Kansas Racing and Gaming Commission created regulations that subject a licensee to sanctions, including license suspension or revocation, when the licensee violates any provision of the Kansas Expanded Lottery Act, KRGC regulations, or a facility manager's internal controls.

By requiring licensees to adhere to KRGC regulations and the facility manager's internal controls, the Kansas Racing and Gaming Commission ensures the security of gaming facilities in Kansas. Regulations and internal controls regarding requirements for checking out and returning sensitive and critical keys are integral to protecting gaming facility assets. When a licensee fails to return a key before leaving casino property, that key is no longer under the supervision of the facility manager and can be tampered with or copied in order to gain access to gaming facility assets. Enforcement of these provisions is necessary to safeguard gaming facility assets and ensure the integrity of gaming in Kansas.

SANCTION

21. In accordance with K.A.R. 112-113-1(c), the DRB may consider certain factors in considering appropriate sanctions, including risk to the public and to the integrity of gaming operations created by the conduct of the licensee; the nature of the violation; culpability of the licensee; any justification or excuse for the conduct; the licensee's history with respect to compliance; and corrective action taken by

the licensee. Moreover, K.A.R. 112-113-1(e) states “it shall be no absolute defense that the licensee . . . inadvertently, unintentionally, or unknowingly” committed a regulatory violation and “shall affect only the degree of the sanction to be imposed. . . .”

22. The DRB considers the following factors:
- a. Respondent had been employed as a player services cashier for approximately two years and two months at the time of this incident.
 - b. Respondent’s actions posed a risk to the security of gaming facility assets. Respondent left casino property with a key that gave direct access to cash and gaming chips.
 - c. There is no justification or excuse for the conduct. Although the key alarm did not activate when Respondent exited the casino, casino employees are expected to *not* solely rely on the key alarm to verify that they are not taking sensitive keys off casino property. When casino employees are authorized to check out sensitive keys, they have the duty to ensure those keys are returned to the secure key box at the end of their shift so that the keys remain supervised and on casino premises at all times. As happened here, the key alarm can fail and that does not justify or excuse taking a sensitive and critical key off casino property. There was no emergency, illness, injury, or other extraordinary circumstance which prevented Respondent from returning the key to the key box before leaving the casino.
 - d. Respondent is directly culpable. Respondent did not verify at the end of

her shift that she had returned the sensitive key to the key box and because she failed to do so, she took a sensitive and critical key off casino property.

- e. Respondent took some corrective action. Respondent returned the key to Hollywood Casino after discovering she still possessed it. However, the key was off casino property and unsupervised for approximately forty minutes.
- f. Because Respondent took a sensitive and critical key off casino property, Hollywood Casino was required to pay for and install a replacement lock for [REDACTED]. Respondent's violation caused an unnecessary and preventable financial loss to the casino.
- g. Respondent has no history of regulatory violations.

- 23. Based on the above-described findings of fact, conclusions of law, statement of policy, and sanction factors the DRB orders the Respondent to serve a one-day unpaid suspension. The one-day suspension shall total 8 hours. The date of the one-day unpaid suspension shall be determined by the KRGC supervising enforcement agent for the gaming facility where Respondent is employed.
- 24. Respondent is entitled to a hearing on the above matter, which Respondent may waive by signing and returning the enclosed Hearing Waiver to the KRGC by mail, email, or fax. (See Notice of Hearing and Right to Waive below.)
- 25. If Respondent waives the right to a hearing, the one-day unpaid suspension must be served within 30 days of this Order becoming final and effective. This Order becomes final and effective on December 14, 2018.

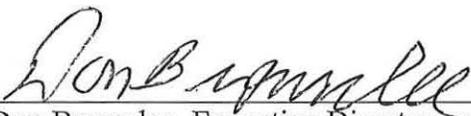
26. Once the suspension is served, Respondent must also send a timesheet showing the suspension occurred to the KRGC by mail, email, or fax to the address listed below within 30 days of this Order becoming final and effective.
27. If Respondent does not serve the ordered one-day unpaid suspension or does not send a timesheet showing the suspension occurred within 30 days of this Order becoming final and effective, Respondent's license will be automatically indefinitely suspended at the end of the business day without further notification or action taken by the Commission until all terms of this Order are fulfilled and the Respondent's license is reinstated by the KRGC.
28. This Order shall become part of Respondent's permanent KRGC licensing file.

ORDER

In accordance with the above-described findings of fact, conclusions of law, statement of policy, and sanction factors,

IT IS HEREBY ORDERED that the Kansas Racing and Gaming Commission suspend Respondent's license for one day.

IT IS SO ORDERED,



Don Brownlee, Executive Director
Disciplinary Review Board

NOTICE OF HEARING AND RIGHT TO WAIVE

Respondent is entitled to a hearing on the above matter. This right to a hearing may be waived at Respondent's option. (See instructions below for Waiving Right to a Hearing.)

Hearing - Presentation of Written Evidence:

Unless Respondent waives the right to a hearing, this matter will be presented to the Commission on **Friday December 14, 2018 at 10:00 am** at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603.

Written evidence will be presented along with brief oral arguments by the agency and Respondent. Surveillance video may also be presented. Neither party will present live witness testimony at this time. Respondent has the right to be represented by counsel at the Respondent's expense.

If Respondent does not appear at the hearing, a decision will be made on the evidence presented, and any decision will become final agency action. If Respondent has written evidence to present to the Commission, copies of all relevant written evidence must be sent (by mail, email, or fax) no later than November 30, 2018 to the address below.

Following arguments, the Commission will consider the arguments and evidence presented, and if the Commission determines no further evidence is necessary for a finding, the Commission will issue its Order. The Commission can uphold, overturn, or amend the Disciplinary Review Board's Summary Order. If the Commission determines further evidence is necessary for a finding, the case will be continued to the next commission meeting to allow for a full evidentiary hearing. If the Commission issues an Order without a full evidentiary hearing, the Respondent has an automatic right to a full evidentiary hearing where witness testimony will be taken. The right to a full evidentiary hearing may be waived by Respondent prior to the scheduled hearing (see Waiving Right to a Hearing below).

Full Evidentiary Hearing – Presentation of Witness Testimony:

The full evidentiary hearing with witnesses, if required, will be held at the regularly scheduled Commission meeting on Friday January 11, 2019 at 10:00 am at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603. (Date and location subject to change).

At this hearing, Respondent has the right to produce additional evidence and witnesses on the Respondent's behalf, the right to cross-examine any witness who may testify against the Respondent, and the right to examine any evidence that may be produced against the Respondent.

The Commission will issue a final Order either directly after deliberation or within 30 days of the hearing date. This Order will constitute final agency action and is subject to appeal under the Kansas Judicial Review Act. If Respondent does not appear at the hearing in person or

by phone, a decision will be made on the evidence presented, and any decision will become final agency action subject to appeal under the Kansas Judicial Review Act. The agency officer to receive service of any petition for judicial review on behalf of the Kansas Racing and Gaming Commission is Judith Taylor, General Counsel, at the address below. Any sanction imposed by the Order may be stayed pending appeal.

Respondent shall submit any additional exhibits and a witness list no later than December 28, 2018 to Judith Taylor, General Counsel, at the address below.

If a full evidentiary hearing is held, the hearing will be conducted in accordance with KRGC regulations. Regulations may be found at <http://www.krgc.ks.gov/index.php/racing-gaming-law/regulations/gaming-regulations/21-government/statute-regulations/30-article-114-rules-of-hearings>. (You may also request that a copy of the regulations be sent to you.)

Appearing by Phone:

Respondent is expected to appear in person for all hearings. Respondent *may* be allowed to appear by phone, at the Commission's discretion, upon written request (by mail, email, or fax) to the address below no later than five days prior to the hearing. If allowed to appear by phone, KRGC will *not* be responsible for sound quality issues that arise from Respondent's use of a cell phone, voice-over-internet (VOIP) connection, or other non-landline phone connection. Sound quality issues could affect the Commission's ability to understand Respondent's testimony, thus every effort to appear in person should be made.

Waiving Right to a Hearing:

Respondent may choose to waive the right to a hearing by signing and returning the enclosed Hearing Waiver (by fax, email, or mail) at the address below. If Respondent chooses to waive the right to a hearing, the above Order becomes final and effective on December 14, 2018 or on the day of waiver, whichever is later. The suspension must be served within 30 days of this Order becoming final.

Send all requests to appear by phone, hearing waivers, written exhibits, witness testimony lists, notices, and petitions for judicial review to:

Judith Taylor, General Counsel
700 SW Harrison, Suite 500
Topeka, KS 66603-3754
(785) 296-0900 (fax)
judy.taylor@krgc.ks.gov

Nothing stated herein precludes Respondent from entering into informal settlement negotiations which could make a hearing unnecessary. To discuss your case, you may contact Michelle Neis, Enforcement Attorney, at 785-296-5800 or by email at michelle.neis@krgc.ks.gov.

CERTIFICATE OF SERVICE

I certify that on this 26th day of October, 2018 (date of service), I served a copy of the above Summary Proceeding Order and Notice of Hearing and Right to Waive on the following by U.S. Mail, first class postage prepaid, addressed to:

Mary Rose Carr
12540 Augusta Dr.
Kansas City, KS 66109



Commission Representative

cc: KRGC Licensing File
Disciplinary Review Board Members
Brett Jacobs, KRGC Supervisory Agent at Hollywood Casino
Rick Skinner, Hollywood Casino General Manager
Hollywood Casino Human Resource Department

STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603

IN THE MATTER OF

KRGC Case No. 2018-3007

Mary Rose Carr, Respondent.

HEARING WAIVER

I, MARY ROSE CARR, stipulate to the Facts and Conclusions of Law as
(print name)
set forth in the Summary Proceeding Order and Notice of Hearing and Right to Waive issued to
me and therefore waive my right to a hearing. I agree to serve the one-day unpaid suspension as
ordered by the Disciplinary Review Board.

+ Mary Rose Carr
Mary Rose Carr
License No. 2008335

11/28/18
Date

**STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603**

IN THE MATTER OF

KRGC Case No. 2018-3008

Diana Michelle Crouch, Respondent.

**SUMMARY PROCEEDING ORDER AND
NOTICE OF HEARING AND RIGHT TO WAIVE**

The Kansas Racing and Gaming Commission (KRGC), through its Disciplinary Review Board (DRB), hereby gives notice that Diana Michelle Crouch (Respondent), a table games dealer, has violated KRGC regulation K.A.R 112-113-1(a)(5), Hollywood Casino Internal Controls Chpt D: Blackjack Sect. F., and the Hollywood Casino Table Games Dealer Job Description by failing to shuffle used playing cards before placing them back into play:

FINDINGS OF FACT

1. On December 11, 2014, the Respondent received a temporary occupation permit for a position as a table games dealer from the KRGC. Respondent received a permanent level II gaming license on April 20, 2015, which is currently in active status.
2. On February 17, 2018, Respondent was on duty as a table games dealer at Hollywood Casino.
3. At approximately 6:43 p.m., Respondent was dealing cards at a blackjack table. At this time, Respondent removed played cards from the table and placed them into the automatic shuffler.
4. Respondent did not notice that the automatic shuffler did not shuffle the playing cards. Respondent then took the unshuffled playing cards out of the shuffler and

placed them into play.

5. Respondent dealt one hand of blackjack to five patrons with unshuffled cards.
6. Respondent was in the process of dealing a second hand when the table games shift manager noticed that the automatic shuffler did not appear as it should if the cards had been properly shuffled. The table games shift manager stopped Respondent from dealing another hand and confirmed with a surveillance agent that the cards had not been shuffled by the automatic shuffler.
7. Respondent stated that she had “[p]ulled wrong cards out.”
8. K.A.R. 112-108-6 requires that: “(a) Each facility manager shall establish a system of internal controls for the security and operation of table games. . . . The internal controls for table games . . . shall address the following: . . . (6) for each game that uses cards, a description of the following: (A) Shuffling procedures. . . .”
9. Pursuant to K.A.R. 112-108-6(a)(6)(A), Hollywood Casino implemented Hollywood Casino Internal Controls Chpt D: Blackjack Sect. F. which states: “1. Shuffling Procedures[:] a. The cards will be shuffled at various times including, but not limited to, the following circumstances:
 - (1) New decks are put into play.
 - (2) A shuffle will be performed after the completion of the hand in which the cut card appeared. . . .”
10. K.A.R. 112-113-1(a) states that “any licensee may be sanctioned for . . . (5) failing to follow the . . . facility manager’s minimum internal control system[.]”
11. The Hollywood Casino Table Games Dealer Job Description, as part of

Hollywood Casino's internal controls, requires that table games dealers:

- a. "Provide accurate and efficient dealing while following proper game procedures[; and]
- b. Must adhere to regulatory, department and company policies."

CONCLUSIONS OF LAW

12. Respondent violated K.A.R. 112-113-1(a)(5) and Hollywood Casino Internal Controls Chpt D: Blackjack Sect. F. when Respondent failed to shuffle used cards before placing them back into play. As the table games dealer for that blackjack table, Respondent had the duty to ensure the cards were shuffled properly before dealing them to patrons. Respondent failed to do so during this incident.
13. Respondent violated K.A.R. 112-113-1(a)(5) and the Hollywood Casino Table Games Dealer Job Description when Respondent failed to provide accurate dealing while following Hollywood Casino's table game procedures.
14. Because Respondent failed to ensure that the automatic shuffler had in fact shuffled the cards, she dealt a hand of blackjack to five patrons with unfair cards. Dealing unshuffled cards directly impacts the odds and fairness of a table game thereby compromising the integrity of that table game. Thus, Respondent's violation compromised the integrity of gaming in Kansas.

STATEMENT OF POLICY

Under the Kansas Expanded Lottery Act, the Kansas Racing and Gaming Commission is required to oversee the enforcement of state laws, enforcement of internal controls, and the credentialing of employees at Kansas lottery gaming facilities. The Kansas Expanded Lottery Act directed the Kansas Racing and Gaming Commission to adopt rules and regulations to

oversee all lottery gaming facility operations. Pursuant to this mandate, the Kansas Racing and Gaming Commission created regulations that subject a licensee to sanctions, including license suspension or revocation, when the licensee violates any provision of the Kansas Expanded Lottery Act (KELA), KRGC regulations, or a facility manager's internal controls.

By requiring licensees to adhere to KRGC regulations and the facility manager's internal controls, the Kansas Racing and Gaming Commission ensures the integrity of gaming in Kansas. Regulations and internal controls regarding table games procedures for shuffling playing cards are integral to operating fair and honest table games. When a licensee fails to properly shuffle cards before placing them into play, patrons will be dealt nonrandom cards which directly impacts the odds and integrity of that table game. Enforcement of these provisions is necessary to protect the public interest and the integrity of gaming in the state of Kansas.

SANCTION

15. In accordance with K.A.R. 112-113-1(c), the DRB may consider certain factors in considering appropriate sanctions, including risk to the public and to the integrity of gaming operations created by the conduct of the licensee; the nature of the violation; culpability of the licensee; any justification or excuse for the conduct; the licensee's history with respect to compliance; and corrective action taken by the licensee. Moreover, K.A.R. 112-113-1(e) states "it shall be no absolute defense that the licensee . . . inadvertently, unintentionally, or unknowingly" committed a regulatory violation and "shall affect only the degree of the sanction to be imposed. . . ."
16. The DRB considers the following factors:
 - a. Respondent had been employed as a table games dealer for approximately

two years and two months at the time of this incident.

- b. Respondent's actions compromised the integrity of gaming. Dealing unshuffled cards directly affects the odds and outcome of a table game thereby compromising the integrity of that table game.
 - c. There is no justification or excuse for the conduct. There was no extraordinary or unusual circumstance which prevented Respondent from watching the automatic shuffler to ensure the played cards were properly shuffled.
 - d. Respondent is directly culpable. As the table games dealer, Respondent is directly responsible for the proper shuffling and handling of cards while dealing blackjack.
 - e. Respondent took no corrective action. The table games shift manager noticed the automatic shuffler did not appear as it should if the cards had been shuffled and stopped the game before more hands could be dealt.
 - f. Respondent has no history of regulatory violations.
17. Based on the above-described findings of fact, conclusions of law, statement of policy, and sanction factors the DRB orders the Respondent to serve a one-day unpaid suspension. The one-day suspension shall total 8 hours. The date of the one-day unpaid suspension shall be determined by the KRGC supervising enforcement agent for the gaming facility where Respondent is employed.
18. Respondent is entitled to a hearing on the above matter, which Respondent may waive by signing and returning the enclosed Hearing Waiver to the KRGC by mail, email, or fax. (See Notice of Hearing and Right to Waive below.)

19. If Respondent waives the right to a hearing, the one-day unpaid suspension must be served within 30 days of this Order becoming final and effective, which would occur on December 14, 2018.
20. Once the suspension is served, Respondent must also send a timesheet showing the suspension occurred to the KRGC by mail, email, or fax to the address listed below within 30 days of this Order becoming final and effective.
21. If Respondent does not serve the ordered one-day unpaid suspension or does not send a timesheet showing the suspension occurred within 30 days of this Order becoming final and effective, Respondent's license will be automatically indefinitely suspended at the end of the business day without further notification or action taken by the Commission until all terms of this Order are fulfilled and the Respondent's license is reinstated by the KRGC.
22. This Order shall become part of Respondent's permanent KRGC licensing file.

ORDER

In accordance with the above-described findings of fact, conclusions of law, statement of policy, and sanction factors,

IT IS HEREBY ORDERED that the Kansas Racing and Gaming Commission suspend Respondent's license for one day.

IT IS SO ORDERED,



Don Brownlee, Executive Director
Disciplinary Review Board

NOTICE OF HEARING AND RIGHT TO WAIVE

Respondent is entitled to a hearing on the above matter. This right to a hearing may be waived at Respondent's option. (See instructions below for Waiving Right to a Hearing.)

Hearing - Presentation of Written Evidence:

Unless Respondent waives the right to a hearing, this matter will be presented to the Commission on **Friday December 14, 2018 at 10:00 am** at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603.

Written evidence will be presented along with brief oral arguments by the agency and Respondent. Surveillance video may also be presented. Neither party will present live witness testimony at this time. Respondent has the right to be represented by counsel at the Respondent's expense.

If Respondent does not appear at the hearing, a decision will be made on the evidence presented, and any decision will become final agency action. If Respondent has written evidence to present to the Commission, copies of all relevant written evidence must be sent (by mail, email, or fax) no later than November 30, 2018 to the address below.

Following arguments, the Commission will consider the arguments and evidence presented, and if the Commission determines no further evidence is necessary for a finding, the Commission will issue its Order. The Commission can uphold, overturn, or amend the Disciplinary Review Board's Summary Order. If the Commission determines further evidence is necessary for a finding, the case will be continued to the next commission meeting to allow for a full evidentiary hearing. If the Commission issues an Order without a full evidentiary hearing, the Respondent has an automatic right to a full evidentiary hearing where witness testimony will be taken. The right to a full evidentiary hearing may be waived by Respondent prior to the scheduled hearing (see Waiving Right to a Hearing below).

Full Evidentiary Hearing – Presentation of Witness Testimony:

The full evidentiary hearing with witnesses, if required, will be held at the regularly scheduled Commission meeting on Friday January 11, 2019 at 10:00 am at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603. (Date and location subject to change).

At this hearing, Respondent has the right to produce additional evidence and witnesses on the Respondent's behalf, the right to cross-examine any witness who may testify against the Respondent, and the right to examine any evidence that may be produced against the Respondent.

The Commission will issue a final Order either directly after deliberation or within 30 days of the hearing date. This Order will constitute final agency action and is subject to appeal under the Kansas Judicial Review Act. If Respondent does not appear at the hearing in person or

by phone, a decision will be made on the evidence presented, and any decision will become final agency action subject to appeal under the Kansas Judicial Review Act. The agency officer to receive service of any petition for judicial review on behalf of the Kansas Racing and Gaming Commission is Judith Taylor, General Counsel, at the address below. Any sanction imposed by the Order may be stayed pending appeal.

Respondent shall submit any additional exhibits and a witness list no later than December 28, 2018 to Judith Taylor, General Counsel, at the address below.

If a full evidentiary hearing is held, the hearing will be conducted in accordance with KRGC regulations. Regulations may be found at <http://www.krgc.ks.gov/index.php/racing-gaming-law/regulations/gaming-regulations/21-government/statute-regulations/30-article-114-rules-of-hearings>. (You may also request that a copy of the regulations be sent to you.)

Appearing by Phone:

Respondent is expected to appear in person for all hearings. Respondent *may* be allowed to appear by phone, at the Commission's discretion, upon written request (by mail, email, or fax) to the address below no later than five days prior to the hearing. If allowed to appear by phone, KRGC will *not* be responsible for sound quality issues that arise from Respondent's use of a cell phone, voice-over-internet (VOIP) connection, or other non-landline phone connection. Sound quality issues could affect the Commission's ability to understand Respondent's testimony, thus every effort to appear in person should be made.

Waiving Right to a Hearing:

Respondent may choose to waive the right to a hearing by signing and returning the enclosed Hearing Waiver (by fax, email, or mail) at the address below. If Respondent chooses to waive the right to a hearing, the above Order becomes final and effective on December 14, 2018 or on the day of waiver, whichever is later. The suspension must be served within 30 days of this Order becoming final.

Send all requests to appear by phone, hearing waivers, written exhibits, witness testimony lists, notices, and petitions for judicial review to:

Judith Taylor, General Counsel
700 SW Harrison, Suite 500
Topeka, KS 66603-3754
(785) 296-0900 (fax)
judy.taylor@krgc.ks.gov

Nothing stated herein precludes Respondent from entering into informal settlement negotiations which could make a hearing unnecessary. To discuss your case, you may contact Michelle Neis, Enforcement Attorney, at 785-296-5800 or by email at michelle.neis@krgc.ks.gov.

CERTIFICATE OF SERVICE

I certify that on this 7th day of November, 2018 (date of service), I served a copy of the above Summary Proceeding Order and Notice of Hearing and Right to Waive on the following by U.S. Mail, first class postage prepaid, addressed to:

Diana Michelle Crouch
421 N Askew Ave
Kansas City, MO 64123



Commission Representative

cc: KRGC Licensing File
Disciplinary Review Board Members
Brett Jacobs, KRGC Supervisory Agent at Hollywood Casino
Rick Skinner, Hollywood Casino General Manager
Hollywood Casino Human Resource Department

STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603

IN THE MATTER OF

KRGC Case No. 2018-3008

Diana Michelle Crouch, Respondent.

HEARING WAIVER

I, Diana Michelle Crouch, stipulate to the Facts and Conclusions of Law as
(print name)
set forth in the Summary Proceeding Order and Notice of Hearing and Right to Waive issued to
me and therefore waive my right to a hearing. I agree to serve the one-day unpaid suspension as
ordered by the Disciplinary Review Board.

Diana Michelle Crouch
Diana Michelle Crouch
License No. 2006863

11 / 10 / 18
Date

BOOT HILL CASINO & RESORT
REPORT PRESENTED TO
THE KANSAS RACING AND GAMING COMMISSION
DECEMBER 14, 2018

BY: Diane Giardine

- 1) For the month of November 2018, BHCR experienced an increase in Total Gaming Revenue of 2.70% over prior year November 2017. Total Slot revenue was up 1.77% while Table Games revenue was up 9.01%.

Upcoming Promotions & Events

- Earn & Eat Mondays
- Jackpot Redraw Parties
- Earn & Win Powerball Tickets
- Free Play Bonus
- Max Bet Drawings
- 9th Anniversary Hot Seats
- Gift of the Month
- Food Specials
- Stay & Play Hotel Packages
- Christmas Special Offers & Buffet
- Holiday Food Drive (donations benefiting Manna House & Friendship Feast)
- Hero Tree: Fort Dodge Soldier's Home
- New Year's Eve Special Offers & Buffet

Upcoming Entertainment & Events

- Jeff Foxworth at United Wireless Arena, February 8, 2019
- Harlem Globetrotters at United Wireless Arena, February 11, 2019
- Gary Allen at United Wireless Arena, February 15, 2019

BOOT HILL CASINO & RESORT

Lottery Gaming Facility Revenue-Unaudited*

	November 2018	November 2017	Fiscal YTD 2019	Fiscal YTD 2018
Electronic gaming machines	2,834,572.00	2,785,284.87	14,798,870.72	14,246,672.36
Table games	445,785.14	408,957.99	2,159,510.94	1,959,952.27
Other #	<u>10.93</u>	<u>7.98</u>	<u>2,339.50</u>	<u>3,758.89</u>
Total Lottery Gaming Facility Revenue	<u>3,280,368.07</u>	<u>3,194,250.84</u>	<u>16,960,721.16</u>	<u>16,210,383.52</u>
State Share 22%	721,680.98	702,735.18	3,731,358.66	3,566,284.37
Local Share 3%	98,411.04	95,827.53	508,821.63	486,311.51
Problem Gambling Share 2%	65,607.36	63,885.02	339,214.42	324,207.67
Casino Share 73%	2,394,668.69	2,331,803.11	12,381,326.45	11,833,579.97

****Unaudited-as reported by the Kansas Lottery Central Computer system.***

#Other sweeps, principally lost and found funds.

**KANSAS STAR CASINO
REPORT PRESENTED TO
THE KANSAS RACING AND GAMING COMMISSION
December 14, 2018**

BY:

Jeff Babinski – VP/General Manager

Operational Notes

- **November admissions down 2.4% from Nov. 2017.**

November 2018 Revenue #'s

- **Total Gross Gaming Revenue down 4.4% to November 2017.**
- **Slot Coin-In (Handle) up 0.3% to November 2017.**
- **Slot hold (gross) down 0.3 pts from November 2017.**
- **Table Game drop down 15.7% from November 2017.**
- **Table Game hold is up 0.3 pts from November 2017.**
- **Poker Room revenue down 25.6% from November 2017.**

Past Arena Events

- **Nov. 2-3 – National Final Steer Roping**
- **Nov. 7 – CMN Acoustic Night – Scotty McCreery & Morgan Evans**
- **Nov. 17 – Matchroom Boxing**
- **Nov. 24-25 - Miss Kansas USA & Miss Kansas Teen USA Pageant**
- **Nov 30 – Mix, Mingle, Jingle Party**
- **December 1 – Cirque Musica Holiday – Wonderland**

Upcoming Events

- **New Year's Eve**

KANSAS STAR CASINO & RESORT

Lottery Gaming Facility Revenue-Unaudited*

	November 2018	November 2017	Fiscal YTD 2019	Fiscal YTD 2018
Electronic gaming machines	12,454,628.39	12,544,498.39	63,174,746.70	62,757,700.89
Table games	1,867,407.06	2,120,652.10	10,403,473.49	10,580,650.02
Other #	<u>32.56</u>	<u>148.03</u>	<u>6,224.38</u>	<u>7,481.92</u>
Total Lottery Gaming Facility Revenue	<u>14,322,068.01</u>	<u>14,665,298.52</u>	<u>73,584,444.57</u>	<u>73,345,832.83</u>
State Share 22% (Tier 1)**	3,150,854.96	3,226,365.67	16,188,577.81	16,136,083.22
State Share 2% marginal (Tier 2)**	-	-	-	-
Local Share 3%	429,662.04	439,958.96	2,207,533.34	2,200,374.98
Problem Gambling Share 2%	286,441.36	293,305.97	1,471,688.89	1,466,916.66
Casino Share 73%	10,455,109.65	10,705,667.92	53,716,644.54	53,542,457.97

****Unaudited-as reported by the Kansas Lottery Central Computer system.***

#Other sweeps, principally lost and found funds.

HOLLYWOOD CASINO AT KANSAS SPEEDWAY
REPORT PRESENTED TO
THE KANSAS RACING AND GAMING COMMISSION
December 14, 2018

BY: RICK SKINNER – VICE PRESIDENT & GENERAL MANAGER

November 2018

Total Gaming Revenue for November 2018 was \$11.8M which was a decrease of \$225K, or a 1.9% decrease compared to November of 2017.

Slot Revenue was \$10.3M which was a decrease of \$223K, or 2.1%, below prior year.

Table Games Revenue was relatively flat coming in at \$1.5M which was a decrease of just \$2K compared to prior year.

November's marketing calendar featured our annual Marquee Mall event at the beginning of the month. This was followed by two weekends of our "Thanksgiving Fixins" giveaway. We also had the next to the last installment of our \$60k progressive drawing, which will culminate the weekend before New Year's Eve. In addition, we had a Black Friday Mystery offer and a Jackpot Party on Saturday, November 25th. Unfortunately, on Sunday, November 26th the Kansas City area was hit with a 12-hour blizzard warning that limited revenues on both Sunday and Monday.

HOLLYWOOD CASINO & RESORT

Lottery Gaming Facility Revenue-Unaudited*

	November 2018	November 2017	Fiscal YTD 2019	Fiscal YTD 2018
Electronic gaming machines	10,322,156.85	10,545,215.09	54,220,729.32	52,921,580.80
Table games	1,472,385.32	1,474,297.60	7,074,950.03	7,309,242.52
Other #	<u>42.42</u>	<u>147.00</u>	<u>8,279.35</u>	<u>12,038.36</u>
Total Lottery Gaming Facility Revenue	<u><u>11,794,584.59</u></u>	<u><u>12,019,659.69</u></u>	<u><u>61,303,958.70</u></u>	<u><u>60,242,861.68</u></u>
State Share 22%	2,594,808.61	2,644,325.13	13,486,870.91	13,253,429.57
Local Share 3%	353,837.54	360,589.79	1,839,118.76	1,807,285.85
Problem Gambling Share 2%	235,891.69	240,393.19	1,226,079.17	1,204,857.23
Casino Share 73%	8,610,046.75	8,774,351.57	44,751,889.85	43,977,289.03

****Unaudited-as reported by the Kansas Lottery Central Computer system.***

#Other sweeps, principally lost and found funds.

KANSAS CROSSING CASINO + HOTEL
REPORT PRESENTED TO
THE KANSAS RACING AND GAMING COMMISSION
December 14, 2018

BY: Doug Fisher

Year over year, Kansas Crossing Casino experienced the following preliminary results for November;

- 2.4% Decrease in Admissions
- 7.9% Increase in Net Slot Revenue
- 12.6% Decrease in Table Win
- 5.5% Overall Increase in Net Gaming Revenue

Promotions + Events

- **November –**
 - Every Saturday – Wild Turkey Progressive. The top award increased by \$5,000 after every drawing where the big prize is not selected. When the top award was selected, the big prize reset to \$5,000.
 - 17th - VIP Blackjack Tournament; top prize of \$3,750.
 - 23rd – Bills. Bills. Bills. – invited guests received either a \$20, \$50 or \$100 bill.
 - Every Tuesday – Two for Tuesday included drawing, 2X points, Beer Feature, and Double Jackpots.
 - Every Friday - Fire Floor. Five random times during the evening one person won \$250 in Free Play and everyone else playing with his/her DynaMYte Club Card received \$5 in Free Play.
 - Every Wednesday – Camp 49 Events

- **December –**

- 8th - VIP Blackjack Tournament; top prize of \$3,750.
- 22nd – Tune in TV Giveaway; 10 big screen TVs will be given away
- 29th – Win Crossing Cash for a Year – One person will win \$100 and one person will win \$250 in Crossing Cash every week for all of 2019.
- 30th – Drive into 2019; top prize is a Dodge Ram Truck. Qualifying drawings take place every Sunday and Friday in December.
- 31st - \$31k on the 31st; Top prize is \$19,000 in cash at midnight.
- Every Wednesday – Camp 49 Events

The Corral Stage

- Previous Events
 - November 30th – Comedian Orny Adams
- Upcoming Events
 - December 15th – Country Singer, Moe Bandy
 - January 11th and 12th - Live Band Karaoke
 - January 26th – Rock Band, Great White
 - February 9th – Rock Band, Candlebox

KANSAS CROSSING CASINO & RESORT

Lottery Gaming Facility Revenue-Unaudited*

	November 2018	November 2017	Fiscal YTD 2019	Fiscal YTD 2018
Electronic gaming machines	2,293,401.87	2,124,996.17	12,357,934.97	10,622,502.31
Table games	243,393.50	278,752.50	1,179,497.50	1,283,245.00
Other #	<u>12.06</u>	<u>9.88</u>	<u>2,781.34</u>	<u>488.70</u>
Total Lottery Gaming Facility Revenue	<u><u>2,536,807.43</u></u>	<u><u>2,403,758.55</u></u>	<u><u>13,540,213.81</u></u>	<u><u>11,906,236.01</u></u>
State Share 22%	558,097.63	528,826.88	2,978,847.04	2,619,371.92
Local Share 3%	76,104.22	72,112.76	406,206.41	357,187.08
Problem Gambling Share 2%	50,736.15	48,075.17	270,804.28	238,124.72
Casino Share 73%	1,851,869.42	1,754,743.74	9,884,356.08	8,691,552.29

****Unaudited-as reported by the Kansas Lottery Central Computer system.***

#Other sweeps, principally lost and found funds.

November 2018 Casino Financials

Casino Gaming Revenue for Month Ending November 30, 2018					
Revenue Source	Boot Hill Casino	Kansas Star Casino	Hollywood Casino	Kansas Crossing Casino	Total All Casinos
EGM	\$ 2,834,572	\$ 12,454,628	\$ 10,322,157	\$ 2,293,402	\$ 27,904,759
Table Games	445,785	1,867,407	1,472,385	243,394	4,028,971
Other #	11	33	42	12	98
Total	\$ 3,280,368	\$ 14,322,068	\$ 11,794,585	\$ 2,536,807	\$ 31,933,828

Cumulative Gaming Revenue per Fiscal Year					
Fiscal Year	Boot Hill	Kansas Star	Hollywood	Kansas Crossing	Total All Casinos
2010	\$ 20,663,987	-	-	-	\$ 20,663,987
2011	40,055,280	-	-	-	40,055,280
2012	43,886,501	98,855,928	54,622,687	-	197,365,116
2013	43,353,504	192,187,166	124,993,721	-	360,534,391
2014	39,906,275	181,079,650	132,036,392	-	353,022,317
2015	40,513,186	181,754,051	142,759,065	-	365,026,302
2016	38,937,088	181,600,677	143,833,330	-	364,371,095
2017	40,222,932	178,105,968	144,582,037	8,206,260	371,117,197
2018	41,186,638	182,084,527	148,770,984	32,465,853	404,508,001
2019	16,960,721	73,584,445	61,303,959	13,540,214	165,389,338
Total Since Opening	\$ 365,686,112	\$ 1,269,252,412	\$ 952,902,174	\$ 54,212,327	\$ 2,642,053,025

Fund Distribution FY 2019					
Recipients	Boot Hill	Kansas Star	Hollywood	Kansas Crossing	Total All Casinos
State of Kansas	\$ 3,731,359	\$ 16,188,578	\$ 13,486,871	\$ 2,978,847	\$ 36,385,654
Local Governments	508,822	2,207,533	1,839,119	406,206	4,961,680
Problem Gambling and Addictions Fund	339,214	1,471,689	1,226,079	270,804	3,307,787
Casino Manager	12,381,326	53,716,645	44,751,890	9,884,356	120,734,217
Total	\$ 16,960,721	\$ 73,584,445	\$ 61,303,959	\$ 13,540,214	\$ 165,389,338

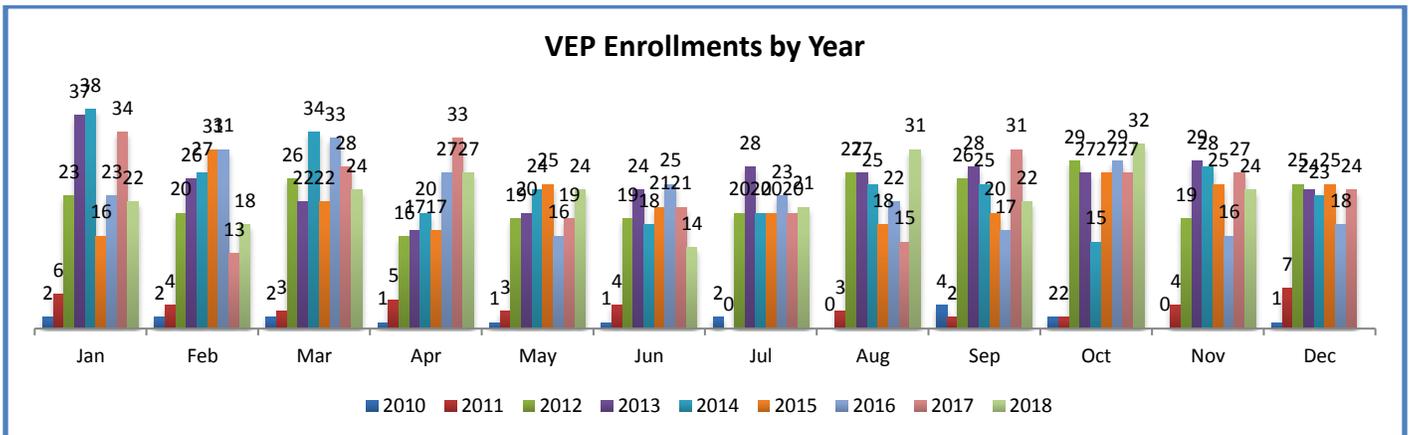
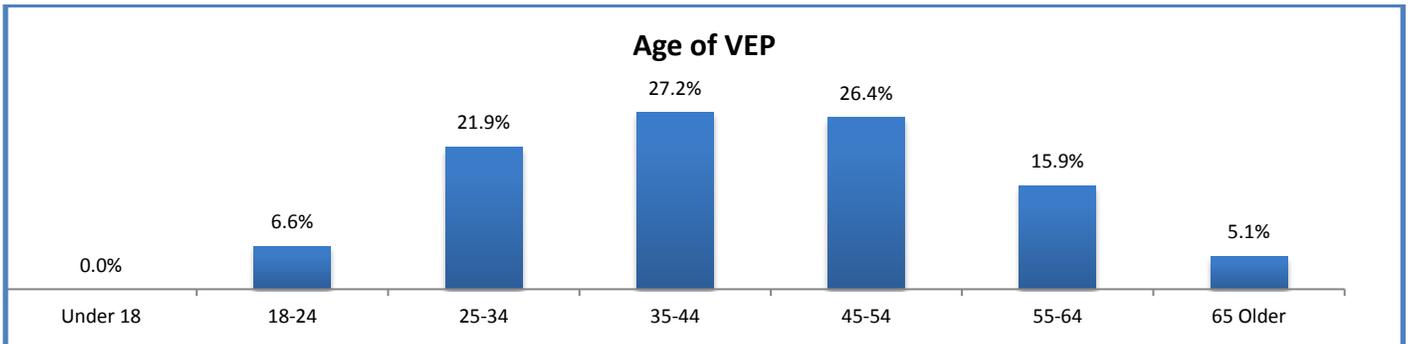
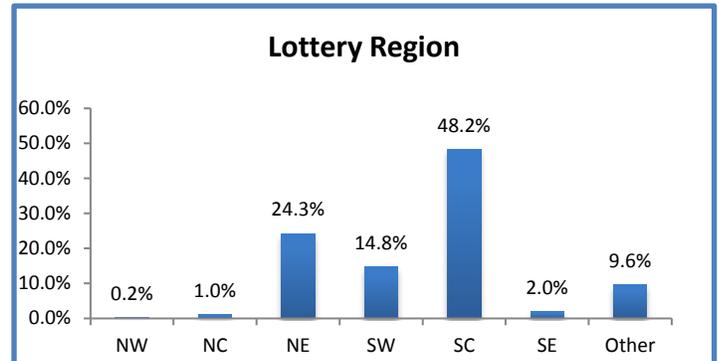
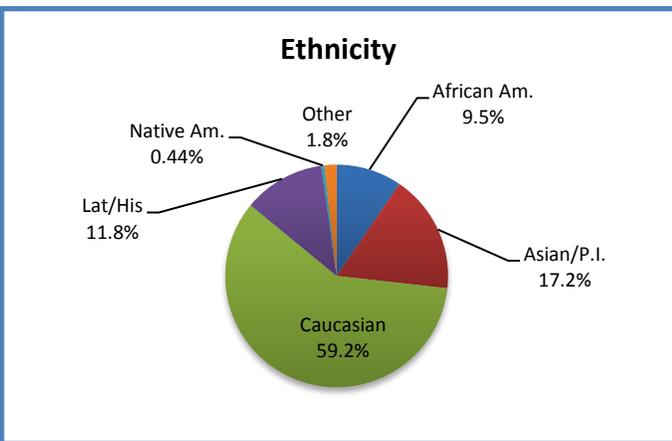
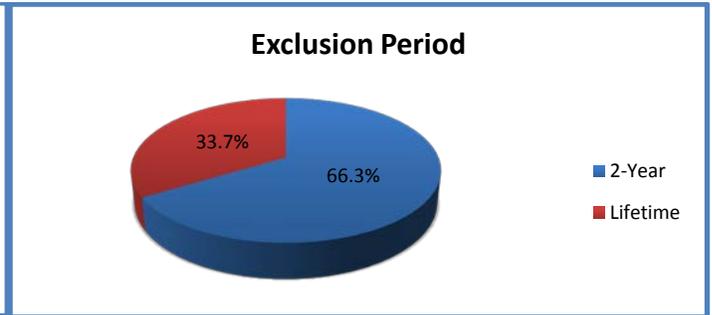
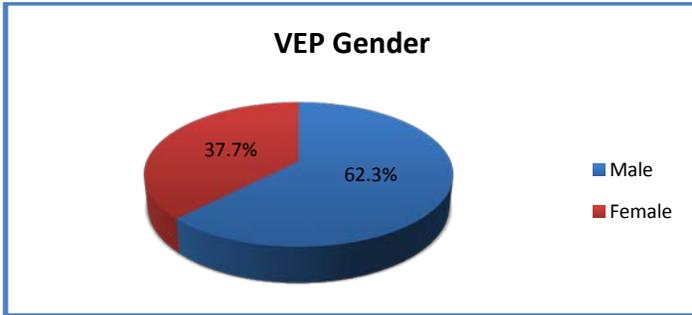
Fund Distribution Since Opening					
Recipients	Boot Hill	Kansas Star	Hollywood	Kansas Crossing	Total All Casinos
State of Kansas	\$ 80,450,944.60	\$ 279,235,530.60	\$ 209,638,478.37	\$ 11,926,711.85	\$ 581,251,665.42
Local Governments	10,970,583.35	38,077,572.36	28,587,065.23	1,626,369.80	79,261,590.74
Problem Gambling and Addictions Fund	7,313,722.24	25,385,048.24	19,058,043.49	1,084,246.53	52,841,060.49
Casino Manager	266,950,861.62	926,554,260.64	695,618,587.31	39,574,998.41	1,928,698,707.99
Total	\$ 365,686,111.81	\$ 1,269,252,411.84	\$ 952,902,174.40	\$ 54,212,326.59	\$ 2,642,053,024.64

**Unaudited-as reported by the Kansas Lottery Central Computer system.*

#Other sweeps, principally lost and found funds.

Voluntary Exclusion Program January 2010 – November 2018

Voluntary Exclusions = 2036
Violation Incidents = 242 (198 individuals)



**STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603**

IN THE MATTER OF

KRGC Case No. 2018-1001

Phetsamone Keovongkoth, Respondent.

**SUMMARY PROCEEDING ORDER AND
NOTICE OF HEARING AND RIGHT TO WAIVE**

The Kansas Racing and Gaming Commission (KRGC), through its Disciplinary Review Board (DRB), hereby gives notice that Phetsamone Keovongkoth (Respondent), a table games dealer, has violated KRGC regulations K.A.R. 112-100-2(a), (b), (c), 112-103-8(b)(1), (b)(2), and 112-113-1(a)(1) by failing to disclose an arrest and conviction for theft to the KRGC:

FINDINGS OF FACT

1. On February 1, 2010, Respondent received a temporary occupation permit for a position as a table games dealer from the KRGC. Respondent received a permanent level II gaming license on March 16, 2012, which was renewed on March 14, 2014 and January 15, 2016. Respondent's license is currently in active status.
2. Before the Commission considered Respondent's applications for license renewals, Respondent was required to complete and submit a Personal Background Disclosure Renewal Form (Renewal Form).
3. After the Commission approved Respondent's permanent gaming license and each license renewal, Respondent received a letter from the KRGC notifying him that: ". . . a gaming licensee is subject to disciplinary actions by the Commission including suspension and revocation. As a licensee, you are required to notify the

Commission within eleven (11) days of any material changes to the information currently on file with the KRGC, including: . . . *any arrests, charges, or convictions* for felony or misdemeanor criminal offenses. . . .” (Emphasis added.)

4. On November 1, 2017, the KRGC received Respondent’s Renewal Form for a level II gaming license.
5. Under “Section 3: Actions Since Last Background Disclosure” on Respondent’s Renewal Form, Respondent was instructed to: “[a]nswer the following questions and provide any additional information pertaining to events since you last completed a background disclosure form for the Kansas Racing and Gaming Commission.”
6. In Section 3, Respondent was asked: “Since your last background disclosure, have you been *arrested, detained, charged, indicted, named as a suspect, or summoned to answer for any criminal offense* or violation for any reason whatsoever, regardless of the disposition of the event? If yes, explain here.” (Emphasis added.)
7. In response, Respondent marked “No” and did not provide any further information.
8. Under “Section 5: Acknowledgement” Respondent wrote his initials acknowledging that he understood and agreed to the following statements:
 - a. “I understand that failing to answer these questions completely and truthfully may be the basis for action to be taken against my occupation license, including fines, suspension, and/or revocation. . . .
 - b. I understand that providing false information or failing to provide complete information on this application will justify the commission in

assessing a fine, refusing to issue, denying, suspending, or revoking my license.”

9. Under “Certification” Respondent signed his name agreeing that “[u]nder penalty of perjury, I certify that the answers given to questions in this personal background disclosure form and the documents I have filed with it are true, complete and correct to the best of my knowledge.”
10. On April 29, 2016, Respondent was arrested for stealing items worth \$21.00 from a Walmart and was charged with misdemeanor theft. Respondent was issued a summons to appear in Dodge City Municipal Court on May 23, 2016.
11. Respondent did not notify the KRGC after Respondent was arrested on April 29, 2016.
12. On May 23, 2016, Respondent pleaded guilty in Dodge City Municipal Court and was sentenced to serve 30 days in jail with 28 days suspended, to pay a fine and court fees totaling \$765.50, and to serve a supervised probation for 730 days.
13. Respondent did not notify the KRGC after Respondent pleaded guilty and was convicted of misdemeanor theft on May 23, 2016.
14. On January 1, 2018, KRGC agent Mike Davis interviewed Respondent and asked Respondent about his arrest and conviction for theft. Respondent told Agent Davis that he had not been arrested or convicted for theft.
15. Respondent only admitted that he had been arrested and convicted for theft after Agent Davis showed Respondent a copy of his arrest report.
16. Respondent told Agent Davis that Respondent had “just forgot” to disclose the arrest and conviction to the KRGC.

17. K.A.R. 112-100-2 states:
- “(a) An applicant for a . . . license renewal shall not provide false information on any application form or to commission staff.
 - (b) Each applicant for a . . . license renewal shall disclose any material fact required on any application form.
 - (c) Unless otherwise provided in these regulations, each applicant for a . . . license renewal and each holder of one of those documents shall report any change in the application or renewal information. The applicant or holder shall notify the commission in writing within 11 days of each change. . . .”
18. K.A.R. 112-103-8(b) states that “any license may be denied, suspended, or revoked by the commission, and any licensee may be sanctioned by the commission if the applicant or licensee meets any of the following conditions:
- (1) Has knowingly provided false or misleading material information to the commission or its staff;
 - (2) fails to notify the commission staff about a material change in the applicant’s or licensee’s application. . . .”
19. K.A.R. 112-113-1(a) states that “any licensee . . . or applicant may be sanctioned for . . . (1) failing to disclose material, complete, and truthful information to the commission and its staff”

CONCLUSIONS OF LAW

20. Pursuant to K.A.R. 112-100-2(b), Respondent had the duty as a license renewal applicant to “disclose any material fact required on any application form.” K.A.R.

112-100-2(a) prohibits license renewal applicants from providing false information on application forms. The Renewal Forms that Respondent submitted to the KRGC required that Respondent disclose if he had been “arrested, detained, charged, indicted, named as a suspect, or summoned to answer for any criminal offense or violation for any reason whatsoever, regardless of the disposition of the event[.]” Thus, Respondent’s arrest and conviction for misdemeanor theft are material facts that Respondent was required by KRGC regulations to report.

21. K.A.R. 112-100-2(c) requires each license renewal applicant to report in writing any change in the application or renewal information within eleven days of each change. Thus, Respondent had a duty to report to the KRGC within eleven days of his arrest for misdemeanor theft and to separately report to the KRGC within eleven days of his conviction for misdemeanor theft. Respondent did not notify the KRGC of either.
22. Respondent was directly and explicitly notified numerous times of his duty to report any changes regarding his criminal history. Respondent was asked about his criminal history on his initial application for a permanent gaming license and on both of the Renewal Forms that he submitted to the KRGC before his arrest on April 29, 2016 and conviction for theft on May 23, 2016. Respondent further received letters from the KRGC after the initial approval and renewals of his permanent gaming license which all stated that he was “required to notify the Commission within eleven (11) days of . . . *any arrests, charges, or convictions* for felony or misdemeanor criminal offenses. . . .” (Emphasis added.)
23. Therefore, when Respondent did not notify the KRGC within eleven days of his

arrest and conviction for misdemeanor theft, Respondent knowingly failed to notify the KRGC about a material change in his license renewal application in violation of K.A.R. 112-103-8(b)(2) and K.A.R. 112-100-2(c).

24. Respondent violated K.A.R. 112-100-2(a), 112-103-8(b)(1), and 112-113-1(a)(1) when Respondent knowingly provided false information to the KRGC by affirmatively stating on his Renewal Form and to a KRGC agent that he had not been arrested or convicted of a crime.

25. As a table games dealer, Respondent can directly access cash and gaming chips as well as directly conduct how table games operate. A dishonest table games dealer could steal gaming facility assets and manipulate lottery facility games. Respondent's false statements and failure to notify the KRGC of his arrest and conviction for theft compromised Respondent's integrity and put the integrity of gaming at risk.

STATEMENT OF POLICY

Under the Kansas Expanded Lottery Act, the Kansas Racing and Gaming Commission is required to oversee the enforcement of state laws, enforcement of internal controls, and the credentialing of employees at Kansas lottery gaming facilities. The Kansas Expanded Lottery Act directed the Kansas Racing and Gaming Commission to adopt rules and regulations to conduct background investigations of all licensees. Pursuant to this mandate, the Kansas Racing and Gaming Commission created regulations that subject a licensee to sanctions, including license suspension or revocation, when the licensee provides false information or fails to provide material information to the Commission and its staff.

By requiring that all licensees be subject to background investigations, the Kansas Racing

and Gaming Commission ensures that lottery gaming facility employees will not pose a threat to the public or to the integrity of gaming in Kansas. When a licensee provides false information and fails to disclose material information to the Commission, that licensee shows a lack of honesty and integrity which could pose a risk to the facility and to the public. Because table games dealers handle gaming chips and conduct table games, their honesty and integrity are critical to the fair operation of lottery facility games. Enforcement of these KRGC regulations is necessary to protect the public interest and the integrity of gaming in the state of Kansas.

SANCTION

26. In accordance with K.A.R. 112-113-1(c), the DRB may consider certain factors in considering appropriate sanctions, including risk to the public and to the integrity of gaming operations created by the conduct of the licensee; the nature of the violation; culpability of the licensee; any justification or excuse for the conduct; the licensee's history with respect to compliance; and corrective action taken by the licensee. Moreover, K.A.R. 112-113-1(e) states "it shall be no absolute defense that the licensee . . . inadvertently, unintentionally, or unknowingly" committed a regulatory violation and "shall affect only the degree of the sanction to be imposed. . . ."
27. The DRB considers the following factors:
 - a. Respondent had been employed as a table games dealer for approximately seven years and eight months at the time of this incident.
 - b. Because Respondent handles cash and gaming chips and conducts table games, Respondent's violations posed a risk to the integrity of gaming facility operations. Although Respondent's theft totaled \$21.00 worth of

items, when Respondent engaged in theft of any amount he showed a lack of integrity and judgment which was compounded by Respondent's repeated false assertions that it had not occurred.

- c. There is no justification or excuse for the conduct. Respondent was repeatedly directly notified by the KRGC that Respondent had a duty to report any criminal arrests or convictions within eleven days of their occurrence. Respondent's claim that he "just forgot" his arrest and conviction in which he served two days in jail, paid a fine, and served a supervised probation is not credible and does not excuse his violations.
- d. Respondent is directly culpable for these violations. Respondent knowingly falsely wrote that he had not been arrested or convicted of any crimes on his Renewal Form. Respondent further verbally falsely told a KRGC agent that he had not been arrested or convicted of theft.
- e. Respondent took no corrective action. Respondent had multiple opportunities to mitigate his failure to report and failed to act each time. Respondent had a duty to report his arrest within eleven days and failed to. Respondent had a duty to report the theft conviction within eleven days and failed to. Respondent had a duty to truthfully provide his arrest and conviction information on his Renewal Form and failed to. Only when Respondent was directly confronted with documentation of his arrest and conviction, did the Respondent admit that occurred.
- f. Respondent has no history of regulatory violations.

28. Based on the above-described findings of fact, conclusions of law, statement of

policy, and sanction factors the DRB orders the Respondent to serve a seven-day unpaid suspension. The seven-day suspension shall total 56 hours. The dates of the seven-day unpaid suspension shall be determined by the KRGC supervising enforcement agent for the gaming facility where Respondent is employed.

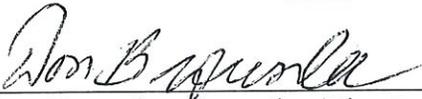
29. Respondent is entitled to a hearing on the above matter, which Respondent may waive by signing and returning the enclosed Hearing Waiver to the KRGC by mail, email, or fax. (See Notice of Hearing and Right to Waive below.)
30. If Respondent waives the right to a hearing, the seven-day unpaid suspension must be served within 30 days of this Order becoming final and effective. This Order becomes final and effective on December 14, 2018.
31. Once the suspension is served, Respondent must send a timesheet showing the suspension occurred to the KRGC by mail, email, or fax to the address listed below within 30 days of this Order becoming final and effective.
32. If Respondent does not serve the ordered seven-day unpaid suspension or does not send a timesheet showing the suspension occurred within 30 days of this Order becoming final and effective, Respondent's license will be automatically indefinitely suspended at the end of the business day without further notification or action taken by the Commission until all terms of this Order are fulfilled and the Respondent's license is reinstated by the KRGC.
33. This Order shall become part of Respondent's permanent KRGC licensing file.

ORDER

In accordance with the above-described findings of fact, conclusions of law, statement of policy, and sanction factors,

IT IS HEREBY ORDERED that the Kansas Racing and Gaming Commission suspend Respondent's license for seven days.

IT IS SO ORDERED,



Don Brownlee, Executive Director
Disciplinary Review Board

NOTICE OF HEARING AND RIGHT TO WAIVE

Respondent is entitled to a hearing on the above matter. This right to a hearing may be waived at Respondent's option. (See instructions below for Waiving Right to a Hearing.)

Hearing - Presentation of Written Evidence:

Unless Respondent waives the right to a hearing, this matter will be presented to the Commission on **Friday December 14, 2018 at 10:00 am** at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603.

Written evidence will be presented along with brief oral arguments by the agency and Respondent. Surveillance video may also be presented. Neither party will present live witness testimony at this time. Respondent has the right to be represented by counsel at the Respondent's expense.

If Respondent does not appear at the hearing, a decision will be made on the evidence presented, and any decision will become final agency action. If Respondent has written evidence to present to the Commission, copies of all relevant written evidence must be sent (by mail, email, or fax) **no later than November 30, 2018** to the address below.

Following arguments, the Commission will consider the arguments and evidence presented, and if the Commission determines no further evidence is necessary for a finding, the Commission will issue its Order. The Commission can uphold, overturn, or amend the Disciplinary Review Board's Summary Order. If the Commission determines further evidence is necessary for a finding, the case will be continued to the next commission meeting to allow for a full evidentiary hearing. If the Commission issues an Order without a full evidentiary hearing, the Respondent has an automatic right to a full evidentiary hearing where witness testimony will be taken. The right to a full evidentiary hearing may be waived by Respondent prior to the scheduled hearing (see Waiving Right to a Hearing below).

Full Evidentiary Hearing – Presentation of Witness Testimony:

The full evidentiary hearing with witnesses, if required, will be held at the regularly scheduled Commission meeting on **Friday January 11, 2019 at 10:00 am** at the Eisenhower State Office Building, 700 SW Harrison, Suite 410, Topeka, KS 66603. (Date and location subject to change).

At this hearing, Respondent has the right to produce additional evidence and witnesses on the Respondent's behalf, the right to cross-examine any witness who may testify against the Respondent, and the right to examine any evidence that may be produced against the Respondent.

The Commission will issue a final Order either directly after deliberation or within 30 days of the hearing date. This Order will constitute final agency action and is subject to appeal under the Kansas Judicial Review Act. If Respondent does not appear at the hearing in person or

by phone, a decision will be made on the evidence presented, and any decision will become final agency action subject to appeal under the Kansas Judicial Review Act. The agency officer to receive service of any petition for judicial review on behalf of the Kansas Racing and Gaming Commission is Judith Taylor, General Counsel, at the address below. Any sanction imposed by the Order may be stayed pending appeal.

Respondent shall submit any additional exhibits and a witness list no later than December 28, 2018 to Judith Taylor, General Counsel, at the address below.

If a full evidentiary hearing is held, the hearing will be conducted in accordance with KRGC regulations. Regulations may be found at <http://www.krgc.ks.gov/index.php/racing-gaming-law/regulations/gaming-regulations/21-government/statute-regulations/30-article-114-rules-of-hearings>. (You may also request that a copy of the regulations be sent to you.)

Appearing by Phone:

Respondent is expected to appear in person for all hearings. Respondent *may* be allowed to appear by phone, at the Commission's discretion, upon written request (by mail, email, or fax) to the address below no later than five days prior to the hearing. If allowed to appear by phone, KRGC will *not* be responsible for sound quality issues that arise from Respondent's use of a cell phone, voice-over-internet (VOIP) connection, or other non-landline phone connection. Sound quality issues could affect the Commission's ability to understand Respondent's testimony, thus every effort to appear in person should be made.

Waiving Right to a Hearing:

Respondent may choose to waive the right to a hearing by signing and returning the enclosed Hearing Waiver (by fax, email, or mail) at the address below. If Respondent chooses to waive the right to a hearing, the above Order becomes final and effective on December 14, 2018 or on the day of waiver, whichever is later. The suspension must be served within 30 days of this Order becoming final.

Send all requests to appear by phone, hearing waivers, written exhibits, witness testimony lists, notices, and petitions for judicial review to:

Judith Taylor, General Counsel
700 SW Harrison, Suite 500
Topeka, KS 66603-3754
(785) 296-0900 (fax)
judy.taylor@krgc.ks.gov

Nothing stated herein precludes Respondent from entering into informal settlement negotiations which could make a hearing unnecessary. To discuss your case, you may contact Michelle Neis, Enforcement Attorney, at 785-296-5800 or by email at michelle.neis@krgc.ks.gov.

CERTIFICATE OF SERVICE

I certify that on this 22nd day of October, 2018 (date of service), I served a copy of the above Summary Proceeding Order and Notice of Hearing and Right to Waive on the following by U.S. Mail, first class postage prepaid, addressed to:

Phetsamone Keovongkoth
401 Crawford Ave
Dodge City, KS 67801



Commission Representative

cc: KRGC Licensing File
Disciplinary Review Board Members
Kent Schoen, KRGC Supervisory Agent at Boot Hill Casino
Diane Giardine, Boot Hill Casino General Manager
Boot Hill Casino Human Resource Department

STATE OF KANSAS
KANSAS RACING AND GAMING COMMISSION
700 SW HARRISON, SUITE 500
TOPEKA, KS 66603

IN THE MATTER OF

KRGC Case No. 2018-1001

Phetsamone Keovongkoth, Respondent.

HEARING WAIVER

I, _____, stipulate to the Facts and Conclusions of Law as
(print name)
set forth in the Summary Proceeding Order and Notice of Hearing and Right to Waive issued to
me and therefore waive my right to a hearing. I agree to serve the seven-day unpaid suspension
as ordered by the Disciplinary Review Board.

Phetsamone Keovongkoth
License No. 2000616

Date

All Departments		Cash Fund Balances as of November 30, 2018															
DeptID	All	ELARF				Backgrounds				Illegal Gambling				Racing			
All Funds		Beg. Balance	3,978,720			Beg. Balance	270,377			Beg. Balance	15,324			Beg. Balance	69,972		
		Revenue	2,738,225			Revenue	74,671			Revenue	-			Revenue	58		
		Expenses	2,529,368			Expenses	101,971			Expenses	542			Expenses	20		
		End Balance	4,187,577			End Balance	243,078			End Balance	14,781			End Balance	70,010		
Fund	BudgetUnit	Grand Total															
		All Funding Sources															
		YTD FY2018	YTD FY2019	\$ VARIANCE	% VARIANCE	November	November	\$ VARIANCE	% VARIANCE	YTD FY2019	YTD FY2019	\$ VARIANCE	% VARIANCE				
		ACTUALS	ACTUALS			FY2018	FY2019			BUDGET	ACTUALS						
51000	Payroll	1,928,256	2,230,594	302,338	16%	380,605	596,334	215,729	57%	2,617,184	2,230,594	-386,590	-15%				
10	Shrinkage	0	0	0	0%	0	0	0	0%	-51,363	0	51,363	-100%				
Net Salaries and Wages		1,928,256	2,230,594	302,338	16%	380,605	596,334	215,729	57%	2,565,821	2,230,594	-335,227	-13%				
52000	Communication	34,443	20,394	-14,049	-41%	7,331	6,753	-578	-8%	35,500	20,394	-15,106	-43%				
52100	Freight and Express	943	1,017	74	8%	428	102	-326	-76%	563	1,017	455	81%				
52200	Printing and Advertising	0	0	0	0%	0	0	0	0%	750	0	-750	-100%				
52300	Rents	110,886	105,929	-4,957	-4%	5,835	244	-5,591	-96%	100,333	105,929	5,596	6%				
52400	Repair/Service/Mainten	15,445	18,089	2,644	17%	576	31	-544	-95%	23,212	18,089	-5,123	-22%				
52510	InState Travel and Subsistence	21,282	15,574	-5,708	-27%	3,471	3,120	-350	-10%	38,477	15,574	-22,903	-60%				
52520	Out of State Travel and Subsistence	24,155	13,938	-10,217	-42%	1,730	1,756	26	2%	24,704	13,938	-10,766	-44%				
52530	International Travel and Subsistence	0	0	0	0%	-16	0	16	-100%	0	0	0	0%				
52600	Fees-Other Services	148,284	141,007	-7,278	-5%	19,575	25,655	6,079	31%	128,329	141,007	12,678	10%				
52700	Fee-Professional Services	7,422	30,581	23,159	312%	70	1,395	1,325	1893%	54,042	30,581	-23,460	-43%				
52900	Other Contractual Services	3,614	1,605	-2,009	-56%	700	0	-700	-100%	6,122	1,605	-4,517	-74%				
Subtotal Contractual Services		366,473	348,134	-18,339	-5%	39,701	39,056	-644	-2%	412,031	348,134	-63,897	-16%				
53200	Food for Human Consumption	7	32	25	333%	0	0	0	0%	0	32	32	0%				
53400	Maint Constr Material Supply	199	408	209	105%	49	139	90	185%	1,458	408	-1,050	-72%				
53500	Vehicle Part Supply Accessory	3,293	3,598	306	9%	838	1,377	538	64%	11,190	3,598	-7,591	-68%				
53600	Pro Science Supply Material	166	505	339	204%	10	0	-10	-100%	11,150	505	-10,645	-95%				
53700	Office and Data Supplies	14,631	8,291	-6,340	-43%	1,520	818	-702	-46%	31,292	8,291	-23,001	-74%				
53900	Other Supplies and Materials	5,340	14,383	9,044	169%	2,927	5,882	2,955	101%	3,398	14,383	10,985	323%				
Subtotal Commodities		23,636	27,218	3,582	15%	5,344	8,216	2,872	54%	58,488	27,218	-31,269	-53%				
54000	TOTAL Capital Outlay	22,062	25,955	3,893	18%	0	0	0	0%	54,292	25,955	-28,336	-52%				
55960	Vol Retirement Incentive	0	0	0	0%	0	0	0	0%	0	0	0	0%				
56000	Debt Service - Principal	0	0	0	0%	0	0	0	0%	0	0	0	0%				
56100	Payments for Interest and Service	0	0	0	0%	0	0	0	0%	0	0	0	0%				
Subtotal VRIP and Debt Service		0	0	0	0%	0	0	0	0%	0	0	0	0%				
Grand Total		2,340,427	2,631,902	291,474	12%	425,649	643,605	217,956	51%	3,090,632	2,631,902	-458,730	-15%				

*This report has not been audited by the State of Kansas and is intended solely for the use of the Executive Director of the Kansas Racing and Gaming Commission.

December 2018 - November 2019

Kansas Racing and Gaming Commission Planner

Dec 2018						
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23	24	25	26	27	28	29
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DECEMBER

14 Commission Meeting

JANUARY

11 Commission Meeting

FEBRUARY

15 Commission Meeting

MARCH

15 Commission Meeting

APRIL

12 Commission Meeting

MAY

17 Commission Meeting

JUNE

14 Commission Meeting

JULY

12 Commission Meeting

AUGUST

16 Commission Meeting

SEPTEMBER

13 Commission Meeting

OCTOBER

11 Commission Meeting

NOVEMBER

15 Commission Meeting

Jun 2019						
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Jul 2019						
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Jan 2019						
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Mar 2019						
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Oct 2019						
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Apr 2019						
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Nov 2019						
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May 2019						
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