

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the License to)
Conduct Gambling Activities of:)
)
)
Jessica M. Lamm)
Tacoma, Washington,)
)
Licensee.)

NO. CR 2013-02091

**NOTICE OF ADMINISTRATIVE
CHARGES AND OPPORTUNITY
FOR AN ADJUDICATIVE
PROCEEDING**

I.

The Washington State Gambling Commission issued license number 61-04248 to Jessica M. Lamm, authorizing Bingo Manager activity, formerly at the AMVETS #1. The license expires on June 11, 2014, and was issued subject to the licensee's compliance with state gambling laws and rules.

II.

David Trujillo, Director of the Washington State Gambling Commission, charges the licensee with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

SUMMARY:

Between March 1, 2013, and July 27, 2013, Jessica Lamm took \$6,434 in cash from the AMVETS #1 bingo ATM cash machine, pull-tab sales, and bingo dauber sales.

FACTS:

- 1) On July 29, 2013, a Washington State Gambling Commission Special Agent (agent) received a call from Carla Johnson, General Manager of AMVETS #1. Ms. Johnson stated that former employee Jessica Lamm took at least \$5,900 from the ATM machine located in the bingo portion of their building.
- 2) The agent met with Ms. Johnson, and she explained that on July 27, 2013, the ATM machine was out of money in the bingo hall. Based on her records, there should have been at least \$5,900 in it for customers to access. Ms. Johnson contacted Ms. Lamm, and they met on July 28, 2013. At this meeting, Ms. Lamm admitted taking the money from the ATM machine. She also admitted taking \$60 from the bingo dauber bank bag and at least \$400 from the pull-tab deposit money located in the safe in the bingo office. Ms. Johnson fired Mr. Lamm immediately and collected all keys from her.
- 3) The agent conducted a cursory review of the records kept for the ATM, the bingo dauber purchases and sales, and the pull-tab Monthly Income Summaries and requested Ms. Johnson compile some additional records for his investigation.

- 4) On August 5, 2013, the agent met with Ms. Johnson, who described the following steps for cash flow to the ATM:
- The Bingo Manager prints out an ATM Trial Cassette receipt, which includes the balance of cash in the machine and gives this to General Manager. The General Manager decides how much money needs to be added to Bingo ATM machine.
 - The General Manager writes a check for the amount needed for the Bingo ATM and the Lounge ATM. The General Manager or an assistant cashes the check at the bank and logs this amount on the ATM Check Disbursement Log maintained in the upstairs office. Two signatures are required on this log, one for the person responsible for receiving the Lounge ATM cash and one for the person receiving the Bingo ATM cash.
 - The Bingo Manager loads the cash into the ATM machine. The Bingo Manager and one other person are required to deposit this money. Both people are required to initial the ATM Log Book kept inside the ATM machine, verifying the amount of the deposit.
- 5) The agent compared the figures on the ATM Check Disbursement Log to the figures on the ATM Log Book maintained by Ms. Lamm for the period of January 1, 2013 to July 28, 2013, and determined that all monies disbursed were documented as received by Ms. Lamm. The agent reviewed the ATM Trial Cassettes and all daily transactions of the ATM for the period of January 1, 2013 to July 28, 2013. These receipts showed all monies received by Ms. Lamm were put into the ATM machine.
- 6) On August 12, 2013, the agent went to the AMVETS and met with Ms. Johnson. The agent conducted a review of the pull-tab receipts to account for all monies. The agent reviewed pull-tab Monthly Income Summaries (MIS) prepared by the Bingo Manager and/or staff for the period January 1, 2013, to July 28, 2013. The agent determined cash for all pull-tab games removed from play during this period was deposited except for three games. Cash totaling \$474.75 for the following games was not deposited:

GAME	ACTUAL CASH RECEIVED	CASH MISSING
Pot of Gold	\$120.00	\$120.00
Zebra Crossing	\$113.25	\$113.25
Pull-Tab X-ing	\$248.00	\$241.50
Total	\$481.25	\$474.75

- 7) There was no deposit slip prepared for the game Pot of Gold, but there was one deposit slip prepared for Zebra Crossing and Pull-Tab X-ing. It showed a deposit amount of \$361.25, but only \$6.50 was in the safe to be deposited for these two games. The total amount missing for these three pull-tab games is \$474.75.

- 8) The agent reviewed a note written by Ms. Lamm that she put in the bingo dauber bank bag, stating she owed this bag \$60. Based on the investigation, the agent determined \$60 was missing from the bingo dauber sales, \$475.75 was missing from the pull-tab sales and \$5,900 was missing from the ATM machine, for a total of \$6,434.75.
- 9) On August 15, 2013, the agent met with Ms. Lamm. He informed Ms. Lamm he was investigating missing funds from the AMVETS bingo operation and if she was involved. Ms. Lamm stated she was responsible for taking money from the ATM machine, bingo dauber bag and pull-tab income. Ms. Lamm stated she was behind on the bills and used the money for this purpose. Ms. Lamm stated she took \$600-\$800 at a time, starting in March 2013, from the cash that was supposed to be put into the ATM machine. Eventually, the shortage became too large, and she could not conceal it any longer. At that point, Ms. Lamm took money from the bingo dauber bank bag and pull-tab receipts and put the money into the ATM machine to keep it operational.
- 10) The agent told Ms. Lamm that based on his investigation, a total of \$6,434.75 was missing. Ms. Lamm stated this number sounded right, and she provided a written statement admitting to taking these funds. Ms. Lamm was remorseful and stated she was willing to repay the money.
- 11) On August 15, 2013, the agent contacted Ms. Johnson and informed her of the interview and confession by Ms. Lamm. Ms. Johnson told the agent she had already been contacted by Ms. Lamm, who stated she would start repaying the money on September 1, 2013. On August 28, 2013, Ms. Johnson provided the agent with her written statement regarding the incident.
- 12) The Pierce County Prosecutor filed an action against Ms. Lamm in Superior Court for Theft in the First Degree on November 19, 2013. The case was subsequently dismissed without prejudice on January 9, 2014, as Ms. Lamm agreed to participate in a Friendship Diversion Service pre-trial program requiring her to make full restitution.

VIOLATIONS:

1) RCW 9.46.075 Denying, suspending, or revoking an application, license or permit

The commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsections apply.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

(10) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical

to the proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain;

2) WAC 230-03-085 Denying, suspending, or revoking an application, license or permit

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(8) Poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by: (a) Prior activities

3) RCW 9.46.190 Violations relating to fraud or deceit.

Any person or association or organization operating any gambling activity who or which, directly or indirectly, shall in the course of such operation:

(The following subsections apply.)

(1) Employ any device, scheme, or artifice to defraud; or

(2) Make any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made not misleading, in the light of the circumstances under which said statement is made; or

(3) Engage in any act, practice or course of operation as would operate as a fraud or deceit upon any person;

4) WAC 230-07-115 Duties of charitable or nonprofit gambling managers.

Charitable or nonprofit gambling managers must:

(The following subsections apply.)

(4) Protect:

(c) All gambling assets of the organization from misuse or theft.

(5) Safeguard funds or other assets made from gambling and secondary activities for which he or she is responsible until directly deposited in the organization's bank account.

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5) RCW 9.46.153 Applicants and licensees — Responsibilities and duties — Waiver of liability — Investigation statement as privileged.

(The following subsection applies.)

(1) It shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence the necessary qualifications for licensure of each person required to be qualified under this chapter, as well as the qualifications of the facility in which the licensed activity will be conducted.

Between March 1, 2013 and July 27, 2013, Ms. Lamm defrauded AMVETS #1 by taking \$6,434.75 in cash from the bingo ATM cash machine, pull-tab sales and bingo dauber sales, in violation of RCW 9.46.190 and WAC 230-07-115. Ms. Lamm has failed to establish clearly and convincingly that she is qualified for licensure, as required by RCW 9.46.153(1). Therefore, under RCW 9.46.075(1) and (10), and WAC 230-03-085(1) and (8), grounds exist to revoke Jessica Lamm's license.

III.

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

The licensee will have the opportunity to have a hearing on the alleged violations.

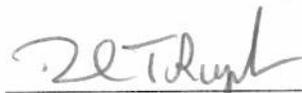
In order to have a hearing or discuss settlement options, the enclosed request for hearing must be completed and returned to the Gambling Commission **within 23 days** from the date of the mailing of this notice.

Based on RCW 34.05.440, failure to return a request for hearing will result in the entry of a default order REVOKING your license.

IV.

I have read this Order of Summary Suspension, know the contents of it, believe it to be true, and have executed this Notice in my capacity as Director of the Washington State Gambling Commission.

Dated February 26, 2014

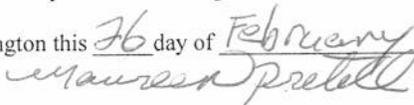


DAVID TRUJILLO, DIRECTOR

STATE OF WASHINGTON)
)
COUNTY OF THURSTON)

I certify I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy, properly addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 26 day of February, 2014.



Jessica M. Lamm
Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding
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