

TITLE 11—DEPARTMENT OF PUBLIC SAFETY
Division 45—Missouri Gaming Commission
Chapter 20—Sports Wagering

PROPOSED RULE

11 CSR 45-20.380 Internal Control System

PURPOSE: This rule establishes the requirements for the submission and approval of the internal control system and modifications thereto. This rule also establishes the process if a licensee's internal control system fails to comply with the objectives and requirements of an internal control system.

(1) Each Retail and Mobile licensee shall establish, maintain, and update a written internal control system that includes the following:

(A) Administrative control which includes but is not limited to the plan of organization and the procedures and records that are concerned with the decision processes leading to management's levels of authorization of transactions involving sports wagering; and

(B) Accounting control which includes the plan of organization and the procedures and records that are concerned with the safeguarding of assets, the accountability over assets is maintained, the accuracy and reliability of financial records, and are consequently designed to provide reasonable assurance that—

1. Transactions are performed only in accordance with the specific or general authorization of the licensee;

2. Transactions are recorded adequately to permit proper reporting of sports wagering adjusted gross revenue and taxes, to maintain accountability for assets, and in conformity with generally accepted accounting principles;

3. Access to assets is permitted only by authorized personnel;

4. The documented accountability for assets is compared with actual assets at reasonable, specific intervals and appropriate action is taken with respect to any discrepancies;

5. Functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel;

6. Sports wagering is conducted with integrity; and

7. The requirements of Article III, Section 39(g), of the *Missouri Constitution* and federal and state laws and regulations are followed.

(2) The internal control system of an applicant or licensee shall be initially approved by the commission prior to the commencement of sports wagering operations. The procedures shall be approved by the commission in its sole and absolute discretion.

(3) Proposed changes to the internal control system shall be submitted in writing to the commission for approval. No internal control system change may be implemented by the licensee unless approved by the commission.

(4) Each Retail and Mobile licensee shall submit proposed changes to the approved internal control system to the commission in a time frame as directed by the commission. The proposed changes to the system may be approved or denied by the commission. No licensee shall alter its internal control system unless and until the changes are approved by the commission.

(5) The commission shall review each submission and shall determine whether it conforms to the requirements of this rule and whether the system submitted provides adequate and effective controls for the operations of the licensee. If the commission finds any insufficiencies, they shall be specified in writing to the licensee, who shall make appropriate alterations.

(6) If at any time the commission determines that a licensee's administrative or accounting procedures or its internal control system does not comply with the requirements of this chapter or require improvement, the commission shall notify the licensee in writing. Within fifteen (15) calendar days after receiving the notification, the licensee shall amend its procedures and internal control system accordingly and shall submit a copy of the internal control system, as amended, and a description of any other remedial measures taken.

(7) Violations of the licensee's internal control system by the licensee or an agent or employee of the licensee shall be evidence of unsuitable conduct for which the licensee and/or its agents or employees may be subject to discipline.

AUTHORITY: section 39(g) of Article III, Mo. Const., section 313.004, RSMo 2016, and sections 313.800–313.850, RSMo 2016 and Supp. 2024. Original rule filed May 14, 2025.