

MISSOURI GAMING COMMISSION
 MINIMUM INTERNAL CONTROL STANDARDS
 CHAPTER I – CASINO ACCOUNTING

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Note: Sections 313.800 through 313.850, RSMo, et seq., and Title 11, Division 45 of the Code of State Regulations establish standards to which Class B licensees must comply. Class B licensees should review these statutes and rules to ensure their ICS includes compliance with the requirements set forth. Revised, effective April 30, 2009 (changed Class A to B, and revised all sections). Revised, effective February 28, 2015 (revised 3.01, 3.03, 3.05, 4.03, 5.01, 7.04, 7.05, 7.06, 8.02, 11.02, and 13.01). Revised, effective June 30, 2019 (revised 8.02, 12.02, 12.03, 13.03, 13.07, and 13.10). Revised, effective TBD (Proposed).

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§ 1 General

- 1.01 The accounting records maintained by each Class B ~~L~~icensee shall comply with requirements of the MGC Rules and Regulations.
- 1.02 Employees in Accounting who make corrections shall initial by the correction and include their MGC license number.
- 1.03 All tournament information shall be maintained by Accounting.
- 1.04 Accounting shall immediately notify MGC when there are reasonable grounds to believe a violation of the rules or regulations has occurred that jeopardizes the protection of assets or the integrity of gaming.
- 1.05 Accounting employees responsible for auditing gaming operations and their direct supervisors shall not participate in any gaming operation which generates documentation reviewed by ~~the Accounting department~~, unless required by the Minimum Internal Control Standards (MICS).

§ 2 Locked Accounting Boxes

- 2.01 A locked accounting box with an insertion slot shall be placed in an area which is accessible to those employees who are required to deposit documents.
- 2.02 The Internal Control System (ICS) shall designate the ~~a~~Accounting employees authorized to access the locked accounting box and remove the contents contained therein.
- 2.03 Once records are placed in the locked accounting box they shall not be accessible to any persons other than the designated ~~a~~Accounting employees.

§ 3 Storage of Unused Pre-Numbered Forms

- 3.01 The receipt, issuance, and current inventory of all unused, manual pre-numbered forms shall be controlled by Accounting and documented on the Inventory Log of Pre-Numbered Forms for each set of forms. The ~~Internal Control System~~ICS shall include a list of all pre-numbered forms used by the Class B ~~L~~icensee which shall include at a minimum:
 - (A) All types of jackpot slips;
 - (B) Table ~~f~~Fill Slips/Table eCredit sSlips;
 - (C) Purchase orders;
 - (D) Gift certificates;
 - (E) Safekeeping Deposit/Withdrawal ~~F~~form; ~~and~~
 - (F) Counter eChecks; ~~and~~
 - (G) Bad Beat/Special Hands Payout Forms.

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- 3.02 Unused, manual pre-numbered forms ~~that have not been issued to a department by Accounting~~ shall be secured in a locked storage area maintained by Accounting.
- 3.03 Unused, manual pre-numbered ~~eCounter eChecks, EGD hHand-pPaid jJackpot slipsForms, tTable gGames jJackpot sSlips, tTable fFill sSlips, and tTable eCredit sSlips that have been~~ issued to ~~various-a~~ departments by Accounting, shall be stored in one of the following manners: ~~The Internal Control System shall specify which procedure is used.~~
- (A) The forms shall be stored in a locked manual forms dispensers. Accounting shall be responsible for loading and unloading the manual forms dispensers. Only Accounting and Security shall have access to the manual forms dispenser key. Security shall only access the dispenser to clear a jam. The last copy of each form shall remain intact in the forms dispenser in a continuous, unbroken form; ~~or-~~
- (B) Accounting shall place the forms in a sealed bag. When a form is needed, the employee will unseal the bag and use as many forms as required. The used forms shall then be sent to Accounting with the daily paperwork. The presence of these forms in the paperwork received by Accounting shall indicate the bag has been opened. Accounting shall then inventory the forms in the bag by the end of the next gaming day, verify the forms used and forms remaining in the bag, and reseal the remaining forms in a new bag. Any bag used to store the unused forms shall not be reusable once the seal has been broken.
- 3.04 ~~If manual unused pre-numbered forms are stored in sealed bags,~~ Accounting shall perform a monthly inventory of the unused pre-numbered forms that have been issued to other departments ~~and are not locked in a forms dispenser~~ to ensure that all forms are accounted for. Documentation of this inventory shall be maintained as described in the ~~Internal Control SystemICS~~.
- 3.05 Accounting shall investigate the loss of any part of a ~~eCounter eCheck~~ immediately upon discovery that the ~~eCounter eCheck~~ or any part of the ~~eCounter eCheck~~ is missing. The results of the investigation shall be documented and maintained for five years. The Class B ~~L~~icensee shall notify the MGC, in writing, of the loss, disappearance, or failure to account for an original or any part of a ~~eCounter eCheck~~ within seven days of such occurrence.

§ 4 Signature Records

- 4.01 Dated Signature Cards shall be maintained ~~by the Accounting department and accessible to Accounting~~ for each employee who is required to sign gaming and purchasing documents. Signature Cards may be maintained in an electronic format as long as all required information for each employee is maintained in one computer file.

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- 4.02 The Class B ~~L~~icensee shall maintain an employment record for each gaming employee which includes the following:
- (A) ~~e~~Employee name and MGC license number;
 - (B) ~~e~~Current department and job title, as listed on the organizational chart, and effective date;
 - (C) ~~a~~All previous job titles and their effective dates; and
 - (D) ~~t~~Termination date, if applicable.
- 4.03 ~~Accounting shall have access to E~~employment records necessary to conduct its audits~~shall be readily accessible to accounting employees~~. Records shall be updated within 72 hours of any change. If Compliance conducts the key audit, Compliance personnel shall have the same access as Accounting to employment records and updates.

§ 5 Deposit of Admission and Gaming Taxes (11 CSR 45-11)

- 5.01 The Class B licensee shall utilize the following formula for computing Adjusted Gross Receipts (AGR) for electronic gaming devices (EGDs) and hybrid table games: [(Bill Drop + Ticket Drop) + (WAT In + CEP In + NCEP In + machine paid external bonus payout + attendant paid external bonus payout)] – [(WAT Out + CEP Out + NCEP Out) + (Hand Pays + Online Tickets Issued by EGDs Only)]. Hand pays include cancelled credits, jackpots, and attendant paid external bonus payouts.
- 5.02 The Class B licensee shall utilize the following formula for computing AGR for table games: [(Bill Drop + Coupon Drop + Counter Check Drop + Cashless Buy-In Drop) – (Table Credits + Table Closers) – (Table Fills + Table Openers + Table Jackpots + Progressive Jackpots + Cashless Chip Redemptions)].
- 5.03 The Class B licensee shall utilize the following formula for computing AGR for poker: [(Poker Rake + Bad Beat Drop) – (Bad Beat/Special Hands Payouts)].
- 5.04 If a meter used in the calculation of AGR is incremented by any non-AGR transaction, Accounting shall ensure those transactions are deducted from the meter amount for the gaming day when calculating AGR. Documentation which supports those adjustments shall be retained.
- ~~5.01~~05 Admission and gaming taxes shall be deposited daily into established accounts via an Electronic Funds Transfer (EFT) system employing an Automated Clearinghouse Debit (ACH-Debit) or wire transfer method and paid each banking day via an Electronic Funds Transfer (EFT) system employing a wire transfer method.
- ~~5.02~~06 Adjustments to AGR resulting in additional tax shall be made when found, reported to MGC, and included in the next ~~weekly~~daily tax payment wired to the Missouri Department of Revenue (DOR).

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5.0307 Adjustments to AGR resulting in a tax credit to the Class B Licensee ~~shall~~may be claimed: ---

- (A) ~~d~~During the same weekly tax period of the date corrected if found and reported to MGC during that weekly tax reporting period; ~~or~~
- (B) Anytime if the adjustment is less than \$100; or
- (C) ~~o~~Only after MGC approval, as defined in 11 CSR 45-11.110, if the adjustment is \$100 or more and found outside the weekly tax reporting period.

5.0408 If related to negative AGR, then the adjustments shall be made within the same weekly tax period as defined in 11 CSR 45-11.030(1) unless the negative AGR occurs on Tuesday, then the adjustment is subject to MGC approval, as defined in 11 CSR 45-11.110.

5.0509 Taxes shall be paid daily. ~~on drops as they occur. Tax Table games and poker games shall be dropped daily and taxes paid on the actual drop amounts. If an EGD is dropped, taxes shall be paid on the actual cash and tickets counted in the drop less any metered amounts since the last drop of that device. If an EGD is not dropped, On non-drop days,~~ the tax shall be paid daily; using the metered amounts ~~on in~~ the computer monitoring slot accounting system. For cashless transactions, the system reports and audit procedures shall be used to calculate and report AGR. When the EGDs are dropped and counted, the amounts from the drop reported for cash and tickets shall be reported on the tax remittal, along with any adjustments for taxes previously paid based on estimated metered amounts. The actual drop of the cash and tickets (per the computer monitoring system) shall be reconciled with any estimated metered amounts from the slot accounting system and adjusted by the end of the tax reporting week. Any adjustments shall also be made by the end of the tax reporting week.

5.0610 Any type of promotional award, coupon, point redemption or mechanism other than EGD game winnings that results in credits being issued to EGDs shall be included in the drop for the purpose of calculating AGR.

§ 6 Complimentaries (11 CSR 45-8.040 and 11 CSR 45-9.040)

6.01 Complimentaries (comps) are goods or services provided free of charge to casino patrons as a courtesy at the Class B Licensee's discretion. Points earned by patrons shall not be considered comps.

6.02 The Class B Licensee shall maintain detailed records supporting the costs of complimentary goods and services.

6.03 The following information shall be recorded on each comp source document:

- (A) ~~f~~Full retail price normally charged for the goods or services; and

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(B) ~~s~~Signature and MGC license number of the employee issuing the comp (may be an electronic signature, if consistent with the requirements in MICS, Chapter R).

6.04 If a Class B licensee allows employees to issue comps, the ~~Internal Control System~~ICS shall specify in the job descriptions, which the positions are authorized to issue comps.

6.05 Employees shall not accept comps ~~as tips or gifts~~ from patrons.

§ 7 Procedures for Monitoring and Reviewing Gaming Operations

7.01 The formula used to compute the unredeemed liability of chips and tokens in circulation shall be included in the ~~Internal Control System~~ICS.

7.02 Chip and token inventory ledgers shall be maintained by Accounting to record, by denomination, the receipt, disbursement, and destruction of primary, secondary and reserve gaming chips and tokens.

~~7.03 Accounting shall reconcile tickets generated from Phase II testing to the system-generated reports to ensure all funds and tickets are accounted for. Accounting shall verify tickets generated from Phase II testing are redeemed in the system.~~

~~7.04~~03 Weekly Reviews:

~~(A) If electronic table games are used and the drop amount is known for each table, any variance greater than 1% and more than \$5.00 and all variances greater than \$20.00 between the expected drop amount and the actual drop amount shall be documented and investigated, with the results documented. Accounting shall perform the following reviews weekly. The review documentation shall indicate the individual who performed the review.~~

~~(A) On the same day each week while the Class B licensee is closed, each licensee shall record the amount displayed on each progressive EGD's top level jackpot meter, and obtain any associated overflow/hidden meter amount, except for stand-alone progressives where the progressive is embedded within the EGD's software. Each progressive EGD's recorded top level jackpot amount and any overflow/hidden meter amount shall be reconciled using the reconciliation formula provided by the supplier. At the conclusion of the reconciliation, if a variance exists between the amount shown on each progressive jackpot meter and the expected amount, the licensee shall document the variance amount. The licensee shall make the necessary adjustment(s) to ensure the correct amount is displayed by the end of the gaming day following the day on which the reconciliation occurred, or place the EGDs out-of-service until the sign can be corrected. Explanations for meter reading differences or adjustments thereto shall be maintained with the progressive meter reading sheets.~~

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- ~~(B) On the same day each week while the Class B licensee is closed, each licensee shall record the amount displayed on each table game progressive jackpot meter. Each table game progressive shall be reconciled to ensure the meter incremented properly. At the conclusion of the reconciliation, if a variance exists between the amount shown on each progressive jackpot meter and the expected amount, the licensee shall document the variance amount. The licensee shall make the necessary adjustment(s) to ensure the correct amount is displayed by the end of the gaming day following the day on which the reconciliation occurred. Explanations for meter reading differences or adjustments thereto shall be maintained with the progressive meter reading sheets.~~
- ~~(B) Any variance greater than 1% and more than \$5.00 and all variances greater than \$20.00 between total currency/tickets/coupons dropped as reported by the EGD computer monitoring system and the actual counted drop reported by soft count for each drop period shall be documented and investigated by Accounting. If Accounting cannot identify the source of the variance, it shall be forwarded to the Slot department for investigation. The findings shall be documented and forwarded to Accounting and the MGC EGD Department.~~
- (C) Accounting shall review the addition of points to patrons' accounts other than through actual EGD play or table game player ratings to verify all additions were properly ~~authorized~~approved. ~~For table game player ratings, Accounting shall delineate in the internal controls a threshold above which all ratings will be reviewed for appropriateness.~~ Accounting shall document the review and any subsequent investigation.
- ~~(D) Accounting shall verify that each imprest bank on the gaming floor has had a count sheet completed for it in the last seven (7) days.~~
- ~~(E) Accounting shall conduct a reconciliation at the end of the gaming week to ensure that all cashless transactions that occurred during the gaming week have been recorded and no transactions have been omitted on the daily tax remittals.~~
- ~~(F) Accounting shall conduct an audit of the addition of promotional giveaway credits to patron accounts at times other than when the promotion was initially created to verify that all of the required information is present and to detect any additions that exceed a monetary threshold, as set forth in the ICS. Additionally, should more than six additions occur to an individual patron's account within a gaming week, an investigation shall be conducted by the end of the following gaming week to ascertain the legitimacy of the transactions. The results of the investigation shall be documented.~~

~~7.0504 Monthly Reviews: Accounting shall perform the following reviews monthly. The review documentation shall indicate the individual who performed the review.~~

- (A) Casino Accounting shall perform a monthly general ledger reconciliation of:
 - (1) AGR - Table Games;
 - (2) AGR - Poker;
 - (3) AGR - EGDs;
 - (4) eCage accountability;

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- (5) ~~e~~Chip and token liability;
 - (6) ~~t~~icket liability;
 - (7) ~~p~~rogressive jackpot liability; and
 - (8) ~~e~~Casino accounts receivable, including, but not limited to, credit instruments.
- (B) ~~Once a month,~~ Accounting or a department independent of the maintenance of the automated key system and proximity card system shall review all changes to personnel status to ensure automated key access and proximity card access for sensitive areas~~was were~~ updated to reflect the change within 72 hours of the promotion, demotion, transfer, or termination. Documentation of the review shall be retained.
- (C) Accounting shall, ~~during each calendar month,~~ review a representative sample of approved credit applications to verify that the employee who verified the application and the employee who approved the application match the verifier and the approver as recorded in the system. The review shall also ensure the employee who verified and the employee who approved the application are not the same employee and are authorized to perform those duties. In addition, Accounting shall verify the amount of the credit limit does not exceed the employee's authorization limit and the amount of the credit limit does not exceed the amount of credit requested by the patron.
- ~~(D) For manual counter checks, at least one day each month, verify that all sequentially numbered counter checks that have been issued are accounted for. Investigations shall be performed for all counter checks that are unaccounted for with the investigation being documented.~~

§ 8 Required Daily Accounting Reviews

- 8.01 Accounting shall retain daily documentation, which identifies the individuals who acted as a dual-rate or dual-position. Accounting shall use this documentation to ensure signatures on gaming documents are of the proper authorization level and as otherwise needed.
- 8.02 The Accounting department for each Class B ~~L~~icensee shall perform daily audits of the following: admissions, table games, poker, ~~Electronic Gaming Devices~~EGDs, tournaments, casino cashiering, player tracking, currency transaction reporting, sensitive key access, and other areas deemed appropriate by the MGC for appropriateness and accuracy. The daily audit packets shall indicate the individual performing the audit. The currency transaction reporting and key audit may be completed by ~~the Compliance,~~ if independent of those processes~~department in lieu of Accounting.~~
- (A) Admissions:
- (1) ~~a~~Analyze and compare the reports used to calculate admissions (e.g., turnstile meter reading reports, Gatewatch reports, manual counts)~~and ticket/card swipe reports~~ for each gaming day for proper completion and accuracy of information;

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- (2) ~~m~~Manually or electronically verify the opening turnstile readings to the prior day's closing turnstile readings;
 - (3) ~~e~~Compare the difference between the ~~boarding sets of entrance~~ turnstiles ~~and exit turnstiles by cruise~~ and investigate any variance over 2% ~~and other variances as specified in ICS, Chapter J~~;
 - (4) ~~Compare the differences between the sets of exit turnstiles by cruise, if applicable, and investigate any variance over 2% and other variances as specified in ICS, Chapter J~~; and
 - (45) ~~r~~Review the ~~turnstile meter reading spreadsheet admissions calculation worksheet~~ for any unusual occurrences (i.e., negative numbers, extremely large or small numbers), ~~and investigate to determine any necessary corrections prior to submitting the admission calculation worksheet to MGC~~.
- (B) Table Games:
- (1) ~~e~~Compare manual ~~t~~Table ~~g~~Game ~~f~~Fill ~~s~~Slips, ~~Table Game e~~Credit ~~s~~Slips, and ~~e~~ounter ~~checks-Table Games Jackpot Slips~~ to duplicate copies to verify agreement;
 - (2) ~~r~~Reconcile the ~~t~~Table ~~g~~Game ~~f~~Fill ~~s~~Slips, ~~Table Game e~~Credit ~~s~~Slips, ~~Table Games Jackpot Slips~~, and ~~e~~Counter ~~e~~Check issue slips to the Master Gaming Report. All slips shall be accounted for and any missing slips shall be investigated. The results of the investigation shall be documented;
 - (3) ~~r~~Review the ~~t~~Table ~~g~~Game ~~f~~Fill ~~s~~Slips, ~~Table Game e~~Credit ~~s~~Slips, ~~Table Games Jackpot Slips~~, and ~~e~~Counter ~~e~~Check issue slips for the appropriate authorized signatures, accurate arithmetic and all other required information;
 - (4) ~~r~~Review all voided ~~t~~Table ~~g~~Game ~~f~~Fill ~~s~~Slips, ~~Table Game e~~Credit ~~s~~Slips, ~~Table Games Jackpot Slips~~, and ~~e~~Counter ~~e~~Checks for the appropriate authorized signatures and all other required information. Ensure all copies of the forms are attached to the original;
 - (5) ~~v~~Verify credits, fills, ~~jackpots, coupons~~, and ~~e~~Counter ~~e~~Check issue slips are properly recorded for the computation of win;
 - (6) ~~t~~Trace the opening inventory amounts from the Table Inventory Slip to the closing inventory amounts on the previous shift's Table Inventory Slip to verify agreement and test for accurate arithmetic and all other required information;
 - (7) ~~t~~Trace the total table drop amount from the Master Gaming Report to the Table Soft Count Slip/Currency Counter Machine Tape;
 - (8) ~~Verify the amount and number of coupons agrees to the amount and number counted in soft count and recorded on the Master Gaming Report for each table~~;
 - (89) ~~t~~Trace the detail from the Master Gaming Report into the accounting entries recording the transactions; and
 - (910) ~~t~~Trace the ~~e~~Counter ~~e~~Check issue slips to the Counter Check Accountability to verify the main bank received documentation of all ~~e~~Counter ~~e~~Checks issued by ~~the~~ Table Games ~~department~~.

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- (C) Poker:
- (1) ~~Trace~~ the opening inventory amounts from the Table Inventory Slip to the closing inventory amounts on the previous shift's Table Inventory Slip to verify agreement and test for accurate arithmetic and all other required information;
 - (2) ~~Trace~~ the total poker drop amount from the Master Gaming Report to the Table Soft Count Slip/Currency Counter Machine Tape; ~~and~~
 - (3) ~~Trace~~ the poker drop from the Master Gaming Report and the Bad Beat drop from the Bad Beat drop documentation to the accounting entries recording the transactions; ~~and~~
 - (4) Complete the Poker Progressive Log to maintain a record of the Bad Beat jackpot funds and on a weekly basis compare the ending amount to the amount displayed in the poker room to ensure they match.
- (D) ~~Electronic Gaming Devices~~EGDs:
- (1) ~~e~~Compare the total of the "bills-in", "tickets-in" and "coupons-in" meter readings as recorded by the ~~on-line EGD computer monitoringslot~~ accounting system to the actual count performed by the soft count team to verify agreement;
 - (2) ~~e~~Examine the EGD Drop/Win Report for proper calculation and to verify the totals to source documents;
 - (3) ~~r~~Reconcile tickets redeemed to the system report(s) generated pursuant to MICS, Chapter E;
 - (4) Compare the reported incremental change shown by the EGD tickets printed meter to the system ticket out meter for each EGD for the previous gaming day since the last reconciliation. All variances shall be documented and investigated;
 - (45) ~~r~~Reconcile the ~~jackpot slips~~EGD Hand-Paid Jackpot Forms to the computerized jackpot report;
 - (6) Compare the reported incremental change in the jackpots paid meter since the last reconciliation to the ~~jackpot slips~~EGD Hand-Paid Jackpot Forms for that same period for each EGD. All variances shall be documented. All variances greater than two percent (2%) shall be investigated;
 - (7) Reconcile the jackpots paid by kiosks and cashiering locations to the total on the jackpot slip report;
 - (58) ~~e~~Ensure all copies of ~~jackpot slips~~EGD Hand-Paid Jackpot Forms in the daily paperwork are matched. All slips shall be accounted for and any missing slips shall be investigated. The results of the investigation shall be documented;
 - (69) ~~r~~Review the ~~jackpot slips~~EGD Hand-Paid Jackpot Forms for the appropriate authorized signatures and all other required information;
 - (710) ~~r~~Review all voided ~~jackpot slips~~ EGD Hand-Paid Jackpot Forms for the appropriate authorized signatures and all other required information. Ensure all copies of the forms are attached to the original;

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- ~~(811) Review override jackpot slips-EGD Hand-Paid Jackpot Forms as defined in MICS, Chapter E for appropriate authorized signatures and the signature of the winning guest;~~
- ~~(12) Compare the Jackpot Override Log entries to the override jackpots of \$100 or more processed for the day to ensure the override jackpots were visually confirmed by Surveillance. If the jackpot is not on the log, contact Surveillance to request a review of the EGD at the time of the jackpot to determine if the jackpot occurred. If it did not occur, immediately contact the MGC agent on duty;~~
- ~~(913) Verify jackpots are properly recorded for the computation of win;~~
- ~~(1014) Trace the detail from the EGD Drop/Win report into the accounting entries recording the transactions; and~~
- ~~(11) each banking day the Class B Licensee shall record the amount shown on each non-exempt local/in house progressive jackpot meter and accounting shall reconcile each meter's amount to the progression rate multiplied by the amount in for the period between which the meter amounts were reconciled. Any variance of five cents (\$.05) or more shall be investigated and the results documented. For the weekly reconciliation required by 11-CSR-45-5.200(2) all variances regardless of the amount shall be investigated and the results documented. Any variances shall be addressed in accordance with 11-CSR-45-5.200(2).~~
- ~~(15) Void and review any unprinted jackpots from the previous gaming day. If a pattern of unprinted jackpots occurs, indicating a problem with the system, the MGC Compliance Audit Manager shall be notified;~~
- ~~(16) A system report shall be printed, listing all taxable jackpots paid to the credit meter for the gaming day. Review the report and the W-2Gs to ensure a W-2G was created for each machine-paid taxable jackpot paid to an EGD;~~
- ~~(17) Run a report each day to identify instances where a jackpot and a ticket were created for the same payout. Any instances shall be reported to the MGC Tax department;~~
- ~~(18) If EGD testing occurred, reconcile the amount of funds paid out, the amount of funds returned, and the funds wagered and all tickets printed and redeemed during testing to the amount of the final test ticket(s) to ensure all funds and printed tickets are accounted for. In addition, Accounting shall verify the final test ticket(s) created from testing was redeemed at the main bank or floating employee window as indicated by the main bank or floating employee window paperwork. Accounting shall maintain all testing documentation. Any discrepancies shall be reported to the MGC agent on duty;~~
- ~~(19) For each EGD drop, Accounting shall document on an unaudited drop variance report the total currency and total tickets dropped as reported by the slot accounting system and the actual counted drop for each type of drop reported by the count team. The report shall include any variance greater than 1% and more than \$5.00 and all variances of \$20.00 or more~~

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shall be considered a qualifying variance. The percentage of variance is based on the delta between the system meter amount (bills-in and tickets-in) and the actual counted amount divided by the system meter amount. After the unaudited drop variance report is created, Accounting shall try to resolve qualifying variances using the bad meter report, bad load report, prior BV and ticket variance report(s), and system queries. After adjustments have been made to account for swapped assets, blown meters, and unassigned BV contents, a final variance report shall be created. Both the unaudited and final variance reports shall be retained. At the end of the gaming week, any remaining variances shall be submitted to the Slot department by noon on Thursday for further investigation. The Slot department shall return the results of the investigation(s) to Accounting. The remaining variances and the results of the Slot department's investigations shall be submitted to the MGC EGD Portal by the end of the following gaming week. Accounting shall maintain all documentation;

(20) Accounting shall notify the Slot department of any EGD that has had six (6) consecutive qualifying drop variances on the unaudited drop variance report by the end of the next banking day following the receipt of the drop paperwork in order for the Slot department to address improperly assigned assets or bad meters; and

(21) If the audited drop variance report discloses a total aggregate cash shortage for all EGDs dropped of \$100 or more, the unaudited drop variance report, along with explanations for any variances, and the audited drop variance report shall be submitted to the MGC agent on duty.

(E) ~~For~~ Tournaments;

(1) ~~T~~Trace all source documents evidencing tournament fees and payouts to the tournament summary information provided to the MGC ~~T~~Tax ~~section~~department; and

(2) Review all payout documentation signed by the winning patrons to verify the amounts paid to patrons agree with the tournament rules provided to the MGC Tax department.

(F) Casino Cashiering:

(1) ~~R~~Reconcile the total of EGD jackpots, table games fills, table games credits, and table games jackpots to the totals reported on the Main Bank/Vault Accountability form and, if applicable, the jackpot kiosk reports;

(2) ~~T~~Trace the table drop, poker drop, bad beat drop, and BV drop from the drop reports to the totals on the Main Bank/Vault Accountability form;

(3) ~~V~~Verify the beginning balance on the Main Bank/Vault Accountability form to the ending balance of the previous shift's Main Bank/Vault Accountability form;

(4) ~~V~~Verify all increases and decreases on the Main Bank/Vault Accountability form have documentation to support each change in accountability;

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- (5) ~~Verify~~ all cage paperwork is accurately totaled, signed, dated and includes the shift (if required) and location (bank window, etc.);
 - (6) ~~Verify~~ both the outgoing and incoming ~~C~~cage ~~C~~ashiers sign the completed count sheets attesting to the accuracy of the information. If there is no incoming ~~C~~cage ~~C~~ashier, a ~~C~~cage ~~S~~upervisor or ~~M~~ain ~~B~~ank ~~C~~ashier shall perform the countdown and verify the inventory and sign the count sheet;
 - (7) ~~Verify~~ the transactions on the Safekeeping Log reconcile to the Safekeeping Log balance on the Main Bank/Vault Accountability form;
 - ~~(8) if cashier-generated tickets are issued:~~
 - ~~(a) verify system reports listing all tickets printed by each cashier for the gaming day match the tickets printed transaction detail report generated by each cashier;~~
 - ~~(b) ensure documentation of cash transfers from each cage window to the main bank for cashier-generated tickets matches the transaction detail report generated by the cashier for that shift; and~~
 - ~~(c) any variances shall be immediately reported to the MGC;~~
 - (8) Review all redemption kiosk and jackpot kiosk reconciliations to verify the accuracy of the reconciliations;
 - (9) ~~R~~Reconcile credit payments received by mail with the payments posted to credit accounts to ensure all payments were posted to the correct account;
 - (10) ~~R~~Reconcile the issuance and payment of ~~e~~Counter ~~e~~Checks to the Counter Check Log;
 - (11) ~~e~~Ensure all outstanding credit instruments are deposited within 30 days from the date of issuance by running a system report which shows the status of all credit instruments more than 30 days old or reviewing the Counter Check Log;
 - (12) ~~R~~Reconcile the ~~e~~Counter ~~e~~Checks issued by the cage, ~~e~~Counter ~~e~~Checks issued by tables, ~~e~~Counter ~~e~~Checks deposited, and ~~e~~Counter ~~e~~Checks paid to the totals reported on the Counter Check Accountability form; and
 - (13) ~~e~~Examine ~~e~~Counter ~~e~~Check issue slips and ~~e~~Counter ~~e~~Check payment slips for proper completion.
- (G) Player Tracking:
- (1) Player information and redemption of points entered into the player tracking shall be independently reviewed by the Accounting Department daily.
- (H) Currency Transaction Reporting:
- (1) ~~Verify~~ all table games jackpot winnings and promotional winnings greater than \$3,000 paid in cash and not placed in safekeeping are recorded on the Multiple Transaction Log;
 - (2) ~~Verify~~ all safekeeping refunds greater than \$3,000 paid in cash have been recorded on the Multiple Transaction Log for the appropriate day;
 - (3) ~~Verify~~ each cash transaction greater than \$3,000 resulting from cashed checks, cash advances, chip redemptions, or ticket redemptions are recorded on the Multiple Transaction Log;

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- (4) ~~✓~~Verify patron transactions logged on the Multiple Transaction Log during one gaming day in excess of \$10,000 are reported on a CTR;
 - (5) ~~✓~~Verify all transactions refunded through safekeeping in excess of \$10,000 are reported on a CTR;
 - (6) ~~✓~~Verify proper identification has been obtained and the description and number of identifications used to verify a patron's identity and address is included on the CTR. If a driver's license is used to identify the patron, both the number and state of issuance shall be recorded; and
 - (7) ~~✓~~Verify that either a clear copy of the patron's identification or a clear surveillance photo of the patron is attached to the CTR. If a surveillance photo is required, verify the photo or image file is labeled with the patron's name.~~required information is recorded on the back of the photo.~~
- (I) Sensitive Key Access:
- (1) For manual key boxes:
 - (a) ~~✓~~Review sensitive key logs for proper completion;
 - (b) ~~✓~~Review sensitive key logs to ensure sensitive keys are issued to personnel who are authorized to receive the keys, as noted in the sensitive key access list in Chapter B of the ~~Internal Control System~~ICS. Verify that any employees with dual-rate or dual-position status only obtained keys appropriate for the position the employee performed that day; and
 - (c) ~~✓~~Review the sensitive key logs to ensure that the individual returning the sensitive key was the same individual who received the key. If a supervisor returned a key on behalf of an individual due to an emergency situation, verify that there is a notation on the sensitive key log; and
 - (2) For automated key boxes:
 - (a) ~~✓~~Review sensitive key logs to ensure sensitive keys are issued to personnel who are authorized to receive the keys, as noted in the sensitive key access list in Chapter B of the ~~Internal Control System~~ICS. Verify that any employees with dual-rate or dual-position status only obtained keys appropriate for the position the employee performed that day;
 - (b) ~~✓~~Review the key system-generated reports to ensure that the individual returning the sensitive key was the same individual who received the key. If a supervisor returned a key on behalf of an individual due to an emergency situation, verify there is documentation explaining the emergency situation;
 - (c) ~~✓~~Ensure all keys are accounted for by reviewing the key system-generated reports; and
 - (d) ~~✓~~Review all changes to key access of individuals to ensure they have been properly approved and are consistent with the approved ~~Internal Control System~~ICS.

(J) Cashless Transactions:

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- (1) Compare the amount of wagering account transactions in the cashless system or digital wallet transactions reported in the payment system for each gaming device to the amount of wagering account or digital wallet transactions recorded by the EGD's WAT In and WAT Out meters. Any variance shall be investigated and reconciled prior to filing the daily tax remittal with the MGC. A transaction detail report of activity at the EGD shall be used to investigate the cause of the variance. If it is determined that an adjustment must be made to ensure the AGR calculations are correct, an appropriate adjustment shall be made by an Accounting employee to correct the system reports. Documentation of the adjustment and all related source documents used to investigate the variance shall be maintained. Any adjustment to a patron's wagering account shall be reviewed and approved by an accounting supervisor and the patron shall be notified. A notice shall be sent to the digital wallet provider if any adjustment to a patron's digital wallet is necessary to resolve the variance;
- (2) Compare the total amount of digital wallet transactions reported in the payment system to the total amount of audited digital wallet transactions reported by the system by the cage, kiosks, and approved gambling games (EGDs, tables, and hybrid table games). Any variance shall be investigated and reconciled prior to filing the daily tax remittal with the MGC. If it is determined that an adjustment must be made to the system, an Accounting employee shall make the appropriate adjustment to ensure AGR is accurately reported. Documentation of the adjustment and all related source documents used to investigate the variance shall be maintained. The documentation shall include who made the adjustment and the amount of the adjustment. A notice shall be sent to the digital wallet provider if any adjustment to a patron's digital wallet is necessary to resolve the variance;
- (3) Prepare a meter comparison report for all EGDs with Cashless or Bonusing options enabled. The reports shall compare the Cashless (i.e., Wagering Account Transfer (WAT) In, WAT Out, Cashable Electronic Promotion (CEP) In, CEP Out, Non-Cashable Electronic Promotion (NCEP) In, and NCEP Out) and Bonusing (i.e., machine paid external bonus payout and attendant paid external bonus payout) deltas of the EGD internal soft meters with the meter deltas of the slot accounting system. The EGD soft meter deltas may be obtained by manually recording the values at the EGD, or by polling the EGD using the slot accounting system. Any meter variance between the deltas of the EGD and the slot accounting system shall be reconciled prior to filing the daily tax transmittal with the MGC. A transaction detail report of activity at the EGD shall be used to investigate the cause of the variance. If it is determined that an adjustment must be made to ensure the Adjusted Gross Revenue (AGR) calculations are correct, an appropriate adjustment shall be made by an Accounting employee to correct the system reports. The adjustment must be documented and the source documents shall be maintained. The documentation shall indicate who made the adjustment and the amount of the adjustment. The original daily meter comparison report

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listing any variances, the transaction detail report used to investigate the variances, and any corresponding adjustments to correct the variances shall all be maintained as source documentation to support the daily tax remittal. The MGC EGD department shall be notified of any variances and the results of the investigations that occurred during the gaming week by the close of business on Thursday;

- (4) If the slot accounting system and the cashless system are separate, prepare a meter comparison report for all EGDs with Cashless or Bonusing options enabled. The reports shall compare the Cashless (i.e., Wagering Account Transfer (WAT) In, WAT Out, Cashable Electronic Promotion (CEP) In, CEP Out, Non-Cashable Electronic Promotion (NCEP) In, and NCEP Out) and Bonusing (i.e., machine paid external bonus payout and attendant paid external bonus payout) meter deltas of the slot accounting system to the meter deltas of the cashless system. Any meter variance between the deltas of the slot accounting system and the cashless system shall be reconciled prior to filing the daily tax transmittal with the MGC. A transaction detail report of activity at the EGD shall be used to investigate the cause of the variance. If it is determined that an adjustment must be made to ensure the Adjusted Gross Revenue (AGR) calculations are correct, an appropriate adjustment shall be made by an Accounting employee to correct the system reports. The adjustment must be documented and the source documents shall be maintained. The documentation shall indicate who made the adjustment and the amount of the adjustment. The original daily meter comparison report listing any variances, the transaction detail report used to investigate the variances, and any corresponding adjustments to correct the variances shall all be maintained as source documentation to support the daily tax remittal. The MGC EGD department shall be notified of any variances and the results of the investigations that occurred during the gaming week by the close of business on Thursday; and
- (5) Compare the report from the cashless system of all table games transactions to the Master Gaming Report to ensure accuracy, if the data is not auto-populated.

8.03 All variances or discrepancies found during the required daily accounting reviews shall be documented on an audit exception report, reported to the accounting manager or other position approved by MGC in the ~~Internal Control System~~ICS, and forwarded to the appropriate department for investigation. The results of the investigation shall be documented on the Audit Exception Report and returned to Accounting within 14 calendar days.

8.04 Any discrepancy found during Accounting’s reviews which indicates possible fraudulent activity shall be reported to the MGC agent on duty.

8.0405 AGR shall be adjusted to reflect any discrepancies found during the required daily accounting reviews.

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8.0506 Voided forms from the daily gaming paperwork shall be bundled and stored with the daily gaming paperwork for each separate audit.

§ 9 Table Games Statistics

9.01 Records shall be maintained reflecting statistical drop, statistical win, and statistical win-to-drop percentages for each gaming table and type of game. These records shall be maintained by day, cumulative month-to-date, and cumulative year-to-date.

§ 10 MGC Reporting Requirements

10.01 The Statistical Report on Table Games and EGDs shall be reported to the MGC Tax/~~Financial Section~~ department on or before the 15th calendar day of the following month or the next business day if the 15th falls on a weekend or legal holiday.

10.02 The following financial statements and schedules shall be ~~reported prepared by the Class B licensee and available upon request to the MGC Tax/Financial Section~~ no later than twenty (20) calendar days following the end of the Class B ~~L~~ licensee's fiscal quarter:

- (A) Balance Sheet;
- (B) Income Statement;
- (C) Statement of Cash Flows;
- (D) Statement of Changes in Stockholders' Equity;
- (E) Statement of Changes in Partners' or Proprietors' Equity;
- (F) Employment and Payroll Report; and
- (G) Analysis of Cash on hand and in bank and Cage Accountability.

~~10.03 All financial reports required by the MGC shall be prepared in accordance with generally accepted accounting principles (GAAP).~~

~~10.04 The financial reports described in this section shall be electronically transmitted using the spreadsheet template format and procedures prescribed by the MGC.~~

~~10.05 Supporting documentation, as required for the electronically transmitted financial reports, shall be submitted to the MGC Tax/Financial Section.~~

~~10.06 The MGC Tax/Financial Section shall be notified of all adjustments/changes to the financial reports after the transmittal.~~

10.0703 ~~After the financial reports are reviewed by the MGC Tax/Financial Section, Upon request,~~ the Class B ~~L~~ licensee's Accounting department shall provide any additional information ~~requested and or~~ make any necessary corrections to the financial reports.

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§ 11 Player Tracking and Rewards Systems

- 11.01 The player tracking and player rewards systems shall be secured to prevent unauthorized access. If passwords are used to access the system, they shall be changed at least once every 90 days. The ~~Internal Control System~~ICS shall specify the physical security and access control measures of the system.
- 11.02 Changes to the player rewards system parameters, such as point structures, shall be authorized by a department independent of MIS. Changes shall be made by employees of the MIS department and documented. Documentation shall include the following:
- (A) ~~t~~Time and date of the change;
 - (B) ~~n~~Nature of the change;
 - (C) ~~e~~Employee that authorized the change; and
 - (D) MIS employee who made the change.

§ 12 Player Cards

- ~~12.01 Player cards for new patrons shall not be distributed by mail.~~
- ~~12.02 Player cards shall be issued at a ticketing area at or near the entrance to the gaming floor. Player cards may be issued in the pit by Table Games Supervisors, Assistant Pit Managers, and Pit Managers; however, table games employees shall not have system access to establish or reset Personal Identification Numbers (PINs).~~
- ~~12.03 Prior to creating a player reward account and printing a player's card for a patron, the ticketing employee, Table Games Supervisor, Assistant Pit Manager, or Pit Manager shall require the patron to present a valid government-issued photo identification and confirm the identification matches the physical characteristics of the person presenting the identification.~~

§ 13 Player Rewards

- ~~13.01 Player rewards are points earned by patrons which increment with play and are based on predetermined formulas. These points may be redeemed for downloadable credits, cash, goods, or services. These player reward programs are considered promotions and must meet the requirements of 11 CSR 45-5.181.~~
- ~~13.02 The Class B Licensee shall provide patrons with information regarding the reward structure and point value upon request.~~
- ~~13.03 Employees who issue player cards shall not be allowed to add or adjust points except for Table Games Supervisors, Assistant Pit Managers, and Pit Managers who may only add points through rated play documented on a form identified in the licensee's internal controls.~~

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- ~~13.04 Employees capable of adding points shall not be allowed to redeem points.~~
- ~~13.05 Only supervisors or above shall have the ability to void point redemptions in the system.~~
- ~~13.06 Point redemption procedures shall require a proper segregation of duties. Employees who have access to gaming assets, including cash, tokens, chips, or tickets, shall not be able to generate the source documentation used to process point redemptions.~~
- ~~13.07 The Internal Control System shall list each position that has the ability to add points or perform point adjustments.~~
- ~~13.08 Additions of points to a player's account other than through actual EGD play shall be documented. Documentation shall include:~~
- ~~_____ (A) time;~~
 - ~~_____ (B) date;~~
 - ~~_____ (C) amount of the points added;~~
 - ~~_____ (D) reason for the addition; and~~
 - ~~_____ (E) name of the employee who requested the addition.~~
- ~~13.09 Redemption of points for a good or service shall be recorded on the source document at the full retail price normally charged for the good or service.~~
- ~~13.10 Photo identification or a PIN shall be required prior to a player receiving anything of value when redeeming points from the player rewards system.~~
- ~~13.11 PINs shall be established at ticketing.~~
- ~~13.12 The following procedures shall be followed when establishing a PIN for a patron's account:~~
- ~~(A) the ticketing employee shall require the patron to present a valid government-issued photo identification;~~
 - ~~(B) the ticketing employee shall verify the photo on the identification matches the physical characteristics of the patron presenting the photo identification; and~~
 - ~~(C) the patron shall independently and confidentially enter a secure PIN a minimum of two times. The two PINs shall successfully match each time entered.~~
- ~~13.13 Should a patron choose to change a known PIN at anytime, the patron must successfully enter the existing PIN followed by an entry of the new PIN a minimum of two times.~~
- ~~13.14 If PINs are used and can be reset, the Class B Licensee shall ensure the following procedures are performed when "resetting" a patron's PIN:~~

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- ~~(A) — a supervisor, who does not have the ability to adjust points, shall reset the PIN at the ticketing area and shall confirm the patron’s valid government issued photo identification matches the physical characteristics of the person presenting the identification and respective fields (i.e., name, date of birth, photo identification type, and number) in the player reward system; and~~
- ~~(B) — the patron will be required to independently and confidentially enter the “reset” (e.g., PIN) information a minimum of two times. All reset information shall successfully match each time entered.~~

~~13.15 — PINs shall not be accessible to any employee of the Class B Licensee. PINs shall be masked from view on the computer system.~~

~~13.16 — The kiosks used for points to cash redemptions shall comply with the requirements set forth for ticket redemption kiosks in the MICS.~~