

MISSOURI GAMING COMMISSION
MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER U – CASHLESS, PROMOTIONAL, AND BONUSING SYSTEMS

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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 include compliance with the requirements set forth. Adopted, effective June 30, 2011. Revised, effective September 30, 2022.

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§ 1 General

- 1.01 Definitions for this chapter are addressed in 11 CSR 45-1.090.
- 1.02 If any part of the casino gaming floor has Cashless, Promotional, and/or Bonusing features available to patrons, the Class B Licensee shall ensure a prominent and conspicuous notice is located on the electronic gaming devices (EGDs) denoting which EGDs have these features available to patrons or which EGDs do not have these features available to patrons. Alternatively, if all EGDs on the Class B Licensee's gaming floor have these features available to patrons, a prominent and conspicuous notice may be placed at all entrances to the gaming floor in lieu of notices on individual EGDs. At a patron's request, the Class B Licensee shall provide printed information outlining information necessary to participate in the Cashless, Promotional, and/or Bonusing system environments.
- 1.03 The Class B Licensee shall allow no more than three failed PIN entry attempts prior to locking the patron's account, which would require verification of the patron's valid government-issued photo identification prior to unlocking the account.
- 1.04 The Class B Licensee shall identify the job positions authorized to reset PINs for wagering accounts, digital wallets, and promotional accounts in the Internal Control System. The Class B Licensee shall perform the following minimum functions when "resetting" a patron's PIN:
- (A) The employee, who does not have the ability to conduct wagering account or digital wallet transactions, create source documentation for points to cash redemptions, or adjust points and account balances, 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 system; and
 - (B) The patron will be required to independently and confidentially, through the use of a shadow box or other MGC approved method, enter the "reset" (e.g., PIN) information a minimum of two times. All reset information shall successfully match.
- 1.05 Player reward credits or promotional giveaway credits shall be requested for transfer through the use of a player's reward account. Patron funds shall be requested for transfer through the use of a wagering account or a digital wallet. To initiate a transfer to the game using a player's card, the patron shall be required to independently and confidentially enter his/her secure personal identification number (PIN). If any other method is used to initiate a transfer to the game, an approved, secure, patron-initiated verification method shall be used as described in the Internal Control System (e.g., application login on a personal device).

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- 1.06 The Class B Licensee shall maintain all transactions in the Cashless, Promotional, and Bonusing systems for a period of not less than 90 days from the date of the transaction. Any records removed from the system after 90 days shall be stored and controlled in an easily accessible manner approved by the MGC, consistent with the requirements of 11 CSR 45-8.
- 1.07 If online access is provided for patrons to view their account balances or transaction histories from the Cashless and/or Promotional systems, physical or logical restrictions shall exist to provide independent operation from the Cashless system.
- 1.08 Accounting shall, on each gaming day, in an MGC approved format, prepare a meter comparison report for all EGDs with Cashless, Promotional, 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 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.
- 1.09 Any EGD exhibiting any meter variances (i.e., CEP In, CEP Out, NCEP In, NCEP Out, WAT In, WAT Out, machine paid external bonus payout, or attendant paid external bonus payout) for three consecutive days shall be removed from service. Once the malfunction has been identified and repaired the EGD may be placed back into service. The Class B Licensee shall submit a detailed report to the MGC EGD department describing the malfunction and the corrective action taken.
- 1.10 Patrons shall be required to have an active player reward account in order to utilize a cashless system.

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§ 2 Criteria for Electronic Gaming Devices (EGDs)

- 2.01 Prior to enabling cashless or bonusing functionality on an EGD, the Class B Licensee shall ensure the designated Critical Program Storage Media (CPSM) has been approved by the MGC for use with the respective Cashless or Bonusing system.
- 2.02 The Class B Licensee shall utilize the following formula for computing Adjusted Gross Revenue (AGR) for EGDs: [(Bill Drop + Ticket Drop + Coupon 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.

§ 3. Criteria for Cashless Wagering Transactions at Table Games

- 3.01 Each table game offering cashless wagering transactions shall have an approved device assigned and positioned at the table game to accept wagering transactions. The device shall only be used at the table to which it is assigned. Prior to implementation and every time the table number is changed, the Class B Licensee shall verify the correct table number is identified on the Buy-In Drop Ticket, if used, and the address of the table is correct in the system.
- 3.02 The Class B Licensee shall describe the procedures in the Internal Control System for purchasing value chips at a gaming table using a wagering account or digital wallet. The procedures shall include the following:
- (A) How the transaction is initiated;
 - (B) How the transaction is processed by the dealer or boxperson;
 - (C) The means by which the patron confirms the purchase or receives documentation of the purchase; and
 - (D) Whether a Buy-In Drop Ticket evidencing the purchase is printed and deposited in the dropbox.
- 3.03 The Class B Licensee shall describe the procedures in the Internal Control System for redeeming value chips at a gaming table using a wagering account or digital wallet. The procedures shall include the following:
- (A) How the transaction is initiated;
 - (B) How the transaction is processed by the dealer or boxperson;
 - (C) The means by which the patron confirms the redemption or receives documentation of the redemption; and
 - (D) Whether a Cash-Out Receipt evidencing the redemption is printed and deposited in the dropbox.

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- 3.04 If Buy-In Drop Tickets or Cash-Out Receipts are used, they shall include the following information:
- (A) time;
 - (B) date;
 - (C) player's account number;
 - (D) dollar amount of the transfer; and
 - (E) gaming table number.
- 3.05 The dollar amount of the transaction on the Buy-In Drop Ticket, Cash-Out Receipt, or on the approved device shall be clearly legible in the dedicated surveillance coverage of the gaming table where it is printed or displayed.
- 3.06 The Class B Licensee shall prepare a Master Gaming Report each gaming day. The count team shall print a report from the cashless system that lists all cashless transactions at table games for the gaming day and enter these amounts on the Master Gaming Report, if the data is not auto-populated to the report. As part of the daily audit, Accounting shall compare the report to the Master Gaming Report to ensure accuracy, if the data is not auto-populated.
- 3.07 The Class B Licensee shall include cashless buy-ins as revenue and cashless chip redemptions as a deduction when calculating the Adjusted Gross Revenue (AGR) for table games.
- 3.08 Accounting shall conduct a weekly reconciliation at the end of the gaming week to ensure all cashless transactions that occurred during the gaming week have been recorded and no transactions have been omitted on the daily tax remittals.

§ 4 Promotional Accounts

- 4.01 Promotional giveaway credits established in the promotional system shall comply with 11 CSR 45-5.181.
- 4.02 Should the Class B Licensee elect to utilize a Promotional system, in addition to all other requirements of this section and consistent with the provisions of 11 CSR 45-5.181, the licensee shall comply with the following standards:
- (A) The system shall prompt the patron to enter his/her PIN prior to displaying the amount of the credits;
 - (B) Any disclaimers and rules for the promotional credits shall be clearly displayed to the patron (e.g., promotion expiration); and
 - (C) If any communication errors are present, there shall be a message to notify the patron of the inability to participate with the system.

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- 4.03 Upon card out, all non-wagered NCEP credits shall be uploaded to the patron's promotional account for future use. Should the Cashless system become inoperable, the Class B Licensee shall in the Internal Control System establish procedures for handling non-wagered NCEP credits.
- 4.04 The addition of promotional giveaway credits to an individual patron's account, at any time other than when a previously approved promotion that is in compliance with 11 CSR 45-5.181 is being initially loaded into the system, shall be issued only by occupational licensees as designated in the Internal Control System. Only these authorized job positions shall have system access to perform this function. The issuance of these credits shall be documented, including the patron's name, patron's account number, the amount of the credits, the explanation for the issuance, and the name of the individual issuing the credits. A daily report shall be generated from the system listing all of the additions, including the required information. The Accounting department shall conduct a weekly audit of these additions to verify that all of the required information is present and to detect any additions that exceed a monetary threshold, as set forth and approved in the Internal Control System. 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.
- 4.05 Any manual adjustments of player reward credits (e.g. player reward points) to an individual patron's account shall only be performed by occupational licensees as designated in the Internal Control System. Only these authorized job positions shall have system access to perform this function. These adjustments shall be documented, including the patron's name, patron's account number, the amount of the adjustment, the explanation for the adjustment, and the name of the individual performing the adjustment. A daily report shall be generated from the system listing all of the adjustments, including the required information. The Accounting department shall conduct a weekly audit of these adjustments to verify that all of the required information is present and to detect any adjustments that exceed a monetary threshold, as set forth and approved in the Internal Control System. Additionally, should more than six adjustments 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.
- 4.06 The Class B Licensee shall be responsible for all promotional giveaway credits and player reward credits placed in a patron's promotional account. Once placed in a patron's promotional account, a Class B Licensee may only remove those promotional giveaway credits and player reward credits when they have expired or have been redeemed, in accordance with the established rules of the promotion, or with MGC approval.

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§ 5 Wagering Account and Digital Wallet Transactions

- 5.01 The Class B Licensee utilizing wagering account transfers shall establish “terms and/or conditions” (Notice) for wagering accounts prior to activating the Cashless system modules. Patrons participating in the Cashless system shall receive a copy of the Notice upon the establishment of an account or activation of the wagering account, and upon request. The Notice, at a minimum, as applicable, shall include the disclosures as required by federal law.
- 5.02 If a patron establishes a wagering account online, the process shall require the patron to do so by accessing his/her active player reward account online and providing, at a minimum, his/her:
- (A) Legal name;
 - (B) Date of birth;
 - (C) Email address;
 - (D) Physical address;
 - (E) Social security number/tax ID number; and
 - (F) Phone number.
- 5.03 If a patron requests assistance to establish a wagering account at the Class B Licensee, a cage employee at the cage or a ticketing employee at the player’s club shall:
- (A) Require patrons to present valid, non-expired government-issued photo identification and player’s card;
 - (B) Verify the photo on the identification matches the physical characteristics of the patron presenting the photo identification;
 - (C) Verify the patron is not a DAP or Excluded Person; and
 - (D) The patron shall independently and confidentially, through the use of a shadow box or other MGC approved method, enter a secure PIN a minimum of two times. The two PINs shall successfully match.
- 5.04 Employees of the Class B Licensee shall not create digital wallets for patrons.
- 5.05 Any employees with the ability to reset wagering account or digital wallet PINs shall be restricted from the ability to deposit funds into or withdraw funds from wagering accounts or digital wallets.
- 5.06 To conduct a wagering account or digital wallet deposit at the cage:
- (A) The patron shall initiate the transaction at the cage by presenting the chips or funds for deposit.
 - (B) The cashier 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.
 - (C) The cashier shall verify the patron is not a DAP or Excluded Person.

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- (D) The cashier shall locate the patron's wagering account or digital wallet in the system and confirm the identification is linked to the account or wallet.
 - (E) The cashier shall spread the funds or chips on the counter in view of surveillance.
 - (F) The cashier shall count the funds and shall deposit an equivalent amount of funds in the patron's wagering account or digital wallet in the system.
 - (G) The cashier shall print a receipt from the system for the patron documenting the amount, date, and time of the transaction or the transaction shall display on the patron's personal device.
- 5.07 To conduct a wagering account or digital wallet withdrawal at the cage:
- (A) The patron shall initiate the transaction at the cage by requesting a withdrawal from his/her wagering account or digital wallet.
 - (B) The cashier 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.
 - (C) The cashier shall verify the patron is not a DAP or Excluded Person.
 - (D) The cashier shall locate the patron's wagering account or digital wallet in the system and confirm the identification is linked to the account or wallet.
 - (E) The cashier shall withdraw the requested amount of funds from the patron's wagering account or digital wallet and spread an equivalent amount of funds on the counter in view of surveillance.
 - (F) The cashier shall print a receipt from the system for the patron documenting the amount, date, and time of the transaction or the transaction shall display on the patron's personal device.
- 5.08 Surveillance shall have the ability to verify cashless transactions performed at the cage using at least one of the following methods:
- (A) System access to view cash withdrawals and deposits in real-time;
 - (B) System generation of a receipt for the patron which shall be placed on the counter face up to ensure surveillance coverage of the amount is obtained;
or
 - (C) Surveillance coverage of the cashier's computer screen sufficient to view the transactions.
- 5.09 The Class B Licensee shall ensure funds from wagering accounts or digital wallets are only deposited or withdrawn from devices approved by the MGC.
- 5.10 Any funds remaining in a patron wagering account which is abandoned or unclaimed shall be disposed of in accordance with the Uniform Disposition of Unclaimed Property Act, sections 447.500 et seq, RSMo.

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- 5.11 The Class A or B Licensee who holds the patron's wagering account funds shall maintain liability for the funds until the patron's wagering account has a zero (0) balance. A patron's wagering account shall not be allowed to have a negative balance.
- 5.12 The system shall be configured to upload to the patron's wagering account or digital wallet all non-wagered credits upon a card out or a break in connection between the player's mobile device and the EGD. Should the Cashless system become inoperable, the Class B Licensee shall, in the Internal Control System, establish procedures for handling non-wagered wagering account and digital wallet credits.
- 5.13 The Class B Licensee shall immediately notify the MGC agent on duty of any:
- (A) Incident of a suspicious transaction(s) involving a wagering account or digital wallet;
 - (B) Evidence that a player's card has been counterfeited, tampered with, or altered in any way which would affect the integrity or suitability of the card;
 - (C) Evidence that a wagering account or digital wallet has been tampered with or fraudulently altered in any way; and
 - (D) Evidence that a wagering account or digital wallet has been fraudulently created.
- 5.14 The Class B Licensee shall include procedures for accepting and investigating patron complaints involving wagering accounts and complaints involving digital wallet transactions that occurred at the property in the Internal Control System. The on-duty MGC agent shall be notified in writing of any dispute which has not been resolved within two (2) banking days of receipt. Documentation of these unresolved disputes and the resolution shall be maintained by the Class B Licensee.
- 5.15 The Class B Licensee shall, upon patron request with proper identification, provide the patron immediate on-demand access to his/her 30-day wagering account transactions or digital wallet transactions that occurred at the property. If the patron requests additional transaction history beyond the 30 days, the Class B Licensee shall provide the information within seven (7) calendar days. The report shall include the:
- (A) Patron's account number and name;
 - (B) Class B Licensee name, city, and state at which the report was generated;
 - (C) Detailed transaction history that occurred, including —
 - (1) Date of the transaction(s);
 - (2) Time of the transaction(s);
 - (3) Location at which the transaction(s) occurred (e.g., EGD location, EGD asset number, table game, kiosk location, etc.);

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- (4) Amount of the transaction(s); and
 - (5) Direction of the transaction(s); and
 - (D) Summary balance of each account.
- 5.16 No wagering account or digital wallet transactions shall be voided by employees of the Class B Licensee. Instead, the occupational licensee shall in the presence of the patron perform a supplemental transaction to correct the error.
- 5.17 Adjustments to digital wallets shall not be performed by employees of the Class A or Class B Licensee.
- 5.18 Necessary adjustments made to a patron's wagering account without the patron present, other than those made during Accounting's daily audit, shall be made only by authorized occupational licensees, as designated in the Internal Control System. These adjustments shall be documented including the patron's name, patron's account number, the amount of the transaction, the explanation for the adjustment, and the name of the individual issuing/authorizing the adjustment. A daily report shall be generated from the system listing all of the adjustments. If this daily report cannot be generated from the system, the Internal Control System shall include the procedures for how adjustments will be identified in the system. The Accounting department shall conduct a daily audit of these post-transactional adjustments to verify that all of the required information is present and to detect and investigate any unusual adjustments. The results of the investigation shall be documented. The patron shall be notified of any adjustment made to the patron's wagering account.
- 5.19 If wagering account and digital wallet transactions are permitted on hybrid table game player terminals that use the WAT-Out meter for reporting dealer tips, the Class B Licensee shall describe the procedures for reporting dealer tips separately from WAT-Out transactions in the AGR calculation. Wagering account and digital wallet transactions on hybrid table game player terminals shall comply with accounting procedures for EGD wagering account and digital wallet transactions.
- 5.20 For each gaming day, Accounting shall 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 remittance 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. The adjustment must be documented and 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

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- wallet provider if any adjustment to a patron's digital wallet is necessary to resolve the variance.
- 5.21 For each gaming day, Accounting shall 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 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.
- 5.22 The Class B Licensee shall maintain a record of all wagering account and digital wallet transactions that occurred at the property for no less than five (5) years from the last date of account activity.

§ 6 Bonusing Systems

- 6.01 System bonuses are promotional awards that shall be metered and taxed whether paid to the game or paid by an attendant. System bonuses that are cashed out or paid by an attendant shall be deducted from AGR.
- 6.02 The Class B licensee shall have dated, written rules for each bonusing campaign in accordance with 11 CSR 45-5.181.
- 6.03 System bonuses shall not be utilized when calculating the theoretical payback percentage of individual EGDs.
- 6.04 In accordance with federal regulations, any bonus payout of \$600 or more shall require a 1099 MISC to be completed. Bonus payouts shall not be combined with gambling game payouts reported on a W-2G.
- 6.05 At the conclusion of each bonusing life cycle, Accounting shall run system reports to determine whether the bonus(es) was awarded as required by the promotional rules of the bonusing campaign. If a bonus fails to be awarded, the MGC EGD department shall be notified within 48 hours.
- 6.06 Bonuses shall not be awarded based on the outcome of a gambling game.
- 6.07 Bonusing campaigns shall not be multi-jurisdictional.