

MISSOURI GAMING COMMISSION
MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER A - GENERAL AND ADMINISTRATIVE

CONTENTS

| <u>Section</u> | <u>Page</u> |
|--------------------------------------|-------------|
| § 1. General | A-2 |
| § 2. Internal Control Systems | A-4 |
| § 3. Variances | A-5 |
| § 4. Submission of Internal Controls | A-6 |
| § 5. Found Items | A-8 |

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**MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER A - GENERAL AND ADMINISTRATIVE**

§ 1 General

- 1.01 In addition to complying with the Minimum Internal Control Standards (MICS), established pursuant to 11 CSR 45-9.030, Class B Licensees are required to comply with the Missouri Riverboat Gambling Act (Sections 313.800 through 313.850, RSMo) and Missouri Gaming Commission Rules and Regulations (11 CSR 45).
- 1.02 An employee performs a “**dual rate**” function when an employee of a lower level within the same department moves up one level to perform the duties of his/her supervisor’s position. The following standards shall apply:
- (A) When employees in the cage, count room, slots, poker, table games, and security departments dual rate, no more than 33% of the employees in that department in any given job position shall be allowed to dual rate up to the higher position. The Class B Licensee shall maintain a current list of all employees who are allowed to dual rate by department;
 - (B) Employees in the players club (ticketing) department may not dual rate;
 - (C) When an employee is performing a “dual rate” function, the employee must display the appropriate casino access badge for the position they are actually performing at that time;
 - (D) The Class B Licensee shall specify in their Internal Control System the record to be used to document the position the employee is performing that day. All documentation shall be available to Accounting (Revenue Audit) and be retained on file; and
 - (E) Once an employee has dual rated to a higher position, that employee shall remain in that position for the remainder of the employee’s workday.
- 1.03 Except where specifically prohibited, an employee with higher authority within the same department may perform duties of his/her subordinate employees who are within his/her chain of command as approved on the organizational chart when doing so does not violate another rule or prevent the employee from performing his/her supervisory duties. When a higher level employee performs the duties of a lower level employee, the higher level employee may not then perform verification of his/her own work.
- 1.04 Upon request, the Commission may approve a dual position which would allow an employee assigned to a position to work in another position in a different department if either position requires an occupational license (as described in 11 CSR 45-4.400 and 11 CSR 45-4.020). The following conditions apply:
- (A) The proposal must be submitted in writing to the Commission;

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**MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER A - GENERAL AND ADMINISTRATIVE**

- (B) If any of the positions are not approved in the Internal Control System, that job description shall be included with the request;
 - (C) The employee shall wear the property-issued access badge displaying the job title of the position in which the employee is currently working;
 - (D) A dual position employee shall have designated one primary and one secondary position which will be recorded on the HR employee list;
 - (E) Only one change in position shall be permitted per shift, and once an employee has been assigned a different position, that employee must remain in that position for the remainder of the employee's workday;
 - (F) Dual positions shall not create a lack of segregation of duties;
 - (G) For each employee working in dual positions, the Class B Licensee shall document the hours worked for each position each day, including the starting and ending times. The Class B Licensee shall specify in their Internal Control System the record(s) to be used to document the hours worked in each position. All documentation shall be available to Accounting (Revenue Audit) and retained on file; and
 - (H) An employee who holds dual positions shall not be allowed to dual rate in the secondary position.
- 1.05 Sensitive areas are those areas that management or the MGC considers sensitive to the Class B Licensee's operation and, therefore, require strict control over access. Sensitive areas include, but are not limited to, pits, count rooms, cart storage rooms, cages, main bank, slot maintenance rooms, EGD storage rooms, areas housing critical IT systems and equipment, surveillance rooms, vaults, and card and dice storage and inspection rooms (11 CSR 45-7.170).
- 1.06 Class B Licensees shall provide all employees with training regarding the Missouri Riverboat Gambling Act, Missouri Gaming Commission Rules and Regulations, Missouri Gaming Commission Minimum Internal Control Standards, the Class B Licensee's Internal Control System and procedures in a brief outline or general description. Each employer shall ensure that employees, prior to performing the functions and duties of their jobs, are adequately trained as to the applicable statutes, regulations and internal controls that apply to their specific job functions. The Class B Licensee shall maintain a record of all mandatory training. A current copy of the Class B Licensee's entire Internal Control System shall be readily accessible to all employees.
- 1.07 The Class A Licensee's Board of Directors or officers/executives, except for the property's General Manager, shall comply with 11 CSR 45-7.170 when accessing sensitive areas. In addition, prior to each access, the MGC boat supervisor/agent shall be notified and give permission.

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**MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER A - GENERAL AND ADMINISTRATIVE**

- 1.08 Prior to accessing sensitive areas, other than the pit, the General Manager shall notify the MGC boat supervisor/agent on duty. The General Manager may access the pit without prior notification to the MGC boat supervisor/agent on duty. The General Manager shall not access the count room without an MGC agent escort.
- 1.09 Except as otherwise provided in this rule, all occupational licensees shall, at all times while on property, display a valid, riverboat-issued casino access badge for the position in which they are working at that time and a commission-issued occupational license badge. This requirement shall not apply to the following:
- (A) surveillance personnel; and
 - (B) employees who are off duty and are in public areas of the casino. Off duty employees shall still comply with 11 CSR 45-5.030 and 11 CSR 45-12.090.
- 1.10 The Class B Licensee shall have the General Manager or a Level I occupational licensee on call anytime the General Manager or a Level I occupational licensee is not on the property. The name and contact number of the person(s) on call shall be immediately available to the MGC boat agent on duty by contacting Security Dispatch.
- 1.11 The Human Resource Department shall maintain a list of current employees that includes each employee's job title and MGC License Number, if applicable. The job title shall match the job title approved in the internal controls.

§ 2 Internal Control Systems

- 2.01 It is the Class B Licensee's responsibility to ensure that its Internal Control System complies with the Minimum Internal Control Standards (MICS), *Code of State Regulations* (CSR), and the *Revised Statutes of Missouri* (RSMo). In all instances, the MICS supersede the Class B Licensee's Internal Control System. Any conflict between the MICS and the Internal Control System shall be resolved in favor of the MICS.
- 2.02 The existence of manual and computerized systems also creates situations that may require variations in the Internal Control System. The Class B Licensee is responsible for establishing an Internal Control System that complies with the MICS, the CSR, and the RSMo, regardless of whether operating in a manual or a computerized environment.
- 2.03 The MICS include general names for positions and forms. The Class B Licensee's Internal Control System shall include specific job titles as identified in the organizational charts and job descriptions. The Class B Licensee's Internal Control System shall include specific form names with unique form numbers, as identified in Chapter R of the Internal Control System. The form number is only required the first time the form is referenced in each

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER A - GENERAL AND ADMINISTRATIVE

section within the chapter. When a signature is required, the Internal Control System shall specify the job title of the position that must sign the form.

- 2.04 The Internal Control System shall include administrative organizational charts for all gaming related departments including, but not limited to, table games, electronic gaming devices, drop and count teams, casino cashiering, internal audit, casino accounting, surveillance, security, marketing, purchasing and contract administration, players club (ticketing), compliance, poker, management information systems, and any corporate positions to which gaming related departments report.
- 2.05 A detailed description of each position shown on the organizational charts shall be listed in the applicable chapter of the internal controls or exclusively in Chapter A. If the job position is included on an organizational chart in one or more other chapters, those chapters shall list the job title and include a cross-reference to the location of the detailed job description. Each job description shall include:
- (A) duties and responsibilities;
 - (B) immediate supervisor;
 - (C) list of all job titles directly supervised by this position; and
 - (D) list of sensitive areas to which the position has access.
- 2.06 Each job position shall have only one supervisor, as noted in the organizational chart. If a position reports to both a corporate position and the General Manager or another position in the Class B organizational structure, both the direct and indirect report may be shown in the organizational chart.
- 2.07 The Internal Control System shall be in the same format and numbering sequence as the MICS. The Internal Control System does not need to include a master Table of Contents; however, each chapter shall have a Table of Contents. Chapter C Rules of the Game shall have a Table of Contents which includes each game with a unique index number.
- 2.08 All manual and computerized procedures shall be described throughout the Internal Control System. Forms shall be described in Chapter R of the Internal Control System.
- 2.09 The Class B Licensee shall include internal control procedures for the resolution of patron complaints, including the chain of command to be followed.

§ 3 Variances

- 3.01 Class B Licensees may submit requests for variances to the Code of State Regulations (CSR) or Minimum Internal Control Standards in a form and manner approved by the Commission. The Class B Licensee shall include a detailed explanation of the necessity for

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MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER A - GENERAL AND ADMINISTRATIVE

the variance and what compensating safeguards, restrictions, or requirements, if any, will be added to the Internal Control System. Variances will be classified as:

- (A) Single incident variances, which are on the spot and typically an emergency or “Reasonable Necessity” situation, not to exceed 72 hours;
 - (B) Short term variances, which permit/exclude an activity for no more than 90 calendar days; or
 - (C) Long term variances, which permit/exclude an activity for **more** than 90 calendar days.
- 3.02 For single incident variances, the Class B Licensee shall submit a detailed written request showing a specific need for the variance, including any proposed conditions or restrictions. The request must be approved in writing by an MGC agent prior to implementation.
- 3.03 For short term variances, the Class B Licensee shall submit a detailed written request to the Jefferson City MGC office showing a specific need for the variance, including any proposed conditions or restrictions. The request must be approved in writing by MGC prior to implementation.
- 3.04 For long term variances, the Class B Licensee shall submit a completed MGC Variance Request Form to the Jefferson City MGC office. The request must be approved in writing by MGC prior to implementation.
- 3.05 Any approved long term variance shall be referenced in the applicable section of the Internal Control System. The reference shall include the variance number, date of the approval, and all conditions and restrictions of the approved variance.

§ 4 Submission of Internal Controls

- 4.01 In accordance with 11 CSR 45-9 of the Missouri Gaming Commission Rules and Regulations, the holder of a Class B License shall submit any changes to its internal controls to MGCPolicy@mgc.dps.mo.gov. The Class B Licensee shall not alter its Internal Control System unless and until such changes are approved by the MGC Policy Section.
- 4.02 The General Manager and/or one individual designated by the General Manager shall be assigned the responsibility for submitting Internal Control System changes to the MGC. A letter signed by the General Manager shall be submitted to the MGC and the MGC boat supervisor stating who this individual will be. If another individual is designated, an updated letter shall be submitted. If a submission is received from any other individual, it will be returned to the Class B Licensee.

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**MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER A - GENERAL AND ADMINISTRATIVE**

- 4.03 Each Class B Licensee shall be permitted to submit requested changes to the Internal Control System not more than once each calendar quarter. Licensees shall be informed of the dates of submission. These quarterly changes shall be submitted to MGCPolicy@mgc.dps.mo.gov and the MGC boat supervisor no later than the fifteenth day of the month designated.
- 4.04 Emergency changes to the Internal Control System, unless otherwise approved by the Commission, are those that if not approved and implemented by a given date would negatively impact the internal controls or cause serious interruption to gaming activities. The emergency changes to the internal controls are expected to be rare. Emergency changes may be submitted for approval at any time unless the chapter is under review.
- 4.05 Internal Control revisions to add a new MGC approved game to the Class B Licensee's Rules of the Game may be submitted for approval at any time. This only applies to new games which are not already included in the Internal Control System.
- 4.06 Changes required by the Commission shall be submitted to the Commission within fifteen days of the notice. Any changes which are required to be made as a result of an MGC compliance audit or an audit recommendation by an independent certified public accounting firm or an internal audit shall be submitted at the next submission date following the issuance of the auditor's report.
- 4.07 Each request for change shall contain electronic files of the Internal Controls proposed to be changed with all changes clearly marked (i.e., track changes), including all changes to the organizational charts. The changes shall be accompanied by a cover letter which details each proposed change. Requested changes shall be submitted to MGCPolicy@mgc.dps.mo.gov and the MGC boat supervisor.
- 4.08 If the addition or deletion of information on a page causes text to be moved from or to the next page, these pages shall also be submitted.
- 4.09 All changes shall be proofread and reasonably free of errors.
- 4.10 When changes are submitted, all affected Tables of Contents, indices, job descriptions, and forms shall be updated and included in the submission.
- 4.11 The Class B Licensee shall keep a record of all internal control changes.
- (A) At a minimum, the cover page for each chapter shall include the effective date approved by the commission. The effective dates of each prior revision that occurred after January 1, 2016, shall be listed chronologically for the past four years in each chapter, either on the cover page or the last page(s) of the chapter.

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**MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER A - GENERAL AND ADMINISTRATIVE**

- (B) The Rules of the Game for each game shall be submitted in a separate document with a cover page that includes the effective date approved by the commission. The effective dates of each prior revision that occurred after January 1, 2016, shall be listed chronologically for the past four years for each game, either on the cover page or the last page(s) of the rules for that game.
 - (C) Each example form shall include the effective date.
 - (D) Each organizational chart shall include the effective date.
- 4.12 During MGC's review of an internal control submission, changes to the initial submission shall be limited to those required in response to MGC's review. No additional changes shall be submitted without prior approval of the MGC Policy Section.
- 4.13 No changes to the Internal Control System shall be implemented until written approval is granted. Upon approval, a clean electronic file of the revisions shall be submitted to the MGC Policy Section prior to implementation. Additionally, one hard copy shall be submitted to the MGC boat agent on duty prior to implementation. The Class B Licensee shall send a cover letter with the clean copies of the internal controls that indicates which chapters were revised and which forms or games were removed, added, and replaced. Failure to comply with this provision will result in rescission of the revision and possible disciplinary action.
- 4.14 All electronic files submitted as clean copies shall include the effective date in the file name.
- 4.15 Each form shall be submitted as a separate file. Files for forms shall be consistently named in the following order: the form identifier (alpha or numeric), form name, and the effective date (e.g., 158-Table Fill Slip 4-1-2015, or AA-Sensitive Key Log 4-1-2015).

§ 5 Found Items

- 5.01 Cash, chips, tickets, cards, dice, gaming equipment, records, or any other item(s) found in unauthorized or suspicious locations or circumstances shall be immediately reported to the MGC agent on duty by the licensee or casino employee learning of the items.
- 5.02 Weapons, illegal drugs, contraband, or other similarly sensitive items found anywhere on the property of a Class B Licensee shall be immediately reported to the MGC boat agent on duty by the licensee or casino employee learning of the items.

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