

BALLY ACSC
Slot Management System V3.1.8_6180
Suggested Trial Procedures

Meter Readings

1. For 2 consecutive days each week during the trial period manually read and record the following meters, where applicable, for the 50 slot machines identified in the attachment. These readings must be performed at a time that will minimize any timing difference between the manual readings and the system reports.

2. Coin In
Coin Out
Coin Drop
Attendant Paid Jackpots
Attendant Paid Cancelled Credits
Physical Coin In
Physical Coin Out
Bill In
Attendant Paid Progressive Payout
Machine Paid Progressive Payout
Non-Cashable Electronic Promotion In
Voucher In
Voucher Out

2. Calculate the increment for the above listed meters and trace to the corresponding amount on the Meter Edit – Full Detail, the Voucher/Coupon Meter Change Report and the Bill Validator Meter Change Report. Note that the increment for the Bill In meter must be traced to the “Total: Bill In meter on the Bill Validator Meter Change Report not the “Bills In” on the Meter Edit – Full Detail. You need only print the report pages for the machines in the sample. All variances must be investigated with results documented for Board review.

3. For a sample of 5 multi-game machines trace the coin-in increment from the Meter Edit – Full Detail for each machine to the corresponding total “Coin in \$” amount on the Multi-Game/Denomination Slot Analysis Report. All variances must be investigated with results documented for Board review.

4. Review the Manual Change of Meter File Audit Report and the Non-Cashable Credit Meter Exception Report on a daily basis for propriety of transactions and unusual occurrences.

Variance Reports

1. Trace all meter amounts on the Meter Edit – Full Detail, the Voucher/Coupon Meter Change Report, and the Bill Validator Meter Change Report to the corresponding variance report listed below:
 - a. Drop Comparison Report
 - b. Validator Drop Comparison Report by Zone
 - c. Attendant Paid Comparison Report for Jackpots
 - d. Attendant Paid Comparison Report for Credits
 - e. Attendant Paid Comparison Report for Progressives
 - f. Hopper Fill Comparison Report (meter fills = meter physical coin out (+) meter coin drop (-) meter physical coin in).
 - g. Voucher/Coupons Redeemed Comparison Report (generated for system vs. **metered**)
 - h. Vouchers Issued Comparison Report
 - i. Credit Drop Meter Comparison Report
 - j. Meter Win vs. Actual Taxable Win Comparison Report (generated to **exclude** non-cashable credits)
2. Review the variance reports listed in step 1. above. Investigate all variances between meter and system amounts with results documented for Board review. Prepare a summary of variances by type for each report.
3. Recalculate the “Meter Win” column on the Meter Win vs. Actual Taxable Win Comparison Report.

Note: meter win = meter coin in (-) meter coin out (-) meter machine paid progressive payout (-) meter machine paid external bonus payout (-) total of meters accumulating attendant payouts [excluding attendant paid cancelled credits].

4. Trace the “Drop” by machine and in total from the Drop Edit by Zone/Location to the “Weighed Drop” on the Drop Comparison Report. Investigate and document any differences.
5. Trace the “Bill \$/Count” dollar amount by machine and in total from the Validator Drop Edit to the “Bills Amount” “Drop” number on the Validator Drop Comparison Report by Zone. Investigate and document any differences.
6. Trace the “Ticket \$/Count” dollar amount by machine and in total from the Validator Drop Edit to the “Tickets Amount” “Drop” number on the Validator Drop Comparison Report by Zone. Investigate and document any differences.
7. Trace the “Ticket \$/Count” by machine and in total from the Validator Drop Edit to the “Cashable Vouchers” “Drop” amount on the Voucher/Coupons Redeemed Comparison Report. Additionally, ensure the total voucher drop

is included in the “Total \$/Count” total on the Validator Drop Edit. Investigate and document any differences.

8. Trace the “Total Jackpot \$” amount from the Manual Jackpot Edit to the grand total “Attendant Paid \$” column on the Attendant Paid Comparison Report for **Jackpots**. The “Total Jackpot \$” amount will need to be adjusted for canceled credits and progressive payouts. Investigate and document any differences.
9. Trace the “Total Jackpot \$” amount from the Manual Jackpot Edit to the grand total “Attendant Paid \$” column on the Attendant Paid Comparison Report for **Credits**. The “Total Jackpot \$” amount will need to be adjusted for jackpots and progressive payouts. Investigate and document any differences.
10. Trace the “Total Jackpot \$” amount from the Manual Jackpot Edit to the grand total “Attendant Paid \$” column on the Attendant Paid Comparison Report for **Progressives**. The “Total Jackpot \$” amount will need to be adjusted for jackpots and cancelled credits. Investigate and document any differences.
11. Verify the “Attendant Paid \$” amount on the Attendant Paid Comparison Report for **Total Payout** by footing the “Attendant Paid \$” amount grand totals from the Attendant Paid Comparison Report for **Jackpots**, Attendant Paid Comparison Report for **Credits**, and the Attendant Paid Comparison Report for **Progressives**. Investigate and document any differences.
12. Trace the “Total Fill \$” grand total amount from the Hopper Transaction Edit to the total “Actual Hopper Fill” column on the Hopper Fill Comparison Report. Investigate and document any differences.
13. Recalculate the “Hopper Fill Meter” column on the Hopper Fill Comparison Report. [meter fills = meter physical coin out (+) meter drop (-) meter physical coin in].
14. Trace the vouchers issued by machine and in total on the Vouchers Created at Slots Report to the “System Amount” column on the Vouchers Issued Comparison Report. Investigate and document any differences.
15. Trace the vouchers redeemed by machine and in total from the Vouchers Redeemed at Slot Machines Report to the “Cashable Vouchers System” column on the Voucher/Coupons Redeemed Comparison Report (generated for system vs. **drop**). Investigate and document any differences.
16. Trace the vouchers redeemed by machine and in total from the Vouchers Redeemed at Slot Machines Report to the “Cashable Vouchers System \$”

column on the Voucher/Coupons Redeemed Comparison Report (generated for system vs. **metered**). Investigate and document any differences.

17. Trace the “Non-Cashable” column amounts by machine and in total on the eBonus Credits Issued (by asset number) to the “Non-Cashable Electronic Promotion In” “Patron \$” column on the Credit Drop Meter Comparison Report. Investigate and document any differences.
18. Trace the “Actual Win Amount” column by machine and in total from the Slot Analysis (generated based on drop and to **exclude** non-cashable credits) to the “Actual Win” column on the Meter Win vs. Actual Taxable Win Comparison Report (generated to **exclude** non-cashable credits). Investigate and document any differences.
19. For each variance report recalculate the dollar variance column and the percentage variance column. (The dollar variance is the metered amount less the actual amount. The percentage variance is the dollar variance divided by the metered amount.)

Jackpot/Fills

Each day accounting or auditing personnel shall:

1. Foot all jackpot and canceled credit slips and trace totals to the Manual Jackpot Edit. Foot all fill slips and trace totals to the Hopper Transaction Edit. Investigate and document any differences.
2. Examine all jackpot and fill slips for completeness and regulation compliance.
3. Review all jackpot and canceled credit slips on the Manual Jackpot Edit for continuous sequencing. Review all fill slips on the Hopper Transaction Edit for continuous sequencing. Verify that the beginning slip number follows in sequence from the prior day’s report. Documented follow-up is to be performed when any sequence errors are found.
4. Review all voids and overrides for propriety and regulation compliance. Ensure that all voids are included on the Manual Jackpot Update Report and the Hopper Transaction Update Report and that all overrides are included on the Jackpot Override Update Report and the Hopper Override Update Report.

Voucher In/Voucher Out

Each day accounting or auditing personnel shall:

1. For each cashier window and voucher redemption machine, foot the validated jackpot/cashout vouchers and trace to the Vouchers Redeemed by Cashier Report.
2. Examine 25 jackpot/cashout vouchers for completeness and regulation compliance.
3. Trace the "Voucher In" amount by machine and in total from the Voucher/Coupon Meter Change Report to the "Machine Total" and "Voucher Total" on the Vouchers Redeemed at Slot Machines Report. Investigate and document any differences.
4. Trace the "Voucher Out" amount by machine and in total from the Voucher/Coupon Meter Change Report to the "Machine Total" and "Voucher Total" on the Vouchers Created at the Slots Report. Investigate and document any differences.
5. For 25 machines on the Vouchers Created at the Slots Report, review all jackpot/cashout vouchers for continuous sequencing by machine. Additionally, verify that the beginning voucher number follows in sequence from the prior day's report. Documented follow-up is to be performed if any sequence errors are found.
6. Review all voids for propriety and regulation compliance. Ensure that all voided vouchers appear on the Void Voucher Report.
7. Balance the voucher reports for each day to verify the Vouchers Liability Report "Report Total" "Amount" as follows:
 - Voucher Liability Report total (previous day)
 - + Vouchers Created at the Slots Report (current day's totals)
 - Vouchers Redeemed at Slot Machines Report (current day's totals)
 - Vouchers Redeemed by Cashier Report (current day's totals)
 - Void Voucher Report (current day's totals)
 - Vouchers Expired at Slot Machine Only Report (current day's totals)
 - = Voucher Liability Report total (current day)
8. Once vouchers begin to expire examine the Vouchers Expired at Slot Machine Only Report to ensure that the date of the voucher falls within the configured time limitations. The maximum allowable limitation is sixty days.

Weigh Scale Interface

1. Coin room key employees should provide close supervision of all weigh and wrap personnel.

2. Accounting or auditing personnel shall compare the total drop by machine on the weigh scale tape to the “Drop” totals recorded on the Drop Edit By Zone/Location. Any discrepancies should be resolved prior to the generation/distribution of the slot statistical reports. Follow-up performed must be documented for subsequent Board review.

Soft Count

1. The count of the vouchers must be performed in the count room in compliance with currency acceptor drop and count standards.
2. Manually count the number of vouchers removed from the bill validator drop box for 25 slot machines on-line with the Bally ACSC system.
3. Trace totals from the manual count, by machine, to the Cummins Batch Report. Document any variances for accounting review. Investigate and document any differences.
4. Review the Voucher Drop Adjustments and the Voucher Drop Exception Report for propriety of transactions.

Player Tracking

1. Slot department key employees should provide close supervision of slot booth personnel and the personnel responsible for the inputting of customer information and the redeeming of points for player tracking.
2. Slot department employees should ensure that customers fully understand the operation of the player tracking promotion.
3. Each day accounting or auditing personnel shall:
 - a. Foot all points-redeemed documentation and trace to the total “Cash Withdrawn” on the Patron Incentive Cash Daily Summary report.
 - b. Review all points-redeemed documentation for propriety.
 - c. Review the Patron PPS Adjustment Audit for large or unusual adjustments (i.e., a large number of points credited to a patron's account, changes in card reader values, deletions of members, etc.). Any follow-up which is performed is to be documented for Board review.
 - d. Foot the Patron Account Balance Summary report to arrive at a total outstanding account balance. Reconcile the total account balance (prior day's balance + total “cash earned” – total “cash withdrawn” from the Patron Incentive Cash Daily Summary).

eBonus

1. Slot department employees should ensure that customers fully understand the operation of the eBonus promotional credits promotion.

Each day accounting or auditing personnel shall:

- a. Reconcile the Earned/Un-Rewarded Promotional Credits Liability Report as follows:

$$\begin{aligned} & \text{Earned/Un-Rewarded Promotional Credits Liability Report – total} \\ & \text{“Available” (previous day)} \\ + & \text{ eBonus Credits Earned (current day’s totals)} \\ - & \text{ eBonus Credits Issued (current day’s totals)} \\ - & \text{ eBonus Credits Expired (current day’s totals)} \\ \\ = & \text{ Earned/Un-Rewarded Promotional Credits Liability Report – total} \\ & \text{“Available” (current day)} \end{aligned}$$

- b. Examine the eBonus Credits Expired report to ensure that the promotional credits expire within the proper time period.

Statistical Reports

1. Trace the “Coin In” amount by machine from the Meter Edit – Full Detail Report to the “Coin In” column on the Slot Analysis report. Investigate and document any differences.
2. Trace the total “Amount” column on the Vouchers Created at the Slots Report less the total “Amount” column on the Void Voucher Report to the total “Dollar Value” column on the Cash Vouchers Applied to Win Report.

Note: The Cash Vouchers Applied to Win Report does not adjust for voided vouchers that were issued on a previous day other than the current audit day. For vouchers of this type, an adjustment must be made to revenue for the date the voucher was issued or as a line item on the NGCB tax return.

3. Trace the “Dollar Value” total from the Cash Vouchers Applied to Win Report to the “Vouchers Out” grand total on the Slot Analysis report. Investigate and document any differences.
4. Trace the “Total Jackpot \$” grand total on the Manual Jackpot Edit report to the “Jackpots” grand total on the Slot Analysis report. Investigate and document any differences.
5. Trace the grand total “Total Fill \$” amount on the Hopper Transaction Edit to the grand total “Hoppers” amount on the Slot Analysis report. Investigate and document any differences.

6. Trace the "Total \$ Count" on the Validator Drop Edit plus the grand total "Drop" amount on the Drop Edit By Zone/Location report to the "Grand Totals" "Dropped Drop" on the Slot Analysis report (generated based on drop and to **exclude** non-cashable credits). Investigate and document any differences.
7. On a sample basis verify the clerical accuracy of the actual hold percentage and the floor par percentage computation for the Day, Week, Month, QTR, Year, and 2 Year periods by individual machine on the Slot Analysis report.
8. Once during the trial period, for the 5 multi-game machines in the sample on the Multi-Game/Denomination Slot Analysis Report:
 - a. Verify the accuracy of the "Theor. Win \$" calculation for each active payable.
 - b. Foot the "Coin in \$" column and the "Theor. Win \$" column for each multi-game in the sample.
 - c. Recalculate the weighted average "Theor. Hold %" for each multi-game in the sample by dividing the total "Theor. Win \$" amount by the total "Coin In \$" amount.

General

1. On a sample basis, such that each report is verified at least once, foot the system generated reports to verify the clerical accuracy of the reports.
2. Slot department employees should ensure that all patrons utilizing the Bally ACSC cashless wagering system fully understand its operation. The posting of detailed instructions is recommended.
3. Vouchers that are redeemed by employees must be validated through the Bally ACSC system prior to payment being made to the customer.

NOTE: An employee may not verify the validity of a voucher by inserting it into a slot machine bill validator.
4. Maintain a log of system problems occurring during the trial period (i.e., any problems relating to the functioning of the system, incorrect calculations, etc.). This log is to include, at a minimum, the date, description of the problem and the initials of the person recording the information.
5. Maintain a log of customer complaints, if any, regarding the Bally ACSC on-line slot metering system and cashless wagering system including the date, time, description of the complaint and the names of the individuals involved.
6. The Bally ACSC on-line slot metering system and cashless wagering system components must be installed in a secured location with access permitted to

authorized personnel only (i.e., controller, casino manager, slot manager) in accordance with Information Technology MICS #1.

7. Pursuant to Regulation 6.110(11), wagering credit cashouts to vouchers must be reported on the NGC tax reports on an accrual basis (deduct all vouchers printed). Any wagering vouchers that remain unredeemed after 60 days must be added to gross gaming revenue at that time.
8. Accounting shall maintain all jackpot/fill slips, cashout vouchers, computer-generated reports, and computer storage media in accordance with Regulation 6.040(1). Also maintain documentation evidencing the performance of all trial procedures (logs, checklists, calculator tapes, etc.).
9. Perform any other procedures necessary to ensure that employees are complying with documented internal control procedures and NGCB regulations.

You must coordinate the start date of the trial with the Technology Division. Trial procedures must then be performed for a minimum of thirty days. The trial procedures should be performed in a timely manner and must be completed within two weeks of the end of the thirty day trial. All trial period procedures must continue to be performed until you receive the Board's authorization to do otherwise.

Weekly, you are required to provide the Technology Division with a report outlining any variances and their resolution. Additionally, the report should identify any issues, discrepancies, or concerns related to the performance of the system. This trial may be suspended at any time should functional problems occur.

In the event that you do not go on-line with the system within six months of the date of this letter, the authorization to install the system is automatically revoked.

Contact Senior IT Auditor Thomasina Fremont at (702) 486-2146 or Senior Engineer Jim Barbee at (702) 486-2240 if you have any questions regarding the review process or the requirements detailed in this letter.

Sincerely,

Travis Foley
Lab Manager

TF/TSF:wb

Attachment

cc: Mark A. Clayton, Board Member

Joe Bertolone, Chief, Technology Division