

Auditor's Name and Date

SLOTS
General Walk-Through
Limited Procedures

Licensee _____ Review Period _____

Note: As addressed in the Internal Audit Guidelines, this checklist is only completed by an internal audit department when the CPA utilizes internal audit to substitute for CPA work and the internal auditor meets the specified criteria (as addressed in the CPA MICS Compliance Reporting Requirements). The CPA MICS Compliance Checklist – All Procedures is completed for the other six-month period of the licensee’s business year.

NGC Regulation 6.090(9) requires the CPA to use “criteria established by the chairman” in determining whether a Group I licensee is in compliance with the Minimum Internal Control Standards (MICS). This checklist is to be used by the CPA in determining whether the licensee’s slots operation is in compliance with the Slots MICS.

Date of Inquiry	Person Interviewed	Position

Checklist Completion Notes:

- 1) Unless otherwise instructed, examine a completed document for compliance for those questions referring to records/documentation as indicated and recalculate where appropriate. Indicate (by tickmark) whether the procedures were confirmed via examination/review of documentation, through inquiry of licensee personnel or via observation of procedures. Tickmarks used are to be defined at the bottom of each page.
- 2) All "no" answers require referencing and/or comment, and should be cited as regulation violations, unless adequate alternative procedures exist (i.e., approval of alternative procedure granted by the Board Chairman, including computerized applications) or the question requires a "no" answer for acceptability. All “N/A” answers require referencing and/or comment, as to the reason the MICS is not applicable.
- 3) "(#)" refers to the Minimum Internal Control Standards for Slots, Version 8.

Minimum Internal Control Standard Notes

- Note 1: The controls in effect for participation slot machines will provide at least the level of control described by these MICS.
- Note 2: One slot route operator’s employee may be used to fill the employee requirements except in a supervisory capacity.
- Note 3: For all licensees, employees participating in the drop and/or count at the licensed location must have registered pursuant to Regulation 5.105. Also, drop and/or count team members may be employees of an affiliate gaming operation or corporate employees as long as the drop/count members have registered as gaming employees for the licensed location where the drop/count is being performed.
- Note 4: For any Board-authorized computer applications, alternate documentation and/or procedures which provide at least the level of control described by these MICS as determined by the Audit Division will be acceptable, and a MICS variation pursuant to Regulation 6.090 will be unnecessary.

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Note 5: As used in these MICS, the following terms have the same meanings as delineated in Regulation 5.220, Regulation 5.225, Regulation 14.010 and the Regulation 14 Technical Standards ("TS"), as applicable:

- System based game ("SBG") [Regulation 1.172]
- System supported game ("SSG") [Regulation 1.174]
- Mobile gaming system ("MGS") [Regulation 5.220]
- Mobile communications device ("MCD") [Regulation 5.220]
- Socket ID [TS 1.010]
- Wagering account [Regulation 5.225(1)(d)]
- Cashless wagering system ("CWS") [Regulation 14.010(2)]

Note 6: As used in these MICS, any reference to "SBG" includes MGS unless MGS is specifically addressed in the MICS. Any reference to "slot machine" refers to a conventional gaming device, a client station used with SSG, or a client station used with SBG that is installed on the casino floor equipped with a bill validator and voucher printer. A reference to "socket ID" connotes the MICS is applicable to SBG client stations and mobile communication devices, and is generally used for those standards that address the accumulation, recording, and reporting of meter information and wagering account transfer data by SBG socket (and all SBG and MGS client stations accessing the socket) and not by slot machine.

Note 7: As used in these MICS, the term "TS3 OSMS" means an approved on-line slot metering system that satisfies the requirements of Regulation 14 Technical Standard 3. The term "non TS3 OSMS" means an approved on-line slot metering system that does not satisfy the requirements of Regulation 14 Technical Standard 3.

Note 8: As used in these MICS, the term "paytable" is used to identify a game and its related payout schedule unless otherwise specified.

Note 9: Electronic funds transfers from a financial institution to a slot machine, or a SBG game server, are not permitted unless the licensee specifically receives Board approval to have such transfers.

Note 10: As used in these MICS, the term "4% spread payable" means a payable with a difference in theoretical hold percentage exceeding 4 percent for single-coin play versus maximum-coin play (i.e., one coin, two coins, etc.)

Note 11: These MICS apply to any Board-authorized inter-casino linked system. However, the operator of the inter-casino linked system and the licensee may share the responsibility for compliance, with some procedures performed by the licensee and other procedures performed by the operator of the inter-casino linked system. The procedures which the operator of the inter-casino linked system will perform are to be delineated as such within the slots section of the written system of internal control pursuant to Regulation 6.090.

Note 12: A "signature" on a document provides evidence of the person's involvement and/or authorization of the intentions reflected in this document. It is typically in the form of a stylized script associated with a person. The stylized script "signature" may include the first letter of the person's first name along with the person's full last name. The "initials" of the person would not meet the requirement of a "signature".

Note 13: As used in these MICS, the term "WAT" means wagering account transfer. "WAT in" means amounts wagered by the patron and/or transfers to a game/gaming device pursuant to Regulation 5.225(12) and "WAT out" means amounts won by the patron and/or transfers from a game/gaming device pursuant to Regulation 5.225(11).

Note 14: If the slot department utilizes wagering accounts and is the designated area of accountability, compliance with cage and credit MICS for wagering accounts is required. Such procedures are delineated within the written system of internal control pursuant to Regulation 6.090.

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Note 15: If the slot department utilizes wagering accounts, the written system of internal control pursuant to Regulation 6.090 must delineate procedures describing how WAT in and WAT out transactions in the wagering account system are integrated and recorded by the slot system.

Questions	Yes	No	N/A	Comments, W/P Reference
1. Has the licensee's written system of internal control for slots been read prior to the completion of this checklist to obtain an understanding of the licensee's slots operation and does the system of internal control delineate the procedures as may be required by any of the Slot Notes #1 - #15?				
<u>Jackpot Payouts, Slot Fills, Short Pays, Cancelled Credit Payouts, Promotional Payouts, Drawings and Giveaway Programs</u> Note: Promotional payouts are supplemental payouts which are not reflected in the slot machine payable. (Note before 58)				
Testing of fill forms and all types of payout forms is required for Questions 2 – 4, as applicable. Select all payout and fill forms (with a maximum of 10 for payout forms and 5 for fill forms) per day for 2 days. Test days should be in non-consecutive months. Indicate test dates selected and results of testing.				
2. For jackpot payouts, short pays exceeding \$10, payouts of cancelled credits, and slot fills, is the payout form/documentation a minimum of two-parts? (58) And does the form/documentation include the following:				
a) Date and time? (58a)				
b) Slot machine number or, for SBG, the socket ID number? (58b)				
c) Dollar amount of the cash payout or slot fill (both alpha and numeric), or a description of the personal property awarded? (58c) Note: The alpha amount is optional if another unalterable method is used for evidencing the amount of the payout or fill. (58c, Note)				
d) Game outcome (e.g., reel symbols, video poker winning hand, etc.) for jackpot payouts only? (58d) Note: Stating "multi-line payout" is adequate as the game outcome recorded on the jackpot payout form. (58d, Note)				

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e) Signatures of at least two employees verifying and witnessing the payout or fill? (58e) Note: Only one individual is required to witness, verify, and complete certain transactions when the specific circumstances of MICS #66, Note 3 apply. (58e, Note)				
f) Preprinted or concurrently-printed sequential number? (58f)				
g) The type of payout (e.g., jackpot, fill, cancelled credits, short pay, external bonus, and external progressive)? (58g)				
3. Do payouts over a predetermined amount not to exceed \$50,000 require the signature and verification of a supervisor or management employee independent of the slot department and is the predetermined amount authorized by management and delineated within the slot department section of the written system of internal control? (59) State the amount and who must authorize. Verify compliance with written system of internal control.				
4. For short pays of \$10 or less paid from an employee's bank and not paid from a slot machine's hopper, does the payout form or log, which can be a single-part form, include <ul style="list-style-type: none"> • the date and time; • the slot machine number; • the dollar amount of the payout (both alpha and numeric); • the signature of the employee making the payout; and • the reason for the payout (e.g., short pay)? (60a-e) Note: For the dollar amount of the payout, alpha is optional if another unalterable method is used for evidencing the amount of the payout. (60c, Note)				
5. Are the conditions for participating in promotional payouts, including drawings and giveaway programs, prominently displayed or available for patron review at the licensed location? (61) Verify by observation.				

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Testing of promotional payout documentation is required for Question 6, as applicable. Select all promotional payout documentation (maximum of 10 payouts) per day for 2 days. Test days should be in non-consecutive months. Indicate test dates selected and results of testing.				
6. Are promotional payouts, including those as a result of drawings and giveaway programs, that are either deducted from gross gaming revenue, or are greater than or equal to \$500 and not deducted from gross gaming revenue, documented on a slot payout form, prepared at the time of the payout, and does the payout form include the following:				
a) Date and time? (62a)				
b) Slot machine number or, for SBG, socket ID number when the payout is associated with specific slot play? (62b)				
c) Dollar amount of payout or description of personal property (e.g., jacket, toaster, car, etc.)? (62c)				
d) Reason for payout (e.g., double jackpots, four-of-a-kind bonus, etc.)? (62d)				
e) Signature(s) of the following number of employees verifying, authorizing, and completing the transaction with the patron: i) two employees for all payouts of \$100 or more that are deducted from gross gaming revenue; ii) one employee for payouts of less than \$100 that are deducted from gross gaming revenue; or iii) one employee for payouts of \$500 or more that are not deducted from gross gaming revenue? (62e1-3) Note: For the forms requiring two signatures, only one signature is required on the payout form for an approved computerized system that validates and prints the dollar amount of the payout on a computer-generated form. (62e1, Note)				
f) Patron's name (for drawings only)? (62f)				

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Note: MICS #62 documentation may be prepared by an individual who is not a slot department employee as long as the required signatures are those of the employees completing the payout with the patron. (62f, Note)				
7. If the promotional cash (or cash equivalent) payout is less than \$500 and is not deducted from gross gaming revenue, is documentation created to support the decrease in bank accountability? (63) Note: Required documentation may consist of a line item on a slot or cage accountability document (e.g., "43 \$10 slots cash giveaway coupons = \$430"). (63, Note)				
8. When a sequentially-numbered payout form is voided, does the employee completing the void clearly mark "void" across the face of the form, sign adjacent to the void indication and submit all parts of the payout form to the accounting department for retention and accountability? (64)				
9. Are payouts that are recorded on a manual payout form, including jackpots, fills, cancelled credits, short pays in excess of \$10 and promotional payouts in excess of \$100 that are deducted from gross gaming revenue, controlled and completed in a manner that precludes a custodian of funds from altering the dollar amount on all parts of the payout form subsequent to the payout and misappropriating the funds? (65) Describe the procedures that would prevent the custodian of funds from altering all parts of the payout form and misappropriating the funds.				

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<p>10. Are computerized and manual payouts, including jackpots, fills, cancelled credits, short pays in excess of \$10 and promotional payouts in excess of \$100 that are deducted from gross gaming revenue, controlled and completed in a manner that precludes any one individual from initiating and producing a fraudulent payout form, obtaining the funds, forging signatures on the payout form, routing all parts of the form and misappropriating the funds? (66)</p> <p>Note 1: For jackpot payouts of \$1,200 or more completed with an approved computerized slot payout system, two individuals must be physically involved in verifying and witnessing the payout. If an individual is allowed to add or edit the dollar amount of any jackpot payout by more than \$1 in the computerized slot payout system, two individuals must be physically involved in verifying and witnessing the payout as described in Note 2, below. (66, Note 1)</p> <p>Note 2: Acceptable procedures in meeting the requirements of this standard include the following:</p> <ul style="list-style-type: none"> a. The funds are issued either to a second verifier of the payout (i.e., someone other than the individual who generated/requested the ticket) or to two individuals concurrently (i.e., the generator/requestor of the form and the verifier of the payout) and both individuals witness the payout, or b. The routing of one part of the completed form is under the physical control (e.g., dropped in a locked box) of an individual other than the individual that obtained/issued the funds and the individual that obtained/issued the funds must not be able to place the form in the locked box, or c. Some other procedure which provides at least the same level of control as provided by (a) or (b) above. (66, Note 2) 				<p>Indicate method used in "Note 2" to accomplish compliance with this standard for each of the following types of payouts (indicate a, b or c):</p> <p>Computerized*: _____</p> <p>Overrides: _____</p> <p>Manuals: _____</p> <p>If method "c" is used, write a description of the procedures used to ensure compliance.</p> <p>* - Pursuant to "Note 3", computerized <u>jackpots</u> can be witnessed, verified and completed by one person in some situations. Does the licensee allow this in the situations indicated? Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>. If yes, the method indicated above applies to all but these situations.</p>

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<p>Note 3: As referred to at MICS #58e, only one individual is required to witness, verify, and complete the following transactions:</p> <ul style="list-style-type: none"> • For jackpot payouts completed with an approved computerized slot payout system, when the computerized slot payout system validates, initiates, and prints the dollar amount of the jackpot payout on the form for jackpot payouts less than \$1,200. • For cancelled credits or jackpot payouts for less than \$1,200 manually paid during the time period the CWS or the computerized slot payout system is inoperative, when the TS3 OSMS connected and communicating with the slot machine reflects the meter payout transaction in slot performance reports pursuant to MICS #134a. Audit/accounting personnel must review for any variances when comparing the manual payouts made to the payouts recorded by the attendant paid meters as required by MICS #135 and #136. (66, Note 3) 				
<p>11. For computerized systems, test the computer system, if possible, to further evaluate compliance with MICS #66. Do the results of any such tests indicate that the system achieves compliance with MICS #66. Document any test(s) performed and the results of the test(s) performed.</p> <p>Note: Consider performing any or all of the following tests in addition to any other tests that may be deemed appropriate:</p> <ol style="list-style-type: none"> a. After determining what individual(s) have access to the system to print a payout form, have this/these individual(s) attempt to generate a payout form for a slot machine that does not need one. If the system does not prevent this, you may need to evaluate it as a manual system. b. If the procedures for overrides rely on the system requiring two passwords or swipe cards being used at the machine, test the system to ensure that the system does require this. c. If one person is allowed to witness, verify, and complete a computerized <u>jackpot</u> pursuant to Note 3 of MICS #66, test the system to ensure that the system will not allow the jackpot amount to be changed by more than \$1. 				

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<p>Slot Fill Cabinets</p> <p>The following questions apply when a slot fill cabinet containing funds for one hopper fill for only one specific slot machine is maintained. The slot fill cabinet is typically located next to the drop cabinet of the slot machine.</p> <p>Note: MICS #67 - #70 apply when fill bags are maintained in a slot fill cabinet that is used to replenish the slot machine hopper when empty. (Note before 67)</p>				
12. Does a fill bag transfer from a slot fill cabinet to a slot machine's hopper require one of the following:				
a) The involvement of two persons and the completion of a fill form when the funds are placed in the slot machine's hopper? (67) or				
b) The involvement of only one person if an on-line computerized system records and generates a report indicating the person's name, date, time and purpose for each opening of the slot fill cabinet door, and a computerized slot payout system initiates and validates the fill transaction and prints the dollar amount of the fill on the computerized payout form? (67, Note)				
13. Do slot fill cabinets contain funds for only one hopper fill for only one specific slot machine and is the dollar amount in the fill cabinet either capitalized in the accounting records as part of the slot machine hopper load account or is it included in the slot or cage department accountability? (68) Verify by examination.				
14. Do fill bag transfers from the cage or slot booth to the slot fill cabinet require the physical involvement of two persons to witness and verify the funds being placed into the slot fill cabinet even when an on-line computerized system monitors access to the slot fill cabinet? (69)				
<p>Note: The transfer of fill bags from the cage or booth to the slot fill cabinet is not a fill transaction that requires the completion of a fill form. (69, Note)</p>				

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b) Do supervisory personnel approve payment of wagering instruments in excess of an amount determined by management (not to exceed \$10,000) by signing, dating and writing/stamping with a paid designation on the wagering instrument? (73) Indicate the supervisory personnel approving the payment and the dollar amount.				
c) Is the threshold dollar amount delineated in the internal control system? (73) Indicate threshold amount. Verify compliance with written system of internal control.				
20. Are the following procedures performed when a wagering instrument in excess of \$100 cannot be validated (scanned) for payment through the CWS other than because of a system failure (i.e., lost, stolen, mutilated or expired wagering instruments):				
a) Are they approved by supervisory personnel by signing, dating and writing/stamping with a paid designation on the wagering instrument? (74)				
b) Is the amount of the payment also recorded on the instrument if the pre-printed amount is not legible? (74)				
c) If an instrument is not available, is a document prepared evidencing the approval and the above required information along with the instrument's validation number, if available? (74)				
d) Prior to such payments, do supervisory personnel review the applicable slot play transaction history or other cashless wagering system records to verify the validity of the wagering instrument? (74)				
e) Is the payment of the wagering instrument entered into the cashless wagering system by cage/slot/accounting employees immediately, as applicable? (74)				
21. In the event of a system failure:				
a) Do supervisory personnel approve the payment of wagering instruments in excess of an amount determined by management (not to exceed \$500) by signing, dating and writing/stamping with a paid designation on the wagering instrument? (75) Indicate the supervisory personnel approving the payment and the dollar amount.				

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CPA MICS Compliance Checklist

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b) Prior to such payments do the supervisory personnel review the slot play transaction history or any other similar method to verify the validity of the wagering instrument? (75)				
c) Is the payment of the wagering instrument entered into the cashless wagering system by cage/slot/accounting employees when the system resumes operation? (75)				
d) Is the dollar amount threshold determined by management delineated within the slots section of the written system of internal control? (75) Indicate threshold amount. Verify compliance with written system of internal control.				
22. For wagering instruments paid during a period of system failure that do not require supervisory approval for payment when paid, are the instruments written/stamped with a paid designation, signed by the cashier and noted with the date paid, and is the payment of the wagering instrument entered into the cashless wagering system by cage/slot/accounting personnel when the system resumes operation? (76)				
23. Are unredeemed wagering instruments only voided in the cashless wagering system when the instrument is available and when voided by employees independent of the slot department, does the employee completing the void enter the void into the CWS and clearly mark "void" across the face of the instrument, date and sign the face of the instrument and does the accounting department maintain the voided wagering instrument? (77)				
24. Are wagering instruments found by employees held in a secure location until claimed by a patron or until such time as the instruments expire or are paid? (78)				

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<p><u>Payout Receipt Systems</u></p> <p>Note: A payout receipt system issues a receipt/report for cancelled credits that may not be rewaged and is therefore not a cashless wagering system. Some systems print a receipt only at the slot machine, while others only print a report at a printer station that is located within a cashier's area (including cage, booth, change banks, etc.) (Note before 79)</p>				
25. Prior to making a payment on a payout receipt, does the cashier verify the validity of the payout through the payout receipt system? (79)				
26. In the event of a system failure, do supervisory personnel approve the payment of payout receipts in excess of an amount determined by management (not to exceed \$500) by signing the payout receipt and is the dollar amount threshold determined by management delineated within the slots section of the internal control system? (80) Indicate the supervisory personnel approving the payment and the dollar amount. Verify compliance with written system of internal control.				
27. Are payout receipts paid during a period of system failure without system validation entered into the payout receipt system when the system resumes operation? (81)				
28. For systems that generate payout receipts at the slot machine, is the payout receipt exchanged for funds and then placed in the cashier's bank for shift-end reconciliation purposes? (82b) Note: For these types of systems the validity of the payout need not be verified at the slot machine. (82a)				
29. Are the following procedures performed for systems that generate a report at a printer station in a cashier's area:				
a) Is the validity of the payout verified by examining the slot machine? (83a)				
b) Is the slot machine not placed back into play through the use of an automatic or remote controlled reset device unless the cashier's area is immediately adjacent to the device and the validity of the payout can be determined by examining the slot machine from the cashier's area? (83b)				

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c) Are the funds transported from the cashier's area to the slot machine by the employee that verifies the validity of the payout or does the employee verifying the validity of the payout escort the patron to the cashier's area so that the patron may receive the funds? (83c)				
d) Is the report used for shift-end reconciliation procedures? (83d)				
Slot Performance – Slot Analysis Report				
Testing is required for Questions 30 – 39, as applicable. Select the most recent year-to-date slot analysis report. Indicate the year-to-date slot analysis report selected.				
30. Is a slot analysis report generated at least monthly summarizing month-to-date, year-to-date, and, if practicable, life-to-date slot machine/socket ID performance? (116) Note: "Life-to-Date" represents at least a previous two-year cumulative basis. (116b, Note 2)				
31. Does the slot analysis report referred to above include the following:				
a) By slot machine/socket ID:				
i) Denomination or an indication that the slot machine/socket ID is multi-denomination? (116a1)				
ii) Slot machine/socket ID number and game type? (116a2) Note: "Game type" is a code (or abbreviation) associated with a specific game. For multi-game slot machines, the code is "MG". For a SBG, the code is "SBG". (116a2, Note)				
iii) Coin-in? (116a3)				
iv) Metered or actual drop (system configurable)? (116a4)				
v) Actual jackpot payout slips issued? (116a5)				
vi) Actual fill slips issued? (116a6)				
vii) Statistical win? (116a7)				

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viii) Theoretical hold percentage? (116a8)				
ix) Actual hold percentage? (116a9)				
x) Percentage variance (theoretical hold vs. actual hold)? (116a10)				
xi) Projected dollar variance (i.e., coin in times the percentage variance)? (116a11)				
b) By denomination and in total:				
i) Floor par (weighted average theoretical hold)? (116b1)				
ii) Combined actual hold percentage (all statistical win divided by all coin in)? (116b2)				
iii) Percentage variance (floor par vs. combined actual hold percentage)? (116b3)				
iv) Projected dollar variance (i.e., total coin in times the percentage variance)? (116b4)				
32. Regarding the information noted in the previous question:				
a) Does the actual hold equal the dollar amount of the slot machine's statistical win divided by the dollar amount of coin-in? (116b, Note 1)				
b) Does the slot machine's statistical win represent all drop and payout activity occurring through the gaming device regardless of whether the activity is subject to gross gaming revenue taxation? (116b, Note 1)				
c) Does the wagering activity recorded on the coin-in meter of the slot machine/socket ID include all cashable and non-cashable credits wagered? (116b, Note 1)				
d) Does the payout activity represent only slot machine payouts associated with the manufacturer's payable and do jackpot payouts (as defined by Regulation 1.140) and fills recorded in the slot analysis report include promotional payouts and/or bonus payouts only when the payouts are reflected on the payable and included in the calculation of the theoretical hold percentage? (116b, Note 1)				

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<p>e) Does the drop activity for slot machines/socket IDs recorded in the slot analysis report include all amounts placed into bill acceptors (e.g., free play wagering instruments accepted by the bill validator of the slot machine are included in the drop amount), coin in drop buckets and electronic money transfers made to the gaming device for wagering purposes (drop as defined by Regulation 1.095) and is the slot analysis report configured for drop to match the method used to report gaming revenue for tax purposes (metered or actual)? (116b, Note 1)</p> <p>Note: As a result of (d) and (e) above, the slot machine statistical win recorded in the slot analysis report may not equal the amount of win reported on the NGC tax returns. (116b, Note 1)</p>				
<p>f) Are floor pars the sum of the theoretical hold percentages of all slot machines/socket IDs within a denomination weighted by coin in contribution? (116b, Note 3)</p>				
<p>g) Is one report generated which includes all slot machines/socket IDs including the slot machines not communicating with a TS3 OSMS? (116b, Note 4)</p> <p>Note: For SBG and/or MGS, a separate section of the report with applicable subtotals or, alternatively, a separate report may be generated. (116b, Note 4)</p>				
<p>h) When a TS3 OSMS is utilized, is “multi-denomination” a separate denomination category in the slot analysis report? (116b, Note 5)</p> <p>Note: When a TS3 OSMS is not utilized, multi-denomination slot machines may be grouped in any denomination as appropriate. (116b, Note 5)</p>				
<p>33. Are the gaming devices located in a gaming salon readily identifiable on the slot analysis report so that a separate slot analysis report may be generated, if requested, for those slot machines/socket IDs? (117)</p> <p>Note: MICS #117 does not apply to MCDs used in gaming salons. (117, Note)</p>				

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<p>34. Are the theoretical hold percentages used in the slot analysis reports within the performance standards set by the manufacturer and do they not include any other fees (e.g., a percentage payment to operators of inter-casino linked slot machines)? (118)</p> <p>Note 1: The optimum hold percentage may be used for video skill based game paytables. (118, Note 2)</p> <p>Note 2: For the initial placement of slot machines on the floor, a simple average of the theoretical hold percentage for the activated paytables of the multi-game and/or multi-denomination slot machine may be used in the slot analysis report. The simple average of the theoretical hold percentage will be replaced with the weighted average theoretical hold percentage as required by MICS #106(c) at the end of the fiscal year. (118, Note 3)</p> <p>Note 3: For a new multi-game and/or multi-denomination slot machine placed on the floor with the same payable mix as a pre-existing slot machine type that has already been adjusted to a weighted average hold percentage, a simple average or a weighted average theoretical hold percentage may be used. (118, Note 4)</p>				
<p>35. For single payable slot machines with identical game programs, is the theoretical hold percentage used for like slot machines in the slot analysis reports the same theoretical hold percentage and when a range of theoretical hold percentages is provided by a manufacturer for a single payable, is the theoretical hold percentage used consistent among slot machines? (118, Note 1)</p>				
<p>36. Does the theoretical hold percentage used in the slot analysis report represent the theoretical performance of the payable and does it exclude promotional payouts and bonus payouts not included in the payable? (119) Describe how promotional payouts and bonus payouts are handled.</p>				
<p>37. For other than SSG/SBG:</p>				
<p>a) Does each change to a slot machine's theoretical hold percentage, including adding and/or changing progressive percentage contributions, require the use of a new theoretical hold percentage (see MICS #104 - #106 regarding a multi-game and/or multi-denomination slot machine's theoretical hold percentage)? (120)</p>				

Verified per representation.
Verified per observation/examination.

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b) When changes as referred to above are made, is the slot machine treated as a new slot machine in the slot analysis reports with a new theoretical hold percentage (i.e., not commingling various hold percentages)? (120)				
c) For multi-game and/or multi-denomination slot machines, is a new slot machine considered to exist when the entire library of paytables within a slot machine is replaced with a new library of paytables (e.g., EPROM chip type is replaced with a different EPROM chip type) and is a new slot machine number assigned in such cases? (120, Note 1)				
d) Is a new slot machine number not assigned when a new par percentage is used in the slot analysis reports that is the result of a correction of an inaccurate par percentage? (120, Note 2)				
e) Is a new slot machine number not assigned when changing a mix of paytables offered for patron play within the same library of paytables (i.e., on the same EPROM chip)? (120, Note 3)				
38. For a SSG:				
a) Does each change to a slot machine's theoretical hold percentage, including adding and/or changing progressive percentage contributions, require the use of a new theoretical hold percentage? (121)				
b) When changes as referred to above are made is the slot machine treated as a new slot machine in the slot analysis reports with a new theoretical hold percentage (i.e., not commingling various hold percentages) unless meter readings are taken to calculate a weighted average theoretical hold percentage for use in the slot analysis report in a manner similar to MICS #106? (121)				
c) For multi-game and/or multi-denomination slot machines, is a new slot machine number not assigned when paytables with metered activity remain stored on the slot machine? (121, Note 1)				

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d) Is a new slot machine number not assigned when a new par percentage used in the slot analysis reports is a result of a correction of an inaccurate par percentage? (121, Note 2)				
39. Are promotional payouts and/or bonus payouts, not reflected on the payable and/or not included in the calculation of the theoretical hold percentage not included in the slot statistical win for statistical performance purposes in the slot analysis reports? (122) Note 1: However, these payouts may be included in the slot analysis report as a separate disclosure for the calculation of slot win as reported in the NGC tax returns. (122) Note 2: Refer to "Note 1" of MICS #116 for further explanation. (122, Note)				
40. Are monthly slot analysis reports reviewed by both slot department management and management employees independent of the slot department on at least a monthly basis? (123)				
41. At a minimum, are large year-to-date variances, or life-to-date variances when there is insufficient coin-in activity resulting in large year-to-date variances, between the theoretical hold and actual hold by slot machine/socket ID and by denomination (including the multi-denomination category) investigated and resolved with the findings documented no later than 30 days after the generation of the slot analysis report? (124) Describe large variance criteria.				
42. For purposes of analyzing large variances between actual hold and theoretical hold percentages, is information to create floor par reports by similar slot machine type maintained? (125) Note 1: Type is defined as the manufacturer's game program number. (125, Note 1) Note 2: MICS #125 does not apply to slot machines that have multiple paytables with different theoretical hold percentages (i.e., multi-game and/or multi-denominational slot machines) and to SBG. (125, Note 2)				

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Questions	Yes	No	N/A	Comments, W/P Reference
<p><u>On-Line Slot Metering Systems</u></p> <p>Note 1: MICS #126 - #138 apply to licensees that have installed a "TS3 OSMS". Licensees with a Board-approved CWS that interfaces with a non TS3 OSMS only need to comply with MICS #134n, #135a and #136, instead of MICS #126 - #138. (Note 1 before 126)</p> <p>Note 2: For SBG, meter information is compiled by socket ID rather than by slot machine. (Note 2 before 126)</p>				
43. Does the licensee have a TS3 OSMS? (Note 1 before 126) If yes, complete the On-Line Slot Metering System Walk-Through Checklist and mark the remaining questions in this heading N/A.				
44. Does the licensee have a Board-approved CWS that interfaces with a non TS3 OSMS? (Note 1 before 126) If yes, answer the next three questions. If no, mark these as N/A.				
45. For slot machines dropped, is a CWS wagering instruments accepted vs. wagering instruments counted in the count room (e.g., vouchers and coupons) report produced and maintained? (134n)				
46. Regarding the previous question, are any variances noted for slot machines dropped, by slot machine/socket ID, in excess of one percent or \$100, whichever is greater, for each drop type (coin, bills, vouchers and coupons) reviewed by the accounting department? (135a)				
47. Are the results of the variance investigation required by the standard in the previous question, including the date of and personnel involved in the investigations, documented in the appropriate report and retained, do the results also include any corrective action taken (e.g., meter replaced, interface component repaired, software debugged, etc.), and is the investigation completed and results documented within seven days of the day the variance was noted? (136)				

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Questions	Yes	No	N/A	Comments, W/P Reference
<u>Slot Electronic Funds Transfers</u>				
Note: A debit instrument electronic funds transfer is a transfer of funds from an external financial institution to a slot machine through the use of a cashless wagering system. (Note before 153)				
48. Is only one specific bank account used to record all debit instrument electronic funds transfers into slot machines and is this account not used for any other types of transactions? (153) Verify by examination.			X	As of the date of this checklist, electronic funds transfers are not allowed pursuant to Regulations 14.260 and 14.290.
<u>Accounting/Audit Procedures</u>				
Review of documentation evidencing the performance of slot accounting/audit procedures is required. Select the appropriate documentation to determine that all required procedures are being performed.				
49. Are the slot audit procedures conducted by someone independent of the slot operation? (168)				
50. For a computerized player tracking system, does an accounting/audit employee perform the following procedures at least one day per quarter:				
a) Review all point addition/deletion authorization documentation, other than for point additions/deletions made through an automated process, for propriety? (169a)				
b) Review exception reports including transfers between accounts? (169b)				
c) Review documentation related to access to inactive and closed accounts? (169c)				
51. For weigh scale interface systems and currency counter interface systems, for each drop do accounting/audit employees compare the totals on the weigh scale report/currency counter report to the system-generated coin weigh/currency count recorded in the slot analysis report and are any discrepancies noted resolved prior to the generation/distribution of the slot count reports and the slot analysis report? (171)				

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Questions	Yes	No	N/A	Comments, W/P Reference
52. For licensees that have not installed a TS3 OSMS, at least weekly do accounting/audit employees compare the bill-in meter reading to the total currency acceptor drop amount for the week, is follow-up performed for each slot machine having an unresolved variance in excess of \$200 between actual drop and bill-in meter reading, is the follow-up performed by accounting/audit personnel, are the results of the investigation documented and maintained and are discrepancies resolved prior to the generation/distribution of the slot analysis reports? (172)				
53. Are the following procedures performed for payout receipt systems:				
a) For each drop period, are the actual payout receipts issued per the payout receipt system report reconciled to the slot voucher out meter by slot machine? (173)				
b) Is follow-up performed for any one slot machine having any unresolved variance between actual payout receipts issued and the voucher out meter reading? (173)				
c) Is the follow-up performed and the results of the investigation documented and maintained? (173)				
54. Daily, for SSG and SBG, does a minimum of one individual who is not authorized to add, delete or change game programs review the SSG/SBG report, required by TS 1.084(2) and 1.086(2), indicating the results of the automated execution in validating program components and are all noted invalid program components, improper transactions or unusual occurrences investigated with the results documented? (174) Note: For the above MICS, the individual performing the review is not required to be independent of the slot operation. (174, Note)				

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Questions	Yes	No	N/A	Comments, W/P Reference
<p>55. For other than a SBG, for licensees that utilize a TS3 OSMS or non TS3 OSMS (including licensees that use a metering system only to obtain coin-in meter readings), are procedures performed at least monthly to verify that the metering system is transmitting, receiving, and recording data from the slot machines properly for the following slot machine meters, as applicable to the operation:</p> <ul style="list-style-type: none"> • Coin-In • Coin-In by payable for multi-game and/or multi-denomination slot machines (only required if utilizing TS3 OSMS, see MICS #106) • Coin-In by wager type for 4% spread paytables (only required if utilizing a TS3 OSMS, see MICS #106)? (175) Indicate the meters reviewed. <p>Note: If the TS3 OSMS installed and being used obtains the weighted theoretical hold percentage for 4% spread paytables from the software of the game within the slot machine, the recording of the coin-in amount by wager type is not required. It is acceptable for the TS3 OSMS to obtain this weighted theoretical hold percentage from the slot machine's game software rather than having the TS3 OSMS calculate a weighted theoretical hold percentage. The TS3 OSMS report will indicate the total coin-in amount and the weighted theoretical hold percentage (obtained from the game software of the slot machine) for the 4% spread payable. (175, Note)</p>				
<p>56. Do the monthly procedures mentioned in the previous question include the following:</p>				
<p>a) Is a sample of at least 3 percent of the slot machines connected to the metering system selected for review with each slot machine interfaced with the metering system reviewed at least once during a two-year calendar period? (175a)</p> <p>Note: There is no requirement to review slot machines prior to being removed from patron availability even if the slot machines have not yet been reviewed during the current two-year period. (175a)</p>				

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Questions	Yes	No	N/A	Comments, W/P Reference
b) Are records maintained for each two-year calendar period indicating the date each slot machine was reviewed? (175a)				
c) For each slot machine selected are the electronic (soft) meters manually read and recorded? (175b)				
d) Are the manual readings compared to the metering system-generated readings report and are variances documented for metering systems that:				
i) Read the specific value indicated on the slot machine meters, compare the slot machine meter amounts to the meter amounts per the metering system to determine that the amounts agree? (175c1)				
ii) Have system meters (e.g., delta system), perform two readings of the slot machine meters, calculate the change in the meter readings between the two readings, and determine that both the system meters and the slot machine meters are incrementing by the same amount? (175c2)				
e) Are the test and the results of investigations into all variances documented, by slot machine? (175d)				
57. Quarterly, for each SBG socket ID, is the total coin-in and combined coin-in by payable reconciled, are unreconciled variances investigated and exceptions documented? (178)				
58. Quarterly, are procedures performed to verify the integrity of the CWS (e.g., ensure that vouchers are only being created by active slot machines on the floor), is the nature of the review delineated within the slots section of the written system of internal control; for the slot machines and socket IDs tested in MICS #175 and #176, is the sequential voucher exception report, if available, reviewed for breaks in the sequence or unusual activity; and are improper transactions or unusual occurrences investigated with the results documented? (179)				

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Questions	Yes	No	N/A	Comments, W/P Reference
59. Each month do accounting personnel review CWS documentation that supports the dollar amount of expired wagering instruments and is this dollar amount less any manually paid expired wagering instruments verified to be included in revenue on the NGC tax returns? (180) For one month review the documentation to verify that the proper dollar amount of expired wagering instruments has been included in the computation of revenue in the NGC tax return. Indicate the month/year reviewed and the results of the review.				
60. Is the CWS unpaid wagering instruments documentation, including wagering instrument numbers, restricted to authorized personnel? (180)				
61. If slot gross gaming revenue, as indicated on the NGC tax returns and the slot analysis reports, is reported on a modified accrual basis (e.g., coin/currency/wagering instrument drop is computed using coin drop, bill-in and voucher-in meters for those machines not dropped at the end of the month), are the following procedures performed:				
a) Is a TS3 OSMS or a non TS3 OSMS used to be in compliance with the Slots MICS? (181a)				
b) Is a report maintained that supports the end-of-month accrued metered drop dollar amount by machine/socket ID? (181b)				
c) During the following month, is an investigation performed for any currency acceptor with a variance in excess of one percent or \$100, whichever is greater, between the actual drop and the bill-in/voucher-in meter reading? (181c)				
d) During the following month, is an investigation performed for any one slot machine having a variance in excess of one percent or \$100, whichever is greater, between the actual coin drop and the coin drop meter readings? (181d)				
e) Are the NGC tax returns and the slot statistical reports adjusted the following month for variances between the reported/recorded accrued drop dollar amounts and the actual drop dollar amounts? (181e)				

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Questions	Yes	No	N/A	Comments, W/P Reference
f) At least monthly, do accounting personnel prepare a reconciliation report for all slot machines/socket IDs in total that reflects: actual drop for the current period, plus (+) accrued metered drop for the current period, minus (-) accrued metered drop from the previous period, equals (=) reported NGC-31 drop? (181f)				
62. Do accounting/audit employees review exception reports for all computerized slot systems on a daily basis for the propriety of transactions and unusual occurrences, and are all noted improper transactions or unusual occurrences investigated with the results being documented? (183) Note 1: The computerized slot systems include, but are not limited to, CWS, jackpot/fill system, SSG and SBG. (183) Note 2: An exception report is defined as a report generated by the computerized system identifying unusual occurrences, changes to system configuration parameters, alteration to initially recorded data, voids, etc. (183, Note)				
63. For one day each month, do accounting/audit personnel reconcile the dollar amount of active wagering instruments created that are reflected in the slot banks' accountability documents, and does the reconciliation include using documents and CWS reports supporting all additions and reductions of active wagering instruments to the appropriate accountability area? (184) Note: Active wagering instruments are wagering instruments (paper or electronic) created through the CWS (not a slot machine) for purposes of wagering at a slot machine. The active wagering instruments are issued to an accountability area for subsequent distribution to patrons. (184, Note)				
64. Are the following procedures performed by accounting personnel for each day:				
a) Are the following slot payout (including promotional payouts) and fill forms reviewed for proper completion:				
i) All computer payout and fill forms prepared as a result of a computer system override? (185a1)				
ii) All manual payout and fill forms? (185a2)				

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Questions	Yes	No	N/A	Comments, W/P Reference
iii) A sample of all computer payout and fill forms? (185a3)				
iv) All voided sequentially-numbered payout forms? (185a4)				
b) Are the slot payout and fill forms reconciled as follows:				
i) For a manual payout process, are the payout and fill forms routed by the witness of the transaction footed and traced to the total payout and fill amounts recorded by the cashier in cashier's accountability document? (185b1)				
ii) If the reconciliation performed results in a variance, is an investigation performed to determine whether all forms are accounted for with the investigation being documented? (185b2)				
iii) Are the accounting records used to prepare the NGC tax return verified to ensure that the correct total payout, fill, and WAT out amounts are recorded? (185b3)				
c) For one cashier, are the wagering instruments and/or payout receipts redeemed footed, and are the totals traced to the totals recorded in the system and to the amount recorded in the applicable cashier's accountability document? (185c)				
d) Are all parts of the form used for increases/decreases to bank accountability inventory (includes slot booths, change banks, and any other slot accountability areas) reconciled and are any variances noted investigated with the results of such investigations being documented? (185d)				
e) Are the following procedures performed using the count document completed by the count team members:				

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i) Is the dollar amount of the coin/currency drop proceeds on the count sheet reconciled to the dollar amount recorded in the applicable accountability document using, if applicable, the transfer forms indicating all transfers in/out of the hard and currency acceptor count room, both during and at the end of the count, and are any variances noted investigated and documented? (185e1)				
ii) Are the correct totals of coin/currency drop proceeds on the count sheet verified to the amount recorded in the accounting records used to prepare the NGC tax returns? (185e2)				
iii) Are the documents examined for propriety of signatures? (185e3)				
f) Is the dollar amount of WAT in and WAT out per the WAT by Gaming Area report reconciled to the accounting records used to prepare the NGC tax return, and are any variances noted investigated and documented? (185f)				
g) Are all single-use slot promotional coupons redeemed at booths, cages, etc. (i.e., coupons that cannot be accepted by a slot machine for wagering purposes) reviewed to ensure that they are properly canceled to prevent improper recirculation, and do accounting/audit personnel cancel such coupons if not previously performed by slot/cage personnel? (185g)				
h) Are issued, voided, and redeemed wagering instruments reconciled to the unpaid and expired wagering instruments dollar amount using the reports generated by the CWS; are any variances noted investigated and documented; and are the paid expired wagering instruments examined for proper authorization and documentation pursuant to MICS #74 and #75? (185h)				

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i) Is the dollar amount of debit instrument electronic funds transfers as recorded in the CWS reports reconciled to the dollar amount processed and recorded by the outside entity and to the dollar amount indicated in the bank account records? (185i)			X	As of the date of this checklist, electronic funds transfers are not allowed pursuant to Regulations 14.260 and 14.290.
j) Are verification procedures performed to ensure that the debit instrument electronic funds transfers recorded in the CWS reports did not exceed the daily transfer limit per debit instrument specified in TS 3.150(2), which is \$1,000? (185j)			X	As of the date of this checklist, electronic funds transfers are not allowed pursuant to Regulations 14.260 and 14.290.
k) Are verification procedures performed to ensure that the correct amount of slot revenue resulting from electronic funds transfers and wagering instruments activity (drop and issuances) has been recorded in the accounting records used to prepare the NGC tax return? (185k) Note: As of the date of this checklist, electronic funds transfers are not allowed pursuant to Regulations 14.260 and 14.290. Therefore, this question is only applicable to wagering instruments.				
l) Are all contest/tournament entry and payout forms reconciled to the dollar amounts recorded in the appropriate accountability document? (185l)				
m) When payment is made to the winners of a contest/tournament, are the contest/tournament entry fees collected reconciled to the actual contest/tournament payouts made? (185m) Note: This reconciliation is to determine whether based on the entry fees collected, the payouts made and the amounts withheld by the gaming establishment, if applicable, were distributed in accordance with the contest/tournament rules. (185m)				
65. Monthly, do accounting/audit personnel perform the following procedures:				
a) Reconcile the total amount of WAT in and WAT out per the WAT Summary report to the month-end accounting records used to prepare the NGC tax return? (186)				

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b) Is the reconciliation in the previous question documented and maintained with all variances being reviewed, documented and maintained? (186)				
<p>66. Do accounting/audit personnel prepare a monthly slot summary report that reconciles taxable win from the month-end slot analysis report to the monthly total slot gross revenue amount reported on the NGC tax return, and are the following adjustments, with supporting documents, reflected in the reconciliation if needed: For one month, review the monthly slot summary report to verify proper preparation of the report and to determine the accuracy of the amounts on the report. Indicate the month/year reviewed and the results of the review.</p> <ul style="list-style-type: none"> • Hopper load changes • Wagering vouchers and payout receipts • Promotions • Pro rata share of an inter-casino linked system payout • Other allowable adjustments impacting reported slot revenue (187) <p>Note 1: If the slot analysis report indicates statistical win rather than taxable win, the statistical win is used in the monthly slot summary report. In such circumstances, the summary will also reflect the statistical win amount, adjustments to statistical win (e.g., coupons, electronic promotions, etc), and a resulting taxable win amount. (187, Note 1)</p> <p>Note 2: If a monthly slot revenue journal, rather than a slot analysis report, is used to record daily and month-to-date slot revenue, the taxable win from the slot revenue journal is used in the monthly slot summary report. In such circumstances, the summary will reconcile taxable win from the monthly revenue journal to the month-end slot analysis report and to the monthly total slot gross revenue amount reported on the NGC tax return. (187, Note 2)</p> <p>Note 3: Any special procedures or documents required to complete the monthly slot summary report are to be delineated in the slots section of the written internal control section pursuant to Regulation 6.090. (187, Note 3)</p>				

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Questions	Yes	No	N/A	Comments, W/P Reference
67. Prior to the submission of the NGC tax returns for the month are the reconciliations required by MICS #186 and #187 completed, is any follow-up performed documented and maintained, and are any variances noted resolved prior to the submission of the tax returns? (188) For one month, review each reconciliation to verify that the reconciliation has been properly performed and that the amounts have been properly calculated. Indicate the month/year reviewed for each reconciliation and the results of each reconciliation.				
68. Monthly, do accounting/audit personnel perform the following:				
a) Foot, for one day, the computer payout and fill forms and compare the total to the amount recorded in the computer system payout and fill reports? (189a)				
b) Reconcile gross revenue from the monthly slot summary report to the general ledger; document the reason for any variance between the gross revenue recorded in the monthly slot summary report and the general ledger that is identified; and document and maintain this reconciliation? (189b) For one month review the reconciliation to verify the proper completion of the reconciliation and to determine that the variance amount is accurate. Indicate the month/year reviewed and the results of the review.				
69. At least once a quarter, for each patron cashless wagering kiosk, are the wagering instruments redeemed for a week (or one drop period if dropped more frequently) footed and the totals traced to the totals recorded in the CWS system and the related accountability document, and are the test and the results of investigations into all variances, by kiosk, documented? (190) Note 1: This procedure may be performed for different kiosks throughout the quarter as long as each kiosk is examined once a quarter. (190) Note 2: This procedure may be performed by non accounting personnel as long as the individual has not performed the reconciliation required by MICS # 89. (190, Note)				

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Questions	Yes	No	N/A	Comments, W/P Reference
70. For licensees that utilize a computerized system that monitors slot fill cabinet door openings and a slot computerized system that initiates a fill form, and as such, only one person is involved in transferring funds from the slot fill cabinet to the slot machine hopper, are the following procedures performed daily:				
a) Is the total dollar amount of slot machine fill forms reconciled to the total dollar amount of transfers recorded on the cage/booth accountability documentation for funds transferred from the cage/booth to the slot fill cabinets? (191a)				
b) Are the appropriate system reports reviewed to confirm that two individuals were involved in placing the funds into the slot fill cabinet as a result of a slot fill? (191b)				
71. Monthly, do accounting/audit personnel review all contests, tournaments, promotional payouts, drawings, and giveaway programs to determine proper accounting treatment and proper slot gross revenue win/loss computation? (192)				
72. For all contests, tournaments, promotional payouts (including payouts resulting from computerized player tracking activity), drawings, and giveaway programs is the following documentation maintained:				
a) Copies of the information provided to the patrons describing the contests, tournaments, promotional payouts, drawings and giveaway programs (i.e., brochures, fliers)? (193a)				
b) Effective dates? (193b)				
c) Accounting treatment, including general ledger accounts, if applicable? (193c)				

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Questions	Yes	No	N/A	Comments, W/P Reference
d) For tournaments and contests, the name of the organizations (or persons) registered pursuant to NRS 463.169 that conducted the contest/tournament on behalf of, or in conjunction with the licensee, if any, with the extent of responsibilities (including MICS compliance responsibilities) each organization and the licensee had in the contest/tournament (e.g., ABC nonprofit is to receive 100% of the entry fees and provide noncash prizes for the winners with the licensee collecting entry fees, operating the tournament and distributing prizes to winners) also being documented? (193d)				
73. Monthly, do accounting/audit personnel perform procedures which include a review of documents along with employee interviews and/or observations to ensure that promotional payouts, drawings and giveaway programs are conducted in accordance with the conditions provided to the patrons? (194)				
74. For computerized key security systems controlling access to the slot drop and count keys, do accounting/audit personnel, independent of the system administrator, perform the following procedures:				
a) Daily, is the report generated by the computerized key security system that indicates the transactions performed by the individual(s) that adds, deletes, and changes user's access within the system (i.e., the system administrator) reviewed to determine whether the transactions completed by the system administrator provide an adequate control over the access to the slot drop and count keys and to determine whether any slot drop and count key(s) removed or returned to the key cabinet by the system administrator was properly authorized? (195a)				
b) For at least one day each month is the report generated by the computerized key security system that indicates all transactions performed reviewed to determine whether any unusual slot drop and count key removals or key returns occurred? (195b)				

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Questions	Yes	No	N/A	Comments, W/P Reference
c) At least quarterly are a sample of users that are assigned access to the slot drop and count keys reviewed to determine that their access to the assigned keys is adequate relative to their job position? (195c)				
d) Are all noted improper transactions or unusual occurrences investigated with the results being documented? (195d)				
75. Is a quarterly inventory of all slot machine door keys, reset keys, 2341 keys, attendant keys, and any other similar slot key or device, slot fill cabinet keys, count room, drop box release, storage rack and contents keys performed and reconciled to records of keys made, issued, and destroyed and are investigations performed for all keys unaccounted for with the investigation being documented? (196)				
76. Is documentation (e.g., a log, checklist, notation on reports, and tapes attached to original documents) maintained evidencing the performance of slot audit procedures, the exceptions noted and any follow-up of all slot audit exceptions? (198) Verify by examination.				
<u>Record Retention</u>				
77. Are all documents, including computer storage media, discussed in the Slot MICS retained for 5 years in accordance with Regulation 6.060 except for: <ul style="list-style-type: none"> • documents specifically identified in a Slots MICS as requiring a lesser retention period; and • slot machine wagering instruments and payout receipts, which only require retention for a minimum of 14 days when: <ol style="list-style-type: none"> a) all the information on the wagering instrument/payout receipt is contained on a separate report; b) the wagering instruments/payout receipts do not contain signatures or other evidence of internal control procedures having been performed; and c) the wagering instruments/payout receipts have been classified as “redeemed” or “expired” within the CWS/payout receipt system? (199a-b) 				

Verified per representation.
Verified per observation/examination.

Auditor's Name and Date

SLOTS
General Walk-Through
Limited Procedures

Licensee _____ Review Period _____

Questions	Yes	No	N/A	Comments, W/P Reference
<u>Payout Procedures for Mail-In Slot Machine Wagering Instruments/Payout Receipts</u>				
78. Do accounting/audit personnel or personnel independent of the slot department receive the original wagering instruments/payout receipts? (200)				
79. Do accounting/audit personnel or personnel independent of the slot department record the wagering instruments/payout receipts on a log as a mail pay, and does the log include the date received, the patron's name, the wagering instruments/payout receipt number and the dollar amount? (201) Verify by examination.				
80. Are the wagering instruments/payout receipts entered/scanned into the computer system by slot/cage/accounting/audit personnel for validation and then cancellation? (202)				
81. Do accounting/audit personnel compare the "paid" wagering instruments/payout receipts to the mail pay log and the system report for paid wagering instruments/payout receipts, and are any discrepancies documented and reviewed with slot and accounting management personnel? (203)				
82. Do accounting/audit personnel independent of the individual(s) who processed the mail pay wagering instruments/payout receipt review the patron's correspondence submitted, the wagering instrument/payout receipt, the mail pay log and the system report for "paid" wagering instruments/payout receipts for any discrepancies, and are any discrepancies documented and resolved prior to remitting the proper payment amount to the patron? (204)				
<u>Written System of Internal Control</u>				
83. Has the licensee's written system of internal control for slots, been re-read prior to responding to the following question?				
84. Does the written system of internal control for slots reflect the actual control procedures in effect for compliance with the MICS, variations from the minimum internal control standards approved pursuant to Regulation 6.090(8), and Regulation 14 associated equipment approvals? [Regulation 6.090(13)]				

Verified per representation.
Verified per observation/examination.