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NOTICE TO LICENSEES

Notice # 2016-27

Issuing Division: Audit

DATE: April 11, 2016
TO: All Race and Sports Book Licensees
FROM: Terry Johnson, Esq., Board Member
SUBJECT: **Race and Sports MICS #58(h)(1) (V7) Variation – CBS Race and Sports Book System**

As of January 1, 2015, all Group I licensees were required to be in compliance with the Version 7 Minimum Internal Control Standards (MICS). Numerous race and sports book licensees have installed and are utilizing the CBS Race and Sports Book computerized system ("CBS"). Race and Sports Book MICS #58(h)(1) requires an "Unpays Summary" report to be generated daily by the race and sports book computerized system. However, the CBS system only generates an "Unpays Summary" report with the required information if there is one single community (property). For multiple communities (properties), the CBS system does not generate the individual properties "Unpays Summary" report containing all of the information to meet the report requirements of Race and Sports MICS #58(h)(1).

The Board is granting a variation of Race and Sports MICS #58(h)(1) to Race and Sports Book licensees who have installed and are utilizing the CBS Race and Sports Book computerized system (for multiple communities), conditioned that accounting/audit personnel perform procedures on a daily basis to manually prepare one single report (e.g., through Excel or some other spreadsheet medium) that contains all of the information required by Race and Sports MICS #58(h)(1).

Please be advised that the Board retains the discretion to revoke and/or modify this MICS variation approval for good cause.

Any questions regarding this matter should be directed to Internal Control Coordinator Shelley Newell at (702) 486-2060 or snewell@gcb.nv.gov.