



Ticket Theft Policy
Security
LOT-SE-0001
Effective: August 24, 2016

PURPOSE:

This policy addresses the manner in **which** the Ohio Lottery Commission (OLC) will handle lost, stolen or destroyed instant ticket reporting and reimbursement.

POLICY:

Instant Ticket Management

In accordance with OAC § 3770-4-07, Lottery retailers are responsible for all tickets issued to them. Retailers are expected to maintain the inventory in a secure location as required by the Ohio Revised Code.

Retailers will not be reimbursed for money stolen out of any Ticket Vending Machine (TVM) or cash register.

PROCEDURES:

When a retailer is aware of lost, stolen or destroyed tickets, they should conduct an immediate inventory to assess the extent of the loss. If individual tickets are missing from a book, the retailer must immediately deactivate the remaining tickets within that book. If full books of tickets are missing, the retailer should attempt to identify the Game and Serial Number of the missing books. For their protection, retailers are required to deactivate all instant tickets at the end of the business day if they are sold over the counter. Deactivation of instant tickets would help prevent stolen tickets from being cashed.

REPORTING LOST, STOLEN OR DESTROYED TICKETS TO THE LOTTERY:

Retailers must report lost, stolen, or destroyed tickets, within 24 hours of detection, to their OLC Regional Office, which will then notify the OLC Office of Security. Retailers should be prepared to provide their retailer number as well as an inventory of stolen or destroyed tickets and books.

When tickets are reported lost, stolen or destroyed, the missing or damaged tickets are placed in a holding status pending investigation. Any tickets that are already marked and placed in a Sold Status, cannot be placed into a holding status pending an investigation. The Office of Security Administrative Professional 4 will place the reported stolen tickets into the appropriate status in the stolen ticket database. The AP4 should check the retailer's information to confirm the books were in the retailer's inventory as well. The Investigator assigned the stolen ticket report will, upon receiving the report; verify that the reported tickets have been placed into the appropriate status. The retailer



will be unable to activate, deactivate or mark sold the book until the investigation is completed. Once the stolen-ticket report has been made, the remaining tickets in the book can be sold. The retailer may activate other books of the same game by contacting the Office of Security for assistance. The Office of Security will contact the retailer when the investigation is completed.

REPORTING STOLEN TICKETS TO THE AUTHORITIES:

Retailers must file a report with the police or fire department concerning the lost, stolen or destroyed tickets within 24 hours of the incident. In the event that the responsible party is arrested, the retailer will be expected to assist with the prosecution of a criminal case. The OLC Office of Security will assist the retailer, local law enforcement, and the prosecutor to prosecute the case as well.

The OLC Office of Security must be provided with a copy of the Law Enforcement Report within 30 days of the incident.

The Director or his/her designee may determine whether reasonable exceptions to the 24 hour and 30 day reporting requirements should be granted.

INVESTIGATION OF LOST, STOLEN OR DESTROYED TICKET REPORTS:

Upon receiving a Lost/Stolen Ticket Report, an OLC Sales Representative will visit the retailer location to verify the inventory and to complete a Stolen or Destroyed Ticket Affidavit. The OLC Office of Security will assign an investigator to review the Affidavit and Law Enforcement reports.

REIMBURSEMENT FOR LOST, STOLEN OR DESTROYED TICKETS:

In accordance with OAC § 3770-4-07, retailers are financially responsible for all tickets issued to them. If the OLC Office of Security investigation determines that the retailer is not responsible, the retailer may not be charged for the lost, stolen or destroyed tickets. When tickets are stolen and the police report is titled as a "THEFT," credit will be determined based on the individual circumstances of the crime. A retailer may receive credit for lost, stolen or destroyed tickets when they have not been cashed and they have been properly placed into an inquiry status before any cashing activity occurs.

If the OLC Office of Security investigation determines that the retailer is responsible for lost, stolen or destroyed tickets that have not been cashed, the retailer will be charged 80 percent of the street value of the tickets, for all missing books. Missing partial books will be charged at 100 percent of the street value. The street value of the tickets is the face value of the ticket times the number of tickets in the book, or partial book reported lost, stolen or destroyed less the retailer commission. If the OLC Office of Security investigation determines that the retailer is responsible for lost, stolen or destroyed tickets that have been cashed, the retailer will be charged 100 percent for the street value of the tickets, less the retailer commission.

Reasons why a retailer may not receive credit for lost, stolen or destroyed tickets include, but are not



limited to, the following:

1. Improper inventory of the original amount of alleged reported lost, stolen or destroyed tickets.
2. Incident occurred during non-business hours and the tickets were not deactivated.
3. Failure on the part of a retailer to file a police or fire report within 24 hours of the theft, fire or catastrophe, or to file such a report with the OLC within 30 days of the incident.
4. A retailer or his/her employee is involved in the alleged theft or destruction of the tickets.
5. A false report filed by a retailer with the OLC or police/fire department.
6. A retailer or his/her employee is committing a false insurance claim.
7. Tickets reported lost, stolen or destroyed were cashed.
8. A retailer has had 3 or more instances of lost, stolen or destroyed tickets within a 6 month period.

Upon completing the Stolen Ticket report, the Investigator will submit the report for approval to his supervisor. The supervisor will verify the report is accurate and complete.

NOTIFICATION:

Lottery Security will complete their investigation within a reasonable time frame, after receiving the initial stolen report. Retailers will be notified of any resolution/ disposition.

THIS POLICY SUPERSEDES AND REPLACES ANY AND ALL PREVIOUSLY ISSUED POLICIES ON THIS SUBJECT

Revision History		
Status	Date	Changes
First Issue	June 2006	-
Revised	July 2009	Content changes
Revised	July 2015	Content changes
Revised	May 25, 2016	Reviewed/Revised by Legal, content changes
Revised	August 24, 2016	Renumbered (Formerly EXSE-00-02 A.2)