

# **Ohio Lottery Commission**



## **Video Lottery Minimum Internal Control Standards**

# **VLT**



OHIO LOTTERY COMMISSION  
MINIMUM INTERNAL CONTROL STANDARDS

VLT

**Terms and Definitions**

1. **Bill Validator** – A currency acceptor which validates currency and wagering instruments. Bill validators are used in all Ohio racinos.
2. **CMS** – Central Monitoring System. The Ohio Lottery Central Monitoring System is used to monitor all VLT gaming activity and to verify and authorize the commissioning of approved VLT games.
3. **Debit Instrument** - A card, code, mobile wallet application, or other device with which a person may initiate an electronic transfer of money to a VLT, kiosk, or wagering account.
4. **Four Percent (4%) Spread Paytable** - A paytable with a difference in theoretical hold percentage exceeding 4 percent for minimum-credit play versus maximum-credit play (i.e., one credit, two credits, etc.).
5. **Paytable** – The term is used to identify a game and its related payout schedule unless otherwise specified.
6. **Racino** - A horse racing facility in the state of Ohio authorized to conduct video lottery gaming. The Ohio Lottery is responsible for licensing these facilities, which are also known as video lottery sales agents (VLSA).
7. **Signature** - A “signature” on a document provides evidence of the person’s involvement and/or authorization of the intentions reflected in the document. A signature is either handwritten or electronic.
  - A **handwritten signature** is typically in the form of a stylized script associated with a person and may be applied manually or electronically. The stylized script “signature” must include, at a minimum, 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”. The Ohio Lottery requires the use of the employee’s OLC license number whenever an employee handwritten signature is required.
  - An **electronic signature** means an electronic sound, symbol or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. The “electronic signature” is to be linked with an electronic document which uniquely identifies the individual (e.g., employee or patron) entering the “signature.” Additionally, the use of an “electronic signature” must comply with the applicable IT MICS. The Ohio Lottery may require the racino to provide upon request an employee’s OLC license number that is associated with an electronic signature.
8. **Software Set** – An approved game software package that is loaded on a VLT and verified by the Ohio Lottery CMS. This term is used instead of “EPROM chip type”.
9. **Software Set ID Number** – Unique identification number assigned to each identical approved game software package used in the Ohio Lottery CMS. This term is used instead of “master game program number”.
10. **SSG** – System Supported Game. This is the only type of server-based gaming system approved for use by the Ohio Lottery. With this system, approved game software is stored on a central server and can be transferred via a network connection to an individual VLT.
11. **TITO System** – Ticket In / Ticket Out System. A method of wagering and accounting in which the validity and value of a wagering instrument is determined. This term is used in place of Cashless Wagering System (CWS) in the OLC VLT MICS since all racinos use a TITO system.
12. **TITO System KIOSK** - A device capable of accepting or generating wagering instruments or is capable of initiating electronic transfers of money to or from a racino wagering account and can also be used to facilitate other forms of cashless wagering functionality.
13. **VLT** – Video Lottery Terminal. An electronic gaming device which is very similar to a slot machine. A VLT is connected to a CMS.



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14. **VLT Accounting System** – An on-line metering system used by a racino to record VLT activity and determine VLT revenue for each game. This term is used instead of TS3OSMS, which is Nevada’s technical standard (definition) for an on-line slot metering system.
15. **VLT Free Play** – Promotional gaming credits. “VLT free play” is used throughout the OLC VLT MICS instead of the phrase “deducted from gross gaming revenue”. The phrase “cannot be used as VLT free play” is used instead of “is not deducted from gross gaming revenue”.
16. **Wagering Account** - An electronic ledger operated and maintained by a racino for a cashless wagering system patron deposit account wherein only the following types of transactions are recorded:
  - Deposits and withdrawals of cash or cash equivalents at a designated area of accountability;
  - Deposits initiated with a debit instrument;
  - Wagering account transfers to and from VLTs;
  - Wagering account adjustments; and
  - Other transactions approved by the OLC.
17. **Wagering Credit** – A representative of value, other than a wagering instrument, that is used for wagering at a VLT. Wagering credits can be non-cashable VLT free play or credits that are redeemable for cash.
18. **Wagering Instrument** – A representative of value approved for use, including a printed document dispensed from a VLT (or other device) via a TITO system (also known as a “TITO ticket” or “voucher”).
19. **WAT** – Wagering Account Transfer. “WAT in” means patron fund transfers to a VLT. “WAT out” means patron fund transfers from a VLT.



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Note 1: Deleted (NV Regulations and Definitions)

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Note 10: Deleted (NV Regulations and Definitions)

Note 11: Deleted (NV Regulations and Definitions)

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Note 13: Deleted (NV Regulations and Definitions)

***Coin Drop Standards***

1. Deleted (Coin)

2. Deleted (Coin)

3. Deleted (Coin)

***Equipment Standards***

4. Deleted (Coin)

5. Deleted (Coin)

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***VLT Coin Count and Wrap Standards***

- 11. Deleted (Coin)
- 12. Deleted (Coin)
- 13. Deleted (Coin)
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- 24. Deleted (Coin)

***Non-Segregated Coin Room***

Note: Deleted (Coin)

- 25. Deleted (Coin)
  
- 26. Deleted (Coin)

***Segregated Coin Room***

Note: Deleted (Coin)

- 27. Deleted (Coin)



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***Coin Count Completion and Documentation***

- 28. Deleted (Coin)
- 29. Deleted (Coin)
- 30. Deleted (Coin)

***Bill Validator Drop and Count Standards***

Note 1: The bill validator drop and count MICS also apply to wagering instruments.

Note 2: The count begins with the opening of the first drop box and ends when a member of the cage/vault department signs the count sheet and assumes accountability of the proceeds.

Note 3: Surveillance systems or surveillance operators actively viewing bill validator drop and count activities are not considered a replacement for employee physical involvement.

- 31. The bill validator drop and count for each VLT must be performed at least once a month.
- 32. A minimum of three employees are involved in the removal of the bill validator drop boxes from the VLT, at least one of whom is independent of the VLT department. The employees removing and transporting the VLT drop are involved as follows:
  - a. A member of the bill validator drop team removes the bill validator drop boxes from the VLT.
  - b. To ensure funds are not removed from the bill validator drop boxes, a second employee must be able to monitor (witness in person) at all times the drop team member removing the bill validator drop boxes from the VLT and placing the bill validator drop boxes on the cart.
  - c. An employee provides security over the storage of the bill validator drop boxes on the cart until all the bill validator drop boxes have been transported to the count room.
  - d. A minimum of two employees, at least one of whom is independent of the VLT department, transports the bill validator drop boxes directly to the currency count room or other similarly restricted location where the drop proceeds are locked in a secure manner until the count takes place.
- 33. If more than one trip is required to remove the bill validator drop boxes from the VLT scheduled to be dropped, access to stored full boxes is restricted to authorized members of the drop and count teams with the full boxes either locked in the count room or secured in another equivalent manner. For other than the scheduled bill validator count, stored full bill validator drop boxes must be secured such that a minimum of three employees from three different departments must be involved to access the boxes.
- 34. The bill validator count is performed in the soft count room or equivalently secure area with comparable controls. The contents of the bill validators cannot be transported off the property for count purposes.
- 35. All cash inventory stored in the count room is secured from unauthorized access at all times. Access to the count room during the count is restricted to members of the drop and count teams, authorized observers (including Ohio Lottery Commission, property compliance, auditors and security personnel), supervisors for resolution of problems, authorized maintenance personnel and personnel performing currency transfers.



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36. Counts from various revenue centers will not be performed simultaneously with the VLT funds to prevent the commingling of funds.
37. The bill validator count (which includes both currency and wagering instruments) is performed by a minimum of three employees physically located in the count room until the proceeds have been accepted into the cage/vault accountability. At no time during the count will there be fewer than three employees in the count room. The count team must wear OLC approved jump suits while the count is performed. The jump suits may only be transported off property by personnel authorized by the OLC.

Note: Deleted (simultaneous counts)

38. The bill validator count team is independent of the VLT department and the department responsible for the subsequent accountability of bill validator proceeds. A nonsupervisory VLT employee (a person below the level of VLT shift supervisor) may be a member of the bill validator count team if the employee does not record (e.g., operates the currency counter) or verify the count.

Note: A cage cashier may be used if this person is not allowed to perform the recording function (e.g., does not operate the currency counter) or accept funds into cage accountability. An accounting representative may be used if there is an independent audit of all bill validator count documentation.

39. The count team does not have access to bill-in amounts per the VLT meters until after the count is completed and the drop proceeds are accepted into cage/vault accountability. A count team member is allowed to read/record the amount from the bill in meters as long as the count team members do not have knowledge of the dollar amount of currency contained in the bill validator drop boxes pursuant to the bill in meters during the count process.
40. If a currency counter interface is used, it is adequately restricted so as to prevent unauthorized access (e.g., passwords or keys).
41. Unannounced currency counter and currency counter interface tests are performed by someone who is independent of the cage, vault, and VLT departments and count team on at least a quarterly basis with the test results being documented and maintained. All denominations of currency and all types of wagering instruments counted by the currency counter must be tested.

Note: The tests are separate from the test completed for internal audit purposes however, internal audit may complete all the tests.

42. Immediately prior to the bill validator count at least two count team members verify the accuracy of the currency counter with previously counted currency for each denomination (i.e., test currency) and with each type of wagering instrument (for number of wagering instruments or for dollar amount). The test currency is counted by the currency counter to ensure the counter is functioning properly. The test results are documented and maintained.

Note 1: The currency counter test can be performed with test currency or with currency counted from the first drop box.

Note 2: If the same count team members complete a count for one revenue center (e.g., gaming or nongaming revenue center) and then immediately complete a count for a second revenue center, the currency counter test would only need to be completed at the beginning of the first count.

Note 3: Deleted (Table Games)

43. The bill validator drop boxes are individually emptied and counted in such a manner as to prevent the commingling of contents between boxes before the box contents have been counted and recorded.



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44. The dollar amount of the currency drop from each VLT and in total for each denomination is recorded in ink or other permanent form of recordation on a VLT count document. Additionally, if a currency counter interface is used, the currency drop figures are transferred via direct communications line or computer storage media to the accounting department.
45. For each wagering instrument removed from each drop box, the dollar amount and the validation number is recorded/scanned, by VLT, in the TITO system during the count. The TITO system generates a VLT count document indicating the total dollar amount and/or total number of wagering instruments counted in the count room.

Note: If digitally represented wagering instruments are utilized, additional procedures may be necessary to document and/or reconcile to the total dollar amount and/or total number of wagering instruments.

46. If currency counters are utilized and the count room table is used only to empty boxes and sort/stack contents, a count team member other than the person(s) operating the currency counter must have the ability to monitor the loading and unloading of currency at the currency counter, including rejected currency. The count team member operating the currency counter does not need to be monitored by another count team member if an individual independent of the count process monitors the operator of the currency counter for a minimum of one hour during the count process from recorded or live surveillance at least monthly. The date, time, and results of the independent observation are documented.
47. When the currency counter rejects currency but does not record the amount of rejected currency, procedures are in effect to record the rejected currency amount, by VLT, and to ensure that two counts of the rejected currency (by VLT and in total) are performed to verify the correct amount of drop (including rejected currency) is recorded on the count sheet.

Note: Note: The above MICS does not allow for rejected currency to be permanently posted to a “dummy,” nonexistent VLT. The rejected currency may be posted to a separate account until the time the funds are re-allocated to the correct VLT during the revenue audit process.

48. Drop boxes, when empty, are shown to another member of the count team, to another person who is observing the count, or to recorded or live surveillance, provided the count is monitored in its entirety by someone independent of the count.
49. Currency transfers out of the count room during the bill validator count process are either strictly prohibited or, if transfers are permitted during the count, each transfer is recorded on a separate multi-part form used solely for bill validator count transfers performed during the count.
50. Currency transfers, as noted above, are counted and transfer forms are signed for by at least two count team members and by someone independent of the count team. At least one part of the transfer form remains in the count room until all the currency drop has been accepted into cage/vault accountability. The other part of the transfer form accompanies the funds being transferred from the count room.
51. Corrections on any count documentation and transfer forms are made by crossing out the error, entering the correct figure, and then obtaining the signatures or initials (and OLC license number) of at least two count team members who verified the change. If a currency counter interface is used, corrections to final count data are made using one of the following methods:
  - a. Crossing out the error on the document, entering the correct figure, and then obtaining the signatures or initials of at least two count team members who verified the change. If this procedure is used, an employee independent of the VLT department and count team enters the correct figure into the computer system prior to the generation of related VLT reports.



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- b. Correcting the error in the computer system and entering the passwords of at least two count team members. If this procedure is used, an exception report is generated by the computer system identifying the VLT number, the error, the correction, and the count team members attesting to the propriety of the correction.

52. At the conclusion of the count, the currency drop amount recorded on the count sheet is reconciled to the currency drop in the count room and the dollar amount of currency drop transfers, if applicable, by a count team member who does not function as the sole recorder, with variances reconciled and documented.

Note: The above MICS does not apply to wagering instruments removed from the bill validator drop boxes.

53. All members of the count team attest by signature and OLC license number to the accuracy of the currency drop count and either the dollar amount or the number of wagering instruments counted (if dollar amount is not available to count team). Three verifying signatures on the count sheet are adequate if all additional count team members sign a supplemental document evidencing involvement in the count process.

54. An employee of the cage/vault department (who is independent of the count team) performs a count of the currency drop proceeds that are being turned over to the cage/vault department and reconciles it to the currency drop amount recorded on the count sheet, less any transfers, if applicable. Any variance is reconciled and documented.

Note: The above MICS does not apply to wagering instruments removed from the bill validator drop boxes.

55. The cage/vault employee signs and writes OLC license number on the count sheet, or other reconciling document, and assumes accountability of the currency proceeds, thereby ending the count.

56. Access to stored full drop boxes is restricted to authorized members of the drop and count teams.

57. The count sheet and all supporting documents including currency drop transfer forms, wagering instruments, and any applicable computer storage media, are promptly delivered to the accounting department by a count team member or someone other than a cage/vault employee. Alternatively, these documents may be adequately secured (e.g., locked container to which only accounting personnel can gain access) to preclude cage personnel from accessing the documents until retrieved by the accounting department.

***Jackpot Payouts, Canceled Credit Payouts, Promotional Payouts, Drawings and Giveaway Programs***

Note 1: Promotional payouts are supplemental payouts which are not reflected in the payable.

Note 2: The specific types of jackpots or promotional payouts utilized (i.e., manual or computerized), the type of signature utilized (i.e., handwritten or electronic), the manner of storage (e.g., printed and maintained or electronically stored), or any combination thereof, must be delineated within the VLT department section of the Standard Operating Procedures (SOPs).

58. For jackpot payouts and hand pays exceeding \$100, the payout form/documentation (minimum two part-form), includes the following information:

- a. Date and time
- b. VLT number
- c. Dollar amount of cash payout (both alpha and numeric) or description of personal property awarded.



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Note: Alpha is optional if another unalterable method is used for evidencing the amount of the payout.

d. Game outcome (e.g., winning combination) for jackpot payouts only.

Note: Stating “multi-line payout” is adequate as the game outcome recorded on the jackpot payout form.

e. Signature(s) of employee(s) verifying and witnessing the payout, evidencing their involvement, as required by MICS #65 and #66.

f. Preprinted or concurrently-printed sequential number.

g. The type of payout (e.g., VLT jackpot, hand pays, external bonus and external progressive).

59. Deleted (no hoppers)

60. The conditions for participating in promotional payouts, including drawings and giveaway programs, are prominently displayed or available for patron review at the licensed location.

61. Promotional payouts, including those as a result of drawings and giveaway programs that are either used as VLT free play, or are greater than or equal to \$500 and cannot be used as VLT free play, are documented at the time of the payout on a VLT payout form to include the following:

a. Date and time.

b. VLT number (when payout is associated with specific VLT play).

c. Dollar amount of payout or description of personal property (e.g., jacket, toaster, or car).

d. Reason for payout (e.g., double jackpots or four-of-a-kind bonus).

e. Signature(s) of the following number of employees verifying, authorizing, and completing the promotional payout with the patron:

1) Two employee signatures/OLC license numbers for all payouts equal to or exceeding \$100 in VLT free play;

Note: For approved computerized systems that validate and print the dollar amount of the payout on a computer-generated form, only one employee signature is required on the payout form.

2) One employee signature/OLC license number for payouts of less than \$100 that can be used as VLT free play; or

3) One employee signature/OLC license number for payouts of \$500 or more that cannot be used as VLT free play.

f. Patron’s name (for drawings only).

Note: MICS #61 documentation may be prepared by an individual who is not a VLT department employee as long as the required signatures are those of the employees completing the payout with the patron.

62. If a promotional cash (or cash equivalent) payout is less than \$500 documentation is created to support the decrease in bank accountability.



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Note: Required documentation may consist of a line item on a VLT or cage accountability document (e.g., “43 \$10 VLT cash giveaway coupons = \$430”).

63. When a sequentially-numbered payout form is voided, the employee completing the void clearly marks “void” across the face of the form with a black permanent wide-tipped marker, signs/OLC license number adjacent to the void indication, and submits all parts of the payout form to the accounting department for retention and accountability.
64. Payouts recorded on a manual payout form, including jackpots and handpays exceeding \$100 and promotional payouts exceeding \$100 in VLT free play are 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. Payouts, including jackpots, handpays, and promotional payouts exceeding \$100 in VLT free play are 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. Procedures include, at a minimum:
  - a. Two individuals must be physically involved to witness, verify, and complete the following transactions:
    - 1) Payouts of \$5,000 or more completed with an approved computerized VLT payout system, when the computerized VLT payout system validates, initiates, and prints the dollar amount of the jackpot payout on the form.
    - 2) Payouts completed with an approved computerized VLT payout system which allow an individual to add or edit the dollar amount of the payout by more than \$1 in the computerized VLT payout system.
    - 3) Payouts recorded on a manual payout form.

Note: Acceptable procedures in meeting the requirements of MICS #65(a) include the following:

- 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). Both individuals witness the payout, or
  - 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
  - Some other procedure which provides at least the same level of control as discussed in this note.
- b. Only one individual is required to witness, verify, and complete the following transactions:
    - 1) Payouts of less than \$5,000 completed with an approved computerized VLT payout system, when the computerized VLT payout system validates, initiates, and prints the dollar amount of the jackpot payout on the form.
    - 2) Payouts for less than \$5,000 manually paid during the time period the TITO system or the computerized VLT payout system is inoperative, when the VLT accounting system connected and communicating with the VLT reflects the meter payout transaction in VLT performance reports pursuant to MICS #126a. Audit/accounting personnel must review for any variances when



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comparing the manual payouts made to the payouts recorded by the attendant paid meters as required by MICS #127 and #128.

66. Payouts over a predetermined amount not to exceed \$50,000 require the signature and verification of a supervisory or management employee independent of the VLT department. This predetermined amount is authorized by management and must be delineated within the VLT section of the Standard Operating Procedures (SOPs).
67. When electronically signed jackpots or promotional payouts are utilized, procedures implemented must provide at least the same level of control as those described in these MICS. Procedures must include at a minimum that the proper number of signatures are obtained (e.g., separate login required for each signatory requirement), a copy of the form is restricted to authorized personnel, and the completed form is unalterable.

***VLT Fill Cabinets***

Note: Deleted (Coin)

68. Deleted (Coin)

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69. Deleted (Coin)

70. Deleted (Coin)

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71. Deleted (Coin)

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***Wagering Instruments***

72. An employee must not use a VLT to create a wagering instrument for later sale or free play promotion to a patron.
73. The issuance of wagering instruments for promotional purposes, other than through actual VLT play or through the purchase of wagering instruments by the patron, must be sufficiently documented and authorized by management personnel independent of the VLT department. Alternatively, VLT supervisory employees may authorize the issuance of the wagering instruments for promotional purposes if sufficient documentation is generated and employees independent of the VLT department on a quarterly basis randomly verify the issuance.
74. Prior to making payment on a wagering instrument, an employee must verify the validity of the wagering instrument through the TITO System. Prior to such payments, supervisory personnel approve payment of the wagering instrument in excess of an amount determined by management (not to exceed \$10,000) by signing/OLC license number, dating and writing/stamping with a paid designation on the wagering instrument. The dollar amount threshold determined by management must be delineated within the VLT section of the Standard Operating Procedures (SOPs).

Note: An employee cannot verify the validity of the wagering instrument by inserting it into a VLT bill validator.



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75. When a wagering instrument in excess of \$500 cannot be validated (scanned) for payment through the TITO system other than because of a system failure (e.g., lost, stolen, mutilated or expired wagering instruments), supervisory personnel approve payment by signing/OLC license number, dating, and writing/stamping with a paid designation on the wagering instrument. The amount of the payment is also recorded on the wagering instrument if the pre-printed amount is not legible. If a wagering instrument is not available, a document is prepared evidencing the approval and the above required information along with the wagering instrument's validation number, if available. Prior to such payments, supervisory personnel review the applicable VLT play transaction history or other TITO system records to verify the validity of the wagering instrument. The payment of the wagering instrument is entered into the TITO system by cage/VLT/accounting employees immediately, as applicable.
76. In the event of system failure, supervisory personnel approve payment of wagering instruments in excess of an amount determined by management (not to exceed \$1,000) by signing/OLC license number, dating, and writing/stamping with a paid designation on the wagering instrument. Prior to such payments, supervisory personnel review the VLT play transaction history or any other similar method to verify the validity of the wagering instrument. The payment of the wagering instrument is entered into the TITO system by cage/VLT/accounting employees when the system resumes operation. The dollar amount threshold determined by management must be delineated within the VLT section of the Standard Operating Procedures (SOPs).
77. During a system failure, wagering instruments not requiring supervisory approval for payment when paid are written/stamped with a paid designation, signed by the cashier with OLC license number, and noted with the date paid. The payment of the wagering instrument is entered into the TITO system by cage/VLT/accounting personnel when the system resumes operation.
78. Unredeemed wagering instruments can only be voided in the TITO system when the wagering instrument is available and when voided by employees independent of the cage and VLT departments. The employee completing the void enters the void into the TITO system and ensures "void" is clearly marked across the face of the wagering instrument, dates, and signs (including OLC license number) the face of the wagering instrument. The accounting department maintains the voided wagering instrument.
- Note: Cage personnel may be granted the ability to void certain unredeemed wagering instruments if defined in a Standard Operating Procedure (SOP) approved by the OLC.
79. The use of digitally represented wagering instruments is acceptable when using an OLC approved system, which includes approved functionality for the use of such wagering instruments. The procedures for such wagering instruments must provide at least the same level of control described by these MICS and must be delineated within the VLT section of the Standard Operating Procedures (SOPs).
80. Wagering instruments found by employees are made physically inactive by marking it with a black permanent wide-tipped marker across the barcode before being placed in a secure location. The found wagering instruments are held in a secure location (physically or electronically) until claimed in person by a patron or until such time as the wagering instruments expire or are paid.

***Payout Receipt Systems***

Note: Deleted (Payout Receipt System)

81. Deleted (Payout Receipt System)
82. Deleted (Payout Receipt System)
831. Deleted (Payout Receipt System)



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84. Deleted (Payout Receipt System)

85. Deleted (Payout Receipt System)

***VLT Department Funds Standards***

Note: The specific types of accountability documentation utilized (e.g., manual or computerized), the type of signature utilized (e.g., handwritten or electronic), the manner of storage (e.g., printed and maintained or electronically stored), or any combination thereof, must be delineated within the VLT section of the Standard Operating Procedures (SOPs).

86. All VLT department cages, booths, and banks, including employee pouches, that are active during the shift are counted and reconciled each shift by two employees utilizing appropriate accountability documentation. Unexplained variances are documented and maintained.

Note: VLT department kiosks do not require counting/reconciling each shift. See MICS #91 for requirements for kiosks.

87. A TITO system provides records of the dollar amount of active wagering instruments created (i.e., available for sale or distributed for promotional purposes). Such TITO system records are utilized in reconciling, at least once a day, the inventory of active wagering instruments.

Note 1: The above MICS is applicable to employee banks, including cage or other department banks, where such transactions occur.

Note 2: Active wagering instruments are wagering instruments created through the TITO system (not a gaming device) for purposes of wagering at a gaming device. The active wagering instruments may be issued to an accountability area for subsequent distribution to patrons (cashier generated tickets).

88. Deleted (coin)

89. All transfers of funds from one bank to another bank are documented and:

a. Each even-money exchange (cash or noncash) is recorded on a separate multi-part form and retained for at least 24 hours.

Note: A form is not required to be completed when the funds for an even-money exchange are transferred from one bank to another bank instantaneously (e.g., \$100 denomination bills are exchanged for \$20 denomination bills).

b. Each increase/decrease to a bank's accountability inventory with funds from the cage/vault is recorded on a separate multi-part form with a preprinted or concurrently printed number. All parts of the form are sent to the accounting department daily and retained for at least seven days.

90. Deleted (coin)

91. For each kiosk:

a. At least weekly, a minimum of two employees remove all contents from the kiosk.



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- b. At least weekly, a minimum of two employees count the cash removed from the kiosk and document the count.
- c. Deleted (coin)
- d. Whenever employees remove contents (e.g., wagering instruments or cash) from a kiosk, or cash is inserted into a kiosk, reports are generated from the kiosk regarding kiosk transactions and accountability.
- e. At least weekly, an employee reconciles kiosk transactions. The cash remaining in each kiosk (including cash accepted by the kiosk) is compared to the cash initially loaded into the kiosk (i.e., imprest amount) plus/minus cash transactions (e.g., jackpot payouts, sales, ATM transactions, check cashing, wagering account transactions, wagering instruments, or bill breaking). The kiosk reports are compared to the transactions recorded by the other systems (e.g., jackpot payouts or TITO). Variances are documented and investigated.
- f. Deleted (wagering instruments delivered to the accounting department).

***Game Program Testing***

92. Deleted (Game Program Testing)

Note: Deleted (Game Program Testing)

93. Deleted (Game Program Testing)

Note: Deleted (Game Program Testing)

***EPROM Game Program and Other Game Program Storage Duplication***

Note 1: Deleted (EPROM)

Note 2: Deleted (EPROM)

94. Deleted (EPROM)

95. Deleted (EPROM)

96. Deleted (EPROM)

***VLT Performance – Theoretical Hold Worksheets***

- 97. Accurate and current theoretical hold worksheets are maintained or readily available for each payable on a VLT.
- 98. The software set ID number, par percentage, and the payout schedule are verified to the theoretical hold worksheet when initially received from the manufacturer.



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***VLT Performance – Records***

99. Records are maintained for each VLT machine including the following:
- a. VLT machine number;
  - b. Date the VLT was placed into service;
  - c. Date the VLT was removed from operation;
  - d. Date the VLT was placed back into operation;
  - e. Any changes in VLT numbers and designations;
  - f. The initial theoretical hold percentage, dates and type of changes made affecting the VLT machine's theoretical hold percentage, and the recalculation of theoretical hold percentage as a result of the changes; and
  - g. For each multi-game and/or multi-denomination VLT, maintain a record for each VLT containing the following information:

Note : This standard applies even when only one payable is active for VLT play per multi-game VLT machine.

- 1) The initial paytables activated for play (from a library of paytables) along with each activated payable's theoretical hold percentage as determined by the manufacturer.
- 2) The simple average of the theoretical hold percentages of the paytables initially activated for play.
- 3) The date of each change to the activated paytables, the revised activated paytables, the theoretical hold percentage for each payable activated for play, and the new simple average of the theoretical hold percentages of the paytables activated for play.
- 4) The date of each change (adding or changing) to a progressive percentage contributions to a payable, the payable changed, and the new theoretical hold percentage calculated.

100. Deleted (VLT data files)

101. Deleted (VLT data files)

***VLT Performance – Multi-Game VLT Machines Theoretical Hold Percentages***

Note 1: The VLT analysis report includes the theoretical hold percentages as described by either MICS #102 or #103, as determined by management, and must be delineated within the VLT section of the Standard Operating Procedures (SOPs).

Note 2: The method used for calculating and/or updating the theoretical hold percentage must be consistently applied among multi-game VLT machines type IDs.

Note 3: A type ID represents a grouping of VLT machines with exactly the same payable mix available for play.



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102. The VLT analysis report includes the simple average of the theoretical hold percentages of all the active paytables. If a new VLT number is created, the VLT analysis report is revised to indicate the new simple average theoretical hold percentage whenever there is a change in the simple average. If a new VLT number is not created, the new simple average includes all currently active paytables and all currently inactive paytables which were active on a machine for at least any part of the year.

Note: Deleted (language included in body of MICS #102).

103. The VLT analysis report includes the weighted average of the theoretical hold percentages when the payable has a different theoretical hold percentage for each denomination.

Note: For multiple VLT machines with exactly the same payable mix used throughout the year, the adjusted theoretical hold percentage may be calculated using a weighted average of the combined VLT machines' percentages.

Note 2: Deleted (weighted average calculation)

***VLT Performance – VLT Meters***

104. All VLTs, at a minimum, have functioning meters which meet the requirements of the Ohio Lottery CMS.

Note: Deleted (payout receipt system)

105. All VLTs communicating with a TITO system contain properly functioning meters for metering TITO transactions (e.g., voucher in, voucher out, etc.) to enable compliance with VLT MICS.

106. Bill-in electronic (soft) meter readings are recorded immediately prior to or subsequent to a VLT bill validator drop. Coin-in electronic (soft) meter readings are recorded at least weekly.

Note 1: The time between readings may extend beyond one week in order for a reading to coincide with the end of an accounting period only if such extension is for no longer than six days.

Note 2: If a racino chooses to perform a VLT bill validator drop only once per month, the coin-in electronic (soft) meter readings still must be recorded at least weekly.

Note 3: The coin-in and/or bill-in hard meters of a VLT are read and recorded only when the VLT does not have electronic soft meters.

107. If an employee manually records coin-in and bill-in meter readings, the employee recording the readings either is independent of the count team or is assigned on a rotating basis. If the in-meter readings are randomly verified quarterly for all VLTs and bill validators by someone other than the regular in-meter reader, the regular in-meter reader does not need to be independent of the count team or assigned on a rotating basis.

108. The coin-in and bill-in meter readings, by VLT, are documented and maintained.

109. Deleted (Payout Receipt System)

110. Upon receipt of the meter readings information, the accounting department reviews all coin-in meter readings for reasonableness using pre-established parameters.



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111. Prior to final generation of VLT analysis and performance reports, coin-in meter readings which do not appear reasonable are reviewed with VLT department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected. The final VLT analysis report is reviewed to ensure that the correct coin-in dollar amount has been recorded.

Note 1: When the correct coin-in amount cannot be determined (i.e., coin-in not recorded properly due to meter or system failure), the preferred method for documentation a reasonable coin-in amount is to use the Ohio Lottery's Central Monitoring System (CMS) coin-in meter readings.

Note 2: Review of coin-in by payable meters may be required, including necessary corrections, to ensure accurate coin-in figures.

***VLT Performance – VLT Analysis Report***

112. A VLT analysis report is generated and maintained at least monthly summarizing month-to-date, year-to-date, and if practicable, life-to-date VLT ID performance. A VLT analysis report includes:

a. By VLT:

- 1) Denomination or an indication that the VLT is multi-denomination;
- 2) VLT number and game type;

Note: "Game type" is a code (or abbreviation) associated with a specific game. For multi-game VLTs, the code is "MG".

- 3) Coin in;
- 4) Total win (including all jackpots and handpays)
- 5) Deleted (combined with Total Win)
- 6) Deleted (combined with Total Win)
- 7) Deleted (combined with Total Win)
- 8) Theoretical hold percentage;
- 9) Actual hold percentage (see Note 1 below);
- 10) Percentage variance (theoretical hold vs. actual hold); and
- 11) Deleted (projected dollar variance).

b. By denomination and in total:

- 1) Floor par (weighted average theoretical hold, see Note 3 below);
- 2) Combined actual hold percentage (total win divided by all coin in);
- 3) Percentage variance (floor par vs. combined actual hold percentage); and
- 4) Deleted (projected dollar variance).



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Note 1: Actual hold percentage = dollar amount of VLT total win divided by dollar amount of coin-in. The wagering activity recorded on the coin-in meter for the VLT includes all cashable and non-cashable credits wagered. The VLT total win represents all payout activity occurring through the gaming device.

Note 2: "Life-to-Date" represents at least a previous two-year cumulative basis.

Note 3: Floor pars are the sum of the theoretical hold percentages of all VLTs within a denomination weighted by coin-in contribution.

Note 4: One report is generated which includes all VLTs.

Note 5: Multi-denomination is a separate denomination category in the VLT analysis report.

113. Deleted (Gaming Salons)

Note: Deleted (Gaming Salons)

114. The theoretical hold percentages used in the VLT analysis reports should be equal to the values used in the Ohio Lottery Central Monitoring System (CMS). Adjustments can be made for the following:

- a. Games that do not include the theoretical hold amount for progressive contributions.
- b. Multi-game/Multi-denomination VLTs.
- c. Games that electronically report a hold percentage that is not consistent with the floor standard (i.e. games that report the minimum bet hold percentage rather than the maximum bet hold percentage).

Note 1: Deleted (Theoretical Hold Requirements).

Note 2: Deleted (Skill Based Games)

Note 3: Deleted (Theoretical Hold Requirements)

Note 4: Deleted (Theoretical Hold Requirements).

115. Deleted (Theoretical Hold Requirements).

Note 1: Deleted (Theoretical Hold Requirements).

Note 2: Deleted (Theoretical Hold Requirements).

Note 3: Deleted (Theoretical Hold Requirements).

116. Deleted (Theoretical Hold Requirements).

117. The monthly VLT analysis reports are reviewed by both VLT department management, and management employees independent of the VLT department, on at least a monthly basis.

118. At a minimum, large year-to-date variances between theoretical hold and actual hold, by VLT and by denomination, are investigated and resolved with the findings documented no later than 30 days after the generation of the VLT analysis report. The investigation includes an analysis of the following, as applicable:



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- a. The amount of time the machine was on the floor, or amount of coin-in activity.
- b. The effect of wagers by type for 4% spread payable machines.

Note: 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 (e.g., one coin or two coins).

- c. The effect of progressive contribution rates not reflected in the theoretical hold percentages.
- d. The effect of inactive paytables not reflected in the theoretical hold percentages.
- e. Review of machines by type ID, and by denomination, including the multi-denomination category, for inconsistencies.
- f. Any other unusual occurrences during the month being reviewed.

***On-line VLT Metering Systems***

Note: Deleted (VLT Accounting System required)

- 119. The VLT Accounting System is connected, functioning and communicating with VLTs in obtaining VLT meter information for all VLTs unless this requirement is waived for certain VLTs by the Ohio Lottery Commission.
  - a. Deleted (NV meter requirement exceptions)
  - b. Deleted (NV meter requirement exceptions)
  - c. Deleted (NV meter requirement exceptions)
- 120. For each VLT, all required meters are read, recorded and maintained before and after any VLT maintenance (including before and after any software is added or removed) that could involve the clearing or resetting of the meters. This meter information will be used when reviewing VLT performance reports to ensure that the maintenance performed did not improperly affect the meter values recorded in the VLT performance reports.
- 121. At the time a drop box (currency) is removed in conjunction with a VLT drop, the “Drop Meters” (bill-in, voucher in and coupon promotion in) for each VLT dropped are read, meter amounts recorded and maintained.
- 122. At the end of the racino’s specified 24-hour accounting period (that must be the same 24-hour accounting period used for TITO System reports and the computerized jackpot fill system), the following meters, by VLT, are read, meter amount recorded and maintained:
  - a. “Attendant Paid Meters” (jackpots, hand pays, external bonus payout, and progressive payout).
  - b. Physical coin-in meter (total amount wagered).
  - c. Physical coin out meter (EGM paid game won amount).
  - d. “Electronic Promotion Meters” (cashable in, cashable out, non-cashable in and non-cashable out).
  - e. “Machine Paid Meters” (external bonus payout and progressive payout).



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- f. “Wagering Account Transfer” meters (out and in).
  - g. Electronic funds transfer in meter.
  - h. Voucher out meter.
  - i. Drop meter.
123. For each 24-hour accounting period, the accounting department reviews all meter readings for reasonableness using pre-established parameters.
124. Prior to the preparation of VLT performance reports, meter readings which do not appear reasonable are reviewed with VLT department employees, and exceptions documented, so that any necessary repairs can be made and errors corrected. The final VLT performance reports are reviewed to ensure that the correct meter amounts have been recorded.
125. Meter reading amounts may only be altered to correct amounts that were determined to be unreasonable. When correcting meter amounts, indicate the correct amount in the appropriate VLT Accounting System report and the daily external meter balancing file provided to the Ohio Lottery
126. The following VLT Accounting System VLT performance reports, as applicable to the licensed operation, are generated and maintained for each day for VLTs:
- a. Meter attendant paid jackpots, canceled credits, progressive payouts and external bonus payouts (in total) vs. actual attendant paid jackpots, canceled credits, progressive payouts and external bonus payouts (in total).
  - b. Deleted (Fills)  
Note: Deleted (Fills)
  - c. Meter machine paid and attendant paid external bonus payouts vs. external bonusing system machine paid and attendant paid external bonus payouts.
  - d. Meter wagering account transfer (WAT) in vs. TITO System wagering account transfer (WAT) in.
  - e. Meter wagering account transfer (WAT) out vs. TITO System wagering account transfer (WAT) out.
  - f. Meter electronic funds transfer (EFT) in vs. TITO System electronic funds transfer (EFT) in.
  - g. Meter cashable electronic promotion in vs. TITO System cashable electronic promotion in.
  - h. Meter cashable electronic promotion out vs. TITO System cashable electronic promotion out.
  - i. Meter non-cashable electronic promotion in vs. TITO System non-cashable electronic promotion in.
  - j. Meter non-cashable electronic promotion out vs. TITO System non-cashable electronic promotion out.
  - k. Meter voucher out vs. TITO System voucher forms issued.
  - l. Meter coupon promotion out vs. TITO System coupon promotion out forms issued.
  - m. For VLTs dropped, meter drop vs. actual drop.



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- n. For VLTs dropped, TITO System wagering instruments accepted vs. wagering instruments counted in the count room (e.g., vouchers or coupons).
  - o. For VLTs dropped, meter voucher in vs. TITO System voucher in forms accepted.
  - p. For VLTs dropped, meter coupon promotion in vs. TITO System coupon promotion in forms accepted.
127. Variances, by VLT, noted in the reports required by MICS #126 that are in excess of the following parameters are reviewed by the accounting department:
- a. For VLTs dropped, variances in excess of one percent or \$100, whichever amount is greater, for the total amount of all drop types (bills, vouchers, and coupons).
  - b. For VLTs dropped, variances in excess of one percent or \$100, whichever amount is greater, for the total of attendant payouts.
  - c. Deleted (Fills)
  - d. Any variance noted between meters and the TITO/cashless system for wagering account transfers (WAT) in and out, electronic funds transfer (EFT) in.
  - e. Variances in excess of one percent or \$100, whichever is greater, noted between meters and the TITO system for non-cashable electronic promotion in and out, external bonus payouts, vouchers out and coupon promotion out.
128. The results of the variance investigation, including the date of and personnel involved in the investigations, are documented in the appropriate report and retained. The results shall also include any corrective action taken (e.g., meter replaced, interface component repaired, or software debugged). The investigation is completed and the results are documented within seven days of the day the variance was noted.
- Note: Material attendant payout variances noted in MICS #126a may be due to an attendant paid progressive jackpot payout amount or wide-area progressive payout amount not being recorded on the gaming device attendant paid progressive payout meter. The attendant paid progressive payout meter may not have the capability to obtain the dollar amount of the progressive amount displayed on the progressive sign. If the variance is due to a progressive jackpot payout the investigation should include the review of the daily progressive payoff dollar amounts recorded to determine that the decrease is reasonably equivalent to the actual progressive jackpot payout dollar amount. For a wide-area progressive payout the investigation should include the review of the report of payouts from the operator of the wide-area progressive system.
129. VLT Accounting System exception reports are reviewed by the accounting department on a daily basis for propriety of data or parameter alterations.
130. At least monthly, accounting/audit supervisory personnel confirm that the appropriate investigation has been completed for the MICS #128 review of variances.

***VLT Drop Box Contents Removal***

- 131. Deleted (Hoppers)
- 132. When VLTs are permanently or temporarily removed from the floor, the VLT currency drop contents are removed from the VLT and properly stored in a secured area until counted and recorded by three employees in



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the count room with appropriate documentation being routed to the accounting department for proper recording and accounting.

Note: Deleted (Hoppers)

***Key Controls***

133. The VLT door keys, kiosk keys, bill validator drop box content keys and bill validator drop box release keys are all separately keyed from each other.

134. Deleted (Coin)

Note: Deleted (keys for coin drop cabinets)

135. Deleted (Coin)

136. The physical custody of the keys, including duplicates, needed to access the contents of the bill validator drop box requires the physical involvement of employees from three separate departments.

Note: Master keys maintained/controlled by a locksmith are not subject to this requirement.

137. Only the employees authorized to drop the bill validator drop boxes are allowed access to the bill validator drop box release keys. These same employees are precluded from having access to bill validator drop box contents keys and bill validator drop box release keys simultaneously.

138. Two employees are required to accompany bill validator drop box release keys and bill validator drop box storage rack keys from the time the keys are issued until the time the keys are returned.

139. At least three count team members are required to be present when bill validator and count room and other count keys are issued for the count and accompany these keys until the time the keys are returned. During the count, including breaks, access to the keys is restricted to at least three count team members unless the keys are returned to the custodian.

Note: If keys are temporarily stored in the count room during a break, no one other than at least three count team members can access the keys, and three count team members must be present to enter the count room and resume the count.

140. Access to the bill validator drop box release keys at other than scheduled drop times requires a separate report indicating the date, time, and signature of employees signing out/in the VLT bill validator drop box release keys.

Note: "Electronic signature" includes a unique employee PIN or card, or employee biometric identification validated and recorded through a computerized key security system.

141. Access to the bill validator drop box contents keys at other than scheduled count times requires the involvement of at least three employees from separate departments, including management. A separate report is maintained indicating the date, time, VLT number, reason for access, and signature of employees signing out/in the bill validator drop box contents key. Two employees from separate departments are required to accompany the bill validator drop box contents key from the time the keys are issued until the time the keys are returned.

142. Records are maintained for each duplicated key, as addressed in this section, which indicate the number of keys made and destroyed.



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143. Computerized key security systems which restrict access to the VLT drop and count keys through the use of passwords, keys or other means, other than a key custodian, must provide the same degree of control as indicated in the aforementioned key control MICS.

Note: The above MICS does not apply to the system administrator; however, the system administrator should not have access to VLT drop and count keys. The system administrator is described in MICS #152a.

144. For computerized key security systems, the following additional VLT key control procedures apply:
- Management personnel independent of the VLT department assign and control user access to keys in the computerized key security system (i.e., system administrator) to ensure that VLT drop and count keys are restricted to authorized employees.
  - Access to the emergency manual key(s) (a.k.a. “override” key), used to access the box containing the VLT drop and count keys, requires the physical involvement of at least three persons from separate departments, including management. The date, time, and reason for access must be documented with the signatures/OLC license numbers of all participating employees signing out/in the emergency manual key(s).

Note 1: Surveillance monitoring the key access does not meet the requirement of physical involvement.

- The custody of the keys issued pursuant to “b.” above requires the presence of two persons from separate departments from the time the key(s) are issued until the time the key(s) are returned and secured.

***VLT Electronic Funds Transfers***

Note: A debit instrument electronic funds transfer is a transfer of funds from an external financial institution to a VLT through the use of an OLC approved cashless system.

145. For wagering accounts operated and maintained by the racino, only one specific bank account is used to record all debit instrument electronic funds transfers into VLTs. This account is not used for any other types of transactions.

***Computerized Player Tracking, Promotional Accounts, Promotion and External Bonusing Systems***

Note 1: Compliance with MICS #146 - #154 is required for all computerized VLT player tracking, promotional accounts, and promotion and external bonusing systems. These systems include those that communicate with VLTs as to the amount of electronic cashable/non-cashable credits added to the credit meter.

- A “promotional account” is an electronic ledger used in a player tracking system to record patron transactions of non-cashable credits that are not otherwise recorded in a wagering account.
- A “promotion and external bonusing” system is an independent computerized system that communicates external bonus payouts to a VLT. The computerized system will instruct the VLT as to the amount of electronic cashable or electronic non-cashable credits to be placed on the credit meter of the VLT. The amount placed on the credit meter of the VLT (from the external bonusing system) may or may not result from a wager made by a patron.

Note 2: As used in these MICS, the term “point” or “points” is a generic term and refers to a representative of value awarded to a patron based upon specific criterion established by the racino. Commonly, points



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are earned by patrons placing wagers or purchasing room, food, beverage or entertainment admissions. Patron accounts in a player tracking system are used to track points earned/awarded to patrons.

146. The addition/deletion of points to player tracking accounts other than through an automated process related to actual VLT play must be sufficiently documented (including substantiation of reasons for increases) and authorized/performed by supervisory personnel of the player tracking, promotions, and/or VLT department. The addition/deletion of points to player tracking accounts authorized by supervisory personnel is documented and is randomly verified by accounting/audit personnel on a quarterly basis.

Note: The above MICS does not apply to the deletion of points related to inactive or closed accounts through an automated process.

147. The issuance of wagering credits, both through and other than through actual VLT play, must be sufficiently documented and authorized by management personnel independent of the VLT department. Alternatively, VLT supervisory personnel may authorize the issuance of the wagering credits if sufficient documentation is generated and personnel independent of the VLT department on a quarterly basis randomly verify the issuance. The player tracking system creates and maintains documentation indicating the wagering credits issued.
148. Patron computerized player tracking accounts (active, inactive, and closed) are controlled in a manner that precludes any one individual from misappropriating the points. Such procedures must be delineated within the racino's Standard Operating Procedures (SOPs).

Note: Procedures may include, but are not limited to, controls around the creation of player's club cards, resetting of the password/PIN, and/or establishment of user provisioning for proper segregation of duties.

149. The racino shall establish procedures for reactivating inactive or closed patron computerized player tracking accounts which requires the involvement of at least two employees. Documentation evidencing the involvement of two employees is created and maintained for each account reactivated. Such procedures must be delineated within the racino's Standard Operating Procedures (SOPs).
150. Patron identification is required when redeeming points without a player tracking card.
151. Changes to the player tracking system parameters, such as point structures and employee access, must be performed by supervisory personnel independent of the VLT department. Alternatively, changes to player tracking system parameters may be performed by VLT supervisory personnel if sufficient documentation is generated and the propriety of the changes are randomly verified by personnel independent of the VLT department on a quarterly basis.
152. Changes to the promotional accounts, promotion and external bonusing system parameters, such as the awarding of bonuses, the issuance of cashable credits, non-cashable credits, wagering instruments and employee access, must be performed by supervisory personnel independent of the VLT department. Alternatively, changes to promotional accounts, promotion and external bonusing system parameters may be performed by VLT supervisory personnel if sufficient documentation is generated and the propriety of the changes are randomly verified by personnel independent of the VLT department on a quarterly basis.
153. All other changes to the player tracking, promotional accounts, and promotion and external bonusing systems must be appropriately documented.
154. Rules and policies for player tracking accounts including the awarding, redeeming and expiration of points are prominently displayed or available for patron review at the licensed location.



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*Contests/Tournaments*

155. All contest/tournament entry fees, rebuys, and payouts (including mail transactions) are summarized on a cash accountability document on a daily basis.

Note: Racino will obtain approval for all contests/tournaments in accordance with Ohio Lottery Commission Operating Standards.

156. When contest/tournament entry fees, rebuys, and payouts are transacted, the transactions are recorded on a document which contains:

- a. Patron's name.
- b. Date of entry/rebuy/payout.
- c. Dollar amount of entry fee/rebuy/payout (both alpha and numeric, or unalterable numeric) and/or nature and dollar value of any noncash payout.
- d. Signature/OLC license number of individual completing the transaction attesting to the receipt or disbursement of the entry fee/rebuy/payout with the patron.

Note: When online registration is utilized, entry fees may be collected through a computerized system, provided the system creates a record which includes at a minimum: a timestamp of the transaction, a unique transaction code, and the patron's name. The system must also provide the patron with a receipt (e.g., e-mailed electronic receipt).

- e. Name of contest/tournament.

157. A monthly log is maintained which lists all contests/tournaments (including free contests/tournaments) held during the month, summarizing total entry fees/rebuys and total payouts (cash and non-cash prizes) to participants by individual contest/tournament.

158. The contest/tournament entry fees, rebuys, and payouts are summarized and posted to the accounting records on at least a monthly basis.

159. Contest/tournament rules are included on all entry forms/brochures and are prominently displayed or available for patron review at the licensed location. The rules must include at a minimum:

- a. All conditions patrons must meet to qualify for entry into, and advancement through, the contest/tournament.
- b. Specific information pertaining to any single contest/tournament, including the dollar amount of money placed into the prize pool.
- c. The distribution of funds based on specific outcomes.
- d. The name of the organizations (or persons) that conducted the contest/tournament on behalf of, or in conjunction with, the racino if applicable.

160. Results of each contest/tournament are recorded and available for participants to review. The recording includes the name of the event, date(s) of event, total number of entries, dollar amount of entry fees/rebuys, total prize pool, and the dollar amount paid for each winning category. The name of each winner is recorded and maintained but not made available to the participants unless authorized by management personnel.



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Note: For free tournaments (i.e., patron does not pay an entry fee/rebuy), the information required by the above MICS must be recorded except for the number of entries, dollar amount of entry fees/rebuys and total prize pool.

161. The aforementioned contest/tournament records are maintained for each event.

***In-house Progressives***

Note: Deleted (Inter-casino linked progressives for affiliates)

162. At least monthly, each VLT progressive payoff schedule is manually read and recorded. Progressive readings are forwarded to accounting daily.

Note 1: Progressives less than \$1,200 that are associated with a VLT are not required to be recorded on a recurring basis.

Note 2: Deleted.

163. On a monthly basis for each progressive, audit/accounting personnel use the progressive meter readings required by MICS #162 to create and maintain progressive logs, which include at a minimum:

- a. Date the progressive was placed on the floor.
- b. Base amount of progressive payoff schedule when first exposed for play.
- c. Current amount of each progressive payoff schedule.
- d. Explanation of each payout supporting a decrease to the payoff schedule:
  - 1) Date;
  - 2) Amount; and
  - 3) Payoff form number.
- e. Investigate any variances noted and document and maintain the results of the investigation.

***Accounting/Audit Standards***

164. The VLT audit is conducted by someone independent of the VLT operation.

165. For computerized player tracking systems, an accounting/audit employee shall 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.



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- b. Review exception reports for propriety of transactions and unusual occurrences. The review should include, but is not limited to, transfers between accounts.
  - c. Review the documentation related to reactivating inactive and closed accounts created in MICS #149 for the involvement of two employees.
166. At least annually, all computerized player tracking, promotional accounts, promotion and external bonusing VLT systems (in-house developed and purchased systems) are reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., player tracking system - verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., wagering at a VLT to verify the accuracy of the amount of points/wagering credits awarded). The test results are documented and maintained.
167. For currency counter interface systems, for each drop accounting/audit employees shall compare the totals on the currency counter report to the system-generated currency count recorded in the VLT analysis report. Discrepancies should be resolved prior to generation/distribution of VLT count reports and the VLT analysis report.
168. Deleted (Accounting System Required)
169. Deleted (Payout Receipt System)
170. Deleted (SBG)
- Note: Deleted (SBG)
171. Deleted (CMS)
172. Deleted (SBG)
173. Deleted (Multi-game accounting)
174. Deleted (quarterly TITO System audit)
175. Each week accounting personnel review TITO system documentation that supports the dollar amount of expired wagering instruments. This dollar amount is paid weekly to the Ohio Lottery Commission. Unpaid wagering instruments documentation, including wagering instrument numbers, is restricted to authorized personnel.
176. Deleted (Gross gaming revenue reporting requirements for Nevada).
177. At least annually, for VLTs, accounting/audit personnel shall randomly verify that game program changes resulting in a change in par percentage or the assignment of a new VLT number are properly reflected in the VLT analysis reports.
178. Accounting/audit personnel review system exception reports for all computerized VLT systems on a daily basis for propriety of transactions and unusual occurrences. All noted improper transactions or unusual occurrences are investigated with the results documented. The computerized VLT systems include, but are not limited to, TITO System, jackpot system, and SSG.



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Note: 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.

179. For one day each month, accounting/audit personnel reconcile the dollar amount of active wagering instruments created, other than through VLT play, to the wagering instruments reflected in the VLT bank accountability documents. The reconciliation includes using documents and system reports supporting all additions and reductions of active wagering instruments to the appropriate accountability area.

180. The following procedures are performed by accounting personnel for each day:

- a. Review the following VLT payout (includes promotional payouts) forms for proper completion:
  - 1) All computer payout forms prepared as a result of a computer system override.
  - 2) All manual payout forms.
  - 3) A sample of computer payout forms.
  - 4) All voided sequentially-numbered payout forms.
- b. Reconcile the VLT payout forms as follows:
  - 1) For a manual payout process, foot the payout forms routed by the witness of the transaction and trace to the total payout amounts recorded by the cashier in cashier's accountability document.
  - 2) If the reconciliation results in a variance, an investigation is performed to determine whether all forms are accounted for with the investigation being documented.
  - 3) Verify that the correct total payout and WAT out amounts are recorded in the accounting records.
- c. For one cashier, foot the wagering instruments and/or payout receipts redeemed and trace the totals to the totals recorded in the system and to the amount recorded in the applicable cashier's accountability document.
- d. Reconcile all parts of the form used for increases/decreases to bank accountability inventory (includes VLT booths, change banks, and any other VLT accountability areas), investigate any variances noted, and document the results of such investigations.
- e. The following procedures are performed using the count document completed by the count team members:
  - 1) Reconcile the dollar amount of currency drop proceeds on the count sheet 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 bill validator count room, both during and at the end of the count. Investigate and document any variance noted.
  - 2) Verify that the correct totals of currency drop proceeds on the count sheet are recorded in the accounting records.
  - 3) Examine for propriety of signatures.
- f. Reconcile the dollar amount of WAT in and WAT out per the WAT By Gaming Area report to the accounting records. Investigate and document any variances noted.



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- g. Ensure all single-use VLT promotional coupons redeemed at booths, cages, etc. (i.e., coupons that cannot be accepted by a VLT for wagering purposes) are properly canceled to prevent improper recirculation. Audit/accounting personnel cancel such coupons if not previously performed by VLT/cage personnel.
  - h. Reconcile issued, voided, and redeemed wagering instruments to the unpaid and expired wagering instruments dollar amount using the reports generated by the TITO system. Investigate and document any variances noted. Examine paid expired wagering instruments for proper authorization and documentation pursuant to MICS #75 and #76.
  - i. For wagering accounts operated and maintained by the racino, reconcile the dollar amount of debit instrument electronic funds transfers as recorded in the cashless system reports to the dollar amount processed and recorded by the outside entity, and to the dollar amount indicated in the bank account records.
  - j. Verify that the debit instrument electronic funds transfers recorded in the cashless system reports did not exceed the daily transfer limit per debit instrument approved by the OLC.
  - k. Verify that the correct amount of VLT revenue resulting from electronic funds transfers and wagering instruments activity (drop and issuances) has been recorded in the accounting records.
  - l. Reconcile all contest/tournament entry, rebuy, and payout forms to the dollar amounts recorded in the appropriate accountability document.
  - m. When payment is made to the winners of a contest/tournament, reconcile the contest/tournament entry fees/rebuys collected to the actual contest/tournament payouts made. 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.
181. Monthly, reconcile the total amount of WAT in and WAT out per the WAT Summary report to the month-end accounting records. This reconciliation is documented and maintained. All variances are reviewed, documented and maintained.
182. Deleted (monthly VLT summary report)
- Note 1: Deleted (statistical win vs. taxable win)
  - Note 2: Deleted (statistical win vs. taxable win)
  - Note 3: Deleted (monthly VLT summary report)
183. Deleted (specific to NV tax returns)
184. Monthly, accounting/audit personnel:
- a. Foot, for one day, the computer payout forms and compare the total to the amount recorded in the computer system payout reports.
  - b. Reconcile gross revenue from the monthly VLT summary report to the general ledger. Any variances between the gross revenue recorded in the monthly VLT summary report and the general ledger should be identified by documenting the reason for the variance. This reconciliation is documented and maintained.
185. At least quarterly, for each kiosk, foot the wagering instruments redeemed for a week (or one drop period if dropped more frequently) and trace the totals to the totals recorded in the system(s) and the related



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accountability document. This procedure may be performed for different kiosks throughout the quarter as long as each kiosk is examined once per quarter. Document the test and the results of investigations into all variances, by kiosk.

Note: This procedure may be performed by non-accounting personnel as long as the individual has not performed the reconciliation required by MICS # 89.

186. Deleted (Fills)
187. Monthly, accounting/audit personnel review all contest, tournament, promotional payout, drawing, and giveaway program documentation to determine proper accounting treatment and proper VLT gross revenue computation.
188. For all contests, tournaments, promotional payouts (including payouts from computerized player tracking activity), drawings, and giveaway programs the following documentation is maintained:
  - a. Copies of the information provided to the patrons describing the contests, tournaments, promotional payouts, drawings, and giveaway programs (e.g., brochures, flyers).
  - b. Effective dates.
  - c. Accounting treatment, including general ledger accounts, if applicable.
  - d. For tournaments and contests, the name of the organizations (or persons) that conducted the contest/tournament on behalf of, or in conjunction with, the racino, if any. The extent of responsibilities (including MICS compliance responsibilities) each organization and the racino 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 racino collecting entry fees, operating the tournament and distributing prizes to winners) will also be documented.
189. Monthly, accounting/audit personnel perform procedures to ensure that contests, tournaments, promotional payouts, drawings, and giveaway programs are conducted in accordance with the conditions provided to the patrons. The procedures must include a review of documents, interviews of employees on the property, and on premise observations of the racino. The results of the review, interviews, and observations must be documented and maintained.
190. For computerized key security systems controlling access to VLT drop and count keys, accounting/audit or compliance personnel, independent of the system administrator, will perform the following procedures:
  - a. Daily, review the report generated by the computerized key security system indicating the transactions performed by the individual(s) who adds, deletes, and changes user's access within the system (i.e., system administrator). Determine whether the transactions completed by the system administrator provide an adequate control over the access to the VLT drop and count keys. Also, determine whether any VLT drop and count key(s) removed or returned to the key cabinet by the system administrator was properly authorized.
  - b. For at least one day each month, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual VLT drop and count key removals or key returns occurred.
  - c. At least quarterly, review a sample of users who are assigned access to the VLT drop and count keys to determine that user's access to the assigned keys is adequate relative to the user's job position.
  - d. All noted improper transactions or unusual occurrences are investigated with the results documented.



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191. Quarterly, an inventory of all VLT door keys, attendant keys, any other similar VLT key or device, count room, drop box release, storage rack, contents keys, and other sensitive VLT keys is performed, and reconciled to records of keys made, issued, and destroyed. Investigations are performed for all keys unaccounted for, with the investigation being documented.
192. At least annually, accounting/audit personnel recalculate the floor par for a sample denomination to ensure the accuracy of the floor par on the VLT analysis report.
193. Documentation (e.g., a log, checklist, notation on reports, and tapes attached to original documents) is maintained evidencing the performance of VLT audit procedures, including any reviews, the exceptions noted, and any follow-up of all VLT audit exceptions.

***Inter-Casino Linked System for Affiliates***

Note: Deleted

194. Deleted
195. Deleted
196. Deleted

***Record Retention***

197. All documents, including those maintained on computer storage media, discussed in these VLT MICS must be retained for five years except for:
  - a. Documents specifically identified in VLT MICS as requiring a lesser retention period.
  - b. Printed wagering instruments, which only require retention for a minimum of 14 days, when the following conditions are met:
    - 1) All information on the wagering instrument is contained on a separate report.
    - 2) The wagering instruments do not contain signatures, or other evidence of internal control procedures having been performed.
    - 3) The wagering instruments have been classified as “redeemed” or “expired” within the TITO System.

***Payout Procedures for Mail-In VLT Wagering Instruments***

198. Accounting/audit personnel or personnel independent of the VLT department receive the original wagering instruments.
199. Accounting/audit personnel or personnel independent of the VLT department record the wagering instruments on a log as a mail pay. The log includes the date received, patron’s name, wagering instruments number, and dollar amount.



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200. The wagering instruments are entered/scanned into the computer system by VLT/cage/accounting/audit personnel for validation and cancellation.
201. Accounting/audit personnel compare the “paid” wagering instruments to the mail pay log and the system report for “paid” wagering instruments. Any discrepancies are documented and reviewed with VLT and accounting management personnel.
202. Accounting/audit personnel, independent of the individual(s) who processed the mail pay wagering instrument, review the patron’s correspondence submitted, the wagering instruments, the mail pay log, and the system report for “paid” wagering instruments for any discrepancies. Any discrepancies are documented and resolved prior to remitting the proper payment amount to the patron.

***Ohio Lottery Commission Regulation Report***

203. The count time filing will include specific drop and count days and times for the coin and currency drop and count, and must not be presented as approximate ranges except as provided in Note (3) below.

Note 1: The start of the drop commences with the removal of the first bill validator drop box or the opening of the first VLT drop cabinet door.

Note 2: Deleted (Table Games)

Note 3: A count time range, not exceeding 30 minutes, may be indicated for counts starting after the completion of another count or drop (e.g., count starts no earlier than 7 a.m., but no later than 7:30 a.m.).

Note 4: Deleted (Coin)

Note 5: Deleted (Employee Breaks)

Note 6: When a drop and/or count is unable to start at the reported time, the Ohio Lottery Commission is notified prior to both the reported time and the actual start time.