



SPORTS GAMING OPERATING STANDARDS MINIMUM INTERNAL CONTROL STANDARDS EFFECTIVE DATE: SEPTEMBER 30, 2022

OVERVIEW

A type C lottery sports gaming proprietor (LSGP) shall establish and maintain minimum internal control standards (MICS) for their sports gaming, Information technology, and financial systems. This document describes those controls and compliance by the proprietor.

REFERENCE DOCUMENTS

Ohio Administrative Code: [3770:3-5-02](#)

Ohio Administrative Code: [3770:3-5-03](#)

Ohio Revised Code [3775.10](#)

AMERICANS WITH DISABILITIES ACT OF 1990

State of Nevada Gaming Control Board Race and Sports Minimum Internal Control Standards, effective April 1, 2023, were used as the basis for Ohio Minimum Internal Control Standards (MICS). Additionally, State of Nevada Gaming control Board Race and Sports Information Technology (IT) Minimum Internal Controls effective April 1, 2023, were used for Ohio IT MICS. Ohio specific additions have been made to the MICS.

STANDARDS

Internal control standards for sports gaming shall comply with the Ohio Sports Gaming Minimum Internal Control Standards and Ohio IT Minimum Internal Control Standards. All applicable LSGP standard operating procedures (SOPs) shall support compliance with the MICS and require Lottery review and approval prior to implementation.

HOUSE RULES

The LSGP shall publish its house rules and shall display the house rules, together with any other information the Lottery considers appropriate, conspicuously in each sports gaming facility and in any other place or manner prescribed by the Lottery.

House rules must be made readily available to patrons at a type C host location and wherever the type C proprietor performs sports gaming operations. These rules must also be published and accessible through an approved website. The LSGP shall describe the methods for ensuring customer access and comply with all ADA requirements. Compliance with the AMERICANS WITH DISABILITIES ACT OF 1990 ("ADA") is mandated by federal law.

The House Rules must specify but are not limited to details on the following:

- Disputes and customer complaints;
- Types of wagers;
- How winning wagers will be paid;
- Schedule change procedures;
- Redemption period for winning wagers;
- Method for notification of line changes, odd changes and event changes;
- Voids or cancels;
- Responsible gaming messaging.



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**LSGP must comply with required procedures set forth in 3770:3-5-02

Dispute Resolution:

All LSGPs shall maintain a process for the following:

- Information and training on how to resolve customer disputes and complaints;
- Approved customer facing material for handling disputes and process for contact;
- Contact information, including Toll-Free number for LSGP representatives / call centers;
- The LSGP dispute resolution shall include an escalation / appeals process including notification to regulators.

RESTRICTED PLAYERS

Time Out Ohio Program (Formally VEP)

The LSGP is responsible for following:

- Process for assisting customers;
- Problem gambling and responsible gambling messaging materials;
- Information on how a patron may place themselves on the states Time Out Ohio program list;
- Check for compliance with updated lists on a weekly basis, at minimum by downloading the current list; and
- Comply with all reporting requirements.

The LSGP shall maintain a listing of restricted players which shall include the following: Participants in the State of Ohio Time Out Ohio Program; Athletes, Officials, and other individuals identified to the LSGP by a sports governing body; employees of the Lottery Commission and Casino Control Commission as identified to the LSGP; and individuals prohibited by the LSGP.

The LSGP shall implement programs to deter and detect restricted players as approved by the Director.

COMPLIANCE

Compliance Review

On an annual basis, the Lottery will review LSGP compliance with the published MICS. The Lottery may also review on an as needed basis and may at any time examine records, files, and other documents maintained by the LSGP. All documents must be made available for review upon Lottery request. In the event a change to sports gaming operations results in a change to the published MICS, the Lottery will review compliance 90 days after implementation to ensure that internal controls are in place, are appropriately documented, match approved procedures, and are followed.

LSGP Internal Audit Standards

A LSGP shall submit to the Lottery for review and approval internal audit department operating standards and procedures that ensure an internal audit is conducted in accordance with generally accepted auditing standards in the United States.



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A LSGP's internal audit department operating procedures and standards shall, at a minimum, require the internal audit department to:

- Work independently of the departments that are subject to audit;
- Assess whether the internal controls comply with applicable law and Lottery directives;
- Test compliance with its internal controls;
- Immediately report a deficiency in, or noncompliance with, the internal controls to:
 - The audit committee;
 - The chief executive officer; and
 - The Lottery.
- Recommend resolution for eliminating a deficiency in, or noncompliance with, the internal control system;
- Meet periodically with the audit committee or director of internal audit;
- Prepare an audit report for each audit conducted;
- Accurately document the audit process and results in an audit report that, at a minimum, shall include:
 - Audit objectives;
 - Audit procedures and scope;
 - Findings and conclusions;
 - A recommendation for addressing a deficiency in, or noncompliance with, the facility's internal controls;
 - Resolution of all exceptions;
 - Management's response; and
 - Each page clearly labeled or watermarked as confidential.

The Sports Gaming Regulators shall audit at least annually the LSGP functions and operations including but not limited to:

- Revenue audit;
- Sports Gaming Operations department;
- Player tracking system (if applicable);
- Cashless wagering system (if applicable);
- Responsible gaming program;
- Security department;
- Currency transaction reporting;
- Suspicious activity reporting;
- Information technology controls;
- Surveillance department.

At the direction of the Lottery, additional or more frequent internal audits of specific functions or operations may be required.

CONTACT

For further information contact: sportsgaming@lottery.ohio.gov