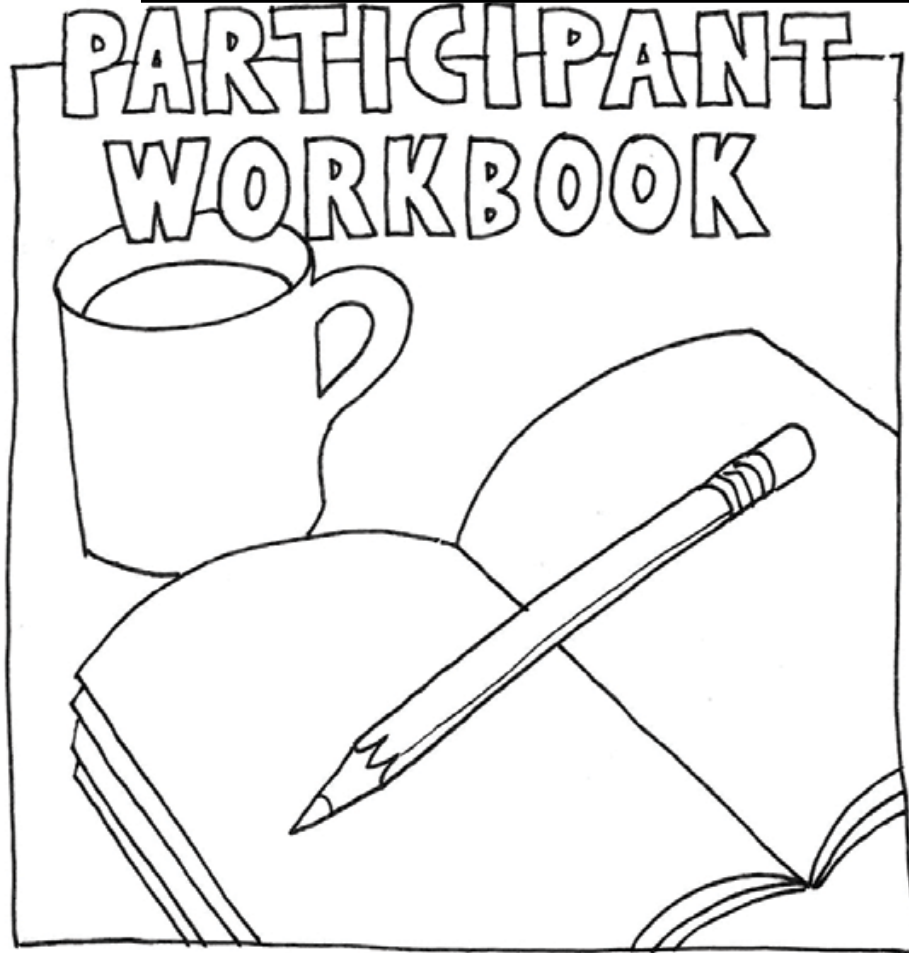




# National Virtual Training Conference



## Top National Findings

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The slide features a white header with the word "Objective" in blue. To the right is the logo of the National Indian Gaming Commission, which consists of a circular emblem with a stylized eagle and the text "NATIONAL INDIAN GAMING COMMISSION". Below the header is a dark blue rectangular area containing a bulleted list of four objectives in white text. A small number "2" is located in the bottom right corner of this area.

- Identify common exceptions
- National Compliance Statistics
- Clarify intent of standards
- Provide framework for achieving compliance

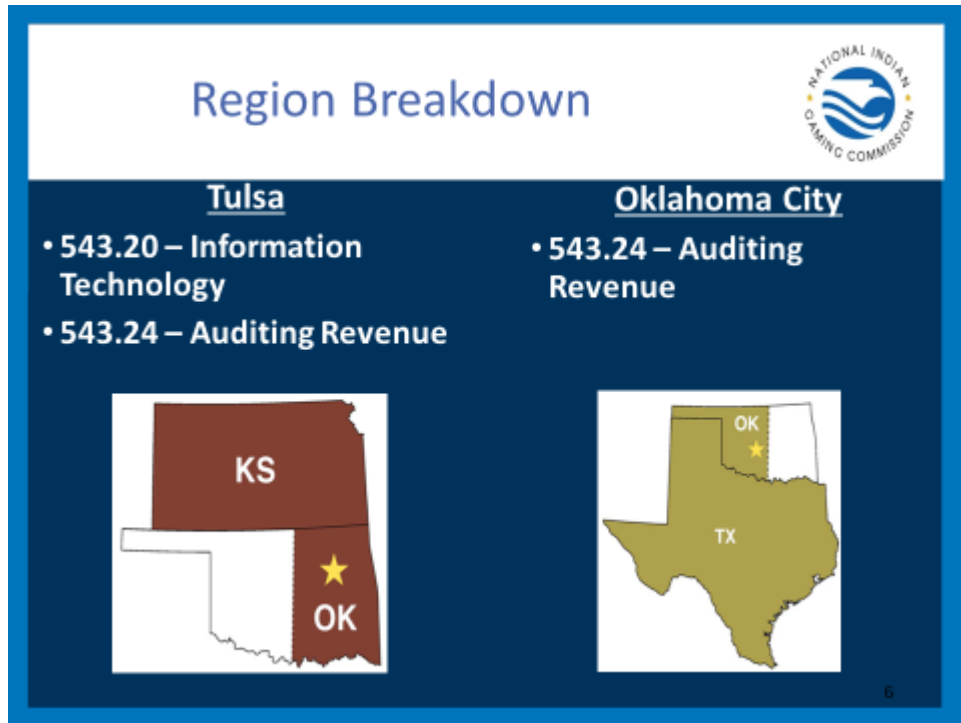
- ✓ Understanding the common exceptions for the Nation.
- ✓ Determine the Intent of the standard.
- ✓ Once Intent is determined, establish the control to ensure regulatory compliance.

**NOTES**







These are the section(s) which, has the most common findings by region.

- Tulsa
  - Information Technology (IT) was the highest. We included the second highest that was not IT related to show that Auditing Revenue affected more operations than IT.
- OKC
  - Auditing Revenue

**NOTES** \_\_\_\_\_

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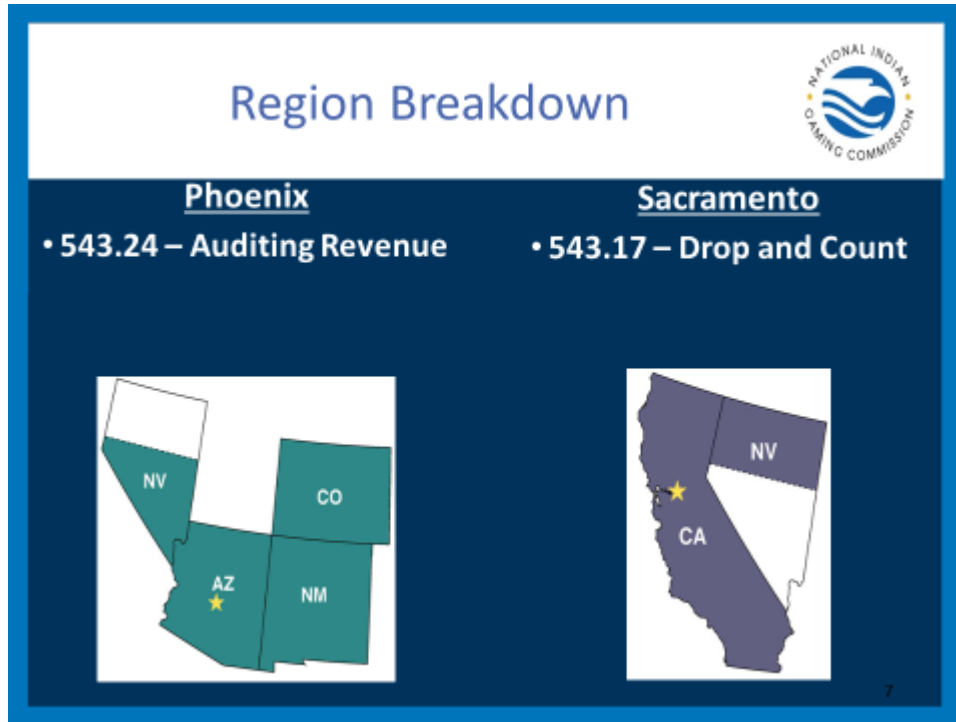
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These are the section(s) which, has the most common findings by region.

- Phoenix
  - Auditing Revenue
- Sacramento
  - Drop and Count

**NOTES** \_\_\_\_\_

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## Example Standard

Standard  
543.8(b)(3)(i); (3) *Storage*.  
(i) Bingo cards must be maintained in a secure location, accessible only to authorized agents, and with surveillance coverage adequate to identify persons accessing the storage area.

4/2/2021 10

Controls simply have three functions.

- Prevent something undesired from happening
- Detect when something undesired happened
- Corrective Action that should be taken in the event that something undesired happened

Standards should be written to help ensure the intent is met.

**NOTES** \_\_\_\_\_

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	Finding	Intent	Control Development
1	<p><b>Auditing Revenue</b> 543.24(d)(10)(i)</p> <p>(d) Controls must be established and procedures implemented to audit of each of the following operational areas: <i>(10) Inventory.</i></p> <p>(i) At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to, bingo cards, pull tabs, playing cards, keys, pre-numbered and/or multi-part forms.</p>	<p>Detective/Preventative control. Helps ensure the integrity of all controlled inventory. Proper inventory controls ensure that accounting information is accurate and the integrity of gaming is maintained.</p>	<p>Review TICS &amp; SICS to ensure they fully outline the requirements to perform the inventory review. Review Revenue Audit Checklists for monthly audits to ensure they include this requirement. Generate supporting documentation of performed reconciliations to evidence the completion, and these results should contain the results of any investigation performed on missing controlled inventory.</p>
2	<p><b>Auditing Revenue</b> 543.24(d)(4)(iii)</p> <p>(d) Controls must be established and procedures implemented to audit of each of the following operational areas: <i>(4) Gaming promotions and player tracking.</i></p> <p>(iii) At least annually, all computerized player tracking systems must be reviewed by agent(s) independent of the individuals that set up or make changes to the system parameters. The review must be performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization Document and maintain the test results.</p>	<p>Detective control. Helps ensure fraudulent activity is not occurring in player tracking system. Ensures all modifications are properly authorized.</p>	<p>Review TICS &amp; SICS to ensure they outline the requirements to review the documentation related to parameter changes in the Player Tracking System (PTS). Review Revenue Audit Checklists for annual audits to ensure they include this requirement. Work with IT to design/generate a report that identifies system parameter changes. Generate supporting documentation of audits to evidence the completion of the audit.</p>
3	<p><b>Auditing Revenue</b> 543.24(d)(4)(ii)(C)</p> <p>(d) Controls must be established and procedures implemented to audit of each of the following operational areas: <i>(4) Gaming promotions and player tracking.</i></p> <p>(ii) At least monthly, for computerized player tracking systems, perform the following procedures: (C) Review documentation related to access to inactive and closed accounts.</p>	<p>Detective control. Helps ensure fraudulent activity is not occurring on players' accounts which are no longer being used.</p>	<p>Review TICS &amp; SICS to ensure they outline the requirements to review the documentation related to inactive/closed accounts. Review Revenue Audit Checklists for monthly audits to ensure they include this requirement. Work with IT to design/generate a report that identifies accounts that are classified as inactive and/or closed. Generate supporting documentation of audits to evidence the completion of the audit.</p>

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Questions?

NATIONAL INDIAN  
GAMING COMMISSION

NIGC Training Program  
Traininginfo@nigc.gov

Information Technology – Audit Tool Kit  
[https://www.nigc.gov/images/uploads/training/Toolkit\\_ITAudit\\_Rev12\\_4.pdf](https://www.nigc.gov/images/uploads/training/Toolkit_ITAudit_Rev12_4.pdf)

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**Thank you for joining us today! Don't forget to fill out the survey.**

Resource:

Information Technology Audit Toolkit Link:

[https://www.nigc.gov/images/uploads/training/Toolkit\\_ITAudit\\_Rev12\\_4.pdf](https://www.nigc.gov/images/uploads/training/Toolkit_ITAudit_Rev12_4.pdf)

**NOTES**


**National Top Findings  
Handout**

	<b>Finding</b>	<b>Intent</b>	<b>Control Development</b>
<b>1</b>	<p><b>Auditing Revenue 543.24(d)(10)(i)</b> (d) Controls must be established and procedures implemented to audit of each of the following operational areas: <i>(10) Inventory.</i> (i) At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to, bingo cards, pull tabs, playing cards, keys, pre-numbered and/or multi-part forms.</p>	<p>Detective/Preventative control. Helps ensure the integrity of all controlled inventory. Proper inventory controls ensure that accounting information is accurate and the integrity of gaming is maintained.</p>	<p>Review TICS &amp; SICS to ensure they fully outline the requirements to perform the inventory review. Review Revenue Audit Checklists for monthly audits to ensure they include this requirement. Generate supporting documentation of performed reconciliations to evidence the completion, and these results should contain the results of any investigation performed on missing controlled inventory.</p>
<b>2</b>	<p><b>Auditing Revenue 543.24(d)(4)(iii)</b> (d) Controls must be established and procedures implemented to audit of each of the following operational areas: <i>(4) Gaming promotions and player tracking.</i> (iii) At least annually, all computerized player tracking systems must be reviewed by agent(s) independent of the individuals that set up or make changes to the system parameters. The review must be performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization Document and maintain the test results.</p>	<p>Detective control. Helps ensure fraudulent activity is not occurring in player tracking system. Ensures all modifications are properly authorized.</p>	<p>Review TICS &amp; SICS to ensure they outline the requirements to review the documentation related to parameter changes in the Player Tracking System (PTS). Review Revenue Audit Checklists for annual audits to ensure they include this requirement. Work with IT to design/generate a report that identifies system parameter changes. Generate supporting documentation of audits to evidence the completion of the audit.</p>
<b>3</b>	<p><b>Auditing Revenue 543.24(d)(4)(ii)(C)</b> (d) Controls must be established and procedures implemented to audit of each of the following operational areas: <i>(4) Gaming promotions and player tracking.</i> (ii) At least monthly, for computerized player tracking systems, perform the following procedures: (C) Review documentation related to access to inactive and closed accounts.</p>	<p>Detective control. Helps ensure fraudulent activity is not occurring on players' accounts which are no longer being used.</p>	<p>Review TICS &amp; SICS to ensure they outline the requirements to review the documentation related to inactive/closed accounts. Review Revenue Audit Checklists for monthly audits to ensure they include this requirement. Work with IT to design/generate a report that identifies accounts that are classified as inactive and/or closed. Generate supporting documentation of audits to evidence the completion of the audit.</p>



	<b>Finding</b>	<b>Intent</b>	<b>Control Development</b>
<b>4</b>	<p><b>Information Technology</b>  <b>543.20(f)(5)</b>  <i>(f) User controls.</i>  (5) Access credentials of terminated users must be deactivated within an established time period approved by the TGRA.</p>	<p>Preventative control. Ensures only authorized users have access to the operation's systems.</p>	<p>Review TICS &amp; SICS to ensure they establish a time period for which lost or compromised access credentials must be deactivated, secured or destroyed as well as when users' access must be terminated. Review Active and Terminated Employee lists and compare to active users in system. Review documentation required to notify IT that an individual user's access needs to be terminated.</p>
<b>5</b>	<p><b>Cage, vault, kiosk, cash and cash equivalents</b>  <b>§543.18(c)(4)</b>  <i>(c) Cage and vault accountability.</i>  (4) The gaming operation must establish and comply with a minimum bankroll formula to ensure the gaming operation maintains cash or cash equivalents (on hand and in the bank, if readily accessible) in an amount sufficient to satisfy obligations to the gaming operation's patrons as they are incurred.</p>	<p>Preventative control. Ensures that operations have enough money available to cover obligations that could occur in the course of business.</p>	<p>Review TICS &amp; SICS to ensure they outline the requirement to adopt and comply with a minimum bankroll formula. Adopt a minimum bankroll formula. Many operations have adopted the formula available from the NIGC, while others have made modifications to have more stringent requirements. Perform calculations at the interval specified in the SICS or whenever there are major changes to machine counts or services offered. Ensure there is enough cash and equivalents on hand and in the bank to satisfy those obligations.</p>
<b>6</b>	<p><b>Audit &amp; Accounting</b>  <b>543.23(b)(2)(xi)</b>  <i>(b) Accounting.</i> Controls must be established and procedures implemented to safeguard assets and ensure each gaming operation:  (2) Prepares general accounting records on a double-entry system of accounting, maintaining detailed, supporting, subsidiary records, and performs the following activities:  (xi) Prepare minimum bankroll calculations; and</p>	<p>Detective/Corrective control. Ensures the operation has calculated and maintains sufficient cash on-hand and available next business day to cover daily obligations.</p>	<p>Review SICS to ensure they outline the requirement for calculating the minimum bankroll. Establish a communication process between accounting and cash operations to ensure deposits are sufficient to maintain the bankroll. Retain evidence of the calculations for audit.</p>

	<b>Finding</b>	<b>Intent</b>	<b>Control Development</b>
<b>7</b>	<p><b>Auditing Revenue</b> <b>543.24(d)(8)(iv)</b> (d) Controls must be established and procedures implemented to audit of each of the following operational areas: <i>(8) Drop and count.</i> (iv) At least quarterly, an inventory of all controlled keys must be performed and reconciled to records of keys made, issued, and destroyed. Investigations must be performed for all keys unaccounted for, and the investigation documented.</p>	<p>Detective/Preventative control. Helps ensure the integrity of the count is maintained by identifying any missing keys. This ensures accounting information is accurate.</p>	<p>Review TICS &amp; SICS to ensure they fully outline the requirement to perform the inventory review. Review Revenue Audit Checklists for quarterly audits to ensure they include this requirement. Generate supporting documentation of performed reconciliation to evidence the completion, and these results should contain the results of any investigation performed on missing keys.</p>
<b>8</b>	<p><b>Auditing Revenue</b> <b>543.24(d)(8)(i)</b> (d) Controls must be established and procedures implemented to audit of each of the following operational areas: <i>(8) Drop and count.</i> (i) At least quarterly, unannounced currency counter and currency counter interface (if applicable) tests must be performed, and the test results documented and maintained. All denominations of currency and all types of cash out tickets counted by the currency counter must be tested. This test may be performed by internal audit or the TGRA. The result of these tests must be documented and signed by the agent(s) performing the test.</p>	<p>Detective/Preventative control. Helps ensure count equipment is accurate and functioning properly. This ensures accounting information is accurate.</p>	<p>Review TICS &amp; SICS to ensure they fully outline the requirement to perform the unannounced currency counter and interface. Review Revenue Audit Checklists for quarterly audits to ensure they include this requirement. Generate supporting documentation of performed tests to evidence their completion, and these results should contain signatures attesting to performing tests.</p>
<b>9</b>	<p><b>Audit &amp; Accounting</b> <b>543.23(b)(2)(viii)</b> <i>(b) Accounting.</i> Controls must be established and procedures implemented to safeguard assets and ensure each gaming operation: (2) Prepares general accounting records on a double-entry system of accounting, maintaining detailed, supporting, subsidiary records, and performs the following activities: (viii) Record transactions to facilitate proper recording of gaming revenue and fees, and to maintain accountability of assets;</p>	<p>Preventative control. Ensures the operation has a process for properly recording accounting transactions to ensure account balances are accurate and free of misstatements.</p>	<p>Review SICS to ensure they outline the process of recording transactions. The process should ensure that transactions are accurate and receive proper authorization before being posted. Accounting entries should be calculated and posted based on audited daily revenue reports and vault accountability documentation.</p>

	Finding	Intent	Control Development
10	<p><b>Cage, vault, kiosk, cash and cash equivalents</b>  <b>§543.18(c)(3)</b>  <i>(c) Cage and vault accountability.</i>            (3) The cage and vault inventories (including coin rooms) must be counted independently by at least two agents, attested to by signature, and recorded in ink or other permanent form at the end of each shift during which the activity took place. These agents must make individual counts to compare for accuracy and maintain individual accountability. All variances must be documented and investigated.</p>	<p>Preventative control. Ensures that amounts transferred between individuals are accurate and illustrate a clear transfer of accountability.</p>	<p>Review TICS &amp; SICS to ensure they outline the process for performing and documenting transfers of accountability. Review documentation and systems, if applicable, to ensure all of the required information is recorded. Ensure there are no “blind” drops at shift’s end to reduce the possibility of theft.</p>