



Portland: Regional Guidance on the Issues

Panel Discussion

18 Apr 2017



Commission's Initiatives

- Rural Outreach
- Staying ahead of the Technology Curve
- Supporting a strong workforce both in-house and among our regulatory partners
- Protect against anything that amounts to gamesmanship on the back of tribes



FY2015 GGR

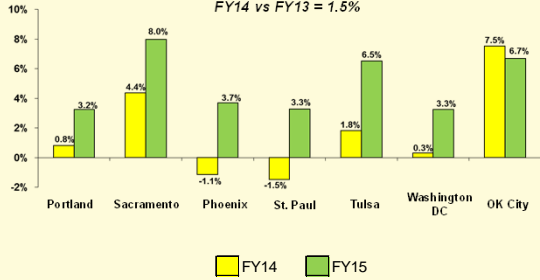
FY15: Indian gaming industry's largest year-over-year GGR increase during past 10 years.





GGR Growth Rate By Region

Overall Growth Rate
FY15 vs FY14 = 5.0%
FY14 vs FY13 = 1.5%



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Regional Compliance Issues/Guidance

ISSUE:

- Submissions of Facility License/Attestation
- Submission of NOR/NGLI
- Submission of AFS, Fees & Worksheets
- Internal control compliance
- TGRA/Management/Govt. relationship
- Gamesmanship

GUIDANCE:

- Expiration/Renewal
- Timeliness/Systemic review, Reminders and offer of Assistance
- IA, CPA, Compliance Staff- 543 testing, identify, remedy, follow-up
- NIGC assistance/Site Specific Training
- Review the contracts



Office of General Counsel

Requesting OGC Opinions:

www.nigc.gov/images/uploads/game-opinions/SubmittingRequestforLegalOpinionDec112013.pdf

- Indian Lands
- Game Opinions
- Declination Letters

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Office of General Counsel

OGC Technical Assistance

- Informal Gaming Ordinance Review
- Regional Training Courses
- Other Questions or Concerns



Technology Division

ITVA's 2016

Requests – 1
Completed - 0

Common ITVA Issues

Identified

- Microsoft Patches not updated
- Virtual Network Computers unsecured
- Remote username/passwords unencrypted

2016 Regulating Gaming Trainings (RGT's)

Questions

1. Forensics
2. Class II Systems
3. IT Threats

Common Compliance Assessments

(ICA's) Issues Encountered

1. Remote Access
2. Policy and Procedures
3. Logical Security – proper username/passwords in place

2016 IT General Interactions

1. Remote Access
2. Network Security
3. Vendor Issues

Technology Division provides free IT Vulnerability Assessments that assist with identifying IT Network deficiencies sign up at <http://www.nigc.gov>

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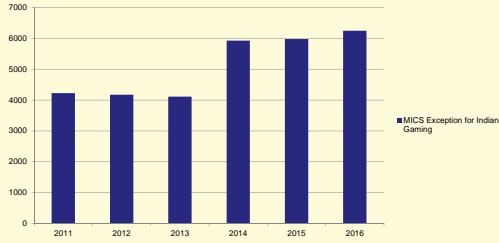
Audit

- Internal Control Assessments
 - Limited Scope review of specific areas



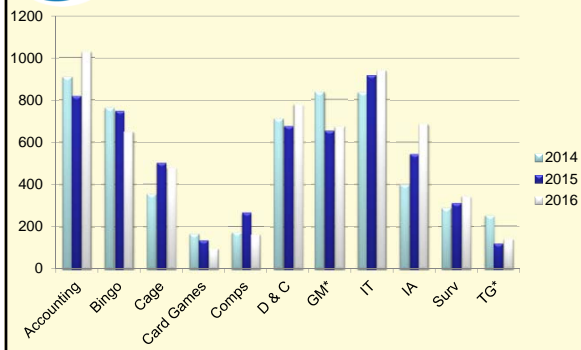
Overall MICS AUP Exceptions

MICS Exceptions for Indian Gaming





Breakdown by Section





543 Tied #5 Finding

- Audit and accounting 543.23(c)(4)
 - Internal audit
 - Controls established and procedures implemented
 - Internal auditor(s) are independent of gaming operations with respect to departments subject to audit (auditors internal to the operation, officers of the TGRA, or outside CPA firm may perform this function)



543 #5 Finding

- Auditing Revenue 543.24(d)(8)(iv)
 - Establish controls and implement procedures:
 - Drop and Count
 - Quarterly, inventory all controlled keys and reconcile to records of keys made, issued, and destroyed
 - Investigate all keys unaccounted for, and document investigation

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543 Tied #2 Finding

- Auditing Revenue 543.24(d)(4)(iii)
 - Establish controls and implement procedures to audit the following operational area:
 - Gaming Promos and Player Tracking
 - Annual review of computerized player tracking systems
 - Ensure configuration parameters are accurate and alterations have authorization from management
 - Review performed by agent(s) independent of individuals that set up/change system parameters
 - Document and maintain the test results.

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543 Tied #2 Finding

- Auditing Revenue 543.24(d)(4)(ii)(A)
 - Establish controls and implement procedures to audit the following operational area:
 - Gaming Promos and Player Tracking
 - At least monthly, for computerized player tracking systems, perform the following procedures:
 - Review authorization documentation for all manual point additions/deletions for propriety



543 Tied #1 Finding

- Auditing Revenue 543.24(d)(4)(ii)(B)
 - Establish controls and implement procedures to audit the following operational area:
 - Gaming Promos and Player Tracking
 - At least monthly, for computerized player tracking systems, perform the following:
 - Review exception reports, including transfers between accounts



543 Tied #1 Finding

- Promotions and Player Tracking Systems 543.12(d)
 - *Variances*
 - The operation must establish, as approved by the TGRA, the threshold level at which a variance must be reviewed to determine the cause.
 - Any such review must be documented.

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Summary of 543 findings

- A majority of 543 findings are as it relates to the sections that require;
 - Controls must be established
 - Procedures implemented
 - Thresholds established
 - Actions documented

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NIGC Training Program

- Revising training approach to be more process driven.
 - “How To” instead of “How Come”
- New workshops Internal Audit (16hr training) TICS/SICS
- In the future Learning Management System
- A call for suggestions!

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Questions





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