

Gaming Update



December 2015

The Gaming Update newsletter is published quarterly. Issues are available for download on the Gaming page at www.ag.nd.gov.

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Holiday Closings

The Gaming Division will be closed at noon on December 24th and all day on December 25th and January 1st.

Public Hearings

Public hearings to consider changes to the gaming rules proposed by the Gaming Advisory Board and State Gaming Commission are scheduled as follows:

- **BISMARCK:** Monday, December 14, 2015, at 10:00 AM in the Brynhild Haugland Room at the State Capitol, 600 E. Boulevard Avenue.
- **GRAND FORKS:** Tuesday, December 15, 2015, at 10:00 AM in the Education Room at Development Homes Inc., 3880 South Columbia Road.
- **FARGO:** Wednesday, December 16, 2015, at 10:00 AM in the Community Room at the Fargo Main Library, 102 3rd Street North.

The proposed changes address specific industry issues, improve accountability, clarify certain rules, and implement law changes passed by the 2015 legislature. The hearings provide an opportunity for the public to comment on the proposed amendments. Every comment will be recorded and provided to the Advisory Board and State Gaming Commission for consideration.

Written comments may be submitted to the Office of Attorney General, Gaming Division, 600 E. Boulevard Ave., Dept. 125, Bismarck, ND 58505, **until December 28, 2015**. The proposed gaming rules are available online at www.ag.nd.gov/Gaming/RulesRegulations.htm, by writing to the Gaming Division, or by calling (701) 328-4848.



If you plan to attend a meeting and need assistance or accommodations, please contact the Gaming Division at least three days before the meeting, at (701) 328-4848. ♠

GAMING ACTIVITY

Gross proceeds wagered for the quarter ended June 30, 2015, were **\$71,189,594** which is only slightly down from the same quarter last year (\$71,574,027).

The largest changes were in pull tabs with a \$1,693,368 increase, pull tab dispensing devices with a \$2,276,320 increase, and the discontinuance of quick shot bingo card marking devices with a \$1,496,557 decrease.

For the fiscal year ended June 30, 2015, total gross proceeds wagered were **\$291,130,424**, compared to \$279,764,289 for the fiscal year ended June 30, 2014. This represents an increase of \$11,366,135 or **3.9%**. ♥



DID YOU KNOW???

- Seal boards may not have a cost per play that exceeds \$2 per line but may have any number of lines.
- Record of win must be completed for a winner of a seal prize or last sale prize of any cash amount or retail price of a merchandise prize.
- If a deal has a last sale prize feature, that deal is the last deal added to the commingled pull tab game and the deal's flare must also be displayed.
- Seal boards may not be conducted by organizations with a local permit.

Annual Reminder – Inventory Reconciliations

The end of the year is a good time to remind organizations that North Dakota Administrative Code § 99-01.3-03-09 (Inventory records of games, paper bingo cards, tickets, cash banks, and chips and reconciliation) requires that on an annual basis a person who does not have access to the inventory (and for cash banks the person cannot have sole signatory authority of the gaming account) must do a count and reconciliation of:

1. Actual deals and games on hand to the master and site inventory records of all deals and games that have a state gaming stamp affixed to the flares;
2. Actual paper bingo cards on hand to the master and site inventory records of paper bingo cards;
3. Actual tickets on hand to the master and site

inventory records of rolls of tickets;

4. Actual cash bank amounts on hand to the master cash bank records;
5. Actual chips on hand to the inventory of chips that are recorded as being at the home office and sites.

For distributors, inventory reconciliations are also required to be completed semiannually and the count performed by a person who is not primarily responsible for safeguarding the physical inventory.

The documentation for the inventory reconciliations must include the name and title of the person who conducted the reconciliation, the date and procedure performed, the results, any corrective action taken, and the initials of that person. ♣

Gaming Advisory Board & State Gaming Commission

The Gaming Advisory Board and the State Gaming Commission will hold meetings on **January 6, 2016**, in the Pioneer Room at the State Capitol building in Bismarck, to address the comments on the proposed changes to the Games of Chance administrative rules that were received before the deadline.

The **Advisory Board** meeting will start at **9:00 AM** and the **State Gaming Commission** meeting will begin at **1:00 PM**.

The meetings are open to the public. Representatives of organizations, distributors, and manufacturers are encouraged to attend. ■

Where Are Your Keys?

Recently our office received a report from an organization of an alleged internal theft of twenty-one drop box cash. During a surveillance review, the organization had noted a significantly larger amount of cash dropped into the drop box than was recorded on the daily twenty-one paperwork. The actual count of the cash by the count team was slightly less than the amount reported on the daily twenty-one paperwork. A long term (and now, former) employee, who had at one time been a supervisor/shift manager, was believed to have had a drop box access key that had been overlooked by the organization.

This situation illustrates the importance of proper internal controls and security tools such as video surveillance. To minimize risk:

1. Account for all drop box keys that provide access to drop box contents.
2. Keep drop boxes and drop box access keys in separate and secured locations, and limit authorized access.
3. Perform periodic random surveillance reviews.
4. Monitor each dealer's percent-of-hold.
5. Compare the dealer reported drop amount with the count team amount. ◆



New Employee

Lynnette Ennen joined the Gaming Division on December 1, 2015, as an audit technician in the tax return section. Most recently Lynnette was employed as a billing specialist with CHI St. Alexius Clinics. The Gaming Division welcomes Lynnette!

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