

WAC 230-15-430 Internal control requirements.

General accountability requirements.

(1) House-banked card game licensees must have a system of internal controls including, at least:

(a) **Accounting controls** - Include the licensee's plan, procedures, and records concerned with the safeguarding of assets and the reliability of financial records. Licensees must design these controls to provide reasonable assurance that transactions are recorded so that financial statements are prepared in conformity with generally accepted accounting principles (GAAP), and so that accountability for assets is maintained; and

(b) **Administrative controls** - Include, at least, the segregation of incompatible functions so that no employee is in a position to commit and conceal errors or wrongdoings in the normal course of his or her duties.

Designating a general manager.

(2) The owner, partners, or board of directors for the licensee must designate an individual with overall responsibility for the business, called the "general manager." The general manager may also perform the duties of a gambling operations department manager; and

Establish separate departments or functions.

(3) Licensees must establish separate departments or functions which must be independent from each other. At a minimum, these must include:

- (a) Surveillance;
- (b) Security;
- (c) Gambling; and
- (d) Accounting.

Surveillance department requirements.

(4) The surveillance department manager must ensure that surveillance employees follow all requirements of the surveillance WACs, including, at least:

- (a) Closely and clandestinely observing the operation of the card games, the cashier's cage, and count room; and
- (b) Monitoring for cheating, theft, embezzlement, and other illegal activities on the licensed premises; and
- (c) Recording video of unusual or suspected illegal activities; and
- (d) Notifying appropriate supervisors and us, within three working days, when they detect cheating, theft, embezzlement, or other illegal activities related to gambling; and
- (e) Giving our agents or law enforcement personnel immediate access to the surveillance room.

Security department requirements.

(5) The security department manager must ensure that security employees control the transfer of cash and chips to and from the gambling tables, cage, and count room.

Gambling operations department requirements.

(6) The gambling operations department manager, or general manager, is responsible for house-banked card games and must ensure that the dealers operate card games at assigned gambling tables.

Accounting department requirements.

(7) The accounting department must be supervised by a person who reports directly to the general manager. The accounting department must, at least:

- (a) Implement and monitor accounting controls; and
- (b) Control processes in the count room and cashier's cage; and
- (c) Supervise the count room personnel and cashier's cage personnel; and
- (d) Control the inventory of unused forms; and
- (e) Reconcile the used and unused forms; and
- (f) Prepare, control, and store records and data we require.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. WSR 14-11-021 (Order 699), § 230-15-430, filed 5/9/14, effective 7/1/14. Statutory Authority: RCW 9.46.070. WSR 07-10-034 (Order 611), § 230-15-430, filed 4/24/07, effective 1/1/08.]