



PENNSYLVANIA GAMING CONTROL BOARD
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February 4, 2019

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TO: All Conditionally Licensed Video Gaming Terminal Operators

Re: Internal Control Requirements for Video Gaming Terminal Operations

As required by 58 Pa. Code §1114.1, terminal operator licensees must submit to the Pennsylvania Gaming Control Board ("Board") a description of their system of internal controls for the operation of video gaming terminals at truck stop establishments. The staff of the Board's Bureau of Gaming Operations ("BGO") has identified sections of the Board's regulations for which internal controls must be submitted to the Board for review and approval. Please see the attached list which references the regulation section number and title.

The Board's regulations pertaining to Video Gaming Terminal Operations can be found on the Board's website (<https://gamingcontrolboard.pa.gov>). Click on the "Regulations" tab, then select "Temporary Expanded Gaming Rulemakings." Scroll down to "125-211 Subpart N. Video Gaming Chapters 1101 through 1120 Inclusive." Click on the link titled "Temporary Regulations as Printed in the Pennsylvania Bulletin." This link will take you to a Link Disclaimer. Once you have reviewed the disclaimer, click on the link at the bottom to access the regulations.

Conditionally licensed video gaming terminal operators are requested to submit their internal controls using the internal controls submission application which can be found on the Board's website. Please contact Patricia Gustavson, Compliance Manager, at (717) 214-9290 (pgustavson@pa.gov) for user login credentials and instructions to access the online submission application. Internal controls should be submitted 90 days before video gaming terminal operations are to commence, or as soon as reasonably possible.

If you have any questions regarding this correspondence, please contact Paul Resch, Director, Bureau of Gaming Operations, at (717) 214-4736 (presch@pa.gov).

Sincerely,

Kevin F. O'Toole
Executive Director

KFO:pr
Attachment

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cc: R. Douglas Sherman, Chief Counsel, PGCB
Chad Zimmermann, Asst. Chief Counsel, PGCB
Claire Yantis, Administrative Director, PGCB
Paul Mauro, Director, Bureau of Investigations and Enforcement, PGCB
Paul Resch, Director, Bureau of Gaming Operations, PGCB
Patricia Gustavson, Compliance Manager, Bureau of Gaming Operations, PGCB

VGT IC Requirements

Reg Section #	Regulation Title	Required IC	Comments
Chapter 1112 Video Gaming Terminal, Redemption Terminal and Associated Equipment Testing and Certification			
1112.8	Gaming Vouchers	Yes	Subsections (d), (e), and (i) only
1112.9	Redemption terminals	Yes	Subsection (g) only
1112.10	Progressive video gaming terminals	Yes	Subsections (b)(4), (b)(5), and (b)(6)(ii) only
1112.12	Remote system access	Yes	Subsection (c) only
Chapter 1114 Accounting and Internal Controls			
1114.1	Video gaming accounting and internal controls	Yes	Subsection (b) & (c) only (see list below)

*****In accordance with 1114.1 (c)(9), the Bureau of Gaming Operations ("BGO") reserves the right to require additional submissions as it deems necessary. *****

1114.1 Required Topics:

- 1) Overview of casino management system:
 - a) Name of system being utilized and gaming equipment connected
 - b) Procedures/reports utilized to calculate gross terminal revenue
- 2) VGT drop and count procedures and sensitive key controls
- 3) Customer complaint procedures, backup procedures for payouts (redemption terminal malfunction, ticket jam, paper out, credit meter dispute)
- 4) Surveillance system requirements, retention period, PGCB access
- 5) Ticket redemption machine drops/fills procedures
- 6) Ticketing system – vouchers only redeemable at same establishment, procedure for escheatment of unclaimed vouchers to PA Treasury
- 7) Procedures for software modifications for VGTs, redemption terminals (installations, conversions)

Note: Do not copy regulation requirements into the internal control submission. Each required section shall outline only the procedures to address the requirements listed in the Board's regulation section.