

TITLE 11—DEPARTMENT OF PUBLIC SAFETY
Division 45—Missouri Gaming Commission
Chapter 20—Sports Wagering

PROPOSED RULE

11 CSR 45-20.550 Procedures for Accounting and Revenue Audit

PURPOSE: This rule establishes requirements for accounting and revenue audit reviews.

(1) Retail licensees shall generate the following daily reports from the sports wagering system, each of which shall include the gaming date:

(A) A sports wagering intake summary report, which includes the following transaction information for each ticket writer location:

1. Tickets written;
2. Tickets paid;
3. Tickets voided;
4. Each ticket cancelled;
5. Vouchers redeemed;
6. Over or short amount of ticket writer's drawer; and
7. Grand total of each transaction type for all ticket writers;

(B) A sports wagering ticket expiration detail report, which shall list the following for each expired ticket:

1. Ticket identification number;
2. Date and time of ticket issuance;
3. Event;
4. Wager description;
5. Wager amount; and
6. Payout amount;

(C) A sports wagering voided ticket report, which shall include the following:

1. Ticket identification number;
2. Date and time of ticket issuance;
3. Event;
4. Wager description;
5. Wager amount;
6. Ticket writer name or identification number; and
7. Reason for void;

(D) A sports wagering cancelled ticket report, which shall include the following:

1. Ticket identification number;
2. Date and time of ticket issuance;
3. Event;
4. Wager description;
5. Wager amount; and
6. Reason for cancellation;

(E) A sports wagering ticket liability report, which shall list the following for each outstanding ticket:

1. Ticket identification number;
2. Date and time of ticket issuance;
3. Event;
4. Wager description;
5. Amount; and
6. Status (for example, pending or complete); and

(F) A sports wagering voucher liability report, which shall list the following for each unpaid voucher:

1. Voucher identification number;
2. Date and time of voucher issuance; and
3. Amount of the voucher.

(2) Sports wagering gross revenue for retail operations shall equal the total of all wagers received less voided or cancelled wagers and amounts paid out for winning wagers, as reported on the sports wagering results summary report.

(3) A revenue auditor shall reconcile the sports wagering results summary report to the sports wagering intake summary report. Any discrepancy shall be reported to the tax section of the commission.

(4) Any overages identified on the sports wagering intake summary report shall be added to sports wagering revenue, unless otherwise authorized by the tax section of the commission.

(5) Retail and Mobile licensees shall generate monthly reports from the sports wagering system as supporting documentation for each amount reported on the monthly sports wagering tax remittal. These reports shall contain detailed information sufficient to support the totals for each number used in adjusted gross revenue. Each report(s) shall include the date and time range for which it was generated and the date and time the report was created. These reports shall be provided to the commission upon request.

(6) Mobile licensees shall generate, on a daily basis, a sports wagering liability report. The report shall be provided to the commission upon request. The report shall include the—

- (A) Date and time generated;
- (B) Patron account identifier;
- (C) Wager identification number;
- (D) Event type;
- (E) Wager description;
- (F) Date and time of issuance;
- (G) Event date;
- (H) Amount; and
- (I) Status (for example, pending or complete).

(7) For Retail licensees, a revenue auditor shall, on a daily basis, reconcile issued and redeemed vouchers to the change in the unpaid vouchers dollar amount using the reports generated by the system. Any variances shall be investigated and the results shall be documented.

(8) For Retail licensees, a revenue auditor shall, on a daily basis, compare for each ticket writer station, the write and payouts to the cash proceeds and the disbursements and document any variances. The revenue auditor shall investigate all variances of one hundred dollars (\$100) or more per ticket writer. The results of the investigation shall be documented.

(9) For Retail licensees, a revenue auditor shall, on a daily basis, select a random sample of five (5) paid transactions from the sports wagering system transaction report and trace the transaction to the patron's copy of the paid ticket.

(10) For Retail and Mobile licensees, a revenue auditor or compliance employee shall, on a daily basis, perform the following for all winning tickets in excess of ten thousand dollars (\$10,000) and for a random sample of ten (10) of all other winning tickets:

(A) Recalculate and regrade the tickets using the record of event results;

(B) Compare the date and starting time of the event per the results report to the date and time on the ticket and on the sports wagering system transaction report; and

(C) Compare the terms of the wagers (e.g., point spreads or money lines) per the sports wagering system transaction report or other report indicating all point spreads and money lines at which wagers were written to an independent source for any questionable activity. For winning tickets, the terms of the wagers can be compared to an independent source such as a newspaper (or its website), a sports league website, a licensed sports information service, or other reputable source.

(11) For Retail licensees, on a daily basis, a revenue auditor shall perform the following for payouts made without sports wagering system authorization at the time of payment—

(A) Trace all payouts to the sports wagering system transaction report or the purged tickets report to verify authenticity of the initial wager;

(B) For payouts subsequently entered into the sports wagering system by sports wagering personnel, compare the manual payout amount to the sports wagering system amount; and

(C) For payouts not entered into the sports wagering system by sports wagering personnel, the payout shall be entered into the sports wagering system and the revenue auditor shall compare the manual payout amount to the sports wagering system amount. If the system is inoperative, manually regrade the ticket to ensure the proper payout amount was made.

(12) For Retail licensees, a revenue auditor shall, on a daily basis, perform the following for all voided tickets:

(A) Examine the sports wagering system reports which display voided ticket information to verify that tickets were properly voided in the computer system;

(B) Examine the voided tickets for a void designation and proper signatures, and for not-in-computer voids, examine the date and time stamp on the ticket for the time of the void; and

(C) For a sports wagering system that prints voided tickets, verify a voided ticket is attached to the original ticket.

(13) For Retail and Mobile licensees, on a daily basis, system exception reports shall be reviewed, by an individual independent of the transaction, for propriety of transactions and unusual occurrences including, but not limited to: changes in odds, cut-off times, results, and event data (both information input by book employees, and information provided directly by a disseminator); in-progress events and void authorizations. All noted improper transactions or unusual occurrences noted during the review of exception reports shall be investigated with the results documented. If

a regulatory violation is found, it shall be reported to the commission. An exception report is defined as a report produced by the computerized system identifying unusual occurrences, changes to system configuration parameters, alteration to initially recorded data, voids, etc.

(14) For at least one day per month, Retail and Mobile licensees shall verify the cash reserve meets all requirements of this chapter. The licensee shall remit to the commission a monthly attestation of the cash reserve compliance with accompanying documentation .

(15) For Retail licensees, for one day per calendar quarter, a revenue auditor shall—

- (A) Recalculate and verify the change in the unpaid winners balance to the total purged tickets;
- (B) If future wagers are accepted, review the sports wagering system reports to ascertain that future wagers are properly included in write on the day the wager was accepted; and
- (C) Select twenty (20) winning tickets to verify that the wager was accepted and payouts were made in accordance with the posted house rules.

(16) For Retail licensees, revenue audit or compliance personnel shall, on a daily basis, review all wagering multiple transaction logs and either ensure that Currency Transaction Reports (CTRs) have been completed for all reportable transactions or prepare CTRs for all reportable transactions pursuant to Title 31 of the Bank Secrecy Act.

(17) For all promotions, promotional payouts (including payouts from computerized player tracking activity), drawings, and giveaway programs for Retail and Mobile licensees, the following documentation shall be maintained:

- (A) Copies of the information provided to the patrons describing the promotion, promotional payouts, drawings, and giveaway programs (e.g., brochures or flyers);
- (B) Effective dates;
- (C) A list of winners and the amount won by each; and
- (D) Accounting treatment, including general ledger accounts, if applicable.

(18) Retail and Mobile licensees shall, on a monthly basis, perform procedures to ensure that promotional payouts, drawings, and giveaway programs are conducted in accordance with the conditions in the dated, written rules of the promotion. The results of the review shall be documented and maintained.

(19) Sensitive keys include, but are not limited to, keys used to access designated nonpublic gaming areas, date and time stamping machines, ticket writer drawers, and kiosks. Quarterly, an inventory of all sensitive keys shall be performed and reconciled to records of keys made, issued, and destroyed. Investigations shall be performed for all keys unaccounted for, with the investigations being documented.

(20) For sports wagering computerized player tracking systems for Retail and Mobile, an accounting or revenue audit employee shall perform the following procedures at least one day per quarter:

- (A) Review for propriety all point addition/deletion authorization documentation, other than for point additions/deletions made through an automated process;
- (B) Review exception reports for propriety of transactions and unusual occurrences. The review should include, but is not limited to, transfers between accounts; and

(C) Review the documentation related to reactivating inactive and closed accounts to verify two (2) employees were involved.

(21) At least annually for Retail and Mobile licensees, the computerized sports wagering player tracking system (in-house developed and purchased systems) shall be reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review shall be performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., verify the accuracy of the awarding of points based on the dollar amount wagered). The system shall also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., simulate activity to verify the accuracy of the amount of points awarded). The test results shall be documented and maintained. The test results, including any discrepancies, shall be reported to the commission.

(22) Documentation (e.g., log, checklist, notation on reports, and tapes attached to original documents) shall be maintained evidencing the performance of sports wagering audit procedures, including any reviews, the exceptions noted, and follow-up of all audit exceptions.

AUTHORITY: section 39(g) of Article III, Mo. Const., sections 313.004 and 313.800–313.850, RSMo 2016 and Supp. 2024. Original rule filed May 14, 2025.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will cost private entities an estimated one million three hundred ninety-five thousand dollars (\$1,395,000) in the aggregate.

*NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule via email to MGCPolicy@mgc.dps.mo.gov, or by mail to the Missouri Gaming Commission, Policy Section, PO Box 1847, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. A public hearing is scheduled for July 17, 2025, at 10:00 a.m., in the Missouri Gaming Commission's Hearing Room, 3417 Knipp Drive, Jefferson City, MO.*