

Ohio Casino Control Commission
Proposed Amended Rule

Rule 4:

3772-10-03 Casino operator or casino operator applicant's organization.

(A) Each casino operator licensee's or applicant's internal control system shall include organization charts depicting the segregation of functions and describing the duties for each position shown. Each casino operator licensee or applicant may tailor organizational structures to meet its management needs or policies so long as it does not conflict with Chapter 3772. of the Revised Code and the rules adopted thereunder. Each casino operator licensee's or applicant's organization charts shall provide for the following:

- (1) A system of personnel and chain of command that permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility;
- (2) The segregation of incompatible functions, duties, and responsibilities so that no employee is in a position both to commit an error or perpetrate a fraud and to conceal the error or fraud in the normal course of the employee's duties;
- (3) The performance of all functions, duties, and responsibilities in accordance with legitimate financial practices by trained personnel;
- (4) The areas of responsibility that are not so extensive as to be impractical for one person to monitor; and
- (5) Separate departments and supervisors for surveillance, security, accounting, internal auditing, slots, table games, and cage.

(B) Each casino operator licensee's or applicant's internal control system shall also include the following departments and supervisory positions, each of which are mandatory and shall cooperate with, yet perform independently of, other mandatory departments and supervisory positions of the operator:

- (1) A surveillance department supervised by a director of surveillance located at the casino;
- (2) An internal audit department supervised by a director of internal audit. The director of internal audit shall report directly to one of the following regarding matters of policy, purpose, responsibility, and authority, and the following shall also control the hiring, termination, and salary of the director's position:
 - (a) The independent audit committee of the operator's board of directors;

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- (b) The independent audit committee of the board of directors of any holding or intermediary company of the facility manager that has authority to direct the operations of the operator;
 - (c) The internal audit executives of any holding or intermediate company if the most senior executive in the reporting line reports directly to the independent audit committee of the board of directors of the holding or intermediary company;
or
 - (d) Another entity as approved by the executive director or his/her designee;
- (3) A management information systems (“MIS”) department supervised by a MIS director located at the casino;
- (4) A slot machine department supervised by a slot director located at the casino;
- (5) A tables games department supervised by a table games director located at the casino;
- (6) A security department supervised by a director of security located at the casino;
- (7) An accounting department supervised by a person who functions as the casino’s controller located at the casino. The controller shall be responsible for all accounting functions, including the preparation and control of books, records, and data, the control of stored data, the control of unused forms, the accounting for and comparison of operational data and forms; and
- (8) A cashier’s cage department supervised by a person located at the casino who functions as the treasurer. The treasurer shall be responsible for the control and supervision of the cashier’s cage, satellite cages, count room, and vault. The cashier’s cage may be separated into independent operations or satellite cages to facilitate operations and accountability. The cashier’s cage department shall be responsible for the following:
- (a) The custody and accountability of coin, currency, negotiable instruments, documents, and records normally associated with the operation of a cage;
 - (b) Any other functions normally associated with the operation of a cage;
 - (c) The count room;
 - (d) The vault; and
 - (e) The control and supervision of gaming cashiers and change persons.

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(9) A regulatory compliance department supervised by a regulatory compliance officer located at the casino. The regulatory compliance department shall be responsible for the casino's compliance with state and local law, including chapter 3772 of the Revised Code and Administrative Code, as well as commission approved internal controls. The regulatory compliance officer shall report directly to one of the following regarding matters of policy, purpose, responsibility, and authority, and the following shall also control the hiring, termination, and salary of the compliance officer's position:

(a) The casino operator licensee's corporate chief compliance officer; or

(b) Another position or entity as approved by the executive director or his/her designee;

(C) The casino operator licensee's or applicant's personnel shall be trained in all policies, procedures, and internal controls relevant to each employee's individual function. The casino operator licensee or applicant shall develop special instructional programs in addition to any on-the-job instruction sufficient to make each member of the department knowledgeable about the requirements and performance of all transactions relating to that employee's functions.

(D) If a vacancy in any of the casino operator licensee's mandatory department supervisory positions required by this chapter occurs or if written notice is received that such a vacancy will occur in the future, the casino operator licensee shall:

(1) Notify the executive director immediately in writing of the vacant position;

(2) Designate an appropriately licensed person or persons to assume the duties and responsibilities of the vacant position on a temporary basis;

(3) Fill the position on a permanent basis within 60 days after the effective date of the vacancy. An extension of the temporary appointment to the position may be granted at the discretion of the executive director or his/her designee and should not be unreasonably withheld; and

(4) Notify the executive director immediately in writing upon the filling of the vacancy.