

112-104-10. Personal check cashing. (a) Each facility manager's internal control system shall include internal controls for the acceptance of personal checks. The internal controls shall be submitted to and approved by the commission according to K.A.R. 112-104-1. The internal controls submitted by the facility manager shall include procedures for complying with this regulation.

(b) Each personal check accepted by a facility manager to enable a patron to take part in gaming shall meet the following requirements:

(1) Be drawn on a commercial bank, savings bank, saving and loan association, or credit union located in the United States and be payable on demand;

(2) be drawn on an account listed in the name of the patron presenting the check or on an account for which the patron is a listed signatory;

(3) be drawn for a specific amount;

(4) be made payable to the facility manager; and

(5) be currently dated and not postdated.

(c) Each personal check accepted under subsection (b) shall be presented by the patron drafting the check directly to a gaming cashier. The gaming cashier shall do all of the following:

(1) Restrictively endorse the check "for deposit only" to the bank account designated by the facility manager;

(2) initial the check;

(3) date and time-stamp the check;

(4) verify that the signature of the patron on the personal check and the patron's physical appearance agree with information recorded in a patron signature file created and maintained by the facility manager in accordance with subsection (d) or with the signature and either the photograph or physical description contained on a government-issued identification presented by the patron. The gaming cashier shall document how the signature verification was performed in connection with the acceptance of each personal check;

(5) for each personal check equaling or exceeding \$500.00, verify the validity of the check directly with the commercial bank, savings bank, saving and loan association, or credit union upon which the check is drawn or obtain an authorization and guarantee of the check from a check verification and warranty service certified as a vendor by the commission. The gaming cashier shall document how the check verification was performed in connection with the acceptance of each personal check; and

(6) exchange the personal check for cash in an amount equal to the amount for which the check is drawn.

(d) To record a patron's signature in a patron signature file, a gaming cashier shall require the person for whom the file is to be created to present for examination the following:

(1) If the identity of the patron is to be confirmed in accordance with paragraph (e)(1), one form of identification; or

(2) if the identity of the patron is to be confirmed in accordance with paragraph (e)(2), two forms of identification, at least one of which shall contain a photograph or a general physical description of the patron.

(e) Before a facility manager may use a signature recorded in a patron signature file to verify the identity of a patron or the validity of a signature on a document, the facility manager shall confirm the identity of the patron by either of the following:

(1) Comparing the signature on the identification presented by the patron under paragraph (d)(1) with the signature obtained from the patron and verifying the address of the patron's residence with a credit board or a commercial bank or, if neither of these sources has the person's address on file or will not provide the information, with an alternative source that does not include any documentation presented by the patron at the cage; or

(2) comparing the signature on each of two forms of the identification presented by the patron under paragraph (d)(2) with the signature obtained from the patron and comparing the photograph or general physical description contained on at least one of the forms of identification with the patron's actual physical appearance.

(f) Each facility manager's internal control system shall include internal controls for each patron signature file to be established and maintained by a facility manager under subsection (d) and shall include the following, in addition to the patron's signature:

(1) The patron's name;

(2) the patron's residential address;

(3) the types of identification examined under subsection (e) and an indication of whether the identification contained a photograph or physical description of the patron, including the date of birth, approximate height, approximate weight, hair color, and eye color;

(4) the date and time that the patron signature file was established;

(5) the procedure by which the identity of the patron was confirmed under subsection (e), including one of the following:

(A) The source of confirmation, date, and time if confirmed under paragraph (e)(1); or

(B) the date and time of confirmation if confirmed under paragraph (e)(2); and

(6) the signature of the gaming cashier or cage supervisor who examined the identification of the patron and established the patron signature file. The signature shall evidence that the following conditions are met:

(A) The signature of the patron recorded in the patron signature file is consistent with the signature on each form of identification that was examined; and

(B) the physical description recorded in the patron signature file is consistent with both the actual appearance of the patron and any photograph or physical description that may be contained on an identification that was examined.

(g) Each check shall be required to be deposited for collection by the next banking day following receipt.

(h) Each check returned for insufficient funds or any other reason shall be documented on a returned check log maintained by the accounting department and shall contain the following information:

- (1) The original date of the check;
- (2) the name and address of the drawer of the check;
- (3) the amount of the check;
- (4) the check number;
- (5) the date the check was dishonored; and
- (6) the date and amount of each collection received on the check after being returned by a financial institution, if applicable.

(i) The amount of all personal checks that remain uncollected shall be the responsibility of the facility manager and shall not be used in any net EGM income calculations.

(j) The facility manager shall not accept checks from any patron who has outstanding liabilities for any dishonored checks. (Authorized by and implementing K.S.A. 2007 Supp. 74-8772; effective Sept. 26, 2008.)