

112-104-21. Jackpot payouts. (a) Each facility manager's internal control system shall include internal controls for jackpot payouts that are not paid directly from an EGM and for the method of jackpot payout specified in subsection (d). The internal controls shall be submitted to and approved by the commission according to K.A.R. 112-104-1.

(b) The internal controls developed and implemented by the facility manager under subsection (a) shall include the following:

(1) A request for jackpot payout document or an electronic entry into an EGM computer system generating jackpot payouts by an EGM department employee or EGM department supervisor, evidencing the observation by the EGM department employee or EGM department supervisor of the winning combination of characters on the EGM and a determination of the amount of the jackpot payout based on the observed winning combinations;

(2) a requirement that the preparer of the request for jackpot payout document or the employee performing the electronic entry into the EGM computer system be an EGM department supervisor if the hand-paid jackpot is \$10,000 or more;

(3) a requirement that the following information be on the request for jackpot payout document or electronically entered into the EGM computer system and maintained in stored data:

(A) The date and time of the jackpot;

(B) the asset number of the EGM on which the jackpot was registered;

(C) the winning combination of characters constituting the jackpot or a code corresponding to the winning combination of characters constituting the jackpot;

(D) the dollar amount of the jackpot payout in both alpha and numeric form or a description of personal property awarded, including the fair market value of the personal property;

(E) the method of payment requested by the patron;

(F) the signature or identification code of the preparer; and

(G) the following additional signatures or identification codes, which shall be required if the EGM or the progressive meter is reset before the patron is paid or if payment is made directly to the patron by a gaming cashier:

(i) The signature or identification code of a security department member or EGM department attendant other than the preparer, attesting to the winning combination of characters constituting the jackpot and the amount of the jackpot payout; or

(ii) the signature or identification code of the EGM department shift manager, attesting to the winning combination of characters constituting the jackpot and the amount of the jackpot payout if the jackpot amount is \$25,000 or more;

(4) a requirement that, upon preparation, the request for jackpot payout document be transported by the preparer to the cage, where the document will serve to authorize the preparation of a jackpot payout document or that the information be made available by the EGM computer system;

(5) a requirement that if the winning patron will not be paid before the EGM or progressive meter is reset, the preparer of the request for jackpot payout document or the employee performing the electronic entry required by paragraph (b)(1) also prepare a two-part receipt document containing the following information:

(A) The date and time of the jackpot;

(B) the asset number of the EGM on which the jackpot was registered;

(C) the winning combination of characters constituting the jackpot or a code corresponding to the winning combination of characters constituting the jackpot;

(D) the dollar amount of the jackpot payout in both alpha and numeric form or a description of personal property awarded, including the fair market value of the personal property;

(E) the signature of the winning patron on the original form only; and

(F) the signature of the preparer, attesting that the information on the receipt document is correct and agrees with the information on the request for jackpot payout document or in stored data;

(6) a requirement that the receipt document be distributed as follows:

(A) The original shall be immediately delivered to the gaming cashier by the preparer, security department member, or verifying EGM department attendant, along with the request for jackpot payout document if manually generated in accordance with paragraph (b)(1); and

(B) the duplicate shall be immediately presented to the winning patron, who shall be required to present the duplicate receipt document before being paid the jackpot in accordance with the procedures set forth in this regulation;

(7) a requirement that the following information be on any jackpot payout document generated by the EGM computer system:

(A) The asset number of the EGM on which the jackpot was registered;

(B) the winning combination of characters constituting the jackpot or a code corresponding to the winning combination of characters constituting the jackpot;

(C) the date on which the jackpot occurred;

(D) the dollar amount of the jackpot payout in both alpha and numeric form or a description of personal property awarded, including the fair market value of the personal property;

(E) the date, time, and method of payment; and

(F) the signature or identification code of the preparer;

(8) a requirement that the data in paragraphs (b)(7)(A) through (F) not be susceptible to change or removal by any personnel after preparation of a jackpot payout document;

(9) a requirement that whenever the winning patron is paid directly by the gaming cashier, the following procedures be followed:

(A) A jackpot payout document shall be generated by the EGM computer system in accordance with paragraph (b)(7);

(B) if a one-part request for jackpot payout document is involved and a security department member or verifying EGM department attendant other than the preparer has not signed the one-part request for jackpot payout document, the gaming cashier shall summon a security department member or EGM department employee other than the preparer of the request for jackpot payout document and provide that employee with the request for jackpot payout document. The security department member or verifying EGM department employee shall proceed to the EGM identified on the request for jackpot payout document and sign the request for jackpot payout document, attesting that the winning combination of characters on the EGM and the amount to be paid match those that appear on the request for jackpot payout document. If the jackpot amount is \$25,000 or more, an EGM department shift manager shall also sign the request for jackpot payout document, attesting that the winning combination of characters on the EGM and the amount to be paid match those that appear on the request for jackpot payout document. The request for jackpot payout document shall be returned to the gaming cashier before the end of that gaming day;

(C) after the gaming cashier determines that the required signatures verifying the winning combination of characters on the EGM and the amount to be paid have been placed on the one-part request for jackpot payout document, if the amount being paid is less than \$10,000, the gaming cashier shall pay the winning patron in the presence of the preparer of the request for jackpot payout document. If the amount being paid is \$10,000 or more but less than \$25,000, the gaming cashier shall pay the winning patron in the

presence of the EGM department attendant supervisor who prepared the request for jackpot payout document. If the amount being paid by the cashier is \$25,000 or more, the gaming cashier shall pay the winning patron in the presence of the EGM department supervisor and the EGM department shift manager who prepared the request for jackpot payout document in accordance with this subsection. The personnel required by this subsection to witness the payment shall sign the duplicate jackpot payout document, attesting to the accuracy of the information on the duplicate jackpot payout document and the disbursement of the payment to the patron;

(D) if a receipt document under paragraph (b)(5) was issued, the duplicate receipt document shall be signed by the patron in the presence of the gaming cashier. The gaming cashier shall compare the signature on the duplicate receipt document to that on the original receipt document and make the payment only if the signatures are in agreement;

(E) once the required signatures are obtained and payment has been made, the gaming cashier shall give the duplicate jackpot payout document to a security department member or EGM department employee, who shall deposit the document into a locked accounting box; and

(F) the gaming cashier shall attach the request for jackpot payout document, if applicable, and the original and duplicate receipt documents, if applicable, to the original copy of the jackpot payout document. All documents shall be forwarded by the end of the gaming day to the main bank for reimbursement;

(10) a requirement that the facility manager's accounting department perform, at the conclusion of each gaming day, income control reconciliation procedures over the issuance of jackpot payouts, including adequate comparisons to gaming ticket system data; and

(11) details for processing system overrides or adjustments.

(c) Nothing in this regulation shall preclude the use of an EGM computer system, approved by the commission, that electronically records the information required on a request for jackpot payout document or facilitates through the EGM computer system the verifications and comparisons as to a winning combination of characters on the EGM or an amount to be paid required under this regulation.

(d) Nothing in this regulation shall preclude a facility manager from implementing procedures by which a gaming cashier, in the presence of a member of the security department, utilizes an imprest inventory of funds secured in a pouch or wallet to pay a jackpot of less than \$1,200 that is not totally and automatically paid directly from an EGM. (Authorized by and implementing K.S.A. 2007 Supp. 74-8772; effective Sept. 26, 2008.)