
From: Rita Homer <rita@xpertx.com>
To: Reg Review
Cc: Purohit, Nimish J.
Sent: Thu Sep 15 16:35:02 2011
Subject: Proposed MICS as Pertains to Keno

Good Afternoon,

My name is Rita Homer. Our company XpertX, Inc. is the leading manufacturer of live action Keno Game System equipment and Keno Graphic Display systems.

In August 2010 Naunie Gardner, our compliance chief, and I submitted our suggestions regarding changes to your Keno MICS; your Revenue Audit MICS and your IT MICS as they pertain to Keno. Naunie spent several hours editing the comments into your website.

As a precaution, I forwarded these comments on 8-12-10 as Word documents to 'MICSComments@nigc.gov'. I received automated responses from West, R. Rest [Rod_West@nigc.gov] and Curry, Michael L. [Michael_Curry@nigc.gov].

On March 22, 2011 I again contacted Michael Curry who explained about the reorganization that occurred at NIGC. Now, I see that you have made some changes to the above mentioned MICS, but none of our comments are shown. They have apparently been deleted or never made it to review. Mr. Curry indicated that we would receive a formal response to our suggestions and would be notified of the outcome of those suggestions. We were also informed that we will be given another opportunity for our views to be considered prior to the rules being published as final regulations.

More recently, we were again invited and encouraged to offer any suggestions, comments and observations to your new proposed MICS by Nimish J Purohit, Acting Director of Training and Technical Assistance, National Indian Gaming Commission.

It is critical to the viability of the game of Keno that we be allowed input into your decision making process. Many of the changes to the Nevada Keno MICS were far reaching and did not take into account vendor supported systems or closed systems such as ours, thereby creating the necessity for Nevada Gaming to follow with issuance of a Global Variance for all casinos running XpertX Keno Systems. We must be cautious if NIGC is using the Nevada IT MICS as applied to Keno. Keno Systems are among a group defined as "closed systems" which do not grant operating system access to any casino level personnel. We would rather have special dispensation written into the approved IT MICS than have to handle each casino's variance individually. Nevada Gaming unfortunately failed to do this before closing comments to the Nevada IT MICS (regrettable for them and us). That necessitated issuance of the attached "Global Gaming Variation" to the Nevada IT MICS.

<<MICS #22 Gaming Variation.pdf>>

Within the next few weeks, we will be sending our comments, questions, suggestions and observations to your suggested Keno MICS and changes as apply to Keno for proposed Revenue and Information Technology MICS. All XpertX commentary will be shown in red or as a comment.

We appreciate the opportunity to include our concerns into your discussions regarding changes to your MICS.

If we can be of any help, please let don't hesitate to communicate with us. If you have any suggestions about how we can forward our information to you, I appreciate your input. Additionally, if there are any other persons who should be included in our emails, will you let me know?

Thank you for your time and consideration.

Rita Homer

Compliance Officer

XpertX, Inc.



JIM GIBBONS
Governor

STATE OF NEVADA
GAMING CONTROL BOARD

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April 3, 2009

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TO: ALL GROUP I NONRESTRICTED LICENSEES

**RE: INFORMATION TECHNOLOGY MICS #22 (V6) VARIATION – XPERTX
KENO SYSTEM**

As of January 1, 2009, all Group I licensees were required to be in compliance with the Version 6 Minimum Internal Control Standards (MICS). Various licensees have installed and are utilizing the XpertX keno system, and will not be able to comply with Information Technology (IT) MICS #22. IT MICS #22 requires that access to administer the network, operating system, applications, and database security and system parameters be limited to the licensee's supervisory and/or management employees. However, as the XpertX keno system is a closed system with a single access point, only XpertX personnel have administrative access. IT MICS #22 is quoted below:

“Administrative Access

Note: Administrative access means access that would allow a user to:

- Add, change, or delete user accounts and associated user provisioning
- Modify operating system, database, and application security and policy parameters
- Add, change, or delete system exception logging information
- Add, change, or delete permissions to data files and folders

22. Access to administer the network, operating system, applications, and database security and system parameters is limited to supervisory and/or management employees of the IT department or IT employees under the supervision of supervisory and/or management employees of the IT”

22. (cont'd)

"department. If there is no IT department, supervisory or management personnel independent of the department using such system and/or application may perform the administrative procedures."

To ensure the licensee's involvement and monitoring of XpertX's personnel during their administrative access to the XpertX keno system, the Board is granting an IT MICS #22 variation to all Group I nonrestricted licensees who have installed and are utilizing a XpertX keno system with the following conditions:

1. The written system of internal control for keno must address the specific administrative functions actually performed by XpertX personnel.
2. All administrative access, by XpertX personnel, to the network, operating system, applications, and database security and system parameters is recorded on the keno system's daily exception report.
3. Supervisory and/or management employees of the licensee who authorized and observed the access will record a comment in the daily exception file. The daily exception report will include the following information:
 - a. Person accessing these areas (i.e., in-person access or remote access);
 - b. Specific area being accessed;
 - c. Actions performed while in the area; and
 - d. Name and title of licensee's supervisor or manager who authorized and observed.
4. Accounting/audit personnel will review the daily exception report for any unauthorized XpertX access and for propriety of transactions and unusual occurrences.

Amendments to the written system of internal control, as needed, should be submitted to the Audit Division (Attn: Sue Skrove, if sent to the Las Vegas office or Attn: John Leeming if sent to the Reno office) indicating the revised procedures regarding compliance with the aforementioned procedures for IT MICS #22.

Please be advised that the Board retains the discretion to revoke and/or modify this MICS variation approval.

Any questions regarding this matter should be directed to Internal Control
Coordinator Sue Skrove, telephone number (702) 486-2060, e-mail
sskrove@gcb.nv.gov.

Sincerely,

Mark A. Lipparelli
Board Member

MAL/SS

cc: Dennis K. Neilander, Chairman
Randall E. Sayre, Board Member
Audit Division – Las Vegas
Audit Division – Reno
Records and Research Services