

Nevada Gaming Control Board

Assembly Committee on Ways and Means
Senate Committee on Finance

FY24-25 Biennium Budget Hearing

March 17, 2023

Kirk D. Hendrick
Chairman, Nevada Gaming Control Board

Vision Statement

The Nevada Gaming Control Board is the premier gaming regulator, recognized for effectiveness in ensuring gaming in Nevada is conducted honestly, competitively, and free from corruptive elements.

Mission Statement

The Nevada Gaming Control Board promotes confidence in Nevada's gaming industry through strict regulation of all persons, locations, practices, associations, and related gaming activities to support a sustainable and growing economy. The Board protects the integrity and stability of the industry and ensures the collection of gaming taxes and fees, an essential source of State revenue.

STAFFING – ACTIVITY BASED BUDGETING

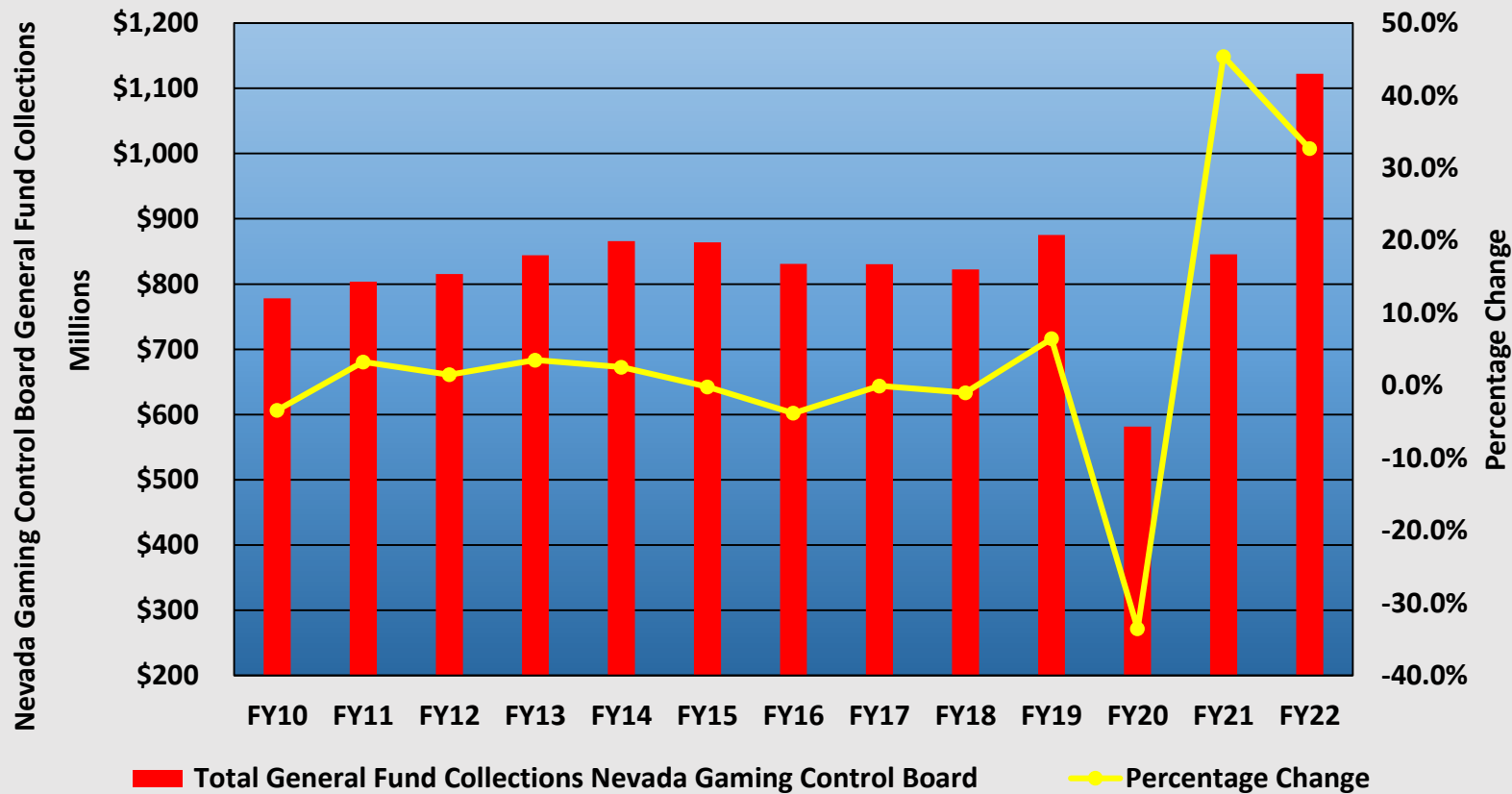
Title	FTE	Purpose	Divison(s)
General Administration	44	Board/Commission Members and staff	Administration
Law Enforcement	122	POST-certified law enforcement	Enforcement
Gaming Regulation	117	Audit nonrestricted licensees/collections	Audit/T&L
Gaming Lab/IT Support	43	Test and monitor gaming devices and associated equipment. Provide IT support	Technology
Investigations	76	Conduct investigations of gaming licenses	Investigations
Investigative Pass-Through/Tribal	0	Direct cost of investigations and monitor tribal gaming	N/A
Total	402		

STAFFING

Division	Unclassified	Classified	Total FTE
Administration	23	21	44
Enforcement	94	28	122
Audit	85	6	91
Technology	41	2	43
Tax and License	21	5	26
Investigations	65	11	76
Total	329 82% Unclassified	73 18% Classified	402

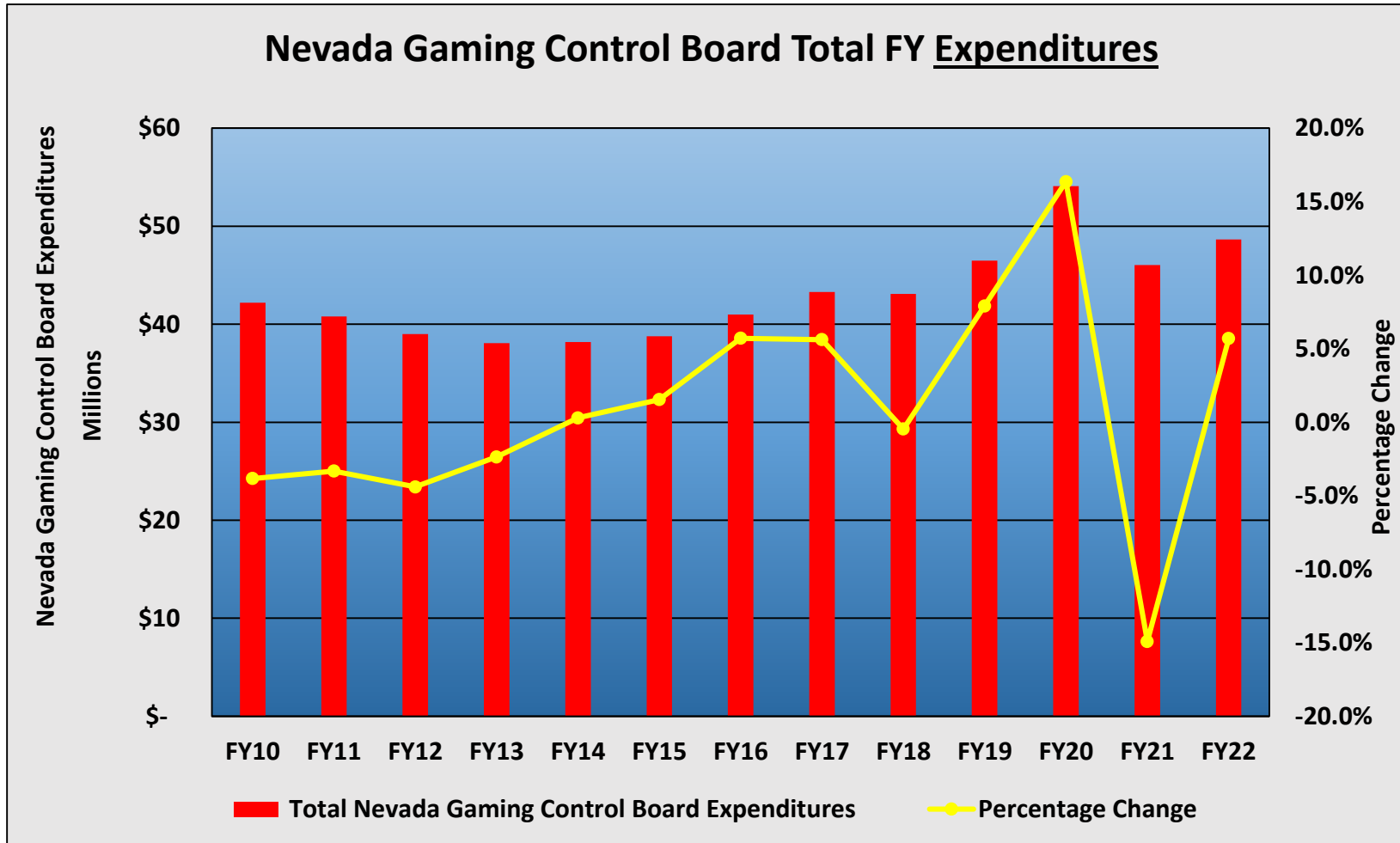
*Table created by Nevada Gaming Control Board

Nevada Gaming Control Board Total FY General Fund Collections

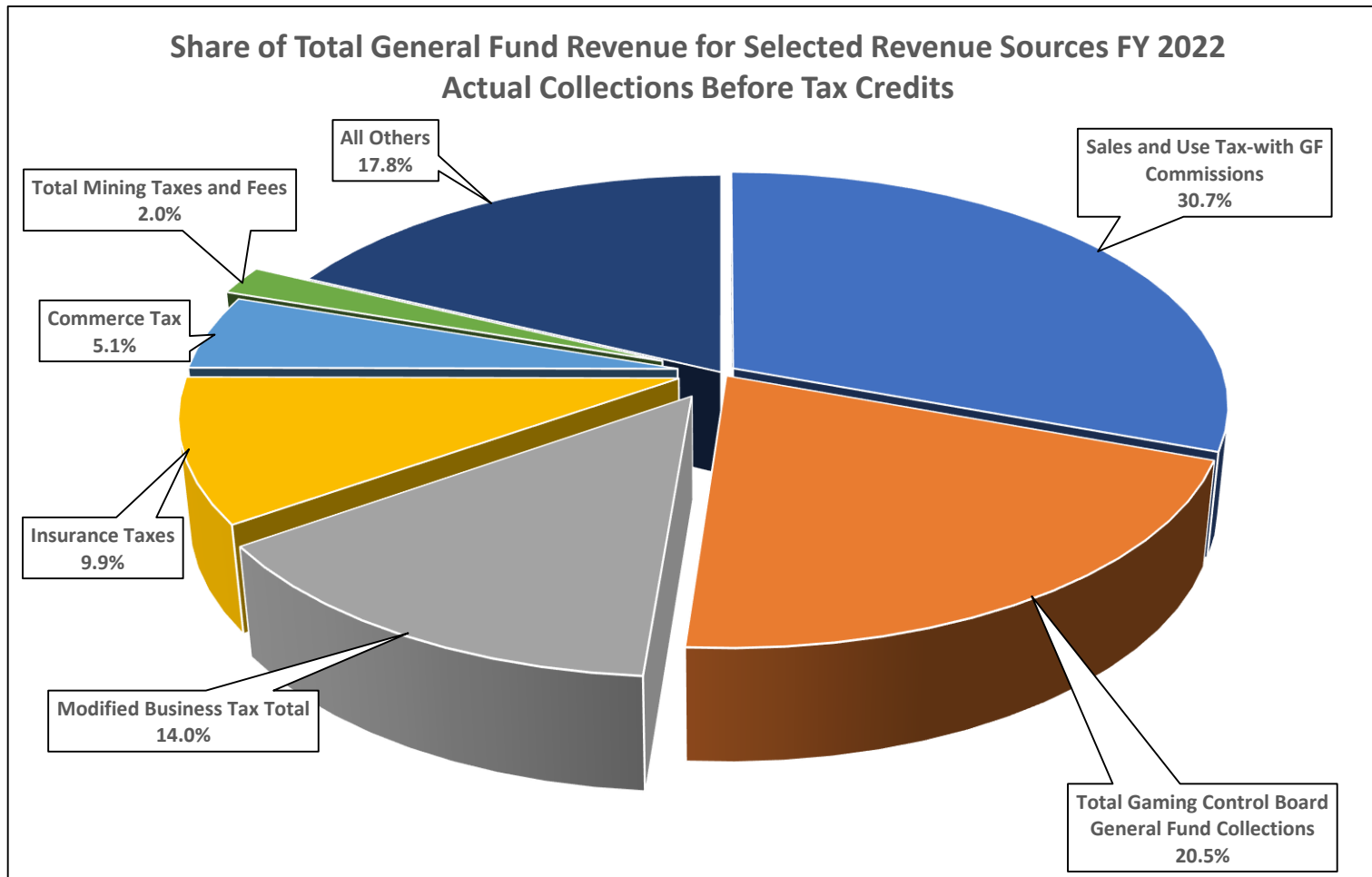


*Graph created by Nevada Gaming Control Board

Nevada Gaming Control Board Total FY Expenditures

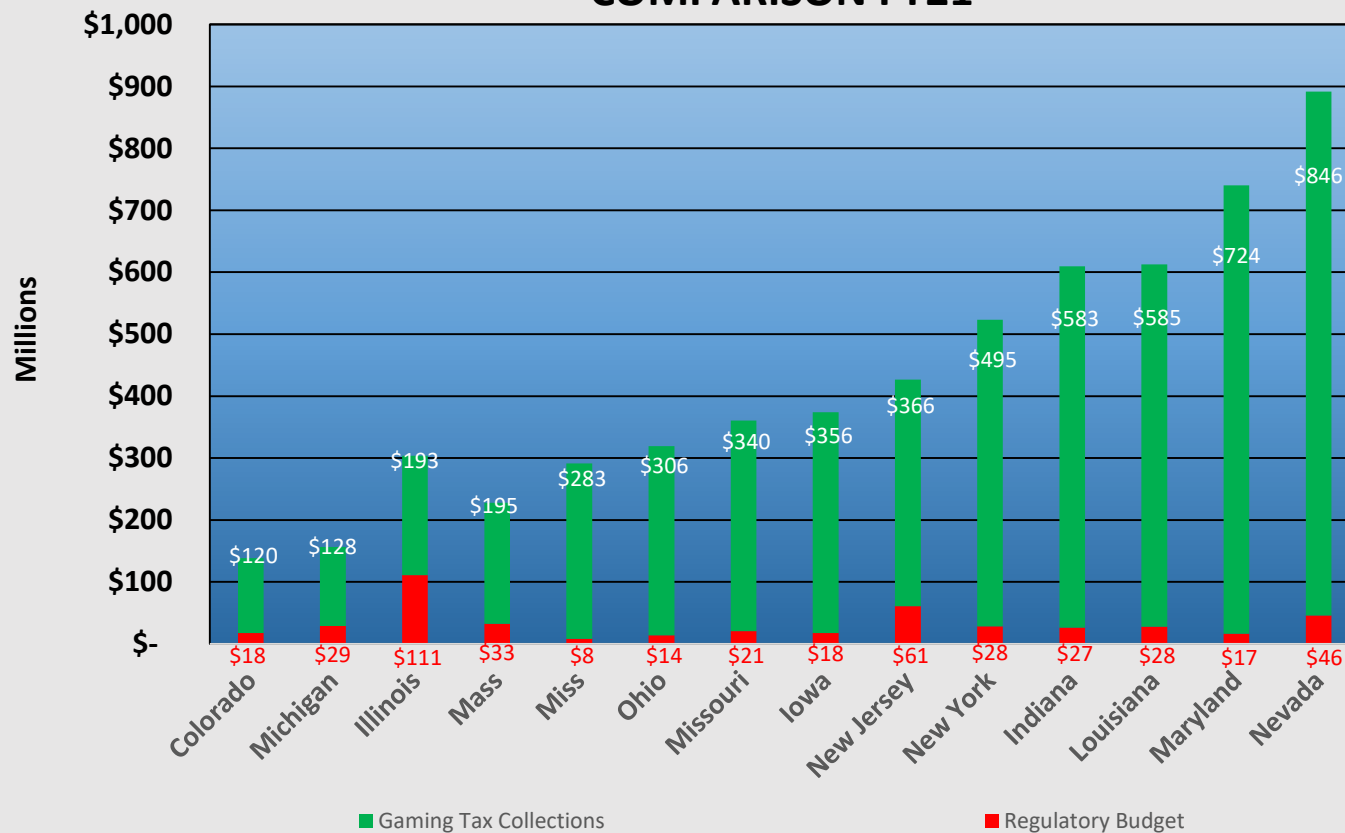


*Graph created by Nevada Gaming Control Board



*Pie chart created by Nevada Gaming Control Board

STATE BY STATE REGULATORY BUDGET VS REVENUE COMPARISON FY21



*Graph created by Nevada Gaming Control Board

External Challenges and Trends

- Remaining current with emerging gaming technology
 - Gaming technology is advancing at a rapid pace
 - Inspection procedures and technical standards must continually adapt
 - Diverse use of technology requires continual adaption for assessing, monitoring and auditing
 - Expansion of sports betting nationwide
 - Expansion due to repeal of Professional and Amateur Sports Protection Act (PASPA)
 - Board continues to take a leadership role with other states to establish a well-regulated betting market
 - Esports growth
 - Board needs to provide leadership for proper regulation
 - Board created the Esports Technical Advisory Committee pursuant to NRS 463.830 and recently submitted its recommendations.

- Complexity of the gaming industry
 - Emergence of foreign companies licensed due to sports wagering technology
 - The intersection of personal mobile devices and gaming (not mobile gaming)
 - The use of a patron's mobile device to interact with a game or gaming device
 - Identification in lieu of a patron card
 - Interact with the game via the mobile device
 - Access wagering and promotional accounts
 - Acquire wagering credits

- Meeting industry turnaround demands

- With the increase in gaming throughout the United States, new manufacturers and operators are coming to Nevada with limited or no experience operating in a heavily regulated environment.

External Challenges and Trends (cont'd)

➤ Other areas

- Potential cyber attacks on licensees' operations
- Vacancies in positions for hospitality industry
 - Down 30,000 jobs when compared to pre-pandemic levels in FY 19
 - Casino industry has had to balance record levels of business with fewer employees
 - ❖ Industry has had to find ways to operate efficiently and maintain proper internal controls
 - ❖ Could result in continued shift towards automation and increased technology on the gaming floor

➤ Macro economic challenges

- Since March 2021 gaming win/general fund collections increased substantially, evolving into all-time record high for Nevada
- Increase in revenue driven by:
 - Higher demand for leisure travel and gaming-related activities
 - Return of entertainment and special events
 - Federal stimulus
- Maintaining these record numbers presents a challenge for the Nevada gaming industry:
 - Potential recession factors
 - Increase in interest rates could result in increased unemployment and a drop in tourism
 - Revenue could return to pre-pandemic levels
- Gaming industry's financial health is very strong and liquidity is at record levels
 - Casino industry should be able to withstand a downturn in the economy
- Possible scenarios over the next 24 months
 - Recession averted and gaming win/collections remain at current levels
 - Gaming decrease 5 – 10% due to consumers pulling back in response to inflation and other economic issues
 - ❖ Gaming win would likely still surpass pre-pandemic levels in FY 19.
 - Gaming decreases 15 – 25%. Gaming win/collections would drop to FY 13 levels. However, this is unlikely due to:
 - ❖ Strong events calendar
 - ❖ Robust forward outlook for business travel

Internal Challenges and Trends

- Employee Retention (lost to other governmental agencies/law enforcement agencies)
 - Currently have 34 vacancies with no pending offers (approx. 8.5% of GCB staff)*
 - 23 Unclassified – 17 Agent positions
 - 11 Classified – 5 Administrative Assistant 2 positions
 - Classified hiring issues
 - Private sector jobs compensate more with less responsibilities; so starting salary at Grade 25 Step 1 (\$34,305) is too low
 - Specialty positions (e.g., personnel and accounting) do not offer competitive compensation, and MQs are too stringent
 - Flexibility is sought by applicants in the current job market
 - Loss of institutional knowledge due to retirements and resignations
- Unsustainable method of collecting required investigative fees
- Ensuring the Board implements and maintains best practices for information security
- Alpha Migration Project

* As of March 10, 2023

NGCB Budget – BA 4061

Description		M150 Base	M150 Adjustment to Base	M100 Inflation	M300 Benefits Change	E231 Fund ISO and ITAG	E233 Training	E710 Repl Equip	E711 MS 365 VOIP	E714 Endpoint Security	E725 Gaming Lab Toughbooks	E805 Reclass Classified	E811 Comp. Plan	E814 Comp. Plan	FY 24 Total
2501	General Fund App.	\$ 35,430,201	\$ (3,682,627)	\$ 209,038	\$ 1,056,811	\$ 54,684	\$ 29,000	\$ 372,642	\$ 266,241	\$ 81,400		\$ 5,457	\$ 31,271	\$ 2,229,818	\$ 36,083,936
3700	Registration Fees	\$ 11,825													\$ 11,825
3704	Investigative Fees - ERU	\$ 1,209,330													\$ 1,209,330
3705	Change of Address Fees	\$ 75,335													\$ 75,335
3818	Photo Copy Services	\$ 391													\$ 391
3895	Training Charge	\$ 1,380	\$ 6,430												\$ 7,810
4254	Miscellaneous Revenue	\$ 25													\$ 25
4670	Transfer from Forfeiture	\$ 209,808													\$ 209,808
4688	Trans Gaming Inv	\$ 11,616,083	\$ 368,348				\$ 14,728				\$ 13,035				\$ 12,012,194
FY 24		\$ 48,554,378	\$ (3,307,849)	\$ 209,038	\$ 1,056,811	\$ 54,684	\$ 43,728	\$ 372,642	\$ 266,241	\$ 81,400	\$ 13,035	\$ 5,457	\$ 31,271	\$ 2,229,818	\$ 49,610,654
2501	General Fund App.	\$ 35,545,423	\$ (3,658,666)	\$ (68,791)	\$ 1,203,254	\$ 54,680	\$ 29,000	\$ 77,329	\$ 205,917	\$ 81,400		\$ 5,484	\$ 31,288	\$ 2,229,680	\$ 35,735,998
3700	Registration Fees	\$ 11,825													\$ 11,825
3704	Investigative Fees - ERU	\$ 1,209,330													\$ 1,209,330
3705	Change of Address Fees	\$ 75,335													\$ 75,335
3818	Photo Copy Services	\$ 391													\$ 391
3895	Training Charge	\$ 1,380	\$ 6,430												\$ 7,810
4254	Miscellaneous Revenue	\$ 25													\$ 25
4670	Transfer from Forfeiture	\$ 209,808													\$ 209,808
4688	Trans Gaming Inv	\$ 11,645,392	\$ 373,536				\$ 14,728								\$ 12,033,656
FY 25		\$ 48,698,909	\$ (3,278,700)	\$ (68,791)	\$ 1,203,254	\$ 54,680	\$ 43,728	\$ 77,329	\$ 205,917	\$ 81,400	\$ -	\$ 5,484	\$ 31,288	\$ 2,229,680	\$ 49,284,178

NGCB Budget – BA 4061 Special Consideration

Description		E226 4 IT POS TEC DIV	E227 2 ITAG Pos AUD DIV	E234 IT Training	E720 Cyber Security	E721 ISO Archive	E722 Fin Analy Software	E724 Misc IT Hard/Software	E550 AMP	E811 Comp. Plan	E814 Comp. Plan	FY 24 Total
2501	General Fund App.	\$ 266,731	\$ 255,471	\$ 76,129	\$ 161,298	\$ 83,343	\$ 39,675	\$ 68,150	\$ 2,421,079	\$ 31,271	\$ 2,229,818	\$ 5,632,965
4688	Trans Gaming Inv											\$ -
	Total Revenue	\$ 266,731	\$ 255,471	\$ 76,129	\$ 161,298	\$ 83,343	\$ 39,675	\$ 68,150	\$ 2,421,079	\$ 31,271	\$ 2,229,818	\$ 5,632,965
01	Salaries	\$ 251,162	\$ 234,084							\$ 31,271	\$ 2,229,818	\$ 2,746,335
02	Out-Of-State Travel											\$ -
03	In-State Travel											\$ -
04	Operating	\$ 7,957	\$ 8,407									\$ 16,364
18	Gaming Lab					\$ 83,343						\$ 83,343
26	Information Services	\$ 5,612	\$ 5,618		\$ 161,298		\$ 39,675	\$ 68,150				\$ 280,353
30	Training	\$ 2,000	\$ 7,362	\$ 76,129								\$ 85,491
51	Alpha Migration Project								\$ 2,421,079			\$ 2,421,079
	FY 24	\$ 266,731	\$ 255,471	\$ 76,129	\$ 161,298	\$ 83,343	\$ 39,675	\$ 68,150	\$ 2,421,079	\$ 31,271	\$ 2,229,818	\$ 5,632,965
2501	General Fund App.	\$ 527,634	\$ 243,296	\$ 80,630	\$ 70,740		\$ 14,700	\$ 52,250	\$ 1,153,950	\$ 31,288	\$ 2,229,680	\$ 4,404,168
4688	Trans Gaming Inv											\$ -
	Total Revenue	\$ 527,634	\$ 243,296	\$ 80,630	\$ 70,740	\$ -	\$ 14,700	\$ 52,250	\$ 1,153,950	\$ 31,288	\$ 2,229,680	\$ 4,404,168
01	Salaries	\$ 509,811	\$ 233,307							\$ 31,288	\$ 2,229,680	\$ 3,004,086
02	Out-Of-State Travel											\$ -
03	In-State Travel											\$ -
04	Operating	\$ 8,275	\$ 691									\$ 8,966
18	Gaming Lab											\$ -
26	Information Services	\$ 7,548	\$ 1,936		\$ 70,740		\$ 14,700	\$ 52,250				\$ 147,174
30	Training	\$ 2,000	\$ 7,362	\$ 80,630								\$ 89,992
51	Alpha Migration Project								\$ 1,153,950			\$ 1,153,950
	FY 25	\$ 527,634	\$ 243,296	\$ 80,630	\$ 70,740	\$ -	\$ 14,700	\$ 52,250	\$ 1,153,950	\$ 31,288	\$ 2,229,680	\$ 4,404,168

NGC Budget – BA 4067

		M150		M100	M300	FY 24
		Base	Adjustment to Base Costs	Inflation	Benefits Change	Total
2501	General Fund App.	\$ 755,475	\$ 77,056	\$ (160,477)	\$ 2,972	\$ 675,026
	Total Revenue	\$ 755,475	\$ 77,056	\$ (160,477)	\$ 2,972	\$ 675,026
01	Salaries	\$ 348,713	\$ 48,571	\$ (61)	\$ 2,972	\$ 400,195
02	Out-Of-State Travel	\$ -	\$ 9,672			\$ 9,672
03	In-State Travel	\$ 3,819	\$ 11,188			\$ 15,007
04	Operating	\$ 5,538	\$ 7,370	\$ 32		\$ 12,940
26	Information Services	\$ 409	\$ -	\$ 20		\$ 429
30	Training	\$ 255	\$ 255			\$ 510
87	Purchasing Assessment	\$ 14	\$ -	\$ 71		\$ 85
89	AG Cost Allocation	\$ 396,727	\$ -	\$ (160,509)		\$ 236,218
	Total Expenditures	\$ 755,475	\$ 77,056	\$ (160,447)	\$ 2,972	\$ 675,056

		M150		M100	M300	FY 25
		Base	Adjustment to Base Costs	Inflation		Total
2501	General Fund App.	\$ 755,475	\$ 77,056	\$ (186,097)	\$ 3,316	\$ 649,750
	Total Revenue	\$ 755,475	\$ 77,056	\$ (186,097)	\$ 3,316	\$ 649,750
01	Salaries	\$ 348,713	\$ 48,571	\$ (61)	\$ 3,316	\$ 400,539
02	Out-Of-State Travel	\$ -	\$ 9,672			\$ 9,672
03	In-State Travel	\$ 3,819	\$ 11,188			\$ 15,007
04	Operating	\$ 5,538	\$ 7,370	\$ 32		\$ 12,940
26	Information Services	\$ 409	\$ -	\$ 20		\$ 429
30	Training	\$ 255	\$ 255			\$ 510
87	Purchasing Assessment	\$ 14	\$ -	\$ 71		\$ 85
89	AG Cost Allocation	\$ 396,727	\$ -	\$ (186,159)		\$ 210,568
	Total Expenditures	\$ 755,475	\$ 77,056	\$ (186,097)	\$ 3,316	\$ 649,750

Top Priority Enhancements

- **Primary Focus** (majority have a component of funding via the General Fund)
 - Infrastructure
 - Employee Compensation (pg. 19-22)
 - Training (pg. 23)
 - Technology
 - New Technology Positions
 - ❖ Board's IT section (pg. 17)
 - ❖ Information Technology Audit Group (pg. 18)
 - Replace Equipment
 - ❖ VOIP Telephone System (pg. 24)
 - ❖ Microsoft Office 365 (pg. 24)
 - ❖ Hardware/Software within State Policy (pg. 25)
 - ❖ Document Imaging System (pg. 25)
 - Cybersecurity Tools (pg. 26)
 - ISO Archive (pg. 27)
 - Alpha Migration Project (pg. 28-35)

Other Enhancements

- Many of the Board's requested enhancements are funded from the General Fund (GF)
- Personnel Requests
 - Abolish two positions to fund the cost of two new positions added in FY 22 (GF)
 - New: Audit Supervisor in Information Technology Audit Group
 - New: Information Security Officer (reclassified an Engineer position)
 - Reclass an Administrative Assistant II to an Administrative Assistant III (GF)
- Technology Requests
 - Add five Toughbook laptops for the gaming lab (Investigative Fees)
 - Replace Endpoint Security Software (GF)
 - Add Miscellaneous IT needs (GF)
 - Add Financial Analysis Software (GF)

E226: Addition of IT Section positions

- Four new positions requested in anticipation of performing some in-house development for the Alpha Migration Project (AMP)
 - Application Developer (annual salary of \$94,238)
 - Will develop, unit test, and support desktop, web-based, and mobile applications
 - Request to add in FY 24
 - Structured Query Language (SQL) Database Administrator (annual salary of \$94,238)
 - Will administer, design and manage all SQL databases at the Board
 - Request to add in FY 24
 - System Administrator (annual salary of \$100,077)
 - Responsible for datacenter operations involving:
 - ❖ System administration
 - ❖ Application administration
 - ❖ Systems patching, backup, and recovery
 - Delayed request to add in FY 25
 - Quality Assurance Engineer (annual salary of \$94,238)
 - Responsible for manual and automated testing of all internally developed software applications
 - Delayed request to add in FY 25

E227: Addition of Audit Division Positions

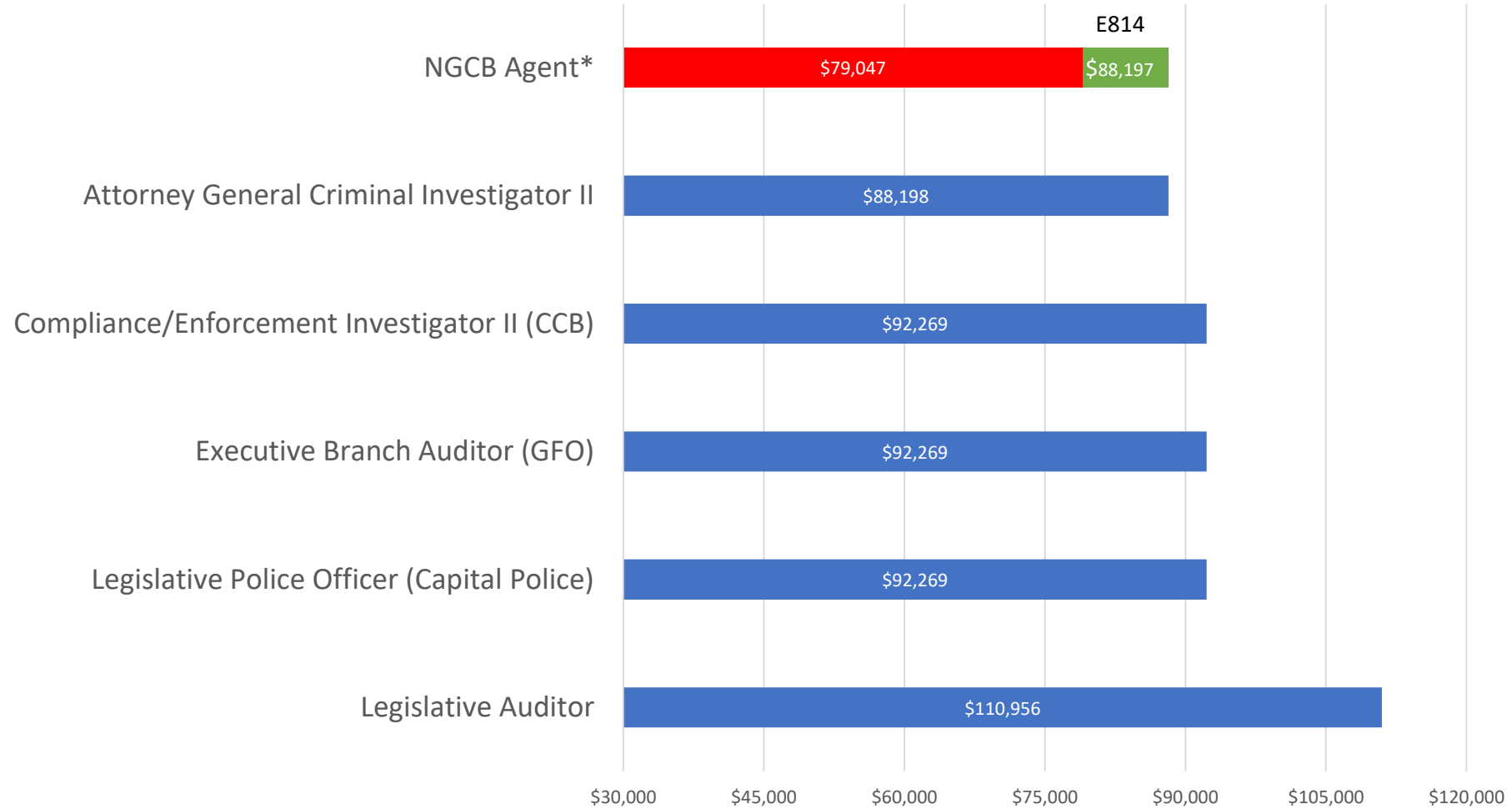
- Addition of one Senior Agent position and one Agent position
 - Annual cost of \$237,704
 - Support the Division's Information Technology Audit Group (ITAG)
 - Provide technology support and training to field auditors
 - Conduct information technology (IT) audits of gaming licensees
 - Evaluate internal control systems of gaming licensees as it applies to IT MICS
 - Evaluate IT security of licensees and assess risks related to all aspects of audits
 - Conduct information technology (IT) audits of gaming licensees
 - Collect and catalog information on systems
 - Expansion of ITAG is in response to growing demand of technological advancements in the gaming industry
 - Allow staff to stay current on technology changes
 - Enhance the Board's credibility in auditing casinos gaming operations
 - Enhance the Board's ability to properly audit casinos
 - Positions liaise with the gaming lab, the gaming industry, and field auditors
 - Targeted candidates:
 - Certified Public Accountant (CPA)
 - Certified Information Security Auditor (CISA)

E811/E814: Compensation Plan – NGCB/NGC

- Focus is on Board's Unclassified employees
 - NRS 463.080(3) mandates the Board within the limits of legislative appropriations fix the salaries of unclassified staff
 - Classified salaries are fixed in accordance with chapter 284 of NRS
- Last meaningful pay increase was effective FY 02
 - Justification for increase was to create parity with similar positions in the State
 - Board unclassified positions are lagging behind similar positions in the State
 - Board is currently requesting \$2.26 million each year to give raises:
 - Agents 11.6%
 - Senior Agents 6.1%
 - Special Agents 5.8%
 - Supervisors 1%
 - The request maintains a 5 percent (or one grade) increase between classifications.
- Board hires a wide variety of unclassified professionals
 - CPAs
 - Engineers
 - Investigators
 - P.O.S.T. certified Peace Officers
 - Attorneys

E811/E814: Compensation Plan – NGCB/NGC (cont'd)

Comparison of Agent Salary to Similar Jobs with the State of Nevada



* 50% of the Board's 329 unclassified employees consists of Agents in the Audit, Enforcement, Investigations, and Tax & License Divisions.

E811/E814: Compensation Plan – NGCB/NGC (cont'd)

➤ Staffing levels

- Since FY 02, the Board has abolished 38.46 positions
 - 27.46 due to General Fund reductions
 - 11 due to a reduction in workload for self-funded positions
- FY 22 Turnover
 - 46 unclassified incumbents separated from the Board/Commission
 - 36 (or 78%) of these positions were deemed avoidable turnover
 - ❖ The average incumbent had 5.6 years of service
 - ❖ Ten of the incumbents worked less than one year at the Board
 - ❖ Eleven of the incumbents transferred to other State, Local, or Federal jobs
 - ❖ The average new hire takes approximately two years to learn the basic duties of the position with minimal supervision
 - It takes 1 – 2 additional years to be fully trained
 - Audit Division and Enforcement Division had 18 of the 36 avoidable turnover
 - ❖ Audit Division invests in agent becoming a CPA
 - ❖ Enforcement Division invests in agent becoming a P.O.S.T certified Peace Officer

E811/E814: Compensation Plan – NGCB/NGC (cont'd)

➤ Regulatory Oversight

- Revenue growth for the Nevada's gaming industry has been strong and steady (up 70% since FY 2002)
- Stability in staffing is essential for:
 - Protecting the integrity and stability of the gaming industry
 - Instilling public confidence and trust
 - Collecting and ensuring accuracy of all gaming taxes and fees
- Board creates a stable environment for collection of nongaming revenue for casino operators
 - Board will approve a casino to operate only after intensive investigation
 - ❖ Investigators will continue to monitor large operators
 - ❖ Investigators work with jurisdictions worldwide to ensure compliance with federal and state laws/regulations
 - Board auditors require casinos to follow a rigorous set of Minimum Internal Control Standards (MICS)
 - ❖ Focus on operational controls
 - ❖ Focus on accounting and auditing controls
 - ❖ Monitor for a solid internal control environment conducive for proper reporting of revenue
 - Board peace officers investigate alleged or suspicious criminal activity associated with licensed gaming
 - ❖ Partner with federal, state and local law enforcement to ensure a safe and stable environment

E231/E234: Training

- DU E231 – Training Request Within 2x Cap
 - Restore \$29,000 in General Fund training reduced in the 31st Special Session
 - Current funding is primarily dedicated to technical and job-specific training
 - Restored funding will primarily be used for internal development training opportunities
 - Increase Technology Division’s Gaming Lab staff training to keep pace with the industry
 - Funded via Investigative Fees of \$14,728 each year
 - Current allocation insufficient for training needs of the Gaming Lab
 - Initial training will certify two employees each year as Certified Information System Auditors
 - ❖ Mirrors credentials of ITAG auditors in the Audit Division

- DU E234 Training Request – Special Consideration
 - Increase training funds for the Board’s IT section to implement a comprehensive training plan
 - Request for an average of \$79,879 each year
 - Over past 11 years, the Board has added several new technologies and systems
 - Expand knowledge for utilizing tools available
 - Create a secure environment for the Board’s network systems

E710/E711: Replace Hardware/Software

➤ DU E711 – Essential Replacement of Existing Hardware and Software

- Voice Over Internet Protocol (VOIP) Telephone System at GCB Offices in the Grant Sawyer Building
 - Initial cost is \$60,324 and ongoing annual cost is \$15,392 per year
 - Replace phone system leased from EITS
 - ❖ Current system over 10 years old and has chronic issues
 - VOIP system already installed in other Board offices
 - ❖ Allows better management of communication for field agents
 - ❖ Streamline Board communication

- Microsoft Office 365
 - Annual cost of \$190,526 per year
 - Operational efficiencies and better overall workflows
 - Allow access to, and integration with, other state systems:
 - ❖ SMART 21
 - ❖ TIN Management System

E710/E711: Replace Hardware/Software (cont'd)

- DU E710 – Replace in compliance with state policy
 - Computer Hardware/Software (total request is \$233,092 for the biennium)
 - Servers
 - Office printers
 - Mobile field printers
 - Email encryption/spam management systems
 - Document Imaging System (initial cost is \$179,876 and ongoing annual cost is \$18,500 per year)
 - Network-based system for storing Board documents
 - Current system is 18 years old
 - New system:
 - ❖ Allows better management of information
 - ❖ Streamlines storing and retrieving scanned documents
 - ❖ Enhances response time for public requests of information

E720: Cybersecurity Tools

- Total request of \$232,038 for the biennium
- Cybersecurity Assessment
 - 3rd party assessment to ensure proper cybersecurity practice
 - Identify gaps in security
 - Develop mitigation plans
- Network Penetration Testing
 - 3rd party to test the Board's networks, servers, and applications
 - Identify gaps in security
 - Develop mitigation plans
- Multi-Factor Authentication
 - Enterprise solution to provide additional security for Board computers and systems
- Data Identification and Classification
 - Software to assist in classifying and identifying information
 - Enhances record retention
 - Enhances control of information

E721: ISO Archive

- Request for hardware and software to convert physically stored disks to a storage area network
 - Initial cost is \$57,973 and ongoing annual cost is \$12,680 per year
- Gaming Lab currently has thousands of CDs, DVDs, and Blu-ray media, which contain:
 - Gaming device software code submitted by manufacturers
 - Media submitted for testing/approval
- Critical to transfer information to network-based system
 - Greater security and tracking of information
 - Allows the Gaming Lab to copy and manage information in stable environment
 - Current method is too easily disposable
 - Older media (25 years+) has a shelf life
 - In some cases, the current storage is the sole copy of older submissions

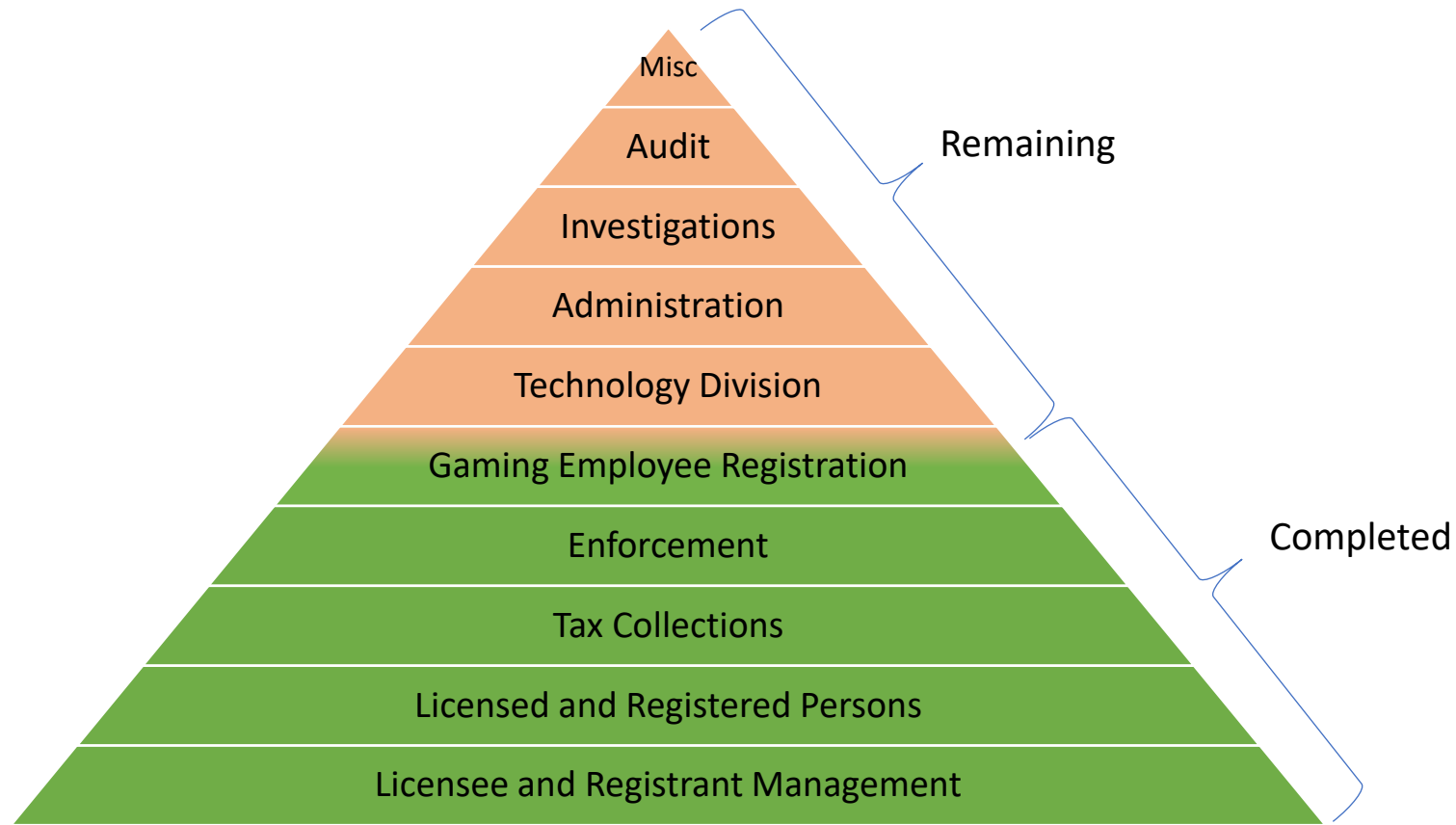
E550: Alpha Migration Project

- Alpha Migration Project (AMP):
 - Moves all applications and data from legacy COBOL-based applications to contemporary technologies
 - Alpha system is approximately 40 years old
 - Current application system is called System and Gaming Enterprise (SAGE)
- Alpha applications were developed in the 1980s and have been modified over the last 35+ years
 - Limited capabilities
 - Inability to interface with other systems
 - Information difficult to access and manage
 - Operating system no longer supported
 - Unique information security challenges due to its age
 - All Board COBOL programmers have retired
 - COBOL programming is a difficult skillset to source
- Initially funded in the FY 14/15 biennium

E550: Alpha Migration Project (cont'd)

- Challenges with AMP
 - Budget cuts and reduced funding
 - Staffing levels and the timeliness of onboarding new staff
 - Unforeseen development needs
 - Legislative mandates and Regulatory amendments
- Amount originally requested for the FY24/FY25 biennium is \$3.6 million.
 - Detailed scoping has recently been completed, and to complete the project by the end of FY25 the Board will need funding of \$13.5 million for the FY24/FY25 biennium.
- The development agreement will need to be revised from current “time and materials” to “deliverables based”
- Requesting continued funding to work with contracted vendor
 - Most cost-effective/efficient method
 - Vendor staff have become subject matter experts
 - Vendor provides key development skillsets
 - Project management, business analysis, and application development
- Board application development staff work side-by-side with the contracted vendor on AMP

E550: Alpha Migration Project (cont'd)



- Priority-based approach
 - 48% of project is complete

*Graph created by Nevada Gaming Control Board

E550: Alpha Migration Project (cont'd)

- Major functionality already migrated to SAGE includes:
 - Licensee and registrant management
 - A foundational building block for AMP
 - Basis for all other applications
 - History, licensure conditions, and ownership structure
 - Licensed and registered persons associated with gaming
 - A foundational building block for AMP
 - Licensure status, history, and affiliation with licensees
 - Tax Collections
 - All gaming taxes and fees reported and collected online
 - Processing and management done systematically
 - Eliminated significant manual processes for all NV operators and Board Staff

E550: Alpha Migration Project (cont'd)

- Major functionality already migrated to SAGE includes:
 - Enforcement*
 - Enforcement case management
 - ❖ Integrated commercially available law enforcement case management application FLEX
 - ❖ All Enforcement actions
 - Online Book Wagering reports
 - ❖ Wagers or payouts over \$10K
 - ❖ 10K-12K per month
 - Online suspicious transaction reporting
 - ❖ Questionable; wagers by a participant in a sporting event, or is not the sort of transaction the particular patron would normally be expected to perform
 - ❖ 200-300 per month

* AMP funding for the Enforcement Division was supplemented by federal forfeiture program

E550: Alpha Migration Project (cont'd)

- Major functionality already migrated to SAGE includes:
 - Gaming Employee Registration
 - Management of Gaming Employee Registration process and data
 - Online licensee human resources portal
 - Mobile interface gaming employee applicants

E550: Alpha Migration Project (cont'd)

- Software Development remaining includes:
 - Technology Division
 - System to administer and track technology approvals

 - Administration Division
 - Integrated accounting and financial management
 - Records and Research system

 - Investigation Division
 - Investigations application and case management
 - Corporate securities monitoring application
 - Revolving fund management

E550: Alpha Migration Project (cont'd)

- Software Development remaining includes:
 - Audit Division
 - RFP for commercially available industry standard auditing application
 - Integration with SAGE

 - Talent Management
 - Training administration
 - Integration with SMART 21