

Fraud Prevention Tips for Charitable Gaming

Please Note this is a compiled list created by our office to help organizations detect fraud, it is not to be used as a fool proof prevention technique. Each organization should have measures in place to help deter the event of fraud.

1. Require separation of duties; no one individual should have sole control over any aspect of the Charitable Gaming activities including but not limited to signing checks, reconciling the bank statement, and manager positions.
2. Require dual signatures on checks
3. Limit cash on hand to only what is necessary to effectively run a session.
4. Cash bank shall be verified from someone other than the person cashing the cash bank check
5. Individuals who are responsible for writing checks shall not reconcile the bank statement
6. Make your deposits after every session, lingering cash can be tempting
7. Maintain a Detailed Master Inventory required by our office, to help prevent theft of paper/ and or pull tabs
8. Ensure all inventory, cash and any other import documents are locked at all times. Only allow selected workers to have a key to the locker. The key is not to be passed around or shared, or given to a distributor for access to the locker.
9. Someone other than the session workers should prepare the forms and compile the quarterly report.
10. Training is available once a month by the Office of Charitable Gaming, require new and existing members and officials to attend to have firsthand knowledge of the paperwork and what is required of them.

Fraud Detection

1. One worker or official wants sole control and doesn't want to share certain duties.
2. One worker insists on being present at all sessions, and never wants to take off.
3. Continuous errors on paperwork (excessive math errors)
4. Excessive overages/shortages from the same individual(s)
5. Worker has a gambling/or other related addiction
6. Worker has a debt problem; or other major event in their life that would cause them to need
7. A worker living beyond one's means

*Many people that end up committing fraud don't intend on stealing.