

**GAMING POLICY &
ENFORCEMENT
BRANCH**



AUDIT REPORT

**BCLC
PlayNow.com Audit
GPEB File # COMM-6111
2010/2011**

1.0 EXECUTIVE SUMMARY

An audit of BCLC's PlayNow.com program was conducted to verify compliance with the *Gaming Control Act, Regulation*, GPEB certification requirements and all applicable standards, policies and directives.

The scope of this audit was to examine the PlayNow.com program in the areas of gaming integrity, regulatory compliance and responsible gambling. Procedures were performed on a test basis to provide reasonable assurance of compliance. Exceptions are reported on a risk-adjusted basis.

Not Responsive

2.0 BACKGROUND

BCLC acts on behalf of the Government of British Columbia to conduct, manage and operate eGaming through the PlayNow.com website. PlayNow.com allows registered players to wager on lottery, casino, poker, sports, bingo and interactive games online. The PlayNow.com platform, originally launched in 2004, was expanded in July 2010 to include casino games and again in February 2011 to include peer to peer poker. The peer to peer poker operates in conjunction with Loto-Quebec.

3.0 AUDIT PURPOSE & OBJECTIVES

3.1 Purpose

The purpose of this audit is to provide reasonable assurance to the ministry's executive that the PlayNow.com system is in compliance with the *Gaming Control Act and Regulation* as well as GPEB standards, policies and directives and that the appropriate controls are in place to ensure gaming integrity.

3.2 Objectives

The primary objectives for this audit are classified under three process categories and include:

Not Responsive

3.2.3 Responsible Gambling

- vii. Verify that the appropriate responsible gambling controls exist and were functioning as intended.

4.0 AUDIT SCOPE & APPROACH

4.1 Scope

The scope of this audit was to examine the BCLC PlayNow.com system and to review its functionality with respect to the objectives outlined in section 3.0. Information and data related to the program was analyzed for the period April 1, 2010 to March 16, 2011. The work included:

- Interviews and discussions with BCLC regarding the details of the system.
- Inspection and examination of documents, policies and procedures, correspondence and internal reports.
- Analysis of BCLC data and processes.
- Review compliance with the *Gaming Control Act (GCA)*, GPEB Technical Standards and GPEB Public Interest Standards.

Reliance was placed on work already performed by BCLC staff and GPEB Certification.

4.2 Approach

Based on an initial review of various BCLC documents and information, GPEB publications and audits, a preliminary risk assessment was performed. From this risk assessment the audit objectives were established.

Procedures included:

- Interviews and discussions with BCLC personnel regarding processes and procedures related to the PlayNow.com system.
- Examination of documents and correspondence.
- Analysis and substantive testing of PlayNow.com registered player data.
- Analysis and substantive testing of PlayNow.com transactional data.

5.0 AUDIT FINDINGS & EXCEPTIONS

The details of the findings and exceptions resulting from the audit procedures are discussed below:

Not Responsive

Not Responsive

Not Responsive

5.3 Responsible Gambling

6. A review of the PlayNow.com gaming website found the Province's problem gambling help line number is not prominently displayed in gaming areas. The problem gambling help line number was only found in the Poker module, game limit tab and in the GameSense, need help tab. The help line number was not displayed in the actual game play screens.

Control Failure: The responsible gambling standards state that BCLC must ensure players can make informed choices by prominently displaying in gaming areas the Province's Problem Gambling Help Line. (*Responsible Gambling Standards for the BC Gambling Industry sec. 2.1*)

Impact: s.15

BCLC Response: The standard's subsection referenced above is but one element of the total standard. According to that standard BCLC must ensure players can make informed choices by prominently displaying a wide variety of information and tools. The Problem Gambling Help Line is but one of these tools. The standard also indicates the requirement that information of potential risks, meaningful and accurate information about games and information about self-exclusion programs also be prominently displaying in gaming areas. GameSense provides this and other information in a section completely devoted to responsible play and resources available for problem gamblers. Links to GameSense are available on every page starting with the home landing page.

The standard does not indicate any one element is more important than the other, and BCLC's approach of providing the GameSense bar is consistent with the recently completed advertising standards prepared by GPEB in conjunction with BCLC. If all elements provided for in Section

2.1 were given equal prominence to what seems to be suggested in the finding above, there would simply not be space available on the page for core gaming activity/information which is PlayNow's primary purpose.

BCLC Response #2 (July 18th): GPEB has addressed this issue with BCLC outside of the audit review and confirmed that BCLC is currently in compliance with the standards. BCLC has committed to further design enhancements to increase visibility and player engagement of GameSense content.

GPEB Update: As of August 19, 2011 PlayNow.com has been granted an exemption to Section 2.1 of the Responsible Gambling Standards for the B.C. Gambling Industry until June 30, 2012.

7. Through discussion it was noted that the current self exclusion process allows a period of up to 8 hours, during which a player self excluded at a casino could open up a PlayNow.com account and participate in online gaming. Different systems are in place to track land-based vs. PlayNow.com self-exclusions, and these are currently being synched once every 8 hours.

Control Failure: Players who have self-excluded from a land based casino should also be self-excluded from PlayNow.com. Currently the controls in place will not automatically prevent a patron who has self-excluded from a casino from opening up a PlayNow.com account and participating in online gaming. (*Responsible Gambling Standards for the BC Gambling Industry sec 6.*)

Impact: s.15

s.13, s.15

BCLC has evaluated the current maximum 8-hour window and deems the risk associated with enrollment by a VSE patron low, particularly as the additional 8-hours of play will not in itself further a patron's problem gambling status.

8. A comparison of the player account database and the PlayNow.com self-exclusion database identified 1 instance where a self-excluded individual had an active PlayNow.com account. The account remained active for a period of 2 ½ months after the initial sign-up.

Control Failure: The player's account remained active after self-exclusion. Failure to close the account could result in continued play by the patron. (*Responsible Gambling Standards for the BC Gambling Industry sec. 6*)

Impact: s.15

BCLC Response: The player in question last accessed her PN account on 04-Sept-2010. Player VSE'd from facilities on 11-Jan-2011. During the process for reviewing VSE'd players from facilities, it was learned that player had a balance of \$2.64 which was manually

adjusted and refunded to player on 28-Mar-2011. The account was also locked on that day and marked for "Closure" which is the current status of the PN account.

9. Reviewed the Playnow.com website and tested various links throughout the site. The link in the GameSense area to the BC Problem Gambling Website was not active.

Control Failure: Responsible Gambling information must be prominently displayed in order for patrons to be able to make an informed choice.

Impact: s.15

BCLC Response: The link referenced above has been corrected.

Commercial Gaming Audit
Audit and Compliance Branch
September 13, 2011

REFERENCES

The following information and reference sources were employed during this review:

- *Gaming Control Act and Regulation;*
- *Advertising and Marketing Standards for the BC Gambling Industry;*
- *Responsible Gambling Standards for the BC Gambling Industry;*
- *GPEB Technical Standards, Directives and Procedural letters.*

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