

Division of Gaming
Office of Indian Gaming & Regulatory Compliance
Field Audit Section

ELECTRONIC GAMES OF CHANCE

While electronic games of chance are often the most popular offering in gaming operations in Wisconsin and elsewhere, the Wisconsin Division of Gaming has found that the operation and regulatory standards for these games are not widely understood. Electronic games of chance operating in Wisconsin Tribal gaming facilities are subject to multiple layers of regulatory controls and undergo rigorous testing prior to shipment to the state and additional testing and review after installation on the gaming floor.

Electronic games of chance operating in Wisconsin Tribal gaming facilities are required to be controlled by computer software. The software of each electronic game of chance is programmed to return a certain percentage of the money that has been put into the machine during play. This is referred to as game payout.

In Wisconsin, pursuant to the Compacts, this percentage of payout is mandated to be between 80 and 100 percent. There are peaks and valleys to the machine payout, but ultimately over the life cycle of the game, the final amount returned to patrons will be between 80% and 100%. This means that it is possible for a player to win the jackpot on one pull or not win the jackpot after hours of play. If a player were to play a machine for the entire life cycle of the game, the payout ratio of 80% to 100% will ultimately be achieved.

This percentage is an industry standard for electronic games of chance payout and is similar to the requirements for casinos in Las Vegas, Atlantic City and in virtually every casino jurisdiction worldwide. Patrons that play electronic games of chance must keep in mind that not everyone that plays a particular machine will receive the 80% to 100% payback for every dollar played. The payout ratio is determined over the life cycle of the payout chip which is estimated to be approximately seventeen million pulls on a standard 4-reel slot machine.

The payout of the machines may only be altered by physically removing the game program from the device. There are control standards in place that must be followed for changing game software which require that security personnel and representatives of the tribal gaming regulatory body be present to access the logic area of the device in which the game software is located. In addition, separate keys are required to open the machine and logic area of the machine and security seals must be broken to access the game software.

There are a series of checks in place to ensure that devices in Wisconsin tribal gaming facilities operate within the required standards. Prior to shipment of any game software to a Wisconsin tribal gaming operation, the software must be tested and approved by an independent game testing laboratory that certifies that the software conforms to the requirements of the Wisconsin Compacts and technical standards agreed upon between the state and the tribes.

Once installed in a Wisconsin tribal gaming operation, OIGRC audit staff and tribal gaming regulators regularly review payout data from the slot machine accounting systems to ensure that it is within required limits. Tribal gaming operations are required to investigate devices that are operating outside of the payout limits. Tribal gaming regulators are required to conduct regular, random audits of game program software. OIGRC auditors conduct random testing of game program software during on-site audits. Any game software identified during an audit as not approved for use in Wisconsin gaming operation is taken out of play and replaced with approved software.

Through this system of multiple regulatory checks, patrons of Wisconsin tribal gaming operations can be assured that electronic games of chance are operating with integrity and offer a fair chance to all players.