

# Arizona Gaming's Winning Strategy:

## Double Down on Accountability & Efficiency



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*Mike McGee  
Audit Manager  
Arizona Department of Gaming*



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### **WHO THEY ARE:**

The Arizona Department of Gaming is the State agency that partners with Arizona's 21 Indian Tribes to oversee Indian casinos in the State. The Department's mission includes protecting the public, ensuring compliance and regulating the industry. Compliance Reviews are based on detailed regulatory, technical, and internal controls standards agreed in the form of "compacts" for the operation of Indian gaming.

Arizona casinos had gaming revenue of \$1.98 billion in State Fiscal Year 2008.

### **THE PROBLEM:**

Arizona Gaming were faced with a situation that will be familiar to many audit teams. The audit methodology was highly manual, from the annual planning through the execution of the audit work, the review of the work performed and into the reporting of the audit issues.

A typical audit for Arizona Gaming has over 1,000 work steps. The execution of the audits resulted in the use of significant amounts of paper, and in considerable amounts of time searching through audit work papers to locate issues.

It was difficult to keep track of the progress that was being made on audits, especially as supervisors had to wait until the auditor had completed their work and passed it across for review. Due to the manual nature of the methodology it was often necessary for the supervisor and auditor to meet to be able to discuss any points arising.

Even after the work had been reviewed it was possible for the auditor to make changes that other members of the team would not be aware of. According to Mike McGee, Audit Manager at Arizona Gaming, "We needed an automated solution that would protect the integrity of the work performed and help ensure proper accountability."

### **WHY PENTANA?**

Arizona Gaming chose the PAWS software for the value it provided, particularly when considering the functionality included as standard and the ease with which it could be integrated with their existing technical environment.

Mike McGee believes that “with Pentana we got a flexible, user customizable, all in one package for the right price”. Mike also says that “from the very beginning the response we got from Pentana about how to use the product in our unique situation was tremendous – their team listened to our unique needs and demonstrated how the product could support our business our business processes.”

When asked what the most significant benefit that Arizona Gaming have experienced is Mike said: “With Pentana, our audits are 100% paperless and completely integrated.”

#### **AUDITING USING PAWS:**

PAWS supports the full audit process for Arizona Gaming, from the identification and creation of the annual audit plan through to the capture and tracking of the issues identified during the audit and their follow-up.

Arizona Gaming primarily use the software to test compliance with required internal control standards. By checking the audit out onto a supervisor’s computer the team are all able to work on the same audit in the field using the ‘peer-to-peer’ networking that is a feature of the software.

As the auditor works through the audit and completes tests for each compliance objective they are able to indicate in the system if they believe that the compliance objective has been met. As the auditor completes and signs off each section it is then possible for the Supervisor to review the completed work.

If the supervisor notes any issues during their review of the audit work or wishes to raise any points for the attention of, or discussion with, the auditor they can do so within the application. The ‘peer-to-peer’ networking then allows the auditor to view and respond to the points that have been made. A complete history of the points raised and responses given is available for review within the application.

According to Mike McGee “With Pentana, we have dramatically decreased the time it takes for supervisors to review completed work since they can now review it real time rather than waiting for the final product to be finished.”

As Arizona Gaming auditors identify potential findings during the course of their fieldwork they are able to document the issues, with them immediately being available for the supervisor to see without needing to search through the audit contents to find them. Issues that are included in the Audit report can then be tracked and a history of the follow-up work for each finding is maintained within PAWS.

Mike says that with “the use of PAWS, the supervisors can immediately write points and comments that alert the Manager to issues needing particular attention”.

Not only has PAWS enabled the audit team to conduct the audits in a more efficient and effective manner, it has also allowed Arizona Gaming to find and retrieve audit information more quickly.

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*“Pentana effectively blends audit expertise and technical expertise to provide solutions that really meet technical and process requirements.”*

#### **EXPERIENCES OF PENTANA AS A SOFTWARE SUPPLIER:**

Arizona Gaming are very positive regarding their experiences with Pentana at all levels. According to Mike “Service and Support has been great with Pentana. Their teams here in the US and the UK have been responsive and have provided technical advice in a timely and efficient manner.”

Pentana was founded by auditors and employs auditors in different positions within the company. This breadth of experience is reflected in the experience that Arizona Gaming have had when dealing with Pentana. Mike McGee again: “Pentana effectively blends audit expertise and technical expertise to provide solutions that meet technical and process requirements.”

Although the gaming industry can be very different to other industries Arizona Gaming have found that the software can be applied to their particular requirements very easily. They have found that the system is sufficiently flexible to meet their needs with respect to the key focus of auditing Internal Controls in a way that fits with their methodology.

#### **THOUGHTS AND ADVICE:**

PAWS is a ‘feature rich’ application. Arizona Gaming suggest that the system is best implemented by evaluating the basic needs of the audit team and identifying the features that will satisfy those needs. They achieved this by creating a vision of what they wanted the audit software to do and evaluating this list against PAWS.

Arizona Gaming would have no hesitation in recommending PAWS and Pentana to other companies looking for an audit system.

#### **CONTACT PENTANA:**

We would love to hear from you and find out more about your audit, risk and compliance needs. With this understanding we can present a tailored demonstration to show how we can help you achieve these benefits and more. Contact us today at [info@pentana.com](mailto:info@pentana.com) or visit our website for more information [www.pentana.com](http://www.pentana.com)