

Little River Band of Ottawa Indians
2608 Government Center Drive
Manistee, MI 49660
(231) 723-8288

Resolution #19-0710-182

*Accepting for Filing the Revised Gaming Commission Regulation
#R400-04:GC-11 Chapter 11 – Class III Minimum Internal Control Standards for
Gaming Enterprises of the Little River Band of Ottawa Indians*

WHEREAS, the status of the *Gaá Čhíng Ziibi Daáwaa Aníshinaábek* (Little River Band of Ottawa Indians) as a sovereign and Treaty-making power is confirmed in numerous treaties, from agreements with the initial colonial powers on this land, to various treaties with the United States; and

WHEREAS, the Little River Band of Ottawa Indians (Tribe) is descended from, and is the political successor to, the Grand River Ottawa Bands, signatories of the 1836 Treaty of Washington (7 Stat. 491) with the United States, as reaffirmed by federal law in P.L. 103-324, enacted in 1994; and

WHEREAS, the Tribe adopted a new Constitution, pursuant to a vote of the membership on May 27, 1998, which Constitution became effective upon its approval by the Assistant Secretary-Indian Affairs on July 10, 1998; and

WHEREAS, the Tribe adopted amendments to the Constitution on April 26, 2004, which, became effective upon approval by the Assistant Secretary-Indian Affairs on May 3, 2004; and

WHEREAS, the Tribe adopted amendments to the Constitution on July 11, 2016 which became effective upon approval by the Assistant Secretary-Indian Affairs on August 24, 2016; and

WHEREAS, the Tribal Council is authorized under Article IV, Section 7(a) to provide for the public health, peace, morals, education and general welfare of the Little River Band and its members; and

WHEREAS, the Tribal Council is authorized under Article IV, Section 7(I) to take action, not inconsistent with the Constitution or Federal law, which is necessary and proper to carry out the sovereign powers of the Tribe; and

WHEREAS, the Tribal Council has, pursuant to Gaming Commission Ordinance #04-400-04, created a Gaming Commission and delegated to such Commission the authority to regulate all gaming activities authorized by the Tribe and to enforce all Tribal and federal laws governing the conduct of Tribally-licensed gaming activities; and

WHEREAS, Section 6.04 (a) of the Gaming Commission Ordinance permits the Gaming Commission to promulgate regulations and internal operational procedures of the Gaming Commission and its staff; and

WHEREAS, Gaming Commission Regulation #R400-04:GC-11 – Chapter 11 – Class III Minimum Internal Control Standards for Gaming Enterprises of the Little River Band of Ottawa Indians required revisions to address the many technological changes and advances over the past several years and to address deficiencies in the areas of technology, Information Technology (IT), Bank Secrecy, and Anti-Money Laundering and lacking standards for revenue audit, lines of credit and patron deposit accounts/cashless systems; and

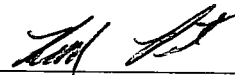
WHEREAS, the Gaming Commission revised and approved the regulation on May 21, 2019 by Gaming Commission Resolution #GC19-0521-13; and

WHEREAS, the Gaming Commission Regulation *Chapter 11 – Class III Minimum Internal Control Standards for Gaming Enterprises of the Little River Band of Ottawa Indians* is now being forwarded to Tribal Council for filing in accordance with Gaming Commission Ordinance #04-400-04 – Section 6.04 (b).

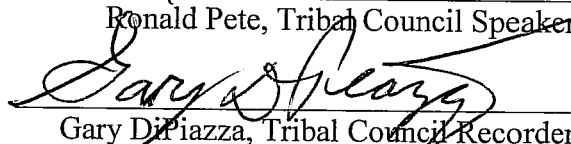
NOW THEREFORE IT IS RESOLVED THAT that Gaming Commission Regulation #R400-04:GC-11 Chapter 11 – Class III Minimum Internal Control Standards for Gaming Enterprises of the Little River Band of Ottawa Indians is hereby accepted for filing by the Little River Band of Ottawa Indians Tribal Council.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 8 FOR, 0 AGAINST, 0 ABSTAINING, and 1 ABSENT, at a Regular Open Session of the Little River Band of Ottawa Indians Tribal Council held on July 10, 2019, at the Government Center in Manistee, Michigan, with a quorum being present for such vote.



Ronald Pete, Tribal Council Speaker



Gary DiPiazza, Tribal Council Recorder

Attest:

Distribution: Council Records
Gaming Commission

Gaming Commission Regulations
Regulation # R400-04:GC-11

**Chapter 11 - Class III Minimum Internal Control Standards for Gaming Enterprises of the
Little River Band of Ottawa Indians**

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Section 1. Purpose; Authority

- 1-1. *Purpose.* It is the purpose of this Chapter to provide minimum internal control standards to effect proper regulation of the gaming enterprise(s) of the Little River Band of Ottawa Indians.
- 1-2. *Authority.* These Tribal Minimum Internal Control Standards (TMICS) are issued under and pursuant to the authority of the Gaming Ordinance #10-400-01, Gaming Commission Ordinance #04-400-04, Commission's Ordinance #04-150-01, Indian Gaming Regulatory Act (IGRA), and the Tribal-State Compact.

Section 2. Definitions

- 2-1. *General.* For purposes of this Regulation, certain terms are defined in this Section. The word **shall** is always mandatory and not merely advisory. Unless defined elsewhere, terms defined in this Regulation, the Gaming Ordinance and the Gaming Commission Ordinance are defined for the purpose of all Gaming Commission Regulations.
- 2-2. *Account access card* means an instrument used to access patron accounts for wagering at a gaming device. Account access cards are used in connection with a computerized account database.
- 2-3. *Accountability* means all items of cash, cash equivalents, cheques, coins, and receivables constituting the total amount for which the Accounting Department is responsible at any given time.
- 2-4. *Accumulated credit payout* means credit earned in a gaming device that is paid to a patron manually in lieu of a machine payout (i.e., hand pay, manual pay).
- 2-5. *Actual hold percentage* means the percentage calculated by dividing the win by the drop or coin-in (number of credits wagered) which can be calculated for individual tables or gaming devices, type of table games, or gaming devices on a per day or cumulative basis.
- 2-6. *Administrative access* means access that would allow a user to:
 - a. Add, change, or delete system accounts and associated user provisioning;
 - b. Modify operating system, database, and application security and policy parameters;
 - c. Add, change, or delete system exception logging information; and
 - d. Add, change, or delete permissions to data files and folders.
- 2-7. *Ante* means a patron's initial wager or predetermined contribution to the pot before the dealing of the first hand.
- 2-8. *Bank or Bankroll* means the inventory of cash, coins, cheques, receivables and patron deposits in the cage, pit area, gaming booths and on the playing tables and cash in bank which is used to make change, pay winning bets and gaming device jackpots.

Gaming Commission Approved: 05-21-2019

Gaming Commission Resolution: #GC19-0521-13

Tribal Council Acceptance: 07-10-2019

Tribal Council Resolution: #19-0710-182

- 2-9. *Bill/Ticket acceptor* means the device that accepts and reads cash and cash-out tickets by denomination in order to accurately register patron credits.
- 2-10. *Bill/Ticket acceptor canister* means the box attached to the bill/ticket acceptor used to contain cash or cash-out tickets received by bill/ticket acceptors.
- 2-11. *Bill/Ticket acceptor canister release key* means the key used to release the bill/ticket acceptor canister from the bill/ticket acceptor device.
- 2-12. *Bill/Ticket acceptor canister storage rack key* means the key used to access the storage rack where bill/ticket acceptor canisters are secured.
- 2-13. *Bill/Ticket acceptor drop* means cash contained in bill/ticket acceptor canisters.
- 2-14. *Bill-in meter* means a meter included on a gaming device accepting cash that tracks the number of bills put in the machine.
- 2-15. *Boxperson* means the first-level supervisor who is responsible for directly participating in and supervising the operation and conduct of a craps game.
- 2-16. *Business year* means the annual accounting period, such as a calendar or fiscal year, by which the gaming enterprise maintains its books and records.
- 2-17. *Cage* means a secure work area within the gaming enterprise for cashiers which may include a storage area for the gaming enterprise bankroll.
- 2-18. *Cage accountability* means all the cash and cash equivalents in the possession of the cage as summarized on a daily basis on a cage accountability form that includes, but is not limited to, items such as currency, coin, markers, and cheques.
- 2-19. *Cage accountability form* means an itemized list of the cash and cash equivalents that make up the cage accountability.
- 2-20. *Call bets* means a wager made without cash or cheques, reserved for a known patron and includes marked bets (which are supplemental bets made during a hand of play). For the purpose of settling a call bet, a hand of play in craps is defined as a natural winner (i.e., seven or eleven on the come-out roll), a natural loser (i.e., a two, three, or twelve on the come-out roll), a seven-out, or the patron making his point, whichever comes first.
- 2-21. *Cash equivalent* means the monetary value that a gaming enterprise may assign to a document or anything else of representative value other than cash, or cheques. A cash equivalent includes, but is not limited to, coupons, vouchers, wagering or payout slips and tickets, debit and credit card receipts, and other items to which a gaming enterprise has assigned an exchange value.
- 2-22. *Cash-out ticket* means an instrument of value generated by a gaming device representing a cash amount owed to a patron at a specific gaming device. This instrument may be wagered at other machines by depositing the cash-out ticket in the machine bill/ticket acceptor.

Gaming Commission Approved: 05-21-2019

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- 2-23. *Cheques* means cash substitutes, in various denominations, issued by a gaming enterprise and used for wagering.
- 2-24. *Chips* means cash substitutes used for wagering purposes, which have no monetary value when removed from the specific table (i.e., Roulette)
- 2-25. *Class III gaming* has the same meaning as defined in 25 U.S.C. § 2703
- 2-26. *Collections* means the process of recovering debts owed by patron(s) through an established line of credit.
- 2-27. *Collections agency* means a third party company hired to collect outstanding debts owed to the gaming enterprise by patrons through established lines of credit.
- 2-28. *Complimentary services or items* means a service or item provided at no cost, or at a reduced cost to a patron, at the discretion of an employee on behalf of the gaming enterprise or by a third party on behalf of the gaming enterprise.
- 2-29. *Computerized casino accounting system* means a system utilized by a gaming enterprise that securely maintains and monitors data which may include but is not limited to patron tracking, gaming device activity and marketing functionality, inclusive of other activities that interface with the system. In addition, the casino accounting system may provide the gaming enterprise with the ability to perform cashless transactions and monitor, detect, report and log system exceptions.
- 2-30. *Consideration* means, but is not limited to, cash or cash equivalents and gaming device play initiated by cash or cash equivalents.
- 2-31. *Control program* means any software, source language or executable code which affects the result of a wager by determining win or loss. The term includes, but is not limited to, software, source language or executable code associated with the:
- a. Random number generation process;
 - b. Mapping of random numbers to game elements to determine game outcome;
 - c. Evaluation of the randomly selected game elements to determine win or loss;
 - d. Payment of winning wagers;
 - e. Game recall;
 - f. Game accounting including the reporting of meter and log information to on-line gaming device metering system;
 - g. Monetary transactions conducted with associated equipment;
 - h. Software verification and authentication functions which are specifically designed

and intended for use in a gaming device;

- i. Monitoring and generation of game tilts or error conditions; and
- j. Game operating systems which are specifically designed and intended for use in a gaming device.

The term does not include software used for artistic attributes of a game including graphics, sound and animation providing entertainment unless such elements are material to game play because they are necessary for the patron to understand the game or game outcome.

2-32. *Count* means the total funds counted for a particular game, gaming device, shift, or other period.

2-33. *Count room* means a secure location in which the drop is counted.

2-34. *Count Services Team* means employees who perform the drop and the count.

2-35. *Coupon* means a certificate that can be redeemed for: cash, prizes, promotional points and promotional items.

2-36. *Counter check* means a form provided by the gaming enterprise for the patron to use in lieu of a personal check.

2-37. *Credit slip* means a form used to record the return of cheques from a gaming table to the cage.

2-38. *Critical Information Technology (IT) system and equipment* means the collective hardware, software, network infrastructure and associated equipment, to include computerized casino accounting system (if applicable), used to produce, accumulate, monitor, record, store and report gaming revenues and associated financial data. At a minimum, the term 'critical system' is applicable to the gaming revenue centers and the following activities and functions, as related to the recognition and recordation of cage, credit, complimentary services and items, accounting, and drop and count. Does not include gaming devices.

2-39. *Currency* means the coin and currency of the United States or any other country that circulates and is customarily used and accepted as money in the country it is issued. It includes United States silver certificates, United States notes, Federal Reserve notes and official foreign bank notes, but does not include bank checks and notes or other negotiable instruments not customarily accepted as money.

2-40. *Currency counter* means a device that identifies currency by means of an optical sensing and correlating technique to both count and differentiate denomination. The counter may perform two counts by independent central processing units prior to transferring the currency into a stacker. It may interface with the accounting systems of the gaming enterprise and account for cash-out tickets redeemed and promotional coupons cancelled.

2-41. *Currency counter interface* means a link between a currency counter and typically the accounting software systems of the gaming enterprise in which access is restricted to

authorized persons.

- 2-42. *Currency Transaction Report (CTR)* is a report that U.S. financial institutions are required to file with FinCEN for each deposit, withdrawal, exchange of currency, or other payment or transfer, by, through, or to the financial institution that involves a transaction in currency of more than \$10,000.00 in a gaming day.
- 2-43. *Deal* means:
- a. The distribution of playing cards to patrons at table games;
 - b. Roll of the dice at craps; and
 - c. Spin of the ball at roulette.
- 2-44. *Dealer* means an employee who operates a game, individually or as a part of a crew, administering house rules and making payoffs.
- 2-45. *Discount wager* means a wager in which a patron is given credit for an amount greater than the actual amount placed at risk and is supported by documentation, often a promotional coupon (i.e., match play).
- 2-46. *Drawing or promotional drawing* means an event requiring some form of consideration to participate that awards item(s) of value to a patron, the award of which is based on chance, even if accompanied by some skill.
- 2-47. *Drop (for gaming devices)* means the total amount of cash, and cash equivalents, removed from the bill/ticket acceptor canisters.
- 2-48. *Drop (for table games)* means the total amount of cash, cheques, and coins removed from drop boxes, plus the amount of credit issued at the tables.
- 2-49. *Drop box* means a locked container affixed to the gaming table into which the drop is placed. The game type, table number, and shift are indicated on the box.
- 2-50. *Drop box contents keys* means the key used to open drop boxes.
- 2-51. *Drop box release keys* means the key used to release drop boxes from tables.
- 2-52. *Drop box storage rack keys* means the key used to access the storage rack where drop boxes are secured.
- 2-53. *Drop period* means the period of time that occurs between sequential drops.
- 2-54. *Drop proceeds* means the total amount of financial instruments removed from the drop boxes and financial instrument storage components.

- 2-55. *Dual-rate function* means an employee of a lower level within the same department who moves up to temporarily perform the duties of his/her supervisor.
- 2-56. *Erasable Programmable Read-Only Memory (EPROM)* is a type of non-volatile memory chip that can retain its data even when powered off.
- 2-57. *Established patron* means a person with an account with a financial institution, including a loan account or deposit or other asset account, or a person with respect to which a financial institution has obtained and maintained on file the person's name and address, as well as taxpayer ID (i.e., Social Security Number or employee I.D.) or, if none, alien identification number or passport number and country of issuance and to which the financial institution provides financial services relying on that information.
- 2-58. *Exception report* means a listing of occurrences, transactions or items that fall outside a predetermined range of acceptability.
- 2-59. *Filing deadline/requirements* means a currency transaction report for each transaction in currency, involving either cash in or cash out, of more than \$10,000.00 which shall be filed with the IRS by the 15th day after the date of the transaction, as required by Title 31 Chapter X. The gaming enterprise may report both cash in and cash out transactions by or on behalf of the same patron on a single CTR form.
- 2-60. *Fill* means a transaction whereby a supply of cheques is transferred from a bankroll to a table game.
- 2-61. *Fill slip* means a document evidencing a fill.
- 2-62. *Financial instrument* means any tangible item of value tendered in game play, including, but not limited to bills, coins, chips, cheques, vouchers and coupons.
- 2-63. *Free play wager* means a non-value promotional consideration afforded a patron to participate in a game without requiring the patron to place anything at risk.
- 2-64. *Gaming Commission* means the Little River Band of Ottawa Indians Gaming Commission.
- 2-65. *Gaming day* means the normal business day of a gaming enterprise. For a gaming enterprise that offers twenty-four (24) hour gaming, the term means that twenty-four (24) hour period by which the gaming enterprise keeps its books and records for business, accounting, and tax purposes. For purposes of this Regulation, each gaming enterprise may have only one (1) gaming day.
- 2-66. *Gaming device* means a microprocessor-controlled electronic device which allows a patron to play games of chance, some of which are affected by skill, which is activated by the insertion of a coin, currency, tickets, or by the use of credit, and which awards game credits, replays or a receipt that can be redeemed by the patron.
- 2-67. *Gaming device analysis report* means a report prepared that compares theoretical to actual hold by a gaming device on a monthly or other periodic basis.

- 2-68. *Gaming device booths and change banks* means a booth or small cage in the gaming area used to provide change to patrons, store change aprons and account for jackpots and other payouts.
- 2-69. *Gaming device count* means the total amount of cash and cash equivalents removed from a gaming device. The amount counted is entered on the count sheet and is considered the drop. Also, refers to the procedure of counting cash and cash equivalents.
- 2-70. *Gaming device pay table* means the reel strip or virtual reel combinations that identify payouts of designated amounts.
- 2-71. *Gaming enterprise* means any commercial enterprise of the Tribe authorized to engage in gaming, and all ancillary commercial activities within the gaming facility(ies) and other improvements constructed for the conduct of gaming.
- 2-72. *Gaming enterprise account number* means any and all numbers by which a gaming enterprise identifies a patron. (i.e., Patron's Club ID number).
- 2-73. *Generally Accepted Accounting Principles (GAAP)* means a widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board (FASB), including, but not limited to, the standards for casino accounting published by the American Institute of Certified Public Accountants (AICPA).
- 2-74. *Generally Accepted Auditing Standards (GAAS)* means the general guidelines and principles, standards and detailed rules, plus industry practices that exist for financial reporting, as established by the Auditing Standards Board of the American Institute of Certified Public Accountants (AICPA).
- 2-75. *Governmental Accounting Standards Board (GASB)* means generally accepted accounting principles used by state and local governments.
- 2-76. *Gross gaming revenue* means the net win from gaming activities conducted by the gaming enterprise which is the difference between gaming wins and losses before deducting costs and expenses, determined in accordance with GAAP consistently applied.
- 2-77. *Hold* means the relationship of win to coin-in for gaming devices and win to drop for table games.
- 2-78. *Increase/decrease to cage accountability* means the change in the cage accountability (inventory), which is a function of the gaming transactions. For example: the cash inventory is affected by (a) the cash collected from the drop and transferred to the cage; (b) payments received from markers; (c) funds transferred to/from a financial institution; (d) changes in the chip inventory due to the chip float (cheques in possession of patrons); and (e) front money and patron account transactions.
- 2-79. *Independent* means the separation of functions to ensure that the employee or process monitoring, reviewing, or authorizing the controlled activity, function, or transaction is

separate from the employees or process performing the controlled activity, function, or transaction.

- 2-80. *In-house progressive gaming device(s)* means a gaming device on which play on the device affects the progressive amount. As wagers are placed, the progressive meter on the device increases. An in-house progressive may be linked to other in-house progressive devices within a single gaming enterprise.
- 2-81. *Internal Audit Department* means a department who perform an audit function of a gaming enterprise that is independent of the department subject to audit. Independence is obtained through the organizational reporting relationship, as the Internal Audit Department shall not report to management of the gaming enterprise. Internal audit activities shall be conducted in a manner that permits an objective evaluation of areas examined. The Internal Audit Department reports directly to the Executive Director of the Gaming Commission.
- 2-82. *Issue slip* means a copy of a credit instrument that is retained for numerical sequence control purposes.
- 2-83. *Jackpot payout* means a transaction associated with a winning event that causes the gaming device to lock up at a predetermined amount and that is paid by the Slot Operations Department.
- 2-84. *Kiosk* means a self-serve component of a computerized casino accounting system capable of accepting or dispensing cash or cash equivalents and which may also be capable of initiating cashless transactions to or from a promotional account.
- 2-85. *Knowledge of cash transactions* means that a gaming enterprise shall be deemed to have the knowledge if any sole proprietor, partner, officer, director or employee of the gaming enterprise, acting within the scope of his/her employment, has knowledge that such multiple currency transactions have occurred, information retained on magnetic disk, tape or other machine-readable media, or in any manual system, and similar documents and information, which the gaming enterprise maintains pursuant to business and which contains information that such multiple currency transactions have occurred.
- 2-86. *Lammer button* means a type of chip that is placed on a gaming table to indicate that the amount of cheques designated thereon has been given to the patron for wagering on credit before completion of the credit instrument. Lammer button may also mean a type of chip used to evidence transfers between table banks and card room banks.
- 2-87. *Line(s) of credit* means a privilege granted by the gaming enterprise to a patron to:
- a. Defer payment of debt; or
 - b. Incur debt and defer its payment under specific terms and conditions.
- 2-88. *Machine-readable* means capable of being read by an automated data processing system.
- 2-89. *Manual payout* means any non-automated payout.

- 2-90. *Marker* is a document, signed by the patron, promising to repay credit issued by the gaming enterprise.
- 2-91. *Master game program number* means the game program number listed on any gaming device control program or EPROM.
- 2-92. *Master game sheet* means a form used to record, by day, each table game's winnings and losses. This form reflects the opening and closing table inventories, the fills and credits, and the drop and win.
- 2-93. *Match play* means a type of discount wager requiring a cash bet of equal amount.
- 2-94. *Meter* means an electronic (soft) or mechanical (hard) apparatus in a gaming device. May record the number of coins wagered, the number of coins dropped, the number of times the handle was pulled, or the number of coins paid out to winning patrons.
- 2-95. *Money laundering* means the disguising or concealing of illicit income in order to make it appear legitimate.
- 2-96. *Motion activated dedicated camera* means a video camera that, upon its detection of activity or motion in a specific area, begins to record the activity or area.
- 2-97. *Multi-denomination device* means a gaming device that allows a patron to wager various denominations on the same game.
- 2-98. *Multi-game device* means a gaming device that includes more than one type of game.
- 2-99. *Multiple Transaction Logs (MTL)* means single and/or multiple transactions totaling more than \$10,000.00 during a gaming day. All cash-in or all cash-out transactions shall be aggregated on a multiple transaction log in order to determine if the \$10,000.00 threshold has been attained. Cash-in transactions are to be aggregated only with other cash-in transactions unless it is a cash exchange transaction. To achieve this, all cash-in and cash-out transactions greater than \$2,500.00 shall be logged and tracked on a Multiple Transaction Log (MTL).
- 2-100. *Negotiable Instruments (for purposes of the Currency Transaction Report)* means all checks (including personal, business, bank, cashier's and third party checks), money orders and traveler's checks.
- 2-101. *Net revenues* means the gross gaming revenues of an Indian gaming enterprise less:
- a. Amounts paid out as, or paid for, prizes; and
 - b. Total operating expenses, including all those expenses of the gaming enterprises commonly known as operating expenses and non-operating expenses consistent with professional accounting pronouncements, excluding management fees.
- 2-102. *Network communications equipment* means a device or collection of devices that controls data communication in a system including, but not limited to, cables, switches, hubs,

routers, wireless access points, landline telephones and cellular telephones.

- 2-103. *Order for credit* means a request the transfer of cheques from a table to the cage. The order precedes the actual transfer transaction that is documented on a credit slip.
- 2-104. *Par percentage* means the percentage of each dollar wagered that the house wins (i.e., gaming enterprise advantage).
- 2-105. *Par sheet* means a specification sheet for a gaming device that provides device hold percentage, model number, hit frequency, reel combination, number of reels, number of coins that can be accepted, and reel strip listing.
- 2-106. *Patron* includes every person involved in a transaction to which this Regulation applies with a gaming enterprise, whether or not that person participates, or intends to participate, in gaming offered by that gaming enterprise.
- 2-107. *Patron deposit account* means an account maintained on behalf of a patron, for the deposit and withdrawal of funds for the primary purpose of interacting with a gaming activity.
- 2-108. *Patron tracking system* means a system or a component of a computerized casino accounting system used to record the gaming play of individual patrons.
- 2-109. *Payout* means a transaction associated with a winning event.
- 2-110. *Person* means an individual, corporation, partnership, trust or estate, joint stock company, association, syndicate, joint venture, or other unincorporated organization or group, and all entities treated as legal personalities.
- 2-111. *Personal Identification Number* (PIN) means the personal identifiable number used to access a patron's account.
- 2-112. *Pit* means the area in the middle of the table games used by gaming enterprise employees to deal games and supervise game play.
- 2-113. *Pit podium* means a stand located in the middle of the table games used by gaming enterprise supervisory employees as a workspace and a record storage area.
- 2-114. *Pit supervisor* means the employee who supervises all games in a pit.
- 2-115. *Points* means a representative of value awarded to a patron based upon specific criteria established by the gaming enterprise.
- 2-116. *Primary and secondary jackpots* means promotional pools offered at certain card games that can be won in addition to the primary pot.
- 2-117. *Progressive gaming device* means a gaming device, with a payoff indicator, in which the payoff increases as it is played and may be linked to other devices. The payoff amount is accumulated, displayed on a gaming device, and will remain until a patron achieves the criteria that results in the progressive amount being paid.

- 2-118. *Progressive jackpot* means payout from a progressive gaming device or progressive table game.
- 2-119. *Progressive table game* means table games that offer progressive jackpots.
- 2-120. *Promotion* means any promotional activity or award that requires game play as a condition of eligibility.
- 2-121. *Promotional payout* means merchandise or awards given to patrons by the gaming enterprise based on a wagering activity.
- 2-122. *Promotional progressive pots and/or pools* means funds contributed to a game by and for the benefit of patrons. Funds are distributed to patrons based on a pre-determined event.
- 2-123. *Random number generator (RNG)* means a software module, hardware component or combination of these designed to generate numbers, which are effectively random.
- 2-124. *Reel symbols* means symbols listed on reel strips of gaming devices.
- 2-125. *Rejected currency* means currency that a currency counter has rejected due to the authenticity data (comparison of the note to a pre-determined standard) failing to confirm the legitimacy of the note.
- 2-126. *Remote access* means the ability to log-on to and/or access a computer or network from a remote location.
- 2-127. *Runner* means a gaming employee who transports cheques or cash to/from a gaming table and a cashier.
- 2-128. *Settlement* means an agreement between the gaming enterprise and a patron to repay an outstanding debt owed or any portion of the outstanding debt.
- 2-129. *Shill* means an employee financed by the house and acting as a patron for the purpose of starting or maintaining a sufficient number of patrons in a game.
- 2-130. *Short pay* means a payoff from a gaming device that is less than the listed amount.
- 2-131. *Soft count* means the count of the contents in a drop box or a bill/ticket acceptor canister.
- 2-132. *Smart card* means a card that possesses the means to electronically store or retrieve account data.
- 2-133. *Standard Operating Procedure (SOP)* means a set of fixed instructions or steps to carry out routine operations or tasks in order to ensure consistency and compliance with approved departmental procedures.
- 2-134. *Statements on Standards for Attestation Engagements (SSAE)* means as promulgated by the Auditing Standards Board.

- 2-135. *Statistical drop* means total amount of money, and cheques contained in the drop boxes, plus pit credit issued, minus pit credit payments in cash in the pit.
- 2-136. *Statistical win* means closing bankroll, plus credit slips for cash, or cheques returned to the cage, plus drop, minus opening bankroll, minus fills to the table, plus marker credits.
- 2-137. *Surveillance* means the department with a system of video cameras, monitors, recorders, video printers, switches, selectors, and other ancillary equipment used for gaming enterprise surveillance.
- 2-138. *Suspicious activity* means activity(ies) which involve structuring, which is the breaking down of monetary transactions in amounts under \$10,000.00 to avoid reporting under Title 31 – Chapter X of the Bank Secrecy Act. Other suspicious activity(ies) that may require a Suspicious Activity Report by Casinos (SARC) include, but is not limited to the following:
- a. Using more than one person, employee;
 - b. A false drop (i.e., using large amounts of money with little or no activity and then cashing out);
 - c. Providing false documents or information; and/or
 - d. Layering money to disguise their source.
- 2-139. *Suspicious Activity Report by Casinos (SARC)* means a confidential form that contains information required by Title 31 – Chapter X, and any other available information that is requested on the form for all suspicious financial transactions that may occur within the casino.
- 2-140. *System administrator* is the individual(s) responsible for maintaining the stable operation of the IT environment (including software and hardware infrastructure and application software).
- 2-141. *System of Internal Control Standards (SICS)* means an internal control system developed by the gaming enterprise, which at a minimum complies with this Regulation.
- 2-142. *Table games* means games that are banked by the house or a pool whereby the house or the pool pays all winning bets and collects from all losing bets.
- 2-143. *Table inventory* means the total coins, cheques, and markers at a table.
- 2-144. *Table inventory form* means the form used by gaming enterprise supervisory employees to document the inventory of cheques and coins on a table at the beginning and ending of a shift.
- 2-145. *Table tray* means the container located on gaming tables where cheques, coins, or cash are stored that are used in the game.
- 2-146. *Theoretical hold* means the intended hold percentage or win of a gaming device as

computed by reference to its payout schedule as set in the gaming device software.

- 2-147. *Theoretical hold worksheet* means a worksheet provided by the manufacturer for all games that indicates the theoretical PAR percentages that the games should hold based on adequate levels of coin-in. The worksheet also indicates the reel strip settings, hit frequency, reel combinations, number of credits that may be played, the payout schedule, the number of reels and other information descriptive of the particular type of game.
- 2-148. *Ticket In/Ticket Out system (TITO)* means a system which has a centralized TITO validation component and allows for issuance, validation, and acceptance of tickets at TITO enabled gaming devices, and the validation and acceptance of tickets at kiosks or validation units, for gaming enterprises.
- 2-149. *Ticket In/Ticket Out validation component (TITO)* means a function of the automated gaming device system whereby this system receives information about a ticket from a floor device and compares the ticket in question to the information in the system's database. This determines the validity of the ticket for redemption.
- 2-150. *Ticket redemption kiosk* means a device that uses real-time transaction processing to the TITO module of a gaming device monitoring system for redemption of tickets in exchange for currency and coin. Kiosks are not capable of gaming functionality and may not issue tickets in exchange for currency or coin.
- 2-151. *Tier C* means a gaming enterprise with annual gross gaming revenues of more than \$15 million.
- 2-152. *Tribal-State Compact (Compact)* means an agreement between the State of Michigan and the Little River Band of Ottawa Indians concerning Class III gaming approved or deemed approved by the Secretary of Interior and published in the Federal Register pursuant to 25 U.S.C. § 2710 (d).
- 2-153. *Tribal Minimum Internal Control Standards (TMICS)* means internal control standards established by the Little River Band of Ottawa Indians Gaming Commission
- 2-154. *Vault* means a secure area within the gaming enterprise where checks, cash, coins, and cheques are stored.
- 2-155. *Voucher* means a financial instrument of fixed wagering value, usually paper, that can be used only to acquire an equivalent value of cashable credits or cash through interaction with a voucher system.
- 2-156. *Voucher system* means a system that securely maintains records of vouchers and coupons; validates payment of vouchers; records successful or failed payments of vouchers and coupons; and controls the purging of expired vouchers and coupons.
- 2-157. *Wager* means the placing at risk money or something of value on a gambling game that has an uncertain outcome with the primary intent of winning additional money and/or personal property.

- 2-158. *Wide-area progressive gaming device* means a progressive gaming device that is linked to gaming devices in other operations and play on the devices affect the progressive amount. As wagers are placed, the progressive meters on all of the linked devices increase. Definition applies to shared linked progressives between gaming enterprises operated by the same Tribe and those linked and monitored by an independent wide-area service provider.
- 2-159. *Win* means the net win resulting from all gaming. Net win results from deducting all gaming losses from all wins prior to considering associated operating expenses.
- 2-160. *Win-to-write hold percentage* means win divided by write to determine hold percentage.
- 2-161. *Wireless network components* include all hardware, software and encryption mechanisms that are involved in wireless networks and the licensee's wireless environment. This includes, at a minimum:
- a. Supplicants;
 - b. Authenticators (i.e., access points, controllers, etc.);
 - c. Authentication servers (i.e., RADIUS servers);
 - d. AES/CCMP; and
 - e. EAP Methods (i.e., EAP/TLS).
- 2-162. *Write-off* is the cancellation of a debt owed and the outstanding balance is considered uncollectable.

Section 3. Tier C Gaming Compliance

- 3-1. *Tribal Minimum Internal Control Standards (TMICS)*. The Gaming Commission shall, in accordance with the Gaming Ordinance, establish and implement TMICS that:
- a. Contain references and standards for currency transaction reporting that comply with 31 CFR – Chapter X its amendments or successors;
 - b. Establish standards for all games utilized; and
 - c. Establish a deadline, by which a gaming enterprise shall come into compliance with the TMICS.
- 3-2. *Gaming Enterprises*. Each gaming enterprises of the Little River Band of Ottawa Indians shall develop and implement a SICS that, at a minimum, complies with this Regulation. The gaming enterprise's SICS shall be approved by the Gaming Commission prior to implementation.
- a. *SICS*

1. *Ethics and compliance.* The SICS shall include a statement of policy regarding ethical standards and compliance with Tribal, State and Federal laws. The statement shall prohibit employees from accepting gifts and gratuities from suppliers of goods or services, except in accordance with written policy submitted with the SICS.
2. *Existing gaming enterprises.* All gaming enterprises that are operating on or before the effective date of this Regulation, shall comply with this Section within the time requirements established by the Gaming Commission. In the interim, such operations shall continue to comply with existing approved TMICS.
 - A. Each gaming enterprise shall establish and the Gaming Commission shall approve all departmental procedures that comply with this Regulation by the deadline set by the Gaming Commission. Departmental procedures shall include game and asset protection standards, including:
 - i. Hand clearing;
 - ii. Cheque changes (table games);
 - iii. Shuffle checks for hand dealt games (table games);
 - iv. Cheque break-down or fanning;
 - v. No mid shoe entry, when applicable (table games);
 - vi. Adherence to call-out procedures (table games);
 - vii. Card inspections, with supervisory verification (table games);
 - viii. Uniform ranking of hands (table games);
 - ix. Limitations on extraneous items, including food and drink (i.e., cage);
 - B. Gaming enterprise Standard Operating Procedures (SOP) shall be in compliance with approved departmental procedures as required in Section 3-2 (a) (2) (A). Approved departmental procedures supersede the requirements of the SOP's. SOP's shall not violate the departmental procedures. SOP's do not require Gaming Commission approval.
3. *New gaming enterprises.* All gaming enterprises that commence operations after the effective date of this Regulation shall comply with this Regulation before commencement of operations.

- A. Each gaming enterprise shall establish and the Gaming Commission shall approve departmental procedures.
 - B. Gaming enterprise Standard Operating Procedures (SOP) shall be in compliance with approved departmental procedures as required in Section 3-2 (a) (2) (A). Approved departmental procedures supersede the requirements of the SOP's. SOP's shall not violate the departmental procedures. SOP's do not require Gaming Commission approval.
 - b. *Amendments.* If the Gaming Commission determines that a gaming enterprise's SICS or departmental procedures do not comply with the requirements of this Regulation or require improvements, the Gaming Commission shall notify the gaming enterprise in writing. Within fifteen (15) calendar days of notification, the gaming enterprise shall amend its procedures or SICS and/or departmental procedures accordingly and shall submit the amendments for approval.
 - c. *Procedures.* Any changes to departmental procedures shall be approved by the Gaming Commission prior to implementation. Changes to SOP's, shall be reported to the Gaming Commission within fifteen (15) calendar days. The Gaming Commission shall then determine if the proposed changes to the SOP's require inclusion into the departmental procedures.
- 3-4. *Variances.* Where referenced throughout this regulation, the gaming enterprise shall set a reasonable threshold approved by the Gaming Commission, for when a variance shall be reviewed to determine the cause. Variance reviews shall be documented with sufficient evidence to support the review and any determinations made.
- 3-5. *Supervision.* Supervision shall be provided, as needed, for all departments by employee(s) with authority equal to or greater than those being supervised.
- 3-6. *Time computation.* All days are counted as calendar days, unless otherwise specified.
- 3-7. *Computer Applications.* For any computer application utilized, alternate documentation and/or procedures that provide at least the level of control established by the standards of this Regulation, as approved in writing by the Gaming Commission, will be acceptable.
- a. All computer application passwords shall remain confidential to the individual user and not be shared.
 - b. For computers in public areas, all employees shall lock the computer screen or log off of the computer/application before leaving the work area.
- 3-8. *Contracts.* The gaming enterprise shall maintain a central repository for all contracts related to the gaming enterprise and that repository shall be on premises.
- 3-9. *Dual-rate(s).* When performing "dual- rate" functions the following standards shall apply:
- a. The gaming enterprise shall maintain a current list of all employees (by department)

who are allowed to dual-rate; and

- b. When performing a dual-rate function, the employee shall only have authorities and accesses for the position they are actually performing. (i.e., a dual-rate performing the dealer function shall not have supervisor level access to critical IT systems.). Dual-rate positions shall not create a lapse in the segregation of duties.
- 3-10. *Sensitive Areas.* Are those areas of the gaming enterprise that requires strict access control. Sensitive areas include, but are not limited to pits, count room, cart storage room, cage, vault, gaming device maintenance/storage rooms, areas housing critical IT systems and equipment, card/dice/gaming equipment storage rooms.
- 3-11. *New Technology.* Portions of these TMICS should not be read in such a way that limits the use of technology. These standards should not be interpreted that if the technology is not mentioned that it is not allowed. As new technology is developed, the Gaming Commission will make changes and incorporate new standards to cover the new technology.

Section 4. The Tribal Minimum Internal Control Standards (TMICS) and the Tribal-State Compact (Compact)

- 4-1. If there is a direct conflict between an internal control standard established in the Compact and a standard or requirement set forth in this Regulation, then the internal control standard established in a Compact shall prevail.
- 4-2. If an internal control standard in the Compact provides a level of control that equals or exceeds the level of control under an internal control standard or requirement set forth in this Regulation, then the Compact standard shall prevail.
- 4-3. If an internal control standard or a requirement set forth in this Regulation provides a level of control that exceeds the level of control under an internal control standard established in the Compact, then the internal control standard or requirement set forth in this Regulation shall prevail.

Section 5. Table Games

- 5-1. *Computer Applications.* See Section 3-7 for alternative computer application requirements.
- 5-2. *Standards for Drop and Count.* The procedures for the collection of the table games drop, and the count thereof shall comply with Section 13.
- 5-3. *Fill and Credit Standards*
- a. Fill slips and credit slips shall be in at least triplicate form, and in a continuous, pre-numbered series. Such slips shall be concurrently numbered in a form utilizing the alphabet and only in one (1) series at a time. The alphabet need not be used if the numerical series is not repeated during the business year.

- b. Manual unissued and issued fill/credit slips shall be safeguarded and adequate procedures shall be employed in their distribution, use, and control. Employees from the cage or Table Games Department shall have no access to the locked (whiz) machine (control) copies of the fill/credit slips. For computerized systems, one (1) part shall be stored in the computer system in such manner that prevents unauthorized persons from accessing and making changes to the stored information.
- c. When a fill/credit slip is voided, the cashier shall clearly mark "void" across the face of the original and first copy, the cashier and one other person performing the void shall sign both the original and first copy, and shall submit them to Revenue Audit/Accounting for retention and accountability. For computer-generated fill/credit slips, the computer system shall be updated by authorized employees to reflect the voided fill/credit transaction.
- d. Fill/credit transactions shall be authorized by a Table Games Supervisor before the issuance of fill/credit slips and transfer of cheques or cash equivalents.
- e. Unless the cheques and/or monetary equivalents (i.e., credit instruments, coin, etc.) being transferred from the tables to the cage are accompanied by a credit slip, an order for credit shall be prepared to accompany the inventory being transferred from the pit to the cage or other secure area of accountability.
- f. When an order for credit is prepared to accompany the cheques and/or monetary equivalents transferred, the duplicate copy of the order for credit shall be retained in the pit to compare to the credit slip for proper entries and to document the total amount of cheques and/or equivalents removed from the table.
- g. At least three (3) parts of each slip shall be utilized as follows:
 - 1. For fill slips:
 - A. One (1) part shall be transported from the cage to the pit with the cheques and/or monetary equivalents and, after the appropriate signatures are obtained, deposited in table game drop box.
 - B. One (1) part shall be retained in the cage for reconciliation; and
 - C. For computer systems, one (1) part shall be stored in the computer system. For manual systems, one (1) part shall be retained intact by the locked (whiz) machine in a continuous unbroken form.
 - 2. For credit slips:
 - A. One (1) part shall be transported to the pit by the runner who brought the cheques and/or monetary equivalents from the pit to the cage, and after the appropriate signatures are obtained, deposited in the drop box.

- B. One (1) part shall be retained in the cage for reconciliation; and
 - C. For computer systems, one (1) part shall be stored in the computer system. For manual systems, one (1) part shall be retained intact by the locked (whiz) machine in a continuous unbroken form.
- h. The part of the fill/credit slip that is placed in the drop box shall be clearly distinguishable for fills than for credits.
 - i. The table number, shift, date, time and amount of fill/credit by denomination and in total shall be noted on all copies of the fill/credit slip. For a computerized system, all copies shall include the date and time.
 - 1. If the credit slip (manual or computerized) is for the transfer of a marker to the cage at the time other than for a mass marker transfer, the slip and order for credit (if utilized) shall also include the marker number(s), patron's name, amount of each marker(s), the total amount transferred, signature of the Table Games Supervisor releasing the instrument from the pit, and the signature of the cashier verifying receipt of the instrument at the cage; and
 - 2. A credit slip is not required when completing a mass marker transfer. Credit slip(s) are only required for credit instruments transferred from the pit to the cage when a mass marker transfer form is not used.
 - A. All fills/credits shall be carried to/from the cage by a person who is independent of the cage and Table Games Departments.
 - j. The fill/credit slip shall be signed by at least the following persons (as an indication that each has counted the amount of the fill/credit and the amount agrees with the fill/credit slip or, in the case of markers, reviewed the items transferred):
 - 1. The cashier who prepared the fill slip and issued the cheques, or cash equivalent, or prepared the credit slip and received the cheques, and/or cash equivalents transferred from the pit;
 - 2. The runner who carried the cheques, or cash equivalents from the cage to the pit, or carried the cheques, and/or cash equivalents transferred from the pit to the cage and returned to the pit with the credit slip;
 - 3. The dealer or boxperson who received the cheques, or cash equivalents at the gaming table, or relinquished the cheques, and/or cash equivalents for transfer to the cage. For marker credits, the dealer inserting the credit slip into the table game drop box; and
 - 4. The Table Games Supervisor who supervised the fill/credit transaction.
 - k. Fills/credits shall be broken down and verified by the dealer or boxperson in public view before the dealer or boxperson places the fill in the table tray or prior to placing them in racks for transfer to the cage, as applicable.

- l. A copy of the fill/credit slip shall then be deposited into the drop box on the table by the dealer, where it shall appear in the count room with the cash receipts for the shift.
- m. The credit slip shall be inserted in the drop box by the dealer.
- n. Cheques, or other cash equivalents shall be deposited on or removed from gaming tables only when accompanied by the appropriate fill/credit or marker transfer forms.
- o. Cross fills (the transfer of cheques between table games) and even cash exchanges are prohibited in the pit.

5-4. *Table Inventory Forms*

- a. At the close of each shift, for those table banks that were opened during that shift:
 1. The table's chip, coin, and marker inventory shall be counted and recorded on a table inventory form; or
 2. If the table banks are maintained on an impressed basis, a final fill or credit shall be made to bring the bank back to par.
- b. If the table banks are not maintained on an impressed basis, beginning and ending inventories shall be recorded on the master game sheet for shift win calculation purposes.
- c. The accuracy of inventory forms prepared at shift end shall be verified by the outgoing Table Games Supervisor and the dealer. Alternatively, if the dealer is not available, such verification may be provided by another Table Games Supervisor or a supervisor from the Slot Operations Department. Verifications shall be evidenced by signature on the inventory form.
- d. If inventory forms are placed in the drop box, such action shall be performed by a person other than a Table Games Supervisor.

5-5. *Table Games Computer Generated Documentation Standards*

- a. The computer system shall be capable of generating adequate documentation of all information recorded on the source documents and transaction detail (i.e., fill/credit slips, markers, etc.).
- b. This documentation shall be restricted to authorized employees.
- c. The documentation shall include, at a minimum:
 1. System exception information (i.e., appropriate system parameter information, corrections, voids, etc.); and

2. Employees access listing, which includes, at a minimum:
 - A. Employee name or employee identification number (if applicable);
and
 - B. Listing of functions employees can perform or equivalent means of identifying the same.

5-6. *Standards for Cards, Dice and Layouts*

- a. All cards, dice and layouts utilized by the gaming enterprise shall be approved by the Gaming Commission.
- b. New and used cards, dice and layouts to be issued to a table shall be maintained in a secure location to prevent unauthorized access and to reduce the possibility of tampering.
- c. Used cards, dice and layouts that are not to be reused shall be maintained in a secure location until promptly marked, scored, and/or destroyed. Unless otherwise defined by the Gaming Commission, promptly is a period not to exceed seven (7) calendar days.
 1. This standard shall not apply where cards, dice and/or layouts are retained for an investigation.
- d. Control logs shall be maintained that document when cards, dice and/or layouts are received on site, distributed to and returned from tables and removed from play by the gaming enterprise.
- e. The gaming enterprise shall maintain a physical inventory of all cards, dice and layouts.

5-7. *Analysis of Table Game Performance Standards*

- a. A table game statistical analysis report reflecting statistical drop (drop (+) pit credit issues (-) pit credit payments in cash), statistical win [table game gross revenue (+) marker credits] and statistical win to statistical drop hold percentage by table and type of game shall be maintained by day, cumulative month-to-date, and cumulative year-to-date. The records shall indicate any single deck blackjack games that were dealt. Promotional activity is not required to be tracked and included in the report.
- b. This information shall be presented to and reviewed by management independent of the Table Games Department on at least a monthly basis. At a minimum, the review shall consist of the following:
 1. Examination of the information for clerical errors;

2. Comparison of the statistical results with the base level statistical performance. Base level is defined as either the statistical win to statistical drop hold percentage for the most recent calendar year or fiscal year, or a rolling average statistical win to statistical drop percentage for the immediately preceding twelve (12) months.
- c. On a monthly basis, management shall investigate all statistical fluctuations by game type from the base level for the month in excess of (+/-) 5%. The investigation shall be completed no later than thirty (30) days after the generation of the month-end table games analysis report and may include information from the Table Games Department, Revenue Audit/Accounting, Surveillance Department, and any other relevant department. The report will generally include an analysis of the following:
1. Drop, win and credit activity of patrons whose play materially affected the results for the month including the amount of pit credit issued, amount of pit credit paid in cash at the table, the amount of drop from the patron and resulting win/loss from the patron;
 2. Effect of any changes to the rules, types of wagers or game play procedures made to accommodate the wagering activity of any patrons;
 3. Effect of any free play or promotional activity utilized during the month;
 4. Effect of errors or mistakes made during the operation of the game during the month;
 5. Any other unusual occurrences during the month being reviewed.
- d. The results of such investigations shall be documented and maintained.

5-8. *Marker Credit Play*

- a. If a gaming enterprise allows marker credit play (exclusive of rim credit and call bets), the following standards shall apply:
1. A marker system shall allow for credit to be both issued and repaid in the pit.
 2. Prior to the issuance of gaming credit to a patron, the employee extending the credit shall contact the cage or other independent source to determine if the patron's credit limit has been properly established and there is sufficient remaining credit available for the advance.
 3. Proper authorization of credit extension in excess of the previously established limit shall be documented.

4. The amount of credit extended shall be communicated to the cage or another independent source and the amount documented within a reasonable time subsequent to each issuance.
5. The marker form shall be prepared in at least triplicate form [triplicate form being defined as three (3) parts performing the functions delineated Section 5-8 (a) (6), with a preprinted or concurrently-printed marker number, and utilized in numerical sequence. (This requirement shall not preclude the distribution of batches of markers to various pits.)
6. At least three (3) parts of each separately numbered marker form shall be utilized as follows:
 - A. Original shall be maintained in the pit until settled or transferred to the cage;
 - B. Payment slip shall be maintained in the pit until the marker is settled or transferred to the cage. If paid in the pit, the slip shall be inserted in the table game drop box. If not paid in the pit, the slip shall be transferred to the cage with the original;
 - C. Issue slip shall be inserted into the appropriate table game drop box when credit is extended or when the patron has signed the original.
7. When marker documentation (i.e., issue slip and payment slip) is inserted in the drop box, such action shall be performed by the dealer or boxperson at the table.
8. A record shall be maintained that details the following (i.e., master credit record retained at the pit podium):
 - A. The signature or initials of the person(s) approving the extension of credit (unless such information is contained elsewhere for each issuance);
 - B. The legible name of the person receiving the credit;
 - C. The date and shift of granting the credit;
 - D. The table on which the credit was extended;
 - E. The amount of credit issued;
 - F. The marker number;
 - G. The amount of credit remaining after each issuance or the total credit available for all issuances;
 - H. The amount of payment received and nature of settlement (i.e., credit

slip number, cash, cheques, etc.); and

- I. The signature or initials of the person receiving payment/settlement.
9. The forms required in Sections 5-8 (a) (5), (6) and (8) shall be safeguarded, and adequate procedures shall be employed to control the distribution, use, and access to these forms.
10. All credit extensions shall be initially evidenced by lammer buttons, which shall be displayed on the table in public view and placed there by supervisory employees.
11. Marker preparation shall be initiated and other records updated within approximately one (1) hand of play following the initial issuance of credit to the patron.
12. Lammer buttons shall be removed only by the dealer or boxperson, operating the table, upon completion of a marker transaction.
13. The original marker shall contain at least the following information:
 - A. Marker number;
 - B. Patron's name and signature;
 - C. Date; and
 - D. Amount of credit issued.
14. The issue slip or stub shall include the same marker number as the original, the table number, date and time of issuance, and amount of credit issued. The issue slip or stub shall also include the signature of the employee extending the credit, and the signature or initials of the dealer or boxperson at the applicable table, unless this information is included on another document verifying the issued marker.
15. The payment slip shall include the same marker number as the original. When the marker is paid in full in the pit, it shall also include the table number where paid, date and time of payment, nature of settlement (i.e., cash, cheques, etc.), and amount of payment. The payment slip shall also include the signature of the Table Games Supervisor acknowledging payment, and the signature or initials of the dealer or boxperson receiving payment, unless this information is included on another document verifying the payment of the marker.
16. When partial payments are made in the pit, a new marker shall be completed reflecting the remaining balance and the marker number of the marker originally issued.

17. When partial payments are made in the pit, the payment slip of the marker that was originally issued shall be properly cross-referenced to the new marker number, completed with all information required by Section 5-8 (a) (15), and inserted into the drop box.
18. The cage or another independent source shall be notified when payments (full or partial) are made in the pit so that the cage accountability can be updated for such transactions. Notification shall be made no later than when the patron's play is completed or at shift end, whichever is earlier.
19. All portions of markers, both issued and unissued, shall be safeguarded and procedures shall be employed to control the distribution, use and access to the forms.
20. An investigation shall be performed to determine the cause and responsibility for loss whenever marker forms, or any part thereof, are missing. These investigations shall be documented and maintained.
21. When markers are transferred to the cage, marker transfer forms or marker credit slips (or similar documentation) shall be utilized and such documents shall include, at a minimum, the date, time, shift, marker number(s), table number(s), amount of each marker, the total amount transferred, signature of the Table Games Supervisor releasing instruments from the pit, and the signature of cashier verifying receipt of instruments.
22. All markers shall be transferred to the cage within twenty-four (24) hours of issuance.
23. Markers shall be transported to the cage by an employee who is independent of the marker issuance and payment functions.

5-9. *Name Credit Instruments Accepted in the Pit*

- a. For the purposes of this paragraph, name credit instruments means personal checks, payroll checks, counter checks, hold checks, traveler's checks, or other similar instruments that are accepted in the pit as a form of credit issuance to a patron with an approved credit limit.
- b. The following standards shall apply if name credit instruments are accepted in the pit:
 1. A name credit system shall allow for the issuance of credit without using markers;
 2. Prior to accepting a name credit instrument, the employee extending the credit shall contact the cashier or another independent source to determine if the patron's credit limit has been properly established and the remaining credit available is sufficient for the advance;

3. All name credit instruments shall be transferred to the cage (utilizing a two-part order for credit) immediately following the acceptance of the instrument and issuance of cheques (if name credit instruments are transported accompanied by a credit slip, an order for credit is not required);
4. The order for credit (if applicable) and the credit slip shall include the patron's name, amount of the credit instrument, the date, time, shift, table number, signature of a Table Games Supervisor releasing instrument from pit, and the signature of the cashier verifying receipt of instrument;
5. The procedures for transacting table credits of Section 5-3 (d) through (n) shall be strictly adhered to; and
6. The acceptance of payments in the pit for name credit instruments shall be prohibited.

5-10. *Call Bets*

- a. The following standards shall apply if call bets are accepted in the pit:
 1. A call bet shall be evidenced by the placement of a lammer button, cheques, or other identifiable designation in an amount equal to that of the wager in a specific location on the table;
 2. The placement of the lammer button, cheques, or other identifiable designation shall be performed by a Table Games Supervisor or boxperson. The placement may be performed by a dealer only if the supervisor physically observes and gives specific authorization;
 3. The call bet shall be settled at the end of each hand of play by the preparation of a marker, repayment of the credit extended, or the payoff of the winning wager. Call bets extending beyond one hand of play shall be prohibited; and
 4. The removal of the lammer button, cheques, or other identifiable designation shall be performed by the dealer or boxperson upon completion of the call bet transaction.

5-11. *Rim Credit*

- a. The following standards shall apply if rim credit is extended in the pit:
 1. Rim credit shall be evidenced by the issuance of cheques to be placed in a neutral zone on the table and then extended to the patron for the patron to wager, or to the dealer to wager for the patron, and by the placement of a lammer button or other identifiable designation in an amount equal to that of the cheques extended; and
 2. Rim credit shall be recorded on patron cards, or similarly used documents, which shall be:

- A. Pre-numbered or concurrently numbered and accounted for by a department independent of the Table Games Department;
- B. For all extensions and subsequent repayments, evidenced by the initials or signatures of a supervisor and the dealer attesting to the validity of each credit extension and repayment;
- C. An indication of the settlement method (i.e., serial number of marker issued, cheques, cash);
- D. Settled no later than when the patron leaves the table at which the card is prepared;
- E. Transferred to Revenue Audit/Accounting on a daily basis; and
- F. Reconciled with other forms utilized to control the issuance of pit credit (i.e., master credit records, table cards).

5-12. *Foreign Currency shall not be Accepted at the Table Games*

5-13. *Drawings and Giveaway Programs*

- a. All drawings and giveaways shall comply with Section 12 in addition to the requirements below.
- b. The conditions for participating in drawings and giveaway programs shall be prominently displayed or available for patron review at the licensed location.
 - 1. Applies to drawings, and giveaway programs in which the payouts are made from a bank other than the table inventory, the payouts are not related to table games wager, and the game play procedures are not affected.
 - 2. Such payouts are not deductible when reporting assessable gaming revenue. Standards do not apply to payouts from the table inventory resulting from a wager made with a promotional coupon or chip.
- c. Payouts as a result of drawings and giveaway programs that are greater than or equal to \$600.00 or as determined by the IRS reporting threshold, shall be documented at the time of the payout to include the following:
 - 1. Date and time;
 - 2. Dollar amount of payout or description of personal property (i.e., car);
 - 3. Reason for payout (i.e., promotion name);
 - 4. Signature of two (2) employees verifying, authorizing, and completing the payout with the patron;

5. Patron's name (for drawings only); and
 6. Documentation may be prepared by an individual independent of the Table Games Department as long as the required signature is that of the employee completing the payout with the patron.
- d. If the promotional cash (or cash equivalent) payout, including those as a result of drawings and giveaway programs, is less than \$600.00 or the IRS reporting threshold, documentation shall be created to support the bank accountability for which the payout was made. Required documentation consists of a line item on the cage or Table Games Department accountability.

5-14. *Tournaments*

- a. All tournaments shall comply with Section 19 in addition to the requirements below.
- b. Entry fees and prize payouts (including mail transactions) shall be summarized on a cash accountability document on a daily basis.
- c. Entry fee and payout transactions shall be recorded on a document that includes the following:
 1. Patron's name;
 2. Date of entry/payout;
 3. Dollar amount of entry fee/payout (both alpha and numeric, or unalterable numeric) and/or nature and dollar value of any noncash payout;
 4. Signature of individual completing transaction attesting to the receipt or disbursement of the entry fee/payout with the patron; and
 5. Name of tournament.
- d. Tournament entry fees and payouts shall be summarized and posted to the accounting records on at least a monthly basis.
- e. Tournament rules are to be included on all entry forms/brochures or prominently displayed and available for patron review upon request. At a minimum, the rules shall include:
 1. All conditions patrons shall meet to qualify for entry into, and advancement through, the tournament;
 2. Specific information pertaining to any single tournament, including the dollar amount of money placed into the prize pool;

3. The distribution of funds based on specific outcomes; and
 4. Name of the organization(s) that conducted the tournament on behalf of, or in conjunction with, the gaming enterprise, if applicable.
- f. Results of each tournament shall be recorded and available for participants to review. The recording shall include the name of the event, date(s) of event, total number of entries, dollar amount of entry fees, total prize pool, and the dollar amount paid for each winning category. The name of each winner shall be recorded and maintained. The gaming enterprise shall have a means of protecting a participant's identity should the participant chose to remain anonymous.
 - g. The gaming enterprise shall establish a reasonable retention period to maintain the information, which shall be subject to Gaming Commission approval.

**Note: All references to dealers above include boxpersons.*

5-15. *Table Games In-House Progressive Standards*

- a. A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at the progressive table game.
- b. Daily, each gaming enterprise shall record the amount shown on each progressive jackpot meter at the gaming enterprise, except for those less than \$1,000.00.
- c. Explanations for meter reading decreases shall be maintained with the progressive display meter reading sheets, and where the payment of a jackpot is the explanation for a decrease, the gaming enterprise shall record the jackpot reference number on the sheet or have the reference number reasonably available; and
- d. Each gaming enterprise shall record the base amount of each progressive jackpot the gaming enterprise offers.
- e. The Gaming Commission shall approve procedures specific to the transfer of progressive amounts in excess of the base amount (residual credits) to other progressive table games that accrue to the benefit of the table game's patrons.
 1. The gaming enterprise may not "hold" these residual credits for more than sixty (60) calendar days.
 2. The gaming enterprise shall make every effort to inform the gaming public of the disposition of the residual credits.
 3. The gaming enterprise may offer the residual credits through other methods of distribution that accrue to the benefit of the table game's patrons via an award or prize. Such forms of distribution shall be approved, by the Gaming Commission, on a case-by-case basis.

Section 6. Gaming Devices

6-1. *Standards for Gaming Devices*

- a. For this Section only, credit or patron credit means a unit of value equivalent to cash or cash equivalents deposited, wagered, won, lost, or redeemed by a patron. Includes slot markers or slot credits.
- b. An assigned gaming device access card shall be used whenever an employee of the gaming enterprise opens a gaming device. This card will indicate to the gaming device accounting system; by whom and when a gaming device was opened. Will immediately notify Surveillance of any attempted or actual unauthorized entry.
 1. An alternative paper record is acceptable. This alternative record shall be specific to each gaming device and stored inside of the assigned gaming device.

6-2. *Computer Applications.* See Section 3-7 for alternative computer application requirements.

6-3. *Documentation for Jackpot Payouts, Short Pays Exceeding \$10.00 and Accumulated Credit Payouts Standards*

- a. The payout documentation (minimum two-part form) shall include the following information:
 1. Date and time;
 2. Device number;
 3. Dollar amount of cash payout (both alpha and numeric) or description of personal property awarded, including fair market value. Alpha is optional if another unalterable method is used for evidencing the amount of the payout;
 4. Game outcome (including reel symbols, card values, suits, etc.) for jackpot payouts. Recording "multi-line payout" on the jackpot payout form is adequate as the game outcome. Game outcome is not required if a computerized jackpot/fill system is used;
 5. Preprinted or concurrently printed sequential number; and
 6. Signatures of at least two (2) employees verifying and witnessing the payout (except as otherwise provided in Section 6-3 (a) (6) (A) and (B) below).
 - A. Payouts over a predetermined amount not to exceed \$50,000.00 shall require the signature and verification of management independent of the Slot Operations Department (in addition to the two (2) signatures required in Section 6-3 (a) (6)). Alternatively, if computerized casino accounting system is utilized that validates, initiates, and prints the

dollar amount of the jackpot payout on the form, only two (2) signatures are required: one (1) employee and one (1) member of management independent of the Slot Operations Department. This predetermined amount shall be approved by the Gaming Commission.

- B. With regard to payouts, the signature of one (1) employee is sufficient if computerized casino accounting system is utilized that validates, initiates, and prints the dollar amount of the payout on the form and the jackpot is less than \$1,200.00. However, in other situations that allow an employee to add to or edit the dollar amount of the payout by more than one dollar (\$1) in the computerized casino accounting system, two (2) employees shall be physically involved in verifying and witnessing the payout that are less than \$1,200.00.
- b. Computerized jackpot/ systems shall be restricted so as to prevent unauthorized access and fraudulent payouts by one (1) person as required by Section 8-1 and Section 8-3.
- c. Payout forms shall be controlled and routed in a manner that precludes any one (1) person from producing a fraudulent payout by forging signatures or by altering the amount paid out subsequent to the payout and misappropriating the funds.

6-4. *Gaming Device Promotional Prize Payouts or Awards*

- a. The conditions for participating in promotional payout events, including drawings and giveaway programs, shall be prominently displayed or available for patron review at the gaming enterprise.
- b. If a gaming enterprise offers promotional prize payouts or awards that are not reflected on the gaming device pay table and are deducted from gross gaming revenue, then the payout form/documentation shall include:
 - 1. Date and time;
 - 2. Machine number;
 - 3. Dollar amount of payout or description of personal property (i.e., jacket, toaster, car, etc.), including fair market value;
 - 4. Type of promotion (i.e., double jackpots, four-of-a-kind bonus, etc.); and
 - 5. Two (2) employee signatures for all payouts of \$100.00 or more. For computerized casino accounting systems that validate and print the dollar amount of the payout on a computerized form, only one (1) employee signature is required on the payout form.

- c. If a gaming enterprise offers promotional prize payouts or awards that are not reflected on the gaming device pay table and are not deducted from gross gaming revenue, then the payout form/documentation shall include;
 - 1. For promotional prize payouts less than \$600.00, the documentation created shall support the decrease in accountability, such as a line item on a gaming device or cage accountability document (i.e., “45 - \$10 cash giveaway coupons = \$450”).
 - 2. For promotional prize payouts \$600.00 or more, two (2) employees verifying and witnessing the payout shall be documented on the payout form authorizing and completing the transaction.
 - d. Payout forms shall be sequentially numbered and if a form is voided, the employee completing the void shall clearly mark “void” across the face of the form, sign adjacent to the void indication, and submit all parts of the payout form to Revenue Audit/Accounting for retention and accountability.
 - e. Payout forms shall be controlled and routed in a manner that precludes any one (1) person from producing a fraudulent payout by forging signatures or by altering the amount paid subsequent to the payout and misappropriating the funds.
- 6-5. *Cash-out Tickets.* For gaming devices that utilize cash-out tickets, the following standards shall apply:
- a. The issuance of cash-out tickets for promotional purposes, other than through actual gaming device play or through the purchase of cash-out tickets by the patron, shall be sufficiently documented and authorized by management independent of the Slot Operations Department. Alternatively, Slot Operations Supervisors may authorize the issuance of the cash-out tickets for promotional purposes if sufficient documentation is generated and employees independent of the Slot Operations Department randomly verify the issuance of the cash-out tickets on a quarterly basis.
 - b. The patron may request a cash-out ticket from the gaming device that reflects all remaining credits. The cash-out ticket shall be printed at the gaming device by an internal document printer. The cash-out ticket shall be valid for a time period specified by the gaming enterprise as approved by the Gaming Commission. Cash-out tickets may be redeemed for payment or inserted in another gaming device and wagered, if applicable, during the specified time period. The printed cash-out ticket shall include the following;
 - 1. Gaming enterprise name;
 - 2. Gaming device number, or for server-based games and mobile gaming systems, the patron terminal number;
 - 3. Date and time of issuance;

4. Alpha and numeric dollar amount;
 5. Validation number; and
 6. Expiration period or date when ticket will expire, if applicable.
- c. The patron may redeem the cash-out ticket at a change booth, cage, ticket redemption system or kiosk. Alternatively, if a gaming enterprise utilizes a remote ticket validation system, the gaming enterprise as approved by the Gaming Commission, shall develop alternate standards for the maximum amount that can be redeemed, which shall not exceed \$2,999.99 per cash-out transaction.
 - d. Prior to making payment on a cash-out ticket, an employee shall verify the validity of the ticket through the system. The gaming enterprise shall develop procedures for payment of tickets greater than a pre-determined amount (not to exceed \$10,000.00), which shall include documentation of supervisory approval prior to payment and these procedures shall be approved by the Gaming Commission.
 - e. Cash-out tickets in excess of \$100.00 that cannot be validated (scanned) by the system for reasons other than system failure (i.e., lost, stolen, mutilated or expired tickets) shall require supervisory approval prior to payment. Supervisors shall review the applicable gaming device play transaction history or other system records to verify the validity of the ticket. Supervisors shall document approval for payment by signing, dating, and writing/stamping a paid designation on the ticket. If the pre-printed amount of the ticket is not legible, it shall also be recorded on the ticket. If the ticket is not available, a document shall be prepared evidencing the approval and documenting the required information as well as the ticket's validation number, if available. The payment of the ticket shall be entered into system by an employee of the cage, Slot Operations Department, or Revenue Audit/Accounting immediately, as applicable.
 - f. Cash-out tickets in excess of an amount pre-determined by management (not to exceed \$500.00) that cannot be validated (scanned) by the system because of system failure shall require supervisory approval prior to payment. Supervisors shall review the applicable gaming device play transaction history or other similar method to verify the validity of the ticket. Supervisors shall document approval for payment by signing, dating, and writing/stamping a paid designation on the ticket. The payment of the ticket shall be entered into the system by an employee of the cage, Slot Operations Department, or Revenue Audit/Accounting when the system resumes operation. This pre-determined amount shall be approved by the Gaming Commission.
 - g. During a system failure, cash-out tickets not requiring supervisory approval for payment when paid shall be written/stamped with a paid designation, signed by the cashier, and noted with the date paid. The payment of the ticket shall be entered into the computerized casino accounting system by an employee of the cage, Slot Operations Department, or Revenue Audit/Accounting when the system resumes operation.

- h. Unredeemed cash-out tickets (physical tickets) can only be voided in the system when the ticket is available and when voided by an employee independent of the Slot Operations Department. The employee completing the void shall enter the void into system and clearly mark "void" across the face of the ticket, date, and sign the face of the ticket. Revenue Audit/Accounting shall maintain the voided ticket.
- i. The gaming enterprise shall develop and the Gaming Commission shall approve procedures for the disposition of cash-out tickets found by employees.
- j. If the system is down for more than one (1) hour, the gaming enterprise shall promptly notify Surveillance.

6-6. *Slot Operations Department Funds Standards*

- a. The gaming device booths and change banks that are active during the shift shall be counted down and reconciled each shift by two (2) employees utilizing appropriate accountability documentation.
 - 1. Slot Operations Department automated kiosks (i.e., change machines, jackpot payout kiosks, etc.) do not require counting/reconciling each shift.
 - 2. Unverified transfers of cash and/or cash equivalents are prohibited.
- b. A computerized casino accounting system shall provide records of the dollar amount of active cash-out tickets created (i.e., available for sale or distributed for promotional purposes) that should be reflected in the accountability. Such computerized casino accounting system records shall be utilized in reconciling, at least once a day, the inventory of active cash-out tickets.
- c. The wrapping of loose coin shall be performed at a time or location that does not interfere with the count process or the accountability of that process.
- d. All transfers of funds from one (1) bank to another bank shall be documented.
 - 1. Each even-money exchange (cash or non-cash) shall be recorded on a separate multi-part form and retained for at least twenty-four (24) hours. No documentation is required to be completed when the funds for an even-money exchange are transferred from one (1) bank to another bank instantaneously (hand-to-hand) (i.e., \$100.00 denomination bills are exchanged for \$20.00 denomination bills).
 - 2. Each increase/decrease to an impressed accountability inventory with funds from the cage/vault shall be recorded by the transaction number associated with it..
- e. For each kiosk that redeems and/or dispenses cash-out tickets the following standards shall apply;

1. At least weekly, tickets redeemed at the kiosk shall be removed by at least two (2) employees independent of the Slot Operations Department.
 2. At least weekly, a minimum of two (2) employees shall remove the remaining bills (including cash from a currency acceptor) from the kiosk, count the cash, and document the count.
 3. At least quarterly, at least two (2) employees independent of the Slot Operations Department shall remove the remaining coin from the kiosk, count the coin, and document the count.
 4. Whenever employees remove cash out tickets from a kiosk, or cash is removed from or inserted into a kiosk, kiosk reports shall be generated from the kiosk regarding kiosk transactions and accountability.
 5. At least weekly, the cash remaining in each kiosk (including cash accepted by the kiosk) shall be reconciled to the cash initially loaded into the kiosk (i.e., impressed amount) less tickets redeemed plus tickets sold, by an employee of the cage, Slot Operations Department, Revenue Audit/Accounting. The kiosk reports shall be compared to the transactions recorded by the computerized casino accounting system. Variances shall be documented and investigated.
 6. Cash-out tickets shall ultimately be delivered to Revenue Audit/Accounting.
- f. For each employee jackpot payout kiosk the following standards shall apply:
1. At least weekly, kiosk reports shall be compared to other system reports (i.e., gaming device jackpot reports).
 2. At least weekly, a minimum of two (2) employees independent of the Slot Operations Department shall remove the remaining bills from the kiosk, count the cash, and document the count.
 3. At least quarterly, a minimum of two (2) employees independent of the Slot Operations Department shall remove the remaining coin from the kiosk, count the cash and document the count.
 4. Whenever cash is removed from or inserted into a kiosk, kiosk reports shall be generated from the kiosk regarding the kiosk transactions and accountability.
 5. At least weekly, the cash remaining in each kiosk shall be reconciled to the cash loaded into the kiosk less the payouts from the kiosk by an employee of the cage, Slot Operations Department, or Revenue Audit/Accounting. The kiosk reports shall be compared to the transactions recorded by the other systems (i.e., gaming device jackpot reports). Variances shall be documented and investigated.

6-7. *Game Control Program Standards*

- a. Employees who are independent of the Slot Operations Department or a representative of an outside entity shall perform the following:
 1. At least annually, procedures shall be performed to ensure the integrity of a sample of gaming device control programs (i.e., control programs stored on ROMs, EPROMs, FLASH ROMs, DVD, CD-ROM, hard drive or Compact Flash), by employees independent of the Slot Operations Department or the devices being tested to ensure that the control program is unaltered.
- b. The gaming enterprise subject to the approval of the Gaming Commission shall develop and implement control program (ROMs, EPROMs, FLASH ROMs, DVD, CD-ROM, hard drive and Compact Flash) procedures for the following:
 1. Removal of control programs from gaming devices, the verification of the existence of errors as applicable;
 2. Verification of duplicated control programs before being offered for play;
 3. Receipt and destruction of control programs; and
 4. Securing the control programs, duplicator, and master control programs, from unrestricted access.
- c. The master control program number, par percentage, and the pay table shall be appropriately verified (par sheet/theoretical hold worksheet) prior to initiating play.
- d. All gaming devices shall have the game software circuit boards locked and/or physically sealed. The lock and/or seal shall necessitate the presence of a person independent of the Slot Operations Department to access the device control program. All seals used shall be pre-numbered.

6-8. *Standards for Evaluating Theoretical and Actual Hold Percentages*

- a. Accurate and current theoretical hold worksheets shall be maintained or readily available for each gaming device pay table.
- b. Performance records for gaming devices shall include at a minimum the following;
 1. For each gaming device, indicating the date placed into service, date(s) removed from operation, date(s) placed back into operation, and any changes in ID numbers and designations.
 2. For each gaming device, the initial theoretical hold percentage (if available), dates and type of changes made affecting the gaming device's theoretical hold percentage, and the recalculation of theoretical hold percentage as a result of the changes to computer data files (theoretical hold percentage,

coin-in, drop, payouts, fills and win amounts) shall be performed by a department independent of the Slot Operations Department. Alternatively, maintenance of the theoretical hold percentage for each gaming device may be performed by a Slot Operations Supervisor if sufficient documentation is generated and it is randomly verified by employees independent of the Slot Operations Department on at least a monthly basis.

3. Updates to the gaming device data files to reflect gaming device additions, deletions or movements, shall be made at least weekly, and prior to in-meter readings, generation of system reports, and the gaming device count process.
- c. For multi-game/multi-denominational gaming devices that cannot communicate the coin-in amount by pay table to a computerized casino accounting system, the following standards shall apply;
1. A record shall be maintained for each gaming device containing the following information;
 - A. Gaming device number;
 - B. Date gaming device was placed on the floor;
 - C. The initial pay tables activated for play (from a library of pay tables) along with each activated pay table's theoretical hold percentage as determined by the manufacturer;
 - D. The simple average of the theoretical hold percentages of the pay tables initially activated for play; and
 - E. The date of each change to the activated pay tables, the revised list of activated pay tables, the theoretical hold percentage for each pay table activated for play, and the new simple average of the theoretical hold percentages of the pay tables activated for play.
 2. Addition and/or change of progressive percentage contribution to an activated pay table is considered a change to the activated pay tables requiring recalculation of the simple average theoretical hold percentage.
 3. The theoretical hold percentage is obtained for each activated pay table when multi-game and/or multi-denomination gaming device gaming devices have different pay tables for each denomination within a game.
 4. Assignment of a new gaming device number or other means of differentiating machine performance shall be required when the entire library of pay tables within a machine is replaced with a new library of pay tables.

5. Assignment of a new gaming device number or other means of differentiating machine performance is not required when a new simple average theoretical hold percentage is calculated as a result of a correction of an inaccurate par percentage.
 6. The gaming device analysis report shall include the simple average of the theoretical hold percentages of all activated pay tables as the theoretical hold for each gaming device. The gaming device analysis report shall be revised to indicate the new simple average theoretical hold percentage whenever there is a change in the activated pay tables.
- d. For multi-game/multi-denominational gaming devices that can communicate coin-in amount by pay table to the computerized casino accounting system, the following standards shall apply:
1. The computerized casino accounting system shall capture and record the coin-in amount by pay table and adjust the theoretical hold for each machine as follows:
 - A. Weekly, capture and record the total coin-in meter by gaming device;
 - B. Quarterly, capture and record the coin-in meter for each pay table and the coin-in meter for each pay table by denomination when the pay table has a different theoretical hold percentage for each denomination; and
 - C. Annually adjust the theoretical hold percentage for each gaming device to a weighted average based upon the ratio of coin-in for each pay table in play during the year. Include the new weighted average percentage for the gaming device in the fiscal year end gaming device analysis report.
 2. For multiple gaming devices with exactly the same activated pay table mix used throughout the year, the adjusted weighted average theoretical hold percentage may be calculated using a weighted average of the combined gaming devices' percentages.
 3. Adding and/or changing progressive percentage contributions to pay tables require the use of a new pay table with a new theoretical hold percentage calculated.
- e. For gaming devices the following meter standards shall apply:
1. All gaming devices shall at a minimum have functioning coin-in, bill-in and ticket out meters (hard or soft);
 2. All gaming devices communicating with a computerized casino accounting system shall contain properly functioning meters (i.e., ticket in, ticket out, etc.) that will enable compliance with this part;

3. Bill-in electronic (soft) meter readings shall be captured and recorded immediately prior to or subsequent to a currency acceptor drop. Coin-in electronic (soft) meter readings shall be captured and recorded at least weekly.
 - A. The time between readings may extend beyond one (1) week in order for a reading to coincide with the end of an accounting period only if such extension is for no longer than six (6) calendar days;
 - B. If a gaming enterprise chooses to perform a gaming device coin or currency acceptor drop only once per month, the coin-in electronic (soft) meter readings still shall be captured and recorded at least weekly;
 - C. The coin-in and/or bill-in hard meters shall be captured and recorded only when the gaming device or terminal does not have electronic soft meters;
 - D. For gaming enterprises utilizing a computerized casino accounting system, the meter readings shall be recorded and maintained at the time a drop box (coin or currency) is removed in conjunction with a drop. This standard does not preclude the use of "smart cans".
4. If an employee manually records coin-in and bill-in meter readings, the employee recording the readings shall either be independent of the Count Services Team or is assigned on a rotating basis. If the in-meter readings are randomly verified quarterly for all gaming devices and currency acceptors by an employee other than the regular in-meter reader, the regular in-meter reader does not need to be independent of the Count Services Team or assigned on a rotating basis.
5. The coin-in and bill-in meter readings, by gaming device/patron terminal, shall be documented and maintained.
6. Upon receipt of the meter readings information, Revenue Audit/Accounting shall review all coin-in meter readings for reasonableness using pre-established parameters.
7. Prior to final generation of gaming analysis and performance reports, coin-in meter readings which do not appear reasonable shall be reviewed with Slot Operations Department, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected. The final gaming device analysis report shall be reviewed to ensure that the correct coin-in dollar amount has been recorded.
8. When the correct coin-in amount cannot be determined (i.e., coin-in not recorded properly due to meter or system failure), the preferred method for recalculating a reasonable coin-in amount is to use an average coin-in from

similar gaming devices/patron terminals for the period in question. An alternative method is to use the actual average coin-in for the gaming device/patron terminal in question over the previous four (4) weeks.

- f. For gaming device analysis reports, the following standards shall apply;
 - 1. A gaming device analysis report shall be generated at least monthly summarizing month-to-date, year-to-date, and if practicable, life-to-date gaming device performance by machine to include the following data:
 - A. Denomination or an indication that the gaming device is multi-denomination:
 - i. Gaming device number and game type (“game type” is a code or abbreviation associated with a specific game. For example, for multi-game gaming devices, the code could be “MG”;
 - ii. Coin-in;
 - iii. Metered or actual drop (if system is configurable);
 - iv. Actual jackpot payouts;
 - v. Actual fills;
 - vi. Statistical win;
 - vii. Theoretical hold percentage;
 - viii. Actual hold percentage;
 - ix. Percentage variance (theoretical hold vs. actual hold); and
 - x. Projected dollar variance (i.e., coin-in times the percentage variance); and
 - xi. Net Cashable PBT.
 - 2. The drop and payout activity shall include the following:
 - A. The payout activity represents only gaming device payouts associated with the manufacturer’s pay table. Payouts and fills recorded in the gaming device analysis report shall include promotional payouts and/or bonus payouts when the payouts are reflected on the pay table and included in the calculation of the theoretical hold percentage.

- B. The drop activity for gaming devices recorded in the gaming device analysis report shall include all amounts placed into bill/ticket acceptors (i.e., free play cash-out tickets accepted by the bill/ticket acceptor of the gaming device are included in the drop amount), coin-in drop buckets and electronic money transfers made to the gaming.
 - C. The gaming device statistical win recorded in the gaming device analysis report may or may not equal the amount of assessable gross revenues reported in accordance with 25 CFR § 514.1.
- 3. Report(s) shall be generated which includes all gaming devices including the gaming devices not communicating with a computerized casino accounting system.
 - 4. The theoretical hold percentages used in the gaming device analysis reports shall be within the performance standards set by the manufacturer and shall not include other fees (i.e., a percentage payment to operators of inter-casino linked gaming devices).
 - A. For single pay table gaming devices with identical game programs, the theoretical hold percentage used for like gaming devices in the gaming device analysis reports shall be the same theoretical hold percentage. When a range of theoretical hold percentages is provided by a manufacturer for a single pay table, the theoretical hold percentage used shall be consistent among the gaming devices.
 - B. The optimum hold percentage may be used for skill based game pay tables.
 - 5. The theoretical hold percentage used in the gaming device analysis report shall represent theoretical performance of the pay table and shall exclude promotional payouts and bonus payouts not included in the pay table.
 - 6. Each change to a gaming device's theoretical hold percentage, including adding and/or changing progressive percentage contributions, shall require the use of a new theoretical hold percentage (see Section 6-8 (c) (1) and Section 6-8 (d) (1) regarding a multi-game and/or multi-denominational gaming device's theoretical hold percentage). When such changes are made, the gaming device shall be treated as a new gaming device in the gaming device analysis reports with a new theoretical hold percentage (i.e., not commingling various hold percentages).
 - A. For multi-game and/or multi-denomination gaming devices, a new gaming device number is required when the entire library of pay tables within a gaming device is replaced with a new library of pay tables.

- B. A new gaming device number is not required when a new theoretical hold percentage is calculated as a result of a correction of an inaccurate par percentage.
 - 7. Promotional payouts and/or bonus payouts, not reflected on the pay table and/or not included in the calculation of the theoretical hold percentage, shall not be included in gaming device statistical win for statistical performance purposes in the gaming device analysis reports. However, these payouts may be included in the gaming device analysis report as a separate disclosure for the calculation of assessable gross revenues in accordance with 25 CFR § 514.1.
 - 8. The statistical reports shall be reviewed by both Slot Operations Department management and management independent of the Slot Operations Department on at least a monthly basis.
 - 9. At a minimum, large (five percent (5%) or as otherwise approved by the Gaming Commission) year-to-date variances between theoretical hold and actual hold, by gaming device and by denomination (including the multi-denomination category), shall be investigated with the findings documented no later than thirty (30) calendar days after the generation of the gaming device analysis report. Alternatively, life-to-date variances shall be examined when there is insufficient play resulting in large year-to-date variances.
- 6-9. *Computerized Casino Accounting Systems.* This standard is not intended to require a centralized accounting system.
- a. The computerized casino accounting system shall be connected, functioning and communicating with gaming devices (activated for play) to obtain gaming device/patron terminal meter information as required by this Section.
 - b. At least monthly, the gaming enterprise shall prepare and maintain a list of gaming devices not available for patron play and not communicating with the computerized casino accounting system along with the reason (i.e., in storage, removed from the floor, awaiting repair, tournament play).
 - c. For a computerized casino accounting system that captures the values indicated on gaming device meters:
 - 1. All required meters shall be captured, recorded and maintained by the computerized casino accounting system before and after any gaming device maintenance that involves the clearing or resetting of the meters is performed.
 - 2. This meter information shall be used when reviewing gaming device performance reports to ensure that the maintenance performed did not improperly affect the meter values recorded in the gaming device performance reports.

- d. At the time a drop box is removed in conjunction with a gaming device drop, the “drop meters” (bill-in, ticket-in, and coupon promotion in) for each gaming device dropped shall be captured, and meter amounts recorded and maintained.
- e. At the end of the gaming enterprise’s specified twenty-four (24) hour accounting period, the following meters, by gaming device, shall be captured, and meter amounts recorded and maintained:
 1. “Attendant Paid Meters” (jackpots, accumulated credit payouts, external bonus payouts, and progressive payouts);
 2. Physical coin-in meter;
 3. Physical coin-out meter;
 4. “Electronic Promotion Meters” (negotiable in, negotiable out, non-negotiable in and non-negotiable out);
 5. “Machine Paid Meters” (external bonus payout and progressive payout);
 6. Ticket out meter; and
 7. Coin drop meter.
- f. The following computerized casino accounting system gaming device performance reports, as applicable to the gaming enterprise, shall be generated and maintained for each day for each gaming device:
 1. Meter Slot Attendant paid jackpots, accumulated credits, progressive payouts and external bonus payouts (in total) vs. actual Slot Attendant paid jackpots, accumulated credits, progressive payouts and external bonus payouts (in total);
 2. Meter fills vs. actual fills;
 3. Meter machine paid and Slot Attendant paid external bonus payouts vs. external bonusing system machine paid and Slot Attendant paid external bonus payouts;
 4. Meter negotiable electronic promotion in vs. computerized casino an accounting system negotiable electronic promotion in;
 5. Meter negotiable electronic promotion out vs. computerized casino accounting system negotiable electronic promotion out;
 6. Meter non-negotiable electronic promotion in vs. computerized casino accounting system non-negotiable electronic promotion in;

7. Meter non-negotiable electronic promotion out vs. computerized casino accounting system non-negotiable electronic promotion out;
 8. Meter ticket-out vs. computerized casino accounting system ticket-out and payout receipt forms issued;
 9. Meter coupon promotion out vs. computerized casino accounting system coupon promotion out forms issued;
 10. For gaming devices dropped, meter drop vs. actual drop for each drop type;
 11. For gaming devices dropped, computerized casino accounting system wagering instruments accepted vs. wagering instruments counted in the count room (i.e., tickets and coupons);
 12. For gaming devices dropped, meter ticket-in vs. computerized casino accounting system ticket-in forms accepted; and
 13. For gaming devices dropped, meter coupon promotion in vs. computerized casino accounting system coupon promotion in forms accepted.
- g. Variances, by gaming device, noted in the reports required by Section 6-9 that are in excess of the following parameters shall be reviewed by the Accounting Department:
1. For gaming devices dropped, variances in excess of one percent (1%) or \$100.00, whichever amount is greater, for each drop type (i.e., bills, tickets, and coupons);
 2. For gaming devices dropped, variances in excess of one percent (1%) or \$100.00, whichever amount is greater, for the total of attendant payouts; and
 3. Any variance noted between meters and computerized casino accounting system for, cashable electronic promotion in and out, non-cashable electronic promotion in and out, external bonus payouts, tickets out and coupon promotion out.
- h. The results of the variance investigation, including the date of and employees involved in the investigations, shall be documented in the appropriate report and retained. The results shall also include any corrective action taken (i.e., meter replaced, interface component repaired, software debugged, etc.). The investigation shall be completed and the results documented within seven (7) calendar days of the day the variance was noted. Supplemental Information: Material slot attendant payout variances noted in Section 6-9 (f) may be due to a slot attendant paid progressive jackpot payout amount or wide-area progressive payout amount not being recorded on the gaming device attendant paid progressive payout meter. The slot attendant paid progressive payout meter may not have the capability to obtain the dollar amount of the progressive amount displayed on the progressive sign. If

the variance is due to a progressive jackpot payout the investigation should include the review of the daily progressive payoff dollar amounts recorded to determine that the decrease is reasonably equivalent to the actual progressive jackpot payout dollar amount. For a wide-area progressive payout the investigation should include the review of the report of payouts from the operator of the wide-area progressive system.

6-10. *Gaming Device Bill/Ticket Acceptor Content Standards*

- a. When gaming devices are temporarily removed from the floor, gaming device bill/ticket acceptor contents shall be protected to preclude the misappropriation of stored funds.
- b. When gaming devices with bill/ticket acceptors are permanently removed from the floor, the gaming device bill/ticket acceptor contents shall be removed from the gaming device and properly stored in a secured area until counted and recorded by three (3) employees in the count room with appropriate documentation produced and routed to Revenue Audit/Accounting for proper recording.

6-11. *Computerized Patron Tracking, Promotional Accounts, Promotion and External Bonusing Systems*

- a. The following standards shall apply for all computerized patron tracking, promotional accounts, promotion and external bonusing systems utilized, including those that communicate negotiable and non-negotiable credits to gaming devices:
 1. The addition or deletion, inclusive of closure of inactive accounts, of points to members' accounts other than through actual gaming device play shall be sufficiently documented (including substantiation of reasons for increases) and shall be authorized by a department independent of the patron tracking and gaming devices. Alternatively, addition or deletion, inclusive of closure of inactive accounts, of points to Player's Club Member accounts may be authorized by patron tracking or a Slot Operations Supervisor if sufficient documentation is generated and it is randomly verified by employees independent of the Slot Operations Department on at least a quarterly basis. The standard does not apply to the deletion of points related to inactive or closed accounts through an automated process.
 2. Subject to Gaming Commission approval, the issuance of wagering credits shall be sufficiently documented, and authorized by management independent of the Slot Operations Department. Alternatively, Slot Operations Supervisors may authorize the issuance of the wagering credits if sufficient documentation is generated and employees independent of the Slot Operations Department on at least a quarterly basis randomly verify the issuance. The patron tracking system shall create and maintain documentation indicating the wagering credits issued.

3. Employees who redeem points for patrons shall be precluded from access to inactive or closed accounts without supervisor authorization. Documentation of such access and approval shall be created and
 4. Patron identification shall be required when redeeming points without a patron tracking card, unless otherwise known to the redeemer.
 5. Changes to the patron tracking system parameters, such as point structures and employee access, shall be performed by a supervisor independent of the Slot Operations Department. Alternatively, changes to patron tracking system parameters may be performed by a Slot Operations Supervisor if sufficient documentation is generated and it is randomly verified by supervisory employees independent of the Slot Operations Department on at least a quarterly basis.
 6. Subject to prior notification and approval of the Gaming Commission, changes to the promotional accounts parameters, promotion and external bonusing systems, such as the awarding of bonuses, the issuance of cashable credits, non-cashable credits, wagering instruments and employee access, shall be performed by a supervisor independent of the Slot Operations Department. Alternatively, changes to promotional accounts parameters, promotion and external bonusing systems may be performed by a Slot Operations Supervisor or Player's Club Supervisors if sufficient documentation is generated and the propriety of the changes are randomly verified by employees independent of the Slot Operations Department on at least a quarterly basis.
 7. All other changes to the patron tracking, promotional accounts parameters, promotions and external bonusing systems shall be documented.
- b. Rules and policies, as approved by the Gaming Commission, for patron tracking accounts including the awarding, redeeming and expiration of points shall be prominently displayed or available for patron review at the licensed location.

6-12. *Tournaments*

- a. All tournament shall comply with Section 19 in addition to the requirements below.
- b. All tournament entry fees and prize payouts shall be summarized on a cash accountability document on a daily basis.
- c. When, in accordance with the rules of the tournament as established by the gaming enterprise and subject to Gaming Commission approval, identification of all entrants is required for making a subsequent payout subject to IRS reporting thresholds, the entry fee(s) shall be recorded on a document which contains:
 1. Patron's name;
 2. Date of entry;

3. Dollar amount of entry fee (both alpha and numeric, or unalterable numeric);
 4. Signature (electronic signature acceptable of individual completing transaction attesting to the receipt of entry fee (s); and
 5. Name of tournament.
- d. When tournament payouts subject to IRS reporting thresholds are transacted, the transactions shall be recorded on a document which contains:
1. Patron's name;
 2. Date of payout;
 3. Dollar amount of entry payout (both alpha and numeric, or unalterable numeric) and/or nature and dollar value of any noncash payout;
 4. Signature (electronic signature acceptable) of individual completing transaction attesting to the disbursement of the payout; and
 5. Name of tournament.
- e. The tournament entry fees and payouts shall be summarized and posted to the accounting records on at least a monthly basis.
- f. Current tournament rules, as approved by the Gaming Commission, shall be included on all entry forms or brochures or prominently displayed and available for review at the gaming enterprise upon request. The rules shall include at a minimum:
1. All conditions patrons shall meet to qualify for entry into, and advancement through, the tournament;
 2. Specific information pertaining to any single tournament, inclusive of the tournament prize schedule; and
 3. The distribution of funds based on specific outcomes.
- g. Results of current tournaments approved by the Gaming Commission, for which the payout was subject to IRS reporting thresholds, shall be recorded and available for patrons' review including:
1. Name of the event;
 2. Date(s) of the event;
 3. Total number of entries;

4. Dollar amount of entry fees;
 5. Total prize pool; and
 6. The dollar amount paid for each winning category.
- h. The gaming enterprise shall establish a reasonable retention period, subject to Gaming Commission approval.

6-13. In-House Progressive Gaming Device Standards

- a. A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies.
- b. At least once each day, each gaming enterprise shall record the amount shown on each progressive jackpot meter at the gaming enterprise, except for those less than \$1,200.00.
- c. Explanations for meter reading decreases shall be maintained with the progressive display meter reading sheets, and where the payment of a jackpot is the explanation for a decrease, the gaming enterprise shall record the jackpot payout number on the sheet or have the number reasonably available; and
- d. Each gaming enterprise shall record the base amount of each progressive jackpot the gaming enterprise offers.
- e. The Gaming Commission shall approve procedures specific to the transfer of progressive amounts in excess of the base amount (residual credits) to other progressive gaming devices that accrue to the benefit of the general gaming public.
 1. The gaming enterprise may not “hold” these residual credits for more than sixty (60) calendar days, or if it becomes more than 9.99% of the current progressive jackpot liability.
 2. The gaming enterprise shall make every effort to inform the gaming public of the disposition of the residual credits.
 3. The gaming enterprise may offer the residual credits through other methods of distribution that accrue to the benefit of the gaming public via an award or prize. Such forms of distribution shall be approved, by the Gaming Commission, on a case-by-case basis.

6-14. Wide-Area Progressive Gaming Device Standards

- a. A display meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the gaming devices to which the jackpot applies.

- b. The gaming enterprise shall reconcile the vendor billing statements on at least a monthly basis and appropriately recognize its pro-rata share of wide-area progressive jackpots. Wide-area progressive jackpot payouts may represent an allowable adjustment to assessable gross revenues in the amount of the gaming enterprise's pro-rata share in accordance with 25 CFR § 514.1. Administrative fees and other commissions paid to the vendor for the operation of the wide-area progressive are not allowable deductions from assessable gross revenues.

6-15. *Smart Cards*. All smart cards (i.e., cards that possess the means to electronically store and retrieve data) that maintain the only source of account data are prohibited.

6-16. *Gaming Device Standards*

- a. Any gaming enterprise may utilize any gaming device, equipment or supply that is:
 - 1. Tested and approved by an independent testing laboratory; and
 - 2. Is approved for use in the Michigan Tribal jurisdiction; or
 - 3. Has been tested and approved to the standards of the states of Nevada and/or New Jersey; and
 - 4. Has been approved for use by the Gaming Commission and meets the requirements of Gaming Commission Regulation – Chapter 2.
- b. All gaming devices, new gaming device platforms and new game technologies shall comply with Gaming Commission Regulation – Chapter 2.
- c. Shipment of any gaming device, control program, or other controlled/sensitive gaming equipment or supply shall comply with the requirements of Gaming Commission Regulations – Chapter 2.
- d. Access control methods. Controls shall be established to restrict access to gaming device system components.
- e. Record keeping and audit processes.
 - 1. The gaming enterprise shall maintain the following records, as applicable, related to installed gaming device system components:
 - A. Date placed into service;
 - B. Date made available for play;
 - C. Supplier;
 - D. Software version;
 - E. Serial number;

- F. Game title or other similar identifying information;
 - G. Asset and/or location number;
 - H. Seal number; and
 - I. Initial meter reading.
- 2. Procedures shall be implemented for auditing such records in accordance with Section 20-3 (b).
- f. System software signature verification.
 - 1. Procedures shall be implemented for system software verifications. These procedures shall include comparing signatures generated by the verification programs to the signatures provided in the independent test laboratory letter for that software version.
 - 2. A Gaming Commission agent shall perform system software signature verification(s) to verify that only approved software is installed.
 - 3. Procedures shall be implemented for investigating and resolving any software verification variances.
 - g. Installation testing.
 - 1. Testing shall be completed during the installation process to verify that the gaming machine component has been properly installed. This shall include testing of the following, as applicable:
 - A. Communication with the gaming system;
 - B. Communication with the accounting system;
 - C. Communication with the player tracking system;
 - D. Currency and vouchers to bill acceptor;
 - E. Voucher printing;
 - F. Meter incrementation;
 - G. Pay table, for verification;
 - H. Gaming device denomination, for verification;
 - I. All buttons, to ensure that all are operational and programmed appropriately;

- J. System components, to ensure that they are safely installed at location; and
 - K. Locks, to ensure that they are secure and functioning.
 - h. Display of rules and necessary disclaimers. The gaming enterprise shall verify that all game rules and disclaimers are displayed at all times or made readily available to the player upon request;
 - 1. Gaming Commission approval of all gaming devices before they are offered for play; and
 - 2. Dispute resolution.
 - i. Operations.
 - 1. Malfunctions. Procedures shall be implemented to investigate, document, and resolve malfunctions. Such procedures shall address the following:
 - A. Determination of the event causing the malfunction;
 - B. Review of relevant records, game recall, reports, logs, surveillance records;
 - C. Repair or replacement of the gaming component; and
 - D. Verification of the integrity of the gaming component before restoring it to operation.
 - 2. Removal, retirement, and/or destruction. Procedures shall be implemented to retire or remove any or all associated components of a gaming system from operation. Procedures shall include the following:
 - A. For gaming devices and components that accept cash or cash equivalents:
 - i. Coordinate with the Count Services Team to perform a final drop;
 - ii. Collect final accounting information such as meter readings, drop, and payouts;
 - iii. Remove and/or secure any or all associated equipment such as locks, card reader, or ticket printer from the retired or removed component; and
 - iv. Document removal, retirement, and/or destruction.

3. For removal of software components:
 - A. Uninstall and/or return the software to the license holder; and
 - B. Document the removal.
4. For all components:
 - A. Verify that unique identifiers, and descriptions of removed/retired components are recorded as part of the retirement documentation; and
 - B. Coordinate with Revenue Audit/Accounting to properly retire the component in the system records.
5. Where the Gaming Commission authorizes destruction of any gaming system components, procedures shall be developed to destroy such components. Such procedures shall include the following:
 - A. Methods of destruction;
 - B. Witness or surveillance of destruction;
 - C. Documentation of all components destroyed; and
 - D. Signatures of employee(s) destroying components attesting to destruction.

Section 7. Cage /Vault

7-1. *Computer Applications.* See Section 3-7 for alternative computer application requirements.

7-2. *Personal Checks, Cashier's Checks, Traveler's Checks, Payroll Checks, and Counter Checks*

- a. If personal checks, cashier's checks, traveler's checks, payroll checks, or counter checks are cashed at the cage, the gaming enterprise as approved by the Gaming Commission shall establish and comply with appropriate controls that, at a minimum, provide for security and integrity. For each check cashing transaction, the minimum controls shall include the following:
 1. Verify the patron's identity by examining an identification credential (i.e., Driver's License) or other method to ensure the patron's identity. The identification credential information shall be documented on the check unless the information is maintained elsewhere. In such cases, record "Account on file" on the check as the verification source and results.
 2. Examine the check to ensure it includes the patron's name, current address, and signature.

3. For personal checks, verify the patron's check cashing authority and record the source and results in accordance with policy.
 4. If a check guarantee service is used to guarantee the transaction and the procedures required by the check guarantee service are followed, then the above requirements do not apply.
- b. When counter checks are issued, the following shall be included on the check:
1. The patron's name and signature;
 2. The dollar amount of the counter check (both alpha and numeric);
 3. Patron's bank name and bank routing and account numbers;
 4. Date of issuance; and
 5. Signature of the employee approving the counter check transaction.
- c. When traveler's checks or other guaranteed drafts such as cashier's checks are presented, the cashier shall comply with the examination and documentation procedures as required by the issuer.
- 7-3. *Patron Deposited Funds.* If a gaming enterprise permits a patron to deposit funds for safekeeping and/or front money purposes, the following standards shall apply.
- a. The receipt or withdrawal of a patron deposit shall be documented, with a copy given to the patron and a copy remaining in the cage.
- b. Both copies of the document of receipt or withdrawal shall contain the following information:
1. Same receipt number on each copy;
 2. Patron's name and signature;
 3. Date of receipt and withdrawal;
 4. Dollar amount of deposit/withdrawal (for foreign currency transactions include the US dollar equivalent, the name of the foreign country, and the amount of the foreign currency by denomination);
 5. Nature of deposit/withdrawal; and
 6. Name and signature of the employee who conducted the transaction.
- c. Procedures shall be established and complied with for front money deposits to:

1. Maintain a detailed record by patron name and date of all funds on deposit;
2. Maintain a current balance of all patron deposits that are inventory or accountability; and
3. Reconcile the current balance with the deposits and withdrawals at least daily.

7-4. *Cage/Vault Accountability Standards*

- a. All transactions that flow through the cage shall be summarized on a cage accountability form for each work shift of the cage and shall be supported by documentation.
- b. Increases and decreases to the total cage inventory shall be supported by documentation. For any individual increase/decrease which exceeds \$100.00, documentation shall include the date and shift, the purpose of the increase/decrease, the employee(s) completing the transaction, and the employee or department receiving the funds (for decreases only).
- c. The cage/vault inventories shall be counted by at least two (2) employees at the end of each work shift. These employees shall make individual counts for comparison for accuracy and maintenance of individual accountability. Such counts shall be recorded at the end of each shift during which activity took place. All discrepancies shall be noted and investigated. Unverified transfers of cash and/or cash equivalents are prohibited.
- d. The gaming enterprise, shall establish and comply with a minimum bankroll formula to ensure the gaming enterprise maintains cash or cash equivalents (on hand and in the bank, if readily accessible) in an amount sufficient to satisfy obligations to the gaming enterprise's patrons as they are incurred.

7-5. *Chip and Cheque Standards.* The gaming enterprise shall establish and the gaming enterprise shall comply with procedures for the purchase, receipt, inventory, storage, and destruction of gaming chips and cheques.

7-6. *Vouchers*

- a. Controls shall be established and procedures implemented to:
 1. Verify the authenticity of each voucher redeemed.
 2. If the voucher is valid, verify that the patron is paid the appropriate amount.
 3. Document the payment of a claim on a voucher that is not physically available or a voucher that cannot be validated such as a mutilated, expired, lost, or stolen voucher.
 4. Retain payment documentation for reconciliation purposes.

5. For manual payment of a voucher of \$500.00 or more, requires a supervisor verify the validity of the voucher prior to payment.
- b. Vouchers paid during a period while the voucher system is temporarily out of operation shall be marked “paid” by the cashier.
- c. Vouchers redeemed while the voucher system was temporarily out of operation shall be validated as expeditiously as possible upon restored operation of the voucher system.
- d. Paid vouchers shall be maintained in the accountability for reconciliation purposes.
- e. Unredeemed vouchers can only be voided in the system by a supervisor. Revenue Audit/Accounting shall maintain the voided voucher, if available.

7-7. *Kiosks*

- a. Kiosks shall be maintained on the cage accountability and shall be counted independently by at least two (2) employees, documented, and reconciled for each increase or decrease to the kiosk inventory.
- b. Currency cassettes shall be counted and filled by an employee and verified independently by at least one (1) employee. Both employees shall attest, via signature, to the accuracy of each cassette.
- c. Currency cassettes shall be secured with a lock or tamper resistant seal and, if not placed inside a kiosk, shall be stored in a secured area of the cage/vault. If tamper resistant seals are used, they shall be independently numbered and recorded when replaced.
- d. The gaming enterprise, subject to the approval of the Gaming Commission, shall develop and implement physical security controls over the kiosks. Controls shall address the following: forced entry, evidence of any entry, and protection of circuit boards containing programs.
- e. With regard to cashless systems, the gaming enterprise, subject to the approval of the Gaming Commission, shall develop and implement procedures to ensure that communications between the kiosk and system are secure and functioning.
- f. The following reconciliation reports shall be available upon demand for each day, shift, and drop cycle (this is not required if the system does not track the information, but system limitation(s) shall be noted):
 1. Starting balance dollar amount per financial instrument;
 2. Starting balance number of items per financial instrument;
 3. Dollar amount per financial instrument issued;

4. Number of items per financial instrument issued;
5. Dollar amount per financial instrument issued;
6. Number of items per financial instrument redeemed;
7. Dollar amount per financial instrument increases;
8. Number of items per financial instrument increases;
9. Dollar amount per financial instrument decreases;
10. Number of items per financial instrument decreases;
11. Ending balance dollar amount per financial instrument; and
12. Ending balance number of items per financial instrument.

7-8. *Promotional Payouts, Drawings, and Giveaway Programs.* At a minimum, the following procedures shall apply to any payout resulting from a promotional payout, drawing, or giveaway program (i.e., paycheck wheels) disbursed at the cage. Such payouts are associated with gaming or a promotional program to encourage patron participation in gaming and shall comply with Section 10 .

- a. The conditions for participating in promotional payments, including drawings and giveaway programs, shall be prominently displayed or available for patron review at the gaming enterprise.
- b. Payments of \$100.00 or more shall be documented at the time of the payment. Documentation shall include the following:
 1. Date and time;
 2. Dollar amount of payment or description of personal property (i.e., car);
 3. Reason for payment (i.e., name of promotion);
 4. Patron's name (drawings only);
 5. Signature(s) of the following number of employees verifying, authorizing, and completing the promotional payment with the patron:
 - A. Two (2) employee signatures for all payments of \$100.00 or more; or
 - B. For computerized systems that validate and print the dollar amount of the payment on a computer-generated form, only one (1) employee signature is required on the payment form.

6. The required documentation may be prepared by an individual who is not in the cage as long as the required signatures are those of the employees completing the payment with the patron.
- c. For payments that are less than \$100.00, documentation shall be produced to support the cage accountability. Such documentation may consist of a line item on a cage accountability document (i.e., "25 - \$10.00 cash giveaway coupons = \$250.00).

7-9. *Cage/Vault Access.* Controls shall be established and procedures implemented to:

- a. Restrict physical access to cage employees and other authorized persons; and
- b. Limit transportation of extraneous items such as (but not limited to) personal belongings, tool boxes, beverage containers, coats, purses, and/or boxes, into and out of the cage, count room, vault, or other secure area.

Section 8. Information Technology (IT)

8-1. Supervision

- a. Controls shall identify IT management in the department or area responsible for ensuring that the department or area is operating in accordance with established policies and procedures.
- b. IT management shall be independent of the operation of Class III games.
- c. Controls shall ensure that system access, duties and permissions are adequately segregated and monitored to detect procedural errors and to prevent the concealment of fraud.
 1. Changes to IT employee's system access or permissions must be logged and periodically reviewed by the Director of Information Technology.
- d. IT employees having access to Class III gaming systems may not have signatory authority over financial instruments and payout forms and shall be independent of and restricted from access to:
 1. Financial instruments;
 2. Revenue Audit/Accounting and ledger entries; and
 3. Payout forms.

8-2. As used in this Section only, a system is any computerized system that is integral to the gaming environment. This includes, but is not limited to, the server and peripherals for Class III gaming system(s), accounting, essential phone system, peripheral systems that tie into gaming system, door access and warning systems.

- 8-3. Class III gaming systems' logical and physical controls. Controls shall be established and procedures implemented to ensure adequate:
- a. Control of physical and logical access to the IT environment, including accounting, voucher, cashless and patron tracking systems, among others used in conjunction with Class III gaming;
 - 1. The information technology environment and infrastructure shall be maintained in a secured physical location such that access is restricted to authorized employees only.
 - 2. Access devices to the systems' secured physical location, such as keys, cards, or fobs shall be controlled by an independent employee.
 - 3. Access to the systems' secured physical location shall be restricted to employees in accordance with established policies and procedures, which shall include maintaining and updating a record of employees granted access privileges.
 - b. Physical and logical protection of storage media and its contents, including recovery procedures;
 - 1. Controls shall be established and procedures implemented to protect all systems and to ensure that access to the following is restricted and secured:
 - A. Systems' software and application programs;
 - B. Data associated with Class III gaming; and
 - C. Communications facilities, systems, and information transmissions associated with Class III gaming systems.
 - 2. Unused services and non-essential ports shall be disabled, and activated only when required.
 - 3. Procedures shall be implemented to ensure that all activity performed on systems is restricted and secured from unauthorized access, and logged.
 - 4. Communications to and from systems via network communication equipment shall be logically secured from unauthorized access.
 - c. Access credential control methods;
 - d. Record keeping and audit processes;
 - e. Written disaster recovery and redundancy plans required. The plan shall document all methods utilized to support disaster recovery of the network including:

1. Essential contact information;
 2. Detailed steps to affect a full recovery of the network;
 3. Maintenance and preventative controls;
 4. Sufficient redundancy of hardware in order to reduce or eliminate down time associated with recovery of the network or replacement of failing equipment;
 5. Off-site back-up center
 - A. Location(s) determined by risk assessment and industry best practices.
- f. Written intrusion detection and prevention Plan required. The plan shall document the process for monitoring and responding to violations or imminent violations of network or computer security, including:
1. Intrusion detection systems and/or intrusion prevention systems that proactively monitor all network devices;
 2. Review of network traffic; and
 3. Sufficient physical and logical intrusion protection against unauthorized access.
- g. Departmental independence, including, but not limited to, means to restrict employees that have access to IT from having access to financial instruments.

8-4. *Physical Access and Maintenance Controls*

- a. The critical IT systems and equipment for each gaming application (i.e., gaming system) and each application for financials, shall be maintained in a physically secured area. The area housing the critical IT systems and equipment for each gaming and other critical IT systems and equipment shall be equipped with the following:
1. Uninterruptible power supply to reduce the risk of data loss in the event of an interruption to commercial power.
 2. A security mechanism to prevent unauthorized physical access to areas housing critical IT systems and equipment for gaming and financial applications, such as traditional key locks, biometrics, combination door lock, or electronic key card system. Traditional keys, cards, or fobs shall be controlled by an independent department.
 3. Surveillance coverage that permits identification of anyone accessing the room and accessing any critical IT systems servers.

4. Be equipped with fireproof materials and waterless fire suppression to protect critical hardware from natural disasters, which meet local fire laws and regulations.
- b. Access to areas housing critical IT systems and equipment, including vendor supported systems, shall be limited to authorized IT employees as approved by the Gaming Commission. Non-IT employees, including vendors of the computer equipment, shall only be allowed access to the areas housing critical IT systems and equipment when authorized by IT management in accordance with policies and procedures. At a minimum, such policies and procedures shall require monitoring of employees during each access.
 1. A record of each access by non-IT employees shall be maintained by IT management to include the name of the visitor(s), time and date of entry, reason for visit, company or organization and the name of the designated and authorized employees escorting the visitor, followed by the time and date of visitor departure.
 2. The administration of the electronic security systems, if used to secure areas housing critical IT systems and equipment, shall be performed by employee(s) independent of IT, gaming or finance departments in accordance with policies and procedures approved by the Gaming Commission.

8-5. *System Parameters*

- a. The computer systems, including application software, shall be logically secured through the use of passwords, biometrics, or other means approved by the Gaming Commission.
- b. Security parameters for passwords, if configurable, shall meet the following minimum requirements:
 1. Passwords shall be changed at least once every ninety (90) days (quarterly);
 2. Passwords shall be at least eight (8) characters in length and contain a combination of at least two (2) of the following criteria: upper case letters, lower case letters, numeric and/or special characters;
 3. If the system maintains an electronic record of old or previously used passwords, passwords may not be re-used for a period of eighteen (18) months;
 4. User accounts shall be automatically locked out after three (3) failed login attempts. The system may, subject to the approval of the Gaming Commission, release a locked out account after fifteen (15) minutes has elapsed; and

5. The SICS shall delineate whether the system is configurable for security parameters for passwords, including temporary passwords, and to what extent the system is configurable in meeting the security parameter requirements.
- c. A system event log (incident log) or series of reports/logs for critical IT systems, if capable of being created by all components that communicate within the gaming network, shall be configured to track the following events:
 1. Failed login attempts;
 2. Changes to live data files occurring outside of normal program and operating system execution;
 3. Changes to operating system, database, network, and application policies and parameters;
 4. Audit trail of information changed by administrator accounts; and
 5. Changes to date/time on master time server.
 - d. Daily system event logs shall be reviewed at least once weekly (for each day of the entire previous week) by IT employees other than the system administrator for events listed in Section 8-5 (c). The system event logs shall be maintained for a minimum of the preceding seven (7) calendar days. Documentation of this review (i.e., log, checklist, notation on reports) shall be maintained for a minimum of ninety (90) calendar days and include the date, time, name of individual(s) performing the review, the exceptions noted, and any follow-up of the noted exception.
 - e. The critical IT systems shall log out or lock screen of all currently active logged-in user sessions, other than read only access, after a maximum ten (10) minutes of inactivity.
 - f. An automated tool that polls the event logs for all gaming and financial related servers, and provides the system administrator notification of the above may be used. Maintaining the notification for ninety (90) calendar days shall serve as evidence of the review.
 - g. Exception reports, if capable, for components that communicate within the gaming network (i.e., changes to system parameters, corrections, overrides, voids, etc.) shall be maintained and include at a minimum:
 1. Date and time of alteration;
 2. Identification of user that performed alteration;
 3. Data or parameter altered;

4. Data or parameter value prior to alteration; and
5. Data or parameter value after alteration.

8-6. *User Accounts*

- a. Management or employees independent of the department being controlled, shall establish, or review and approve, user accounts to ensure that, at a minimum, assigned application functions match the employee's current job responsibilities, unless otherwise authorized by management employees, and to ensure adequate segregation of duties.
- b. At a minimum, the review shall ensure that any previously assigned application function access for the employee's user account is changed to inactive (disabled); or removed prior to the employee accessing their new user account for their role or position in a new department.
- c. IT shall control access to system functions.
- d. User access listings shall include, if the system is capable of providing such information, at a minimum:
 1. Employee name and title or position;
 2. User login name;
 3. Full list and description of application functions that each group/user account may execute. This list may be available in a separate report if the menu functions are easily referenced between the user access listing report and the menu function report.
 4. Date and time account created;
 5. Date and time of last login;
 6. Date of last password change;
 7. User accounts used by vendors shall use passwords compliant with the gaming enterprise's policy for passwords;
 8. Date and time account disabled/deactivated; and
 9. Group membership of user account, if applicable.
- e. When multiple user accounts for one (1) employee per application are used, only one (1) user account may be active (enabled) at a time if the concurrent use of the multiple accounts by the employee could create a segregation of duties deficiency resulting in non-compliance with one (1) or more TMICS. Additionally, the user

account has a unique prefix/suffix to easily identify the users with multiple user accounts within one (1) application.

- f. The system administrator or designee and the Gaming Commission shall be notified as soon as possible when an employee is known to be no longer employed (i.e., voluntary or involuntary termination of employment). Upon notification, the system administrator or designee shall change the status of the employee's user account from active to inactive (disabled) status.
- g. The system administrator or designee and the Gaming Commission shall be notified as soon as possible when a user's authorized remote access capability is suspended or revoked. Upon notification, the system administrator or designee shall change the status of the user's account from active to inactive (disabled) status.
- h. User access listings for gaming applications at the application layer shall be reviewed quarterly by employees independent of the authorization and user provisioning processes. The reviewer shall maintain adequate evidence to support the review process, which shall include the identified accounts reviewed, documentation of the results of the review, and e-mails or signatures and dates indicating when the user access listing was reviewed. For each of the randomly selected users, the reviewer shall determine whether:
 - 1. The assigned system functions are being used as authorized (i.e., system functions are appropriate for user's job position);
 - 2. The assigned functions provide an adequate segregation of duties;
 - 3. Terminated users' accounts have been changed to inactive (disabled) status;
 - 4. Passwords have been changed within the last ninety (90) calendar days. The review for password changes within ninety (90) calendar days applies regardless of whether the system parameter has been configured to forcefully request a password change every ninety (90) calendar days; and
 - 5. There are no inappropriate assigned functions for group membership, if applicable.

8-7. Generic User Accounts

- a. Generic user accounts at the operating system level, if used, shall be configured such that the user is automatically brought to the application logon screen immediately upon logging into the operating system. The generic user accounts shall also be configured such that the user is logged out of the operating system automatically upon exiting the application.
- b. Generic user accounts at the application system level shall be prohibited unless user access is restricted to inquiry or read only functions.

- c. Generic users accounts shall be unique to each application. Generic user accounts cannot exist across multiple applications.

8-8. *Service and Default Accounts*

- a. Service accounts, if utilized, shall be configured in a manner that prevents unauthorized and inappropriate usage to gain logical access to an application and the underlying databases and operating system. The employee responsible for the documentation indicating the method used to prevent unauthorized and inappropriate usage of these service accounts shall be identified in the SICS, which include at a minimum:
 - 1. Service accounts shall be configured such that the account cannot be used to directly log into the console of a server or workstation; and
 - 2. Service account passwords shall be changed at least once every ninety (90) calendar days, and deactivated immediately upon the completion of services provided.
- b. User accounts created by default upon installation of any operating system, database or application (default user accounts) shall be configured, which may include deactivation or disabling, to minimize the possibility that these accounts may be utilized to gain unauthorized access to system resources and data. The position responsible for the documentation indicating the procedures implemented to restrict access through the use of default accounts shall be identified in the SICS.
- c. Any other default accounts that are not administrator, service, or patron accounts shall be disabled unless they are necessary for proper operation of the system. If these accounts shall remain enabled, the passwords shall be changed at least once every ninety (90) calendar days.

8-9. *Administrative Access*

- a. Access to administer the network, operating system, applications, and database security and system parameters shall be limited to IT management . The Gaming Commission shall be notified by the IT Department of who has been given administrator level access. Such notification shall occur no less than quarterly or whenever changes occur to the listing.
- b. Systems being administered shall be enabled to log usage of all administrative accounts, if provided by the system. Such logs shall be maintained for thirty (30) calendar days and include time, date, login account name, description of event, the value before the change, and the value after the change.

8-10. *Critical IT Systems Backups*

- a. The IT Department shall develop and implement daily backup and recovery procedures for all systems which, if applicable, shall address at a minimum the following:

1. Application data (this standard only applies if data files have been updated);
 2. Application executable files (unless such files can be reinstalled); and
 3. Database contents and transaction logs.
- b. Upon completion of the backup process, the backup media shall be transferred as soon as practicable (not to exceed seventy-two (72) hours) to a location separate from the location housing the system servers and data being backed up (for temporary and permanent storage). The storage location shall be secured to prevent unauthorized access and provides adequate protection to prevent the permanent loss of any data.
 - c. Backup data files and programs can be maintained in a secured manner in another building on the premises that is physically separated from the building where the system's hardware and software are located. They may also be stored in the same building as the system hardware/software as long as they are secured in a fireproof safe (1000 degrees Fahrenheit for one (1) hour minimum) or in some other manner that will ensure the safety of the files and programs in the event of a fire or other disaster.
 - d. Backup system logs, if provided by the system, shall be reviewed by the IT Department daily to ensure that backup jobs execute correctly and on schedule. The backup system logs shall be maintained for the most recent thirty (30) calendar days.
 - e. The IT employee(s) responsible for the documentation indicating the procedures implemented for the backup processes and for restoring data and application files is delineated in the SICS or policies and procedures .
 1. In support of data restoration procedures, gaming enterprises shall test data recovery procedures using actual data at least annually, with documentation, review, and IT managerial sign-off of results.

8-11. *Incident Monitoring and Reporting*

- a. Incident response procedures shall be implemented for responding to, monitoring, investigating, resolving, documenting, and reporting security incidents associated with information technology systems.
- b. All security incidents shall be responded to within an established time period approved by the Gaming Commission and formally documented.

8-12. *Recordkeeping*

- a. Critical IT system documentation for all in-use versions of applications, databases, network hardware, and operating systems shall be readily available, including descriptions of hardware and software (including version numbers), operator

manuals(if applicable), etc.

- b. System administrators shall maintain a current list of all enabled generic, system, and default accounts. The documentation shall include, at a minimum, the following:
 - 1. Name of system (i.e., the application, operating system, or database);
 - 2. The user account login name;
 - 3. A description of the account's purpose; and
 - 4. A record (or reference to a record) of the authorization for the account to remain enabled.
- c. The current list of all generic, service and default accounts shall be reviewed by IT management in addition to the system administrator at least once every six (6) months to identify any unauthorized or outdated accounts. This review shall be documented with sufficient evidence of the review.
- d. User access listings for all gaming systems shall be retained for at least one (1) day of each month for the most recent five (5) years. The lists may be archived electronically if the listing is written to unalterable media (secured to preclude alteration). If the list of users and user access for any given system is available in electronic format, the list may be analyzed by analytical tools (i.e., spreadsheet or database).
- e. The IT Department shall maintain current documentation with respect to the network topology (i.e., flowchart/diagram), deployment of servers housing applications and databases, and inventory of software and hardware deployed (available upon request by authorized internal and external auditors). The position responsible for maintaining the current documentation on the network topology shall be identified in the IT policies and procedures.

8-13. *Electronic Storage of Documentation*

- a. Documents may be scanned or directly stored to unalterable media (secured to preclude alteration) with the following conditions:
 - 1. The storage media shall contain the exact duplicate of the original document.
 - 2. All documents stored shall be maintained with a detailed index containing the casino department and date.
 - 3. Controls shall exist to ensure the accurate reproduction of records, up to and including the printing of stored documents used for audit purposes.

8-14. *Network Security*

- a. If patron networks are offered (such as networks that provide internet access for patrons, hotel patrons, or vendors), adequate logical segregation, as certified by the Director of Information Technology, shall be provided of the patron network from the network used to serve access to gaming and financial related applications and devices. Traffic on patron networks shall be non-routable to the network serving gaming and financial related applications and devices.
- b. Production networks serving gaming systems shall be secured from outside traffic (i.e., firewall and routers) such that systems are configured to detect and report security related events (security logs).
 - 1. IT employees (by title) responsible for documentation and review of procedures for detecting and reporting security related events shall be identified in the SICS or policies and procedures.
 - 2. If the system is configurable, the system shall log:
 - A. Unauthorized logins;
 - B. Failed login attempts; and
 - C. Other security related events (incident logs) to be captured by the system include changes to live data files and any other unusual transactions.
 - 3. Deactivate all unused physical and logical ports and any in-bound connections originating from outside the network.
 - A. Maintain log of enabled physical ports, review regularly.
 - B. Request for port activation shall be logged.
 - 4. Any unnecessary services shall be deactivated.
- c. Network shared drives containing application files and data for all gaming and financial related applications shall be secured such that only authorized employees may gain access.
- d. An automated integrity check mechanism for critical IT system files and directories, deemed critical, shall be deployed at least every twenty-four (24) hours to monitor unauthorized modifications or corruption.
- e. Server consoles, and unattended user terminals in gaming areas shall be configured to automatically secure themselves after a configurable period of inactivity elapses, the amount of time to be determined by IT Department. The time period of inactivity shall be documented in the SICS or IT policies and procedures. Users shall supply proper login credentials to regain access to the terminal or console.

- f. Login accounts and passwords required to administer network equipment shall be secured such that only authorized IT may gain access to these devices. The passwords for these accounts shall meet system security parameters in accordance with IT policies and procedures, and shall be immediately disabled when IT employees are terminated. The Gaming Commission shall be immediately notified of such actions.
- g. Maintain written procedures for software updates and patches.

8-15. *Changes to Production Environment*

- a. The employee responsible for the documentation indicating the process for managing changes to the production environment shall be identified in the SICS or IT policies and procedures. Control shall include all changes to the production environment (operating system, network, databases, and applications) that relate to critical IT, gaming and applications systems. This process includes at a minimum:
 - 1. Approval of systems and modifications to be installed by the Gaming Commission;
 - 2. Proposed changes to the production environment shall be evaluated sufficiently by management employees prior to implementation;
 - 3. Proposed changes shall be properly and sufficiently tested prior to implementation into the production environment;
 - 4. A strategy of reverting back to the last implementation shall be used (rollback plan) if the installation is unsuccessful and the rollback plan shall be tested prior to implementation to the production environment; and
 - 5. Sufficient documentation shall be maintained evidencing management approvals, testing procedures and results, rollback plans, and any issues/resolutions encountered during implementation.

8-16. *Remote Access*

- a. For each critical IT system application that is accessible remotely for purposes of obtaining vendor support, the SICS or IT departmental policies and procedures, as approved by the Gaming Commission, shall specifically address remote access procedures including, at a minimum:
 - 1. An automated or manual remote access log that denotes the following:
 - A. First and last names of authorized IT employees granting authorization;
 - B. Vendor's business name and first and last names of authorized person;

- C. Detailed reason(s) for network access;
 - D. Critical IT system application to be accessed;
 - E. Detail of work to be performed on the system; and
 - F. Date, time and approximate duration of the access. Description of work performed shall be adequately detailed to include the old and new version numbers of any software that was modified, and details regarding any other changes made to the system. Final duration of access will be annotated upon termination of the vendors' network connection.
2. For critical IT systems, the approved secured connection shall be such that the system can only be accessed from an authorized authenticated user.
 3. The method and procedures used in establishing and using unique user IDs, passwords and IP addressing to allow authorized vendor employees to access the system through remote access.
 4. IT employees, by name and title, shall be authorized by the Director of Information Technology to enable the method of establishing a remote access connection to the system. Such authorizations shall be submitted to the Gaming Commission no less than twice annually.
 5. The name and title of IT employees involved and procedures performed to ensure the method of disabling remote access connection when vendor remote access is no longer required and not in use. The same shall be submitted to the Gaming Commission no less than twice annually.
 6. Use of network filter (firewall) to protect access.
- b. User accounts used by vendors shall remain disabled on all operating systems, databases, network devices, and applications until needed by such vendor. Subsequent to an authorized use by a vendor, the account shall be returned to a disabled state.
 - c. If remote access to the production network (live network) is permissible, and allows access to critical IT system applications, such access shall be logged automatically by the device or software where access is established if such logging is capable within system configurations.
 - d. The gaming enterprises, shall develop and implement procedures for remote access by employees and these procedures shall be approved by the Gaming Commission.
 - e. No remote access "user admin" functionality shall be permitted without the written approval of the General Manager (or Assistant General Manager) and the Director of Information Technology.

8-17. *Information Technology Department*

- a. The IT Department shall be independent of all departments.
- b. IT employees shall be precluded from access to wagering instruments and related forms (i.e., gaming device jackpot forms, table games fill/credit forms, etc.). IT employees shall be restricted from having unauthorized access to cash or other liquid assets as well as initiating general or subsidiary ledger entries.

8-18. *In-House Developed Systems*

- a. If source code for gaming and/or financial related software is developed or modified internally, a process (systems development life cycle) shall be adopted to manage this in-house development. The employee responsible for the documentation indicating the process in managing the development or modification of source code shall be identified in the SICS or IT policies and procedures. The process shall address, at a minimum:
 1. Requests for new programs or program changes shall be reviewed by an IT management. Approvals to begin work on the program shall be documented.
 2. A written plan of implementation for new and modified programs shall be maintained and include, at a minimum, the date the program is to be placed into service, the nature of the change (if applicable), a description of procedures required in order to bring the new or modified program into service (conversion or input of data, installation procedures, etc.), and an indication of which operational department is to perform all such procedures.
 3. Sufficiently documenting software development and testing procedures through system development life cycle (SDLC) or other suitable, management approved process. Documentation of approvals, systems development, testing, results of testing, and implementation into production. Documentation shall include a record of the final program or program changes, including evidence of user acceptance, date in service, programmer, and reason for changes, shall be documented and maintained.
 4. Physical and logical segregation of the development and testing environment from the production environments.
 5. Adequate segregation of duties (i.e., those who develop/test code do not have access to introduce new or modified code into the production environment). In addition, a system administrator shall be precluded from developing/testing code which shall be introduced into the production environment.
 6. Secured repositories for maintaining code history.

7. End-user documentation (guides and manuals).
- b. All of the in-house developed systems described within this Section shall be submitted to the Gaming Commission for approval prior to being implemented on the gaming network.

8-19. *Purchased Software Programs*

- a. For critical IT systems, documentation shall be maintained and include, at a minimum, the date the program was placed into service, the nature of the change (if applicable), a description of procedures required in order to bring the new or modified program into service (conversion or input of data, installation procedures, etc.), and an indication of the IT employees who performed such procedures.
 1. Testing of new and modified programs shall be performed (by the gaming enterprise or the system manufacturer) and documented prior to full implementation, subject to Gaming Commission approval.

8-20. *Software Downloads.* Downloads, either automatic or manual, shall be performed in accordance with Gaming Commission Regulation – Chapter 2.

8-21. *Wireless Networks*

- a. Wireless networks used in conjunction with any critical IT systems and equipment shall meet the following minimum standards:
 1. Wireless networks shall implement authentication and encryption to ensure all wireless stations are authorized to be on the wireless network and all data packets transmitted on the wireless network are encrypted before being transmitted. At a minimum, wireless network components shall use and implement cryptographic modules and algorithms which comply with the Federal Information Protection Standard 140-2, et seq. (FIPS 140-2), unless otherwise approved in;
 2. Wireless client operating systems shall be hardened to provide adequate security in accordance with guidelines released by the NIST's Computer Security Resource Center (CSRC) that most appropriately fit the licensee's environment. For operating systems that are not addressed in the NIST CSRC guidelines, the licensee shall instead harden wireless client operating systems in accordance with Security Technical Implementation Guides (STIGs) released by the Defense Information Systems Agency (DISA);
 3. The wireless network, at a minimum, shall utilize the IEEE 802.11i standard with IEEE 802.1x authentication. Acceptable Extensible Authentication Protocol (EAP) methods shall involve Transport Layer Security (TLS) certificate-based mutual authentication. No communication can take place prior to successful authentication between the supplicant and the authentication server. Should a vulnerability be found in the present protocol, the Gaming Commission reserves the right to require a licensee to

adopt the latest non-vulnerable wireless security standards. Any breach to the security of the approved encryption algorithm shall result in its continued approval being re-evaluated by the Gaming Commission on a continual basis;

4. The wireless deployment shall employ a secure gateway (i.e., firewall) to isolate the wireless environment from any other environment (i.e., internal network). The secure gateway shall be configured in a manner that prevents any wireless network component from gaining access to the internal network without first being scrutinized. For each allowance defined within the secure gateway's access control list (i.e., policy) the following shall be documented:
 - A. Business requirement;
 - B. Source IP address, protocol, and port; and
 - C. Destination IP address, protocol, and port.
5. All aspects of a wireless network, including all hardware and software utilized therein, shall be subject to testing by the Gaming Commission or licensed testing laboratory.
6. Wireless access points shall be physically located so that they are not easily accessible, if not feasible, then exposed ethernet ports shall be disabled.

8-22. *Protection of Deleted Data.* The gaming enterprise shall implement a process that:

- a. Prior to the movement or reassignment to a different department of:
 1. Non-removable rigid disks;
 2. All hard drives; and
 3. All removable, rewritable storage devices.
- b. A reformat and re-image of the device is performed, that removes all prior data;
 1. Verification that prior data has been removed.
- c. This standard applies to the following:
 1. All components of a Local Area Network (LAN);
 2. All components of a Wide Area Network (WAN);
 3. All personal computers and workstations; and
 4. Any other computer or storage media not specifically listed above.

8-23. The gaming enterprise shall implement a process that:

- a. Prior to the sale or disposal of;
 - 1. Non-removable rigid disks;
 - 2. All hard drives; and
 - 3. All removable, rewriteable, storage devices.
- b. Immediately overwrites ALL sectors, using a program that:
 - 1. Overwrites all addressable locations with a character;
 - 2. The complement of the proceeding character;
 - 3. A random character; and
 - 4. Verifies the prior data has been overwritten.
- c. This standard applies to:
 - 1. All components of a Local Area Network (LAN);
 - 2. All components of a Wide Area Network (WAN);
 - 3. All personal computers and workstations; and
 - 4. Any other computer or storage media not specifically listed above.

Section 9. Complimentary Services or Items

9-1. *Complimentary Services and Items Procedures*

- a. Each gaming enterprise shall establish and the gaming enterprise shall comply with procedures for the authorization, issuance, and tracking of complimentary services and items.
- b. The procedures required shall include the authorization levels and the specific job titles of employees authorized to approve or issue complimentary services or items to which they apply.

9-2. Complimentary services and items shall include, but are not limited to, travel, lodging, food, beverages, or entertainment expenses provided directly to the patrons and their guests by the gaming enterprise or indirectly to patrons and their guests on behalf of the gaming enterprise by a third party.

- 9-3. At least monthly, IT or Revenue Audit/Accounting employees that cannot grant or receive complimentary privileges shall prepare reports that include the following information for all complimentary items and services:
- a. Name of patron who received the complimentary service or item;
 - b. Name(s) of authorized issuer of the complimentary service or item;
 - c. The actual cash value of the complimentary service or item;
 - d. The type of complimentary service or item (i.e., food, beverage, etc.); and
 - e. Date the complimentary service or item was issued.
- 9-4. Complimentary services or items exempt from paragraph Section 9-3 (c) reporting requirements:
- a. A non-cash complimentary service or item which has a value no greater than \$50.00 (as calculated in accordance with Section 9-3 (c)), or a lesser amount established by the Gaming Commission.
 - b. A complimentary cash gift of \$50.00 or less, or an amount established by the Gaming Commission, which shall not be greater than \$100.00.

Section 10. Promotions and Promotional Drawings

- 10-1. The gaming enterprise shall establish and the Gaming Commission shall approve procedures for the conducting of promotions and promotional drawings. These procedures shall include, at a minimum:
- a. A framework for all promotions and promotional drawings that includes:
 1. The rules of play;
 2. Any restrictions or limitations on participant eligibility;
 3. Entrance requirements (i.e., points, Player's Club membership, etc.);
 4. Any other restrictions or limitations, including any related to the claim of prizes or cash awards;
 5. Selection process (assurance of randomness);
 6. Date requirements; and

7. Rules governing promotions offered across multiple gaming enterprises, third party sponsored promotions, and joint promotions involving third parties.
- b. Process to submit individual profiles for promotions and promotional drawings to the Gaming Commission a minimum of fifteen (15) calendar days prior to the event, for review. Profiles shall include:
 1. Date(s);
 2. Rules;
 3. Eligibility requirements;
 4. Entrance requirements;
 5. Prizes to be awarded; and
 6. Selection (assurance of randomness).
- c. Monthly inventory of promotional items according to policy;
- d. Standards for compliance with IRS 1099 guidelines;
- e. Pre and Post Forma for all marketing events; and
- f. Standards for the appropriate accrual of expenses.

10-2. *Patron Tracking Systems and Gaming Promotions*

- a. Changes to the patron tracking systems, promotion and external bonusing system parameters, which control features such as the awarding of bonuses, the issuance of cashable credits, non-cashable credits, coupons and vouchers, shall be performed under the authority of a supervisor independent of the department initiating the change. Alternatively, the changes may be performed by a supervisor of the department initiating the change if sufficient documentation is generated and the propriety of the changes are randomly verified by a supervisor independent of the department initiating the change on a monthly basis.
- b. All other changes to the patron tracking system shall be appropriately documented as required in Section 12.

Section 11. Coupons and Direct Mailings

11-1. *Coupons*

- a. The gaming enterprise shall establish and the Gaming Commission shall approve procedures for the issuance, redemption, physical controls, eligibility and

documentation.

- b. Physical controls shall include procedures for unused or expired coupons.
- c. Prior to distribution, any coupons that are printed by an external vendor shall be reviewed by at least one (1) employee of Revenue Audit/Accounting and the Compliance Department for accuracy, any errors or discrepancies shall be brought to the immediate attention of the Director of Gaming and Marketing or their designee.

11-2. *Direct Mailings.* The gaming enterprise shall establish and the Gaming Commission shall approve procedures for the direct mailing of complimentary and coupon offers to patrons. These procedures shall include:

- a. Eligibility;
- b. Review by at least one (1) employee of Revenue Audit/Accounting and the Compliance Department for accuracy, any errors or discrepancies shall be brought to the immediate attention of the Director of Gaming and Marketing or their designee;
- c. Offer specifications (i.e., free play, entertainment, dinner, hotel, etc.);
- d. Security of mailing lists; and
- e. Outside vendors adherence to procedures

Section 12. Patron Tracking

12-1. *Patron Tracking System.* The following standards apply if a patron tracking system is utilized:

- a. The patron tracking system shall be secured so as to prevent unauthorized access (i.e., changing passwords at least quarterly and physical access to computer hardware, etc.).
- b. The addition of points to patrons' accounts other than through actual gaming device play shall be sufficiently documented (including substantiation of reasons for increases) and shall be authorized by a department independent of the Marketing and Slot Operations Department. Alternatively, addition of points to patrons' accounts may be authorized by a Slot Operations Supervisor if sufficient documentation is generated and it is randomly verified by employees independent of the Slot Operations Department on a quarterly basis.
- c. Player's Club employees who redeem points for patrons shall be allowed to receive lost patrons club cards, provided that they are immediately deposited into a secured container for retrieval by independent employee.

- d. Changes to the patron tracking system parameters, such as point structures and employee access, shall be performed by supervisors independent of the Slot Operations Department. Alternatively, changes to patron tracking system parameters may be performed by a Slot Operations Supervisor if sufficient documentation is generated and it is randomly verified by supervisors independent of the Slot Operations Department on a monthly basis.
- e. All other changes to the patron tracking system shall be appropriately documented.

12-2. *Computerized Patron Tracking Systems*

- a. The following standards apply only to computerized patron tracking systems that accumulate points that are subsequently redeemed by the patron for cash, merchandise, etc.
- b. The addition/deletion of points to patron tracking accounts other than through an automated process related to actual play shall be sufficiently documented (including substantiation of reasons for increases) and authorized or performed by supervisors of the Marketing or Table Games Department.
 - 1. The addition/deletion of points to patron tracking accounts authorized by supervisors shall be documented and randomly verified by the department on at least a quarterly basis.
 - 2. The above requirements do not apply to the deletion of points related to inactive or closed accounts through an automated process.
- c. Employees who redeem points for patrons shall not have access to inactive or closed accounts without a supervisors authorization. Documentation of such access and approval shall be created and maintained.
- d. Patron identification shall be required when redeeming points for cash or at any time points are being redeemed without a patron tracking card.
- e. Changes to the patron tracking system parameters, such as point structures and employee access, shall be performed by a supervisor independent of the Table Games Department. Alternatively, changes to patron tracking system parameters may be performed by a Table Games Supervisor if sufficient documentation is generated and the propriety of the changes is randomly verified by employees independent of the Table Games Department on a quarterly basis.
- f. Rules and policies for patron tracking accounts including the awarding, redeeming and expiration of points shall be prominently displayed or available for patron review at the gaming enterprise.

Section 13. Drop/Count/Sensitive Keys and Locks Standards

13-1. *Count room access.* Controls shall be established and procedures implemented to limit physical access to the count room to Count Services Team, designated staff, and other authorized persons. Such controls shall include the following:

- a. All counts shall be performed by a minimum of three (3) employees.
- b. Count Services Team employees shall not be allowed to exit or enter the count room during the count except for emergencies or scheduled breaks. At no time during the count, shall there be fewer than three (3) employees in the count room until the drop proceeds have been accepted into cage/vault accountability. Surveillance shall be notified whenever Count Services Team employees exit or enter the count room during the count.
- c. Count Services Team employees shall be rotated on a routine basis such that the count team is not consistently the same three employees more than four (4) calendar days per week. This standard shall not apply to gaming enterprises that utilize a Count Services Team of more than three (3) employees.
- d. The Count Services Team shall be independent of transactions being reviewed and counted. The Count Services Team shall be independent of the cage/vault; however, a Revenue Audit/Accounting employee may be used if there is an independent audit of all count documentation.
- e. The count room policy, at a minimum, shall address the transportation of extraneous items such as personal belongings, tool boxes, beverage containers, etc., into or out of the count room.

13-2. *Computer Applications.* See Section 3-7 for alternative computer application requirements.

13-3. *Table Game Drop Standards.*

- a. The setting out of empty table game drop boxes and the drop shall be a continuous process. The drop begins with the removal of the first table game drop box; however, empty drop boxes are not required to be placed on tables that are inactive at the time of the drop.
- c. If drop boxes are not placed on all tables, then the Table Games Department shall document which tables were open during the shift.
- d. The transporting of table game drop boxes shall be performed by a minimum of two (2) employees.
- e. All table game drop boxes shall be posted with a number corresponding to a permanent number on the gaming table and marked to indicate game, and table number.

- f. For table game drop boxes that allow for the automated recording of the cash inserted into the drop box (i.e., contain a drop meter), the following standards shall apply:
 - 1. Immediately prior to or subsequent to a table games drop, a reading of the automated recording of the amount of cash inserted into each drop box since the last drop shall be obtained (i.e., obtain and record meter readings). If manual meter readings are taken and recorded, this shall be performed by someone independent of the Count Services Team.
 - 2. The meter readings, by table, shall be documented and maintained.
- g. Surveillance shall be notified when the drop is to begin so that surveillance may monitor the activities.

13-4. *Count Room Employees*

- a. The table game count and the gaming device count shall be performed by a minimum of three (3) employees.
- b. All coin, cheques, and/or cash inventory stored in the count room shall be secured from unauthorized access at all times.

13-5. *Table Game Soft Count Standards*

- a. The table game count shall be performed in a count room or other equivalently secure area with comparable controls.
- b. Access to the count room during the count shall be restricted to employees of the Count Services Team, with the exception of authorized observers, supervisors for resolution of problems, and authorized maintenance employees.
- c. If counts from various revenue centers occur simultaneously in the count room, procedures shall be in effect that prevent the commingling of funds from different revenue centers.
- d. Immediately prior to the count at least two (2) Count Services Team employees shall verify the accuracy of the currency counter with previously counted currency for each denomination (i.e., test currency). The test currency shall be counted by the currency counter to ensure that the counter is functioning properly. The test results shall be documented and maintained.
 - 1. The currency counter test shall be performed with test currency rather than with currency from a drop box.
 - 2. If the same currency counter is used for one revenue center (i.e., gaming or non-gaming revenue center) and then immediately used for a second revenue center, performing the currency counter test once will satisfy the

standard provided the same Count Services Team employees complete one count and then proceed to the other revenue center count.

- e. The table game drop boxes shall be individually emptied and counted in such a manner to prevent the commingling of funds between boxes until the count of the box has been recorded.
 - 1. The count of each box shall be recorded in ink or other permanent form of recordation.
 - 2. For counts that do not utilize a currency counter, a second count shall be performed by an employee on the Count Services Team who did not perform the initial count. Separate counts of cheques shall always be performed by employees of the Count Services Team.
 - 3. Coupons or other promotional items not included in gross revenue may be recorded on a supplemental document by either the Count Services Team or Revenue Audit/Accounting. All single-use coupons shall be cancelled daily by either the Count Services Team or Revenue Audit/Accounting to prevent improper recirculation.
 - 4. If a currency counter interface is used:
 - A. It shall be adequately restricted (i.e., password, keys, etc.) so as to prevent unauthorized access.
 - B. The currency drop figures shall be transferred via direct communications line or computer storage media to Revenue Audit/Accounting.
- f. If currency counters are utilized and the count room table is used only to empty boxes and sort/stack contents, an employee of the Count Services Team shall be able to observe the loading and unloading of all currency at the currency counter, including rejected currency. The Count Services Team employee operating the currency counter does not need to be monitored by another Count Services Team employee if an individual independent of the count process monitors the operator of the currency counter on an unannounced basis for a minimum of one (1) hour during the count process from recorded or live surveillance at least monthly. The date, time, and results of the independent observation shall be documented.
- g. When the currency counter rejects currency but does not record the amount of rejected currency (re-run of rejected currency is permissible), procedures shall be developed and implemented to record the rejected currency amount by table game and to ensure that two (2) counts of the rejected currency (by table game and in total) are performed to ensure the correct amount of the drop is recorded on the count sheet. Posting rejected currency to a non-existent “dummy” table game is prohibited.

- h. Table game drop boxes, when empty, shall be shown to another employee of the Count Services Team, or to another employee who is observing the count, or to Surveillance, provided the count is monitored in its entirety by a person independent of the count.
- i. Fill/credit slips removed from the drop boxes shall be matched to the fill/credit slips obtained from the cage or otherwise reconciled by the Count Services Team or Revenue Audit/Accounting to verify that the total dollar amounts for the shift are identical. Fills and credits shall be traced to or recorded on the count sheet.
- j. Pit marker issue and payment slips (if applicable) removed from the table game drop boxes shall either be:
 - 1. Traced to or recorded on the count sheet by the Count Services Team; or
 - 2. Totaled by shift and traced to the totals documented by the computerized system. Revenue Audit/Accounting shall verify the issue/payment slip for each table is accurate.
- k. Foreign currency exchange forms (if applicable) removed from the table game drop boxes shall be reviewed for the proper daily exchange rate and the conversion amount shall be recomputed by the Count Services Team. Alternatively, this may be performed by Revenue Audit/Accounting.
- l. The opening/closing table and marker inventory forms (if applicable) shall either be:
 - 1. Examined and traced to or recorded on the count sheet; or
 - 2. If a computerized system is used, Revenue Audit/Accounting employees can trace the opening/closing table and marker inventory forms to the count sheet. Discrepancies shall be investigated with the findings documented and maintained for inspection.
- m. To correct errors in soft count documentation, a single line shall be drawn through the error, and the correct figure entered above the original figure. The correction shall be initialed by at least two (2) Count Services Team employees verifying the change. If a currency interface is used, corrections to table games count data shall be made using one (1) of the following:
 - 1. Draw a single line through the error on the table games document, and write the correct figure above the original figure. The correction shall then be initialed by the two (2) Count Services Team employees verifying the change. If this procedure is used, an employee independent of the Table Games Department and Count Services Team shall enter the correct figure into the computer system prior to the generation of related table games reports; or

2. During the count process, correct the error in the computer system and enter the passwords of at least two (2) Count Services Team employees. If this procedure is used, an exception report shall be generated by the computer system identifying the table games number, the error, the correction, and the Count Services Team attesting to the correction.
 3. If the computer system does not allow corrections as specified in Section 13-5 (m) (2), Revenue Audit/Accounting management shall develop and implement alternative procedures for documenting corrections to the soft count records and communicating the information to Revenue Audit/Accounting.
- n. The count sheet shall be reconciled to the total drop by a Count Services Team employee who shall not function as the sole recorder and variances shall be reconciled and documented.
 - o. All employees of the Count Services Team shall sign the count document or a summary report to attest to their participation in the count.
 - p. All drop proceeds and cash equivalents that were counted shall be turned over to the cage/vault (who shall be independent of the Count Services Team) or to an authorized employee independent of the revenue generation and the count process for verification. Such employee shall certify by signature as to the amount of the drop proceeds delivered and received. The employee performing the verification count is precluded from having prior knowledge of the results of previous count performed by Count Services Team. Any unresolved variances shall be reconciled, documented, and/or investigated by Revenue Audit/Accounting.
 - q. The count sheet, with all supporting documents, shall be delivered to Revenue Audit/Accounting by an employee of the Count Services Team or an employee independent of the cage. Alternatively, it may be adequately secured (i.e., locked container to which only Revenue Audit/Accounting can gain access) until retrieved by the Revenue Audit/Accounting.
 - r. The cage/vault employee shall sign the count sheet, or other reconciling document, and thereby assume accountability of the currency drop proceeds, ending the count.
 - s. Access to stored, full table game drop boxes shall be restricted to authorized employees of the Count Services Team.

13-6. *Gaming Device Bill/Ticket Acceptor Drop Standards*

- a. A minimum of three (3) employees shall be involved in the removal of the gaming device drop, at least one (1) of whom is independent of the Slot Operations Department.

- b. All bill/ticket acceptor canisters shall be removed only at the time previously designated by the gaming enterprise and reported to the Gaming Commission, except for emergency drops.
 - 1. Any changes to the drop route(s) shall be sent to the Surveillance Manager for review and approval. The Surveillance Manager will have forty-eight (48) hours to approve the request or propose alternatives.
 - 2. Proposed changes to the drop route(s) cannot be implemented without the endorsement of the Surveillance Manager or Executive Director of the Gaming Commission.
- c. Surveillance shall be notified when the drop is to begin. The gaming device bill/ticket acceptor drop begins when the first bill/ticket acceptor box is removed.
- d. The bill/ticket acceptor canisters shall be removed by an employee independent of the Slot Operations Department then transported directly to the count room or other equivalently secure area with comparable controls and locked in a secure manner until the count takes place.
 - 1. Security shall be provided over the bill/ticket acceptor canisters removed from the gaming devices and awaiting transport to the count room.
 - 2. The transporting of bill/ticket acceptor canisters shall be performed by a minimum of two employees, at least one of whom is independent of the Slot Operations Department.
- e. All bill/ticket acceptor canisters shall be posted with a number corresponding to a permanent number on the gaming device.

13-7. *Gaming Device Bill/Ticket Acceptor Count Standards*

- a. The gaming device bill/ticket acceptor count shall be performed in a count room or other equivalently secure area with comparable controls.
- b. Access to the count room during the count shall be restricted to employees of the Count Services Team, with the exception of authorized observers, supervisors for resolution of problems, and authorized maintenance employees.
- c. If counts from various revenue centers occur simultaneously in the count room, procedures shall be in effect that prevent the commingling of funds from different revenue centers.
- d. The Count Services Team shall not have access to bill-in meter amounts until after the count is completed and the drop proceeds are accepted into the cage/vault accountability. A Count Services Team employee is allowed to read/record the amount from the bill-in meters provided the Count Services Team employee does not have knowledge of the dollar amount of currency contained in the bill/ticket

acceptor canisters pursuant to the bill-in meters during the count process.

- e. Immediately prior to the count at least two (2) Count Services Team employees shall verify the accuracy of the currency counter with previously counted currency for each denomination (i.e., test currency). The test currency is counted by the currency counter to ensure the counter is functioning properly. The test results shall be documented and maintained.
 - 1. The currency counter test shall be performed with test currency rather than with currency from a bill/ticket acceptor.
 - 2. If the same currency counter is used for one revenue center (i.e., gaming or non-gaming revenue center) and then immediately used for a second revenue center, performing the currency counter test once will satisfy the standard provided the same Count Services Team employees complete one (1) count and then proceed to the other revenue center count.
- f. If a currency counter interface is used:
 - 1. It shall be adequately restricted (i.e., password, keys, etc.) so as to prevent unauthorized access.
 - 2. The currency drop figures shall be transferred via direct communications line or computer storage media to Revenue Audit/Accounting .
- g. The bill/ticket acceptor canisters shall be individually emptied and counted in such a manner to prevent the commingling of funds between canisters until the count of the canister has been recorded.
 - 1. The count of each canister shall be recorded in ink or other permanent form of recordation.
- h. If currency counters are utilized and the count room table is used only to empty canisters and sort/stack contents, a Count Services Team employee shall be able to observe the loading and unloading of all currency at the currency counter, including rejected currency. The Count Services Team employee operating the currency counter does not need to be monitored by another Count Services Team employee if a person independent of the count process monitors the operator of the currency counter on an unannounced basis for a minimum of one (1) hour during the count process from recorded or live surveillance at least monthly. The date, time, and results of the independent observation shall be documented.
- i. When the currency counter rejects currency (re-run of rejected currency is permissible) but does not record the amount of rejected currency, procedures shall be developed and implemented to record the rejected currency amount, by gaming device, and to ensure that two (2) counts of the rejected currency (by gaming device and in total) are performed to ensure the correct amount of the drop is recorded on the count sheet. Posting rejected currency to a nonexistent “dummy” gaming device

is prohibited.

- j. Canisters, when empty, shall be shown to; another employee of the Count Services Team, to another employee who is observing the count, or to Surveillance, provided that the count is monitored in its entirety by an employee independent of the count.
- k. To correct errors in soft count documentation, a single line shall be drawn through the error, and the correct figure entered above the original figure. The correction shall be initialed by at least two (2) Count Services Team employees verifying the change. If a currency interface is used, corrections to gaming device count data shall be made using one (1) of the following:
 - 1. Draw a single line through the error on the gaming device document, and write the correct figure above the original figure. The correction shall then be initialed by the two (2) Count Services Team employees verifying the change. If this procedure is used, an employee independent of the Slot Operations Department and Count Services Team shall enter the correct figure into the computer system prior to the generation of related gaming device reports; or
 - 2. During the count process, correct the error in the computer system and enter the passwords of at least two (2) Count Services Team employees. If this procedure is used, an exception report shall be generated by the computer system identifying the gaming device number, the error, the correction, and the Count Services Team employees attesting to the correction.
 - 3. If the computer system does not allow corrections as specified in Section 13-8 (k) (2), Revenue Audit/Accounting management shall develop and implement alternative procedures for documenting corrections to the soft count records and communicating the information to Revenue Audit/Accounting.
- l. The count sheet shall be reconciled to the total drop by a Count Services Team employee who shall not function as the sole recorder and variances shall be reconciled and documented. This standard does not apply to cash-out tickets removed from the bill/ticket acceptors canisters.
- m. All drop proceeds and cash equivalents that were counted shall be turned over to the cage/vault (who shall be independent of the Count Services Team) or to an authorized employee independent of the revenue generation and the count process for verification. Such employee shall certify by signature as to the amount of the drop proceeds delivered and received. It is recommended that the employee performing the verification count be precluded from having prior knowledge of the results of previous count performed by the Count Services Team. Any unresolved variances shall be reconciled, documented, and/or investigated by Revenue Audit/Accounting.
- n. The cage/vault shall sign the count sheet, or other reconciling document, and

thereby assume accountability of the currency drop proceeds, ending the count.

- o. The count sheet, with all supporting documents, shall be delivered to Revenue Audit/Accounting by the Count Services Team or an employee independent of the cage. Alternatively, it may be adequately secured (i.e., locked container to which only Revenue Audit/Accounting can gain access) until retrieved by Revenue Audit/Accounting.
- p. Access to stored bill/ticket acceptor canisters, full or empty, shall be restricted to:
 - 1. Authorized employees of the Count Services Team; and
 - 2. Authorized employees in an emergency for the resolution of a problem.

13-8. *Count Sheet.* The count sheet, with all supporting documents, shall be delivered to Revenue Audit/Accounting by a Count Services Team employee or employee independent of the cage. Alternatively, it may be adequately secured and accessible only by Revenue Audit/Accounting.

13-9. *Transfers of Currency and Coin During the Count*

- a. Transfers may be permitted during the count only if permitted under the SICS approved by the Gaming Commission.
- b. Each transfer shall be recorded on a separate multi-part form with a pre-printed or concurrently-printed form number that shall be subsequently reconciled by Revenue Audit/Accounting.-
- c. Each transfer shall be counted and signed for by at least two (2) employees of the Count Services Team and by an employee independent of the Count Services Team who is responsible for authorizing the transfer.
- d. At least one (1) part of the transfer form shall remain in the count room until the drop has been accepted into cage/vault accountability. The other part of the transfer form shall accompany the funds transferred from the count room during the count.

13-10. *Key Controls General*

- a. The table games drop box release keys, gaming device bill/ticket acceptor canister release keys, table games drop box contents keys, gaming device bill/ticket acceptor canister contents keys, and kiosk keys shall all be separately keyed from each other.
- b. Surveillance monitoring key access does not satisfy the requirements in this part for physical involvement.

- c. All duplicate keys shall be maintained in a manner that provides the same degree of control as is required for the original keys. Records shall be maintained for each key duplicated that indicate the number of keys made and destroyed.
- d. Records shall be maintained by the custodian of sensitive keys to document authorization of employees accessing keys.

13-11. *Table Game Drop Box Key Control Standards*

- a. Procedures shall be developed and implemented to ensure that unauthorized access to empty table game drop boxes shall not occur from the time the boxes leave the storage racks until they are placed on the tables.
- b. The involvement of at least two (2) employees independent of the cage shall be required to access stored empty table game drop boxes.
- c. At least three (3) Count Services Team employees are required to be present at the time count room and other count keys are issued for the count.

13-12. *Table Game Drop Box Release Keys*

- a. The table game drop box release keys shall be maintained by a department independent of the Table Games Department.
- b. Only the employee(s) authorized to remove table game drop boxes from the tables shall be allowed access to the table game drop box release keys; however, the Count Services Team may have access to the release keys during the count in order to reset the table game drop boxes.
- c. Employees authorized to remove the table game drop boxes shall be precluded from having simultaneous access to the table game drop box contents keys and release keys.
- d. For situations requiring access to a table game drop box at a time other than the scheduled drop, the date, time, and signature of employee signing out/in the release key shall be documented.

13-13. *Gaming Device Bill/Ticket Acceptor Canister Release Keys*

- a. The bill/ticket acceptor canister release keys shall be maintained by a department independent of the Slot Operations Department.
- b. Only the employee(s) authorized to remove bill/ticket acceptor canisters from the gaming devices shall be allowed access to the release keys.
- c. Employees authorized to remove the bill/ticket acceptor canisters shall be precluded from having simultaneous access to the bill/ticket acceptor canister

contents keys and release keys.

- d. For situations requiring access to a bill/ticket acceptor canister at a time other than the scheduled drop, the date, time, and signature of employee signing out/in the release key shall be documented.

13-14. *Table Game Drop Box Storage Rack Keys*

- a. An employee independent of the Table Games Department shall be required to accompany the table game drop box storage rack keys and observe each time table game drop boxes are removed from or placed in storage racks.
- b. Employees authorized to obtain table game drop box storage rack keys shall be precluded from having simultaneous access to table game drop box contents keys with the exception of the Count Services Team.

13-15. *Gaming Device Bill/Ticket Acceptor Canister Storage Rack Keys*

- a. An employee independent of the Slot Operations Department shall be required to accompany the bill/ticket acceptor canister storage rack keys and observe each time canisters are removed from or placed in storage racks.
- b. Employees authorized to obtain bill/ticket acceptor canister storage rack keys shall be precluded from having simultaneous access to bill/ticket acceptor canister contents keys with the exception of the Count Services Team.

13-16. *Table Game Drop Box Contents Keys*

- a. Issuance of the table game drop box contents keys at other than scheduled count times shall require the involvement of at least three (3) employees from separate departments, including management. The reason for issuance shall be documented with the signatures of all participants and observers. Two (2) employees from separate departments are required to accompany the drop box contents key from the time the keys are issued until the time the keys are returned. The key custodian issuing keys constitutes physical involvement. A computerized key security system functions as the key custodian.
- b. Only the Count Services Team shall be allowed access to drop box contents keys during the count process.

13-17. *Gaming Device Bill/Ticket Acceptor Canister Contents Keys*

- a. Issuance of the bill/ticket acceptor canister contents key at other than scheduled count times shall require the involvement of at least three (3) employees from separate departments, one (1) of whom shall be a supervisor. The reason for issuance shall be documented with the signatures of all participants and observers. Two (2) employees from separate departments are required to accompany the bill/ticket acceptor canister contents key from the time the keys are issued until the

time the keys are returned. The key custodian issuing keys constitutes physical involvement. A computerized key security system functions as the key custodian.

- b. Only the Count Services Team shall be allowed access to bill/ticket acceptor canister contents keys during the count process.

13-18. *Gaming Device Computerized Key Security Systems*

- a. Computerized key security systems which restrict access to the gaming device drop and count keys through the use of passwords, keys or other means, other than a key custodian, shall provide the same degree of control as indicated in the aforementioned key control standards; refer to Sections 13-12, 13-15, 13-17, and 13-19. This standard does not apply to the system administrator.
- b. For computerized key security systems, the following additional gaming device key control procedures apply:
 - 1. Management employees independent of the Slot Operations Department assign and control user access to keys in the computerized key security system, system administrator, to ensure that gaming device drop and count keys are restricted to authorized employees.
 - 2. In the event of an emergency or the key box is inoperable, access to the emergency manual key(s) (a.k.a. override key), used to access the box containing the gaming device drop and count keys, requires the physical involvement of at least three (3) employees from separate departments, including management. The date, time, and reason for access, shall be documented with the signatures of all participating employees signing out/in the emergency manual key(s).
 - 3. The custody of the keys issued pursuant to Section 13-20 (b) (2) requires the presence of two (2) employees from separate departments from the time of their issuance until the time of their return.
 - 4. Routine physical maintenance that requires accessing the emergency manual key(s) (override key) and does not involve the accessing of the gaming device drop and count keys only requires the presence of two (2) employees from separate departments. The date, time and reason for access shall be documented with the signatures of all participating employees signing out/in the emergency manual key(s).

13-29. *Table Games Computerized Key Security Systems*

- a. Computerized key security systems which restrict access to the table game drop and count keys through the use of passwords, keys or other means, other than a key custodian, shall provide the same degree of control as indicated in the aforementioned key control standards; refer to Sections 13-12, 13-13, 13-14, 13-16, and 13-18. Note: This standard does not apply to the system administrator.

- b. For computerized key security systems, the following additional table game key control procedures apply:
 - 1. Management independent of the Table Games Department assign and control user access to keys in the computerized key security system, system administrator, to ensure that table game drop and count keys are restricted to authorized employees.
 - 2. In the event of an emergency or the key box is inoperable, access to the emergency manual key(s) (a.k.a. override key), used to access the box containing the table game drop and count keys, requires the physical involvement of at least three (3) employees from separate departments, including management. The date, time, and reason for access, shall be documented with the signatures of all participating employees signing out/in the emergency manual key(s).
 - 3. The custody of the keys issued pursuant to Section 13-21 (b) (2) requires the presence of two (2) employees from separate departments from the time of their issuance until the time of their return.
 - 4. Routine physical maintenance that requires accessing the emergency manual key(s) (override key) and does not involve the accessing of the table games drop and count keys, only requires the presence of two (2) employees from separate departments. The date, time and reason for access shall be documented with the signatures of all participating employees signing out/in the emergency manual key(s).

13-20. *Emergency Drop Procedures.* Emergency drop procedures shall be developed by the gaming enterprise and approved by the Gaming Commission.

Section 14. Internal Audit Department

14-1. Internal Audit Department

- a. A separate Internal Audit Department shall be maintained whose primary function is performing internal audit work and that is independent with respect to the departments subject to audit. Currently, this function resides with the Gaming Commission with a direct report to the Executive Director. This does not preclude the gaming enterprise from maintaining an Internal Audit Department.
- b. If the gaming enterprise maintains an Internal Audit Department, it must report directly to the oversight body of the gaming enterprise.

Section 15. Accounting

15-1. *Conflicts of Standards.* When establishing the SICS, the gaming enterprise shall review and incorporate, other external standards such as GAAP, and standards promulgated by GASB

and FASB. In the event of a conflict between the TMICS and the incorporated external standards, the external standards prevail.

15-2. *Accounting.* Controls shall be established and procedures implemented to safeguard assets and ensure each gaming enterprise:

- a. Each gaming enterprise shall prepare accurate, complete, legible, and permanent records of all transactions pertaining to revenue and gaming activities.
- b. Each gaming enterprise shall prepare general accounting records according to GAAP using a double-entry system of accounting, and shall maintain detailed, supporting, subsidiary records, including, but not limited to:
 1. Record gaming activity transactions in an accounting system to identify and track all revenues, expenses, assets, liabilities, and equity;
 2. Record all markers, IOU's, returned checks, held checks, or other similar credit instruments;
 3. Record journal entries prepared by the gaming enterprise and by any independent accountants used;
 4. Prepare income statements and balance sheets;
 5. Prepare appropriate subsidiary ledgers to support the balance sheet;
 6. Prepare, review, and maintain accurate financial statements;
 7. Prepare transactions in accordance with the appropriate authorization, as provided by management;
 8. Record transactions to facilitate proper recording of gaming revenue and fees, and to maintain accountability of assets;
 9. Compare recorded accountability for assets to actual assets at periodic intervals, and take appropriate action with respect to any variances;
 10. Segregate functions, duties, and responsibilities;
 11. Prepare minimum bankroll calculations; and
 12. Maintain and preserve all financial records and relevant supporting documentation.

15-3. Individual and statistical game records to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop by each table game, each type of table game, by day, cumulative month-to-date, and year-to-date, and individual and statistical game records reflecting similar information for all other games;

- a. Gaming device analysis reports which, by each machine, compare actual hold percentages to theoretical hold percentages;
- b. Other records required by this Regulation;
- c. Journal entries prepared by the gaming enterprise and by its independent accountants; and
- d. Any other records specifically required to be maintained.

15-4. Each gaming enterprise shall establish administrative and accounting procedures for the purpose of determining effective control over a gaming enterprise's fiscal affairs. The procedures shall be designed to reasonably ensure that:

- a. Assets are safeguarded;
- b. Financial records are accurate and reliable;
- c. Transactions are performed only in accordance with management's general and specific authorization;
- d. Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes, and to maintain accountability of assets;
- e. Recorded accountability for assets is compared with actual assets at reasonable intervals, and appropriate action is taken with respect to any discrepancies; and
- f. Functions, duties, and responsibilities are appropriately segregated in accordance with sound business practices.

15-5. Gross Gaming Revenue Computations

- a. For table games, gross revenue equals the closing table bankroll, plus credit slips for cash, cheques or personal/payroll checks returned to the cage, plus drop, less opening table bankroll and fills to the table.
- b. For gaming devices, gross revenue equals drop, less fills, jackpot payouts and personal property awarded to patrons as gambling winnings.
- c. For each counter game, gross revenue equals:
 - 1. The money accepted by the gaming enterprise on events or games that occur during the month or will occur in subsequent months, less money paid out during the month to patrons on winning wagers ("cash basis"); or
 - 2. The money accepted by the gaming enterprise on events or games that occur during the month, plus money, not previously included in gross revenue,

that was accepted by the gaming enterprise in previous months on events or games occurring in the month, less money paid out during the month to patrons as winning wagers (“modified accrual basis”).

- d. For each card game and any other game in which the gaming enterprise is not a party to a wager, gross revenue equals all money received by the operation as compensation for conducting the game.
 - 1. A gaming enterprise shall not include either skill win or loss in gross revenue computations.
- 15-6. In computing gross revenue for gaming devices, the actual cost to the gaming enterprise of any personal property (other than costs of travel, lodging, services, food, and beverages) awarded as a payout to patrons may be deducted if the gaming enterprise maintains detailed documents supporting the deduction.
- 15-7. Each gaming enterprise shall establish internal control systems sufficient to ensure that currency (other than tips or gratuities) received from a patron in the gaming area is promptly placed in a locked box in the table, or, in the case of a cashier, in the appropriate place in the cage, in the cash register or in another approved repository.
- 15-8. If the gaming enterprise provides periodic payments to satisfy a payout resulting from a wager, the initial installment payment, when paid, and the actual cost of a payment plan, which is funded by the gaming enterprise, may be deducted from winnings. The gaming enterprise is required to obtain the approval of all payment plans from the Gaming Commission. For any funding method which merely guarantees the gaming enterprise's performance, and under which the gaming enterprise makes payments out of cash flow (i.e., irrevocable letters of credits, surety bonds, or other similar methods), the gaming enterprise may only deduct such payments when paid to the patron.
- 15-9. Cash-out tickets issued at a gaming device shall be deducted from gross revenue as jackpot payouts in the month the tickets are issued by the gaming device. Tickets deducted from gross revenue that are not redeemed within a period, not to exceed two hundred (200) days of issuance, shall be included in gross revenue. An unredeemed ticket previously included in gross revenue may be deducted from gross revenue in the month redeemed.
- 15-10. A gaming enterprise may not deduct from gross revenues the unpaid balance of a credit instrument extended for purposes other than gaming.
- 15-11. A gaming enterprise may deduct from gross revenue the unpaid balance of a credit instrument if the gaming enterprise documents, or otherwise keeps detailed records of, compliance with the following requirements:
 - a. The gaming enterprise can document that the credit extended was for gaming purposes;
 - b. The gaming enterprise has established procedures and relevant criteria to evaluate a patron's credit reputation or financial resources and to then determine that there

is a reasonable basis for extending credit in the amount or sum placed at the patron's disposal;

- c. In the case of personal checks, the gaming enterprise has established procedures to examine documentation, which would normally be acceptable as a type of identification when cashing checks, and has recorded the patron's bank check guarantee card number or credit card number, or has satisfied Section 9-3 , as management may deem appropriate for the check-cashing authorization granted;
- d. In the case of third-party checks for which cash, cheques, or chips have been issued to the patron, or which were accepted in payment of another credit instrument, the gaming enterprise has established procedures to examine documentation, normally accepted as a means of identification when cashing checks, and has, for the check's maker or drawer, satisfied in Section 9-3, as management may deem appropriate for the check-cashing authorization granted;
- e. In the case of guaranteed drafts, procedures shall be established to ensure compliance with the issuance and acceptance procedures prescribed by the issuer;
- f. The gaming enterprise has established procedures to ensure that the credit extended is appropriately documented, not least of which would be the patron's identification and signature attesting to the authenticity of the individual credit transactions. The authorizing signature shall be obtained at the time credit is extended.
- g. The gaming enterprise has established procedures to effectively document its attempt to collect the full amount of the debt. Such documentation include, but is not limited to, letters sent to the patron, logs of personal or telephone conversations, proof of presentation of the credit instrument to the patron's bank for collection, settlement agreements, or other documents which demonstrate that the gaming enterprise has made a good faith attempt to collect the full amount of the debt.

15-12. *Maintenance and Preservation of Books, Records, and Documents*

- a. All original books, records, and documents pertaining to the conduct of wagering activities shall be retained by a gaming enterprise in accordance with the following schedule. A record that summarizes gaming transactions is sufficient, provided that all documents containing an original signature(s) attesting to the accuracy of a gaming related transaction are independently preserved. Original books, records, or documents shall not include copies of originals, except for copies that contain original comments or notations on parts of multi-part forms. The following original books, records, and documents shall be retained by a gaming enterprise for a minimum of five (5) years:
 - 1. Cage accountability documents;
 - 2. Documentation supporting the calculation of table game win;
 - 3. Documentation supporting the calculation of gaming device win;

4. Table games statistical analysis reports;
 5. Gaming device statistical analysis reports;
 6. Internal audit documentation and reports;
 7. Documentation supporting the write-off of gaming credit instruments and named credit instruments; and
 8. All other books, records, and documents pertaining to the conduct of wagering activities that contain original signature(s) attesting to the accuracy of the gaming related transaction.
- b. The above standards shall apply without regard to the medium by which the book, record or document is generated or maintained (i.e., paper, computer-generated, magnetic media, etc.).

Section 16. BSA/AML and Currency Transaction Reporting

16-1. BSA/AML Program

- a. Formal program required.
1. All gaming enterprises shall implement and maintain a formal BSA/AML compliance program. The program shall satisfy the requirements of: 31 CFR § 1021.210; 31 USC § 5318 (h) (1) and 31 USC Chapter 53, Sub Chapter II.
 2. The formal program shall include requirements detailed in Section 16-2 through Section 16-8.

16-2. Risked-Based Program

- a. Requirements
1. All gaming enterprises shall have a risk-based audit performed.
 2. The audit shall be performed annually. The audit can be performed more frequently if risk dictates or a change in auditor is made.
 3. The risk audit shall at a minimum review:
 - A. Written BSA/AML compliance programs;
 - B. Internal controls, policies, procedures and processes;
 - C. Job descriptions;

- D. Tax & Title 31 Officer's qualifications and authorities;
- E. Training and testing programs;
- F. CIP and CDD requirements;
- G. OFAC, Privacy Act, USA PATRIOT ACT;
- H. Tracking of financial transactions;
- I. Forms;
- J. SAR filing; and
- K. Prior examinations.

16-3. *Tax & Title 31 Officer*

- a. All gaming enterprises shall hire, appoint and/or identify an individual or individuals to assure day-to-day and overall compliance with the BSA.
- b. The Tax & Title 31 Officer shall be qualified, have expertise, authority and time to satisfactorily assure compliance.
 - 1. An appropriate job description that specifies qualification and experience requirements.
 - 2. Sufficient authorities delegated to assure overall BSA/AML compliance including monetary, physical and employees authorities.
 - A. Sufficient authority to issue notifications of violations against employees with the ability to discipline.
 - B. Tax & Title 31 Officer shall have the authority to directly request licensing action(s) by the Gaming Commission for employee or departmental non-compliance.
- c. The Tax & Title 31 Officer shall have direct report capabilities to the Gaming Enterprise Oversight Task Force (or other body/individual with oversight authorities and responsibilities), General Manager, and Assistant General Manager.

16-4. *Training*

- a. Training Required
 - 1. All gaming enterprises shall develop a formal BSA/AML training program which shall be approved by the Gaming Commission. The formal training

program shall include:

- A. Training on the gaming enterprises internal BSA/AML Program, System of Internal Controls, policies & procedures as well as other regulatory requirements.
- B. Training tailored to the requirements of each department according to their roles and responsibilities.
- C. Training shall include examples of money laundering activities and suspicious activity monitoring and reporting.
- D. New hires shall receive, at a minimum, an overview of the BSA/AML requirements at orientation, with full training within thirty (30) calendar days.
- E. Tests shall not be “open-book”.
- F. Training and testing programs shall be well documented including: training and testing materials, records of training and testing, session dates, attendance, trainer and results of testing.
- G. Training programs shall be “on-going” incorporating any developments or changes.
- H. The Tax & Title 31 Officer shall receive periodic training that is relevant and appropriate to changes in regulatory requirements.
- I. Gaming Enterprise Oversight Task Force (or other body/individual with oversight authorities and responsibilities) and senior management shall receive basic training to provide them with a general understanding of BSA/AML requirements.

16-5. *SICS*

- a. All gaming enterprises shall develop a comprehensive SICS to ensure on-going compliance with all BSA/AML requirements. The SICS shall at a minimum:
 - 1. Provide for updates to the risk profile;
 - 2. Provide for a BSA/AML program tailored to manage risk;
 - 3. Inform tribal governance body and senior management of compliance initiatives, compliance deficiencies, corrective actions taken and SAR's filed:
 - A. Provisions for a ninety (90) calendar day review of SAR's to determine if suspicious activity is continuing.

4. Identify the employee or employees responsible for BSA/AML compliance;
 5. Provide for program continuity despite changes to management or employee composition or structures;
 6. Meet all regulatory recordkeeping and reporting requirements;
 7. Provide for timely updates to changes within the SICS;
 8. Implement risk-based patron due diligence policies, procedures and processes;
 9. Identify reportable transactions;
 10. Accurately file all required reports including: SAR's, CTR's and CTR exemptions;
 11. Provide for dual controls and segregation of duties (i.e., employees completing reporting forms should not be responsible for the decision to file reports or grant exemptions);
 12. Provide sufficient controls and systems for filing CTR's and CTR exemptions;
 13. Provide for adequate supervision of employees that handle currency transactions, complete reports, grant exemptions, monitor suspicious activity, or engage in any other activity covered by the BSA and its implementing regulations; and
 14. Incorporate BSA compliance into job descriptions of employees as appropriate;
- b. *Approval of SICS.* The SICS are a living document that may require frequent updates. Federal law requires immediate implementation of any changes to BSA/AML requirements. In order to maintain compliance the gaming enterprise shall incorporate any changes deemed necessary with immediate effect. The gaming enterprise shall:
1. Notify the Gaming Commission, in writing, within forty-eight (48) hours of incorporated changes and/or updates to the BSA/AML SICS. This written notification shall include:
 - A. Details of the changes and/or updates made; and
 - B. Marked-up and final copies of the new SICS, as amended.
 2. The Gaming Commission will notify the gaming enterprise of acceptance

of the changes with a written acknowledgement of the changes/updates made;

3. The SICS shall be reviewed and updated (if necessary) no less than annually for any changes to the BSA/AML; and

16-6. *Independent Testing*

- a. All gaming enterprises shall have independent testing (audit) of the BSA/AML Program performed every twelve to eighteen (12-18) months.
 1. *Qualified.* Independent testing shall be performed by qualified person(s) not involved in the functions being tested. Selection of the qualified person(s) is the responsibility of the gaming enterprise.
 2. *Testing Minimums.* The independent testing shall include at a minimum:
 - A. An evaluation of the overall adequacy and effectiveness of the BSA/AML Program. Including policies, procedures and processes;
 - B. A review of the gaming enterprise's current risk assessment for reasonableness;
 - C. Appropriate risk-based transaction testing to verify adherence to BSA recordkeeping and reporting requirements (i.e., CIP, CTR's, SAR's, CTR exemptions, and info sharing reports)
 - D. An evaluation of management's efforts to resolve violations and/or deficiencies noted in previous audits;
 - E. A review of employee training program for adequacy, accuracy and completeness;
 - F. A review of the effectiveness of the suspicious activity monitoring system(s) for BSA/AML compliance. Related reports may include, but are not limited to: suspicious activity monitoring reports, large currency aggregation reports, monetary instrument records, funds transfer records and non-sufficient funds reports;
 - G. An assessment of the overall process for identifying and reporting suspicious activity, including reviews of filed or prepared SAR's to determine: accuracy, timeliness, completeness and effectiveness of the gaming enterprises' policy;
 - H. Auditors shall document the scope, procedures performed, transaction testing completed and findings; and
 - I. The Gaming Enterprise Oversight Task Force (or other

body/individual with oversight authorities and responsibilities) and/or senior management shall track deficiencies and document corrective actions taken.

16-7. *Customer Identification Program and Customer Due Diligence*

a. *Customer Identification Program (CIP) required*

1. All gaming enterprises shall have a written CIP that includes policies, procedures and process for CDD;
2. The CIP shall implement the requirements of the USA PATRIOT ACT, US Privacy Act, and the Office of Foreign Asset Control (OFAC);
3. The CIP shall contain account opening procedures detailing the identifying information that shall be obtained from each patron. At a minimum, the following information shall be obtained prior to opening an account:
 - A. Name;
 - B. Date of Birth;
 - C. Address; and
 - D. Identification numbers (Driver's License, Social Security; TIN, Passport Number and country of issuance; alien identification card number; a number and country of origin of any unexpired government issued document evidencing nationality or residence bearing a photograph or similar safeguard.
4. Procedures for the lack of verification. If the gaming enterprise cannot reasonably believe the true identity of the patron, the procedures shall describe:
 - A. Circumstances in which the gaming enterprise shouldn't open an account;
 - B. The terms under which the patron can use an account while attempts to verify identity are made;
 - C. When the gaming enterprise should close an account after attempts to verify a patron's identity have failed; and
 - D. When the gaming enterprise should file a SAR in accordance with the law and regulations.
5. Details of recordkeeping procedures and retention of identifying documents.

6. Comparison to government list of known or suspected terrorist or terrorist organizations.
 - A. Including the OFAC list. OFAC shall be checked for any of the following:
 - i. Wire transfers;
 - ii. Checks cashed by patrons;
 - iii. Checks;
 - iv. Accounts payable;
 - v. Electronic payments to vendors; and
 - vi. New accounts.
 - b. *Customer Due Diligence Required.* In conjunction with the CIP, the CDD will assess the value of the obtained patron information in detecting, monitoring, and reporting suspicious activity. The BSA/AML Program shall include CDD guidelines that:
 1. Are commensurate with the gaming enterprises' BSA/AML risk profile, paying particular attention to higher-risk patrons;
 2. Contain a clear statement of management's overall expectations and establish specific staff responsibilities, including who is responsible for reviewing and approval changes to a patron's risk rating or profile;
 3. Ensure sufficient patron information to implement an effective suspicious activity monitoring system;
 4. Documenting analysis associated with the due diligence process, including guidance for resolving issues when insufficient or inaccurate information is obtained;
 5. Ensure maintenance of current patron information;
 6. Higher risk patrons require enhanced due diligence, the gaming enterprise shall determine if a patron poses a higher risk. If the patron is determined to be a higher risk the gaming enterprise shall attempt to obtain the following information:
 - A. Source of funds, income and/or wealth;
 - B. Occupation or type of business;

- C. Use of all available information (i.e., social media, socialization info, bank info on checks, etc.); and
- D. Responsibility of every employee in every department to be point of contact aware.

16-8. *Automated Data Processing Systems*

- a. Automated programs
 - 1. Develop specific reports that integrate the different monitoring areas
 - 2. Shall have a department that accumulates all the proper information using all available information and/or reports. Information should be tracked from the following types of reports (list is not all inclusive):
 - A. Patron rating (tracking) detail reports;
 - B. Patron master file;
 - C. Cage voucher detail report;
 - D. Marker detail report;
 - E. Check cashing detail report;
 - F. Check issuance log (vendor and patron);
 - G. Jackpot payout detail reports;
 - H. W2G files;
 - I. Credit Card Cash Advance Log;
 - J. Gaming device bill validator tracking system detail (carded and non-carded); and
 - K. Promotional prizes detail log.

Section 17. Facility

17-1. *Health and Safety.* The gaming enterprise shall submit to the Gaming Commission for approval, procedures that comply with applicable laws, codes, and regulations in regards to:

- a. Emergency preparedness;

- b. Potable Water;
- c. Food;
- d. Construction;
- e. Maintenance;
- f. Hazardous materials; and
- g. Sanitation.

Section 18. Hospitality Outlets

18-1. *Procedures.* The gaming enterprise shall submit to the Gaming Commission for approval, procedures that include, but are not limited to:

- a. Cash handling;
- b. Redemption of comps;
- c. Variances; and
- d. Employee usage.

Section 19. Tournaments

19-1. The gaming enterprise shall establish procedures for all tournaments, including but not limited to gaming devices and table games. These procedures shall include at a minimum:

- a. General rules;
- b. Eligibility requirements;
- c. Accounting requirements;
- d. Documentation; and
- e. Advanced notification requirements to the Gaming Commission

19-2. The Gaming Commission must receive notice of any tournament at least 15 (fifteen) calendar days in advance of the tournament dates. The notification must include: eligibility requirements, dates of the tournament, rules of the tournament and prizes to be awarded.

Section 20. Revenue Audit/Accounting

20-1. *Independence.* Audits shall be performed by an employee(s) independent of the transactions being audited.

20-2. *Documentation.* The performance of revenue audit procedures, the exceptions noted, and the follow-up of all revenue audit exceptions shall be documented and maintained.

20-3. Controls shall be established and procedures implemented to audit of each of the following operational areas:

a. *Table Games.*

1. Procedures shall be performed by employees who are independent of the transactions being audited/accounted for.
2. Evidence of auditing procedures and any follow-up performed shall be documented, maintained for inspection.
3. A daily recap shall be prepared for the day and month-to-date, which shall include the following information:
 - A. Drop;
 - B. Win; and
 - C. Gross revenue.
4. Monthly, the Revenue Audit/Accounting shall reconcile gross revenue from the general ledger to the month-end daily table games recap.
5. The following procedures shall be performed by Revenue Audit/Accounting using the master game summary prepared by the Count Services Team for each day:
 - A. Reconcile the dollar amount of currency drop proceeds on the master games summary to the dollar amount recorded in the applicable accountability document using, if applicable, the transfer forms indicating all transfers in/out of the currency count room, both during and at the end of the count. Investigate and document any variance noted.
 - B. Recalculate win/loss in total on a daily basis.
 - C. For computerized master game summaries that compute win/loss, accounting employees shall recalculate win/loss in total for at least one (1) day each month.
 - D. Verify that the correct total of win/loss on the master games summary is recorded in the accounting records.
 - E. Examine documents for propriety of signatures.

6. If a table game has the capability to determine drop (i.e., bill-in/coin-drop meters, bill/ticket acceptor, computerized record, etc.) the dollar amount of the drop shall be reconciled to the actual drop by shift. An investigation shall be performed for each table having an unresolved variance in excess of \$200.00 between actual cash and the automated recordings. The investigation performed by Revenue Audit/Accounting and results of investigation shall be documented and maintained for Gaming Commission review upon request.
7. Revenue Audit/Accounting shall review exception reports for all computerized table games systems at least monthly for propriety of transactions and unusual occurrences. The review shall include, but not be limited to, void authorizations.
8. All noted improper transactions or unusual occurrences shall be investigated with the results documented and maintained.
9. For computerized patron tracking systems, Revenue Audit/Accounting shall perform the following procedures for at least one day per quarter:
 - A. Review all point addition/deletion authorization documentation, other than for point addition/deletions made through an automated process, for propriety;
 - B. Review exception reports including point transfers between accounts; and
 - C. Review documentation related to access of inactive and closed accounts.
10. At least annually, the computerized table game patron tracking system shall be reviewed by employees independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (i.e., verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested, if possible, to further verify the accuracy of the configuration parameters (i.e., simulate activity to verify the accuracy of the amount of points awarded). The test results shall be documented and maintained.
11. The following procedures shall be performed on fill/credit slips and marker credit slips by Revenue Audit/Accounting:
 - A. For manual fill/credit slips and manual marker credit slips, for at least one (1) day per month, reconcile the original slip (placed in the table

game drop box) to the restricted copy to verify that the dollar amount of the transaction is the same on both parts of the slip.

- B. For manual fill/credit slips and manual marker credit slips, for at least one (1) day per month, verify that all numerically numbered slips issued are properly accounted for. Investigations shall be performed for all slips that are unaccounted for with the investigation being documented and maintained.
 - C. For at least one (1) day per month, foot (add up) the original slips (placed in the table game drop box) and trace the total to the total fill/credit and marker credit amounts indicated on the master game summary prepared by the Count Services Team. If the reconciliation results in a variance, an investigation shall be performed to determine whether all forms are accounted for with the investigation being documented and maintained.
 - D. For each day, examine a sample of slips for propriety of signatures and proper completion.
12. For all tournaments, drawings, and giveaway programs, the following documentation is required to be maintained:
- A. Copies of the information provided to the patrons describing the tournaments, drawings, and giveaway programs (i.e., brochures, fliers);
 - B. Effective dates; and
 - C. Accounting treatment, including general ledger accounts, if applicable.
 - D. For tournaments, the name of the organizations (or persons) that conducted the tournament on behalf of, or in conjunction with, the gaming enterprise, if any. The extent of responsibilities each organization and the gaming enterprise had in the tournament (i.e., non-profit receives 100% of the entry fees and provides non-cash prizes to the winners with the gaming enterprise being responsible for collecting the entry fees, dealing the tournament and distributing prizes to winners) shall also be documented.
13. At least monthly, Revenue Audit/Accounting shall review all tournaments, drawings, and giveaway programs to confirm proper accounting treatment and proper table games gross revenue win/loss computation.
14. Daily, Revenue Audit/Accounting shall reconcile all tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

15. When payment is made to the winners of a tournament, Revenue Audit/Accounting shall reconcile the tournament entry fees collected to the actual tournament payouts made. This reconciliation is to determine whether, based on the entry fees collected, the payouts made and amounts withheld by the gaming enterprise, if applicable, were distributed in accordance with the tournament rules.

b. *Gaming Devices*

1. Procedures shall be performed by employees who are independent of the transactions being reviewed.
2. For computerized patron tracking systems, the following procedures shall be performed at least one (1) day per quarter:
 - A. Review all point addition/deletion authorization documentation, other than for point additions/deletions made through an automated process, for propriety;
 - B. Review exception reports including transfers between accounts; and
 - C. Review documentation related to access to inactive and closed accounts.
3. At least annually, all computerized patron tracking, promotional accounts, promotion and external bonusing gaming device systems (in-house developed and purchased systems) shall be reviewed by employees independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (i.e., patron tracking system - verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested, if possible, to further verify the accuracy of the configuration parameters (i.e., wagering at a gaming device to verify the accuracy of the amount of points/credits awarded). Documentation of the test results shall be created and maintained.
4. For currency interface systems, at least one (1) drop period per month Revenue Audit/Accounting shall compare the totals on the currency counter report to the system generated count as recorded in the gaming device statistical report. Discrepancies shall be resolved prior to generation/distribution of gaming device reports.
 - A. For gaming enterprises that do not have a currency counter interface system, the gaming enterprise will develop procedures as determined by the Gaming Commission for the reconciliation of meter to drop and the count reflected in the drop report. Variance

amounts as established by policy shall be investigated and documented.

5. Exception reports shall be reviewed for all computerized gaming device systems on a daily basis for propriety of transactions and unusual occurrences. Alternatively, employees not authorized to add, delete or change game programs may perform the review.
6. Procedures shall be performed on a random sampling basis (at least 3% of the gaming devices at each facility, if applicable.) at least monthly to verify that the gaming devices are accurately reporting data to the computerized casino accounting system and to verify the continuing accuracy of the coin-in meter readings as recorded in the final gaming device statistical report.
7. At least annually, Revenue Audit/Accounting shall randomly verify that EPROM or other equivalent game software media changes are properly reflected in the gaming device analysis reports or equivalent.
8. For at least one (1) day each month, Revenue Audit/Accounting shall reconcile the dollar amount of pre-printed active tickets that are created and issued to an accountability area (i.e., cashier, player's club, change booth) for subsequent sale to patrons to the amount reflected in the accountability documents. The reconciliation includes using documents and the computerized casino accounting system reports supporting all additions and reductions of active cash-out tickets.
9. The following procedures shall be performed by Revenue Audit/Accounting each day:
 - A. Review the following gaming device payout (includes promotional payouts) and fill forms for proper completion:
 - i. All computer payout and fill forms prepared as a result of a computer system override.
 - ii. All manual payout and fill forms.
 - iii. A sample of computer payout and fill forms.
 - iv. All voided sequentially-numbered payout forms.
 - B. For a manual payout process, reconcile the gaming device payout and fill forms as follows:
 - i. Foot (add up) the payout and fill forms and trace to the total payout and fill amounts recorded on the cage accountability documents.

- ii. If the reconciliation results in a variance, an investigation shall be performed to determine whether all forms are accounted for with the investigation being documented.
 - iii. Verify that the correct total payout and fill amounts are recorded in the accounting records.
- C. For one (1) cashier, foot (add up) the cash-out tickets redeemed and trace the totals to the corresponding amount recorded in the computerized casino accounting system and to the amount recorded in the applicable accountability documentation.
- D. Reconcile all parts of the form used for increases/decreases to bank accountability inventory, investigate any variances noted, and document the results of such investigations.
- E. The following procedures are performed using the count document completed by the Count Services Team:
 - i. Reconcile the dollar amount of currency drop proceeds on the count sheet to the dollar amount recorded in the appropriate cage/vault accountability documentation. Additionally, transfer forms documenting transfers in/out of the currency acceptor count room during the count, if applicable, shall be considered in the reconciliation. Investigate and document any variance noted.
 - ii. Verify that the correct totals of currency drop proceeds on the count sheet are recorded in the accounting records.
 - iii. Examine for propriety of signatures.
- F. Ensure all single-use gaming device promotional coupons redeemed at booths, cages, etc. (i.e., coupons that cannot be accepted by a gaming device for wagering purposes) are properly canceled to prevent improper recirculation.
- G. Compare the dollar amount of issued, voided, and redeemed cash-out tickets to the unpaid and expired cash-out tickets dollar amount using the reports generated by the computerized casino accounting system for reasonableness (as defined in approved policies and procedures). Investigate and document any variance noted. Examine paid expired cash-out tickets for proper authorization and documentation.
- H. Reconcile all tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

- I. When payment is made to the winners of a tournament, reconcile the tournament entry fees collected to the actual contest/tournament payouts made. This reconciliation is to determine whether based on the entry fees collected, the payouts made and the amounts withheld by the gaming establishment, if applicable, were distributed in accordance with the tournament rules.
10. At least monthly, Revenue Audit/Accounting shall perform the following:
 - A. Foot (add up), for at least one (1) day, the computer payout and fill forms and compare the total to the amount recorded in the computer system payout and fill reports.
 - B. Reconcile gross revenue from the monthly gaming device summary report to the general ledger. Any variances between the gross revenue recorded in the monthly gaming device summary report and the general ledger should be identified by documenting the reason for the variance. This reconciliation is documented and maintained.
 11. At least once a quarter, for each patron kiosk and jackpot kiosk, Revenue Audit/Accounting shall foot (add up) the cash-out tickets redeemed for a week (or one (1) drop period if dropped more frequently) and trace the totals to the totals recorded in the computerized casino accounting system and the related accountability document. This procedure may be performed for different kiosks throughout the quarter as long as each kiosk is examined once a quarter. The audit and the results of investigations into all variances shall be documented by kiosk.
 12. At least monthly, Revenue Audit/Accounting shall review all contests, tournaments, promotional payouts, drawings, and giveaway programs to determine proper accounting treatment and proper gaming device gross revenue win/loss computation.
 13. All gaming device auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the Gaming Commission upon request.

c. *Cage*

1. The cage accountability shall be reconciled to the general ledger at least monthly.
2. For at least one (1) day each month, Revenue Audit/Accounting shall trace the amount of cage deposits to the amounts indicated in the bank statements.
3. For at least two (2) days each year, a count shall be performed of all cage funds. Do not include table inventories. Count all currency and cheques by denomination and/or type. Count individual straps, bags, and impressed

banks on a sample basis. Trace all amounts counted to the amounts recorded on the corresponding accountability forms to ensure the proper amounts are recorded. Maintain documentation evidencing the amount counted for each area and the subsequent comparison to the corresponding accountability form. The count shall be completed within the same gaming day for all areas.

- A. Counts shall be observed by an individual independent of the department being counted. It is permissible for the employee responsible for the funds to perform the actual count while being observed.
- 4. At least annually, select a sample of invoices for cheques purchased and trace the dollar amount from the purchase invoice to the accountability document that indicates the increase to the chip inventory to ensure the proper dollar amount has been recorded.
- 5. For each business year-end, create and maintain documentation evidencing the amount of the chip liability and the change in the liability from the previous year.
- 6. At least one (1) day each month, Revenue Audit/Accounting shall review a sample of returned checks to determine that the required information was recorded by the cage when the check was cashed.
- 7. Revenue Audit/Accounting shall review exception reports for all computerized cage systems (i.e., fill/credit systems) at least monthly for propriety of transactions and unusual occurrences. The review shall include, but is not limited to, voided authorizations. All noted improper transactions or unusual occurrences identified shall be investigated with the results documented.
- 8. At least monthly, Revenue Audit/Accounting shall review all promotional payments, drawings, and giveaway programs to verify proper accounting treatment and proper win/loss computation.
- 9. For all promotional payments, drawings, and giveaway programs the following documentation shall be maintained:
 - A. Copies of the information provided to the patrons describing the promotional payments, drawings, and giveaway programs (i.e., brochures, flyers);
 - B. Effective dates; and
 - C. Accounting treatment, including general ledger accounts, if applicable.

10. At least monthly, Revenue Audit Accounting shall perform procedures to ensure that promotional payments, drawings, and giveaway programs are conducted in accordance with information provided to the patrons.
 11. Daily, Revenue Audit/Accounting shall reconcile all parts of forms used to document increases/decreases to the total cage inventory, investigate any variances noted, and document the results of such investigations.
 12. All audits and any follow-up performed shall be documented and maintained.
- d. *Gaming Promotions and Patron Tracking*
1. At least monthly, review promotional payments, drawings, and giveaway programs to verify payout accuracy and proper accounting treatment in accordance with the rules provided to patrons.
 2. At least monthly, for computerized patron tracking systems, perform the following procedures:
 - A. Review authorization documentation for all manual point additions/deletions for propriety;
 - B. Review exception reports, including transfers between accounts; and
 - C. Review documentation related to access to inactive and closed accounts.
 3. At least annually, all computerized patron tracking systems shall be reviewed by employee(s) independent of the person(s) that set up or make changes to the system parameters. The review shall be performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization document and maintain the test results.
- e. *Complimentary Services or Items.* The gaming enterprise's Compliance Department or Revenue Audit/Accounting shall review the reports required in Section 9-3 at least monthly.
- f. *Drop and Count*
1. Unannounced currency counter and currency counter interface (if applicable) tests shall be performed by employees independent of the cage/vault, Count Services Team, Table Games Department, and Slot Operations Department (as applicable) on at least a quarterly basis with the test results documented and maintained. All denominations of currency and all types of cash out tickets counted by the currency counter shall be tested.

The result of these tests shall be documented and signed by the employee(s) performing the test.

2. For computerized key security systems controlling access to gaming device drop and count keys, Revenue Audit/Accounting, independent of the system administrator, shall perform the following procedures:
 - A. Daily, review the report generated by the computerized key security system indicating the transactions performed by the individual(s) that adds, deletes, and changes user's access within the system (i.e., system administrator). Determine whether the transactions completed by the system administrator provide an adequate control over the access to the gaming device drop and count keys. Also, determine whether any gaming device drop and count key(s) removed or returned to the key cabinet by the system administrator was properly authorized.
 - B. For at least one (1) day each month, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual gaming device drop and count key removals or key returns occurred.
 - C. At least quarterly, review a sample of users that are assigned access to the gaming device drop and count keys to determine that their access to the assigned keys is adequate relative to their job position.
 - D. All noted improper transactions or unusual occurrences shall be investigated with the results documented.
3. At least quarterly, an inventory of all count room, bill/ticket acceptor canister release, storage rack, gaming device fill cabinet, and gaming device door and override and panel keys, shall be performed, and reconciled to records of keys made, issued, and destroyed. Investigations shall be performed for all keys unaccounted for, with the investigation being documented.
4. For computerized key security systems controlling access to table games drop and count keys, Revenue Audit/Accounting, independent of the system administrator, will perform the following procedures:
 - A. Daily, review the report generated by the computerized key security system indicating the transactions performed by the individual(s) that adds, deletes, and changes user's access within the system (i.e., system administrator). Determine whether the transactions completed by the system administrator provide an adequate control over the access to the table games drop and count keys. Also, determine whether any table games drop and count key(s) removed

or returned to the key cabinet by the system administrator was properly authorized.

- B. For at least one (1) day each month, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual table games drop and count key removals or key returns occurred.
 - C. At least quarterly, review a sample of users that are assigned access to the table games drop and count keys to determine that their access to the assigned keys is adequate relative to their job position.
 - D. All noted improper transactions or unusual occurrences shall be investigated with the results documented.
5. Quarterly, an inventory of all count room, table game drop box release, storage rack, contents keys and override and panel keys shall be performed, and reconciled to records of keys made, issued, and destroyed. Investigations shall be performed for all keys unaccounted for, with the investigation being documented.

g. *Patron Deposit Accounts*

- 1. At least weekly, reconcile patron deposit account liability to the system record.
- 2. At least weekly, review manual increases and decreases to/from patron deposit accounts to ensure proper adjustments were authorized.

h. *Lines of Credit*

- 1. At least three (3) times per year, an employee independent of the cage, credit, and collection functions shall perform the following review:
 - A. Select a sample of line of credit accounts;
 - B. Ascertain compliance with credit limits and other established credit issuance procedures;
 - C. Reconcile outstanding balances of both active and inactive (includes write-offs and settlements) accounts on the accounts receivable listing to individual credit records and physical instruments. This procedure need only be performed once per year for inactive accounts;
 - D. Examine line of credit records to determine that appropriate collection efforts are being made and payments are being properly recorded; and

- E. For at least five (5) days during the review period, subsequently reconcile partial payment receipts to the total payments recorded by the cage for the day and account for the receipts numerically.
- i. *Inventory*
 - 1. At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to, cards, dice, keys, pre-numbered and/or multi-part forms.
 - 2. Periodically perform minimum bankroll calculations to ensure that the gaming enterprise maintains cash in an amount sufficient to satisfy the gaming enterprise's obligations.

Section 21. Lines of Credit

21-1. *Establishment of Line of Credit Policies and Procedures*

- a. If a gaming enterprise extends lines of credit, controls shall be established and policies and procedures implemented to safeguard the assets of the gaming enterprise. Such controls shall include a lines of credit policy including the following:
 - 1. A process for the patron to apply for, modify, and/or re-establish lines of credit, to include required documentation and credit line limit;
 - 2. Authorization levels of credit issuer(s);
 - 3. Identification of employees authorized to issue lines of credit;
 - 4. A process for verifying an applicant's credit worthiness;
 - 5. A system for recording patron information, to include:
 - A. Name, current address, and signature;
 - B. Identification credential;
 - C. Authorized credit line limit;
 - D. Documented approval by an employee authorized to approve credit line limits;
 - E. Date, time and amount of credit issuances and payments; and
 - F. Amount of available credit.
 - 6. A process for issuing lines of credit to:

- A. Verify the patron's identity;
 - B. Notify the patron of the lines of credit terms, including obtaining patron's written acknowledgment of the terms by signature;
 - C. Complete a uniquely identified, multi-part, lines of credit issuance form, such as a marker or counter check, which includes the terms of the lines of credit transaction;
 - D. Obtain required signatures;
 - E. Determine the amount of the patron's available lines of credit;
 - F. Update the credit balance record at the time of each transaction to ensure that lines of credit issued are within the established limit and balance for that patron; and
 - G. Require the employee issuing the lines of credit to be independent of the employee who authorized the lines of credit.
7. A policy establishing credit line limit exceptions to include the following:
- A. Identification of the employee(s) authorized to permit a credit line limit to be exceeded;
 - B. Authorization thresholds; and
 - C. Required documentation.
8. A policy governing increases and decreases to a patron's lines of credit account balances to include the following:
- A. Documentation and record keeping requirements;
 - B. Independence between the department that receives the payment and the department that maintains custody of the credit balance for payments made by mail;
 - C. Collections;
 - D. Periodic audits and confirmation of balances; and
 - E. If a collection agency is used, a process to ensure documentation of increases and decreases to the lines of credit account balances.
9. A policy governing write-offs and settlements to include:

- A. Identification of employee(s) authorized to approve write-offs and settlements;
- B. Authorization levels for write-offs and settlements of lines of credit instruments;
- C. Required documentation for write-offs and settlements;
- D. Independence between the employee who established the lines of credit and the employee writing off or settling the lines of credit instrument; and
- E. Necessary documentation for the approval of write-offs, settlements, and transmittal to the appropriate department for recording and deductibility.

Section 22. Patron Deposit Accounts and Cashless Systems

22-1. Patron Deposit Accounts and Cashless Systems

- a. Smart cards cannot maintain the only source of account data.
- b. *Establishment of Patron Deposit Account.* The following standards apply when a patron establishes an account.
 - 1. The patron shall appear at the gaming enterprise in person, at a designated area of accountability, and present valid government issued picture identification; and
 - 2. An employee shall examine the patron's identification and record the following information:
 - A. Type, number, and expiration date of the identification;
 - B. Patron's name;
 - C. A unique account identifier;
 - D. Date the account was opened; and
 - E. The employee's name.
- c. The patron shall sign the account documentation before the employee will activate the account.
- d. The employee or cashless system shall provide the patron deposit account holder with a secure method of access.

22-2. *Patron Deposits, Withdrawals, and Adjustments*

- a. Prior to the patron making a deposit or withdrawal from a patron deposit account, the employee or cashless system shall verify the patron deposit account, the patron identity, and availability of funds. A PIN is an acceptable form of verifying identification.
- b. Adjustments made to the patron deposit accounts shall be performed by a supervisor or above.
- c. When a deposit, withdrawal, or adjustment is processed by an employee, a transaction record shall be created containing the following information:
 1. Same document number on all copies;
 2. Type of transaction (deposit, withdrawal, or adjustment);
 3. Name or other identifier of the patron;
 4. The unique account identifier;
 5. Patron signature for withdrawals, unless a secured method of access is utilized;
 6. For adjustments to the account, the reason for the adjustment;
 7. Date and time of transaction;
 8. Amount of transaction;
 9. Nature of deposit, withdrawal, or adjustment (i.e., cash, check, cheques); and
 10. Signature of the employee processing the transaction.
- d. When a patron deposits or withdraws funds from a patron deposit account electronically, the following shall be recorded:
 1. Date and time of transaction;
 2. Location (i.e., kiosk);
 3. Type of transaction (i.e., deposit, withdrawal);
 4. Amount of transaction; and
 5. The unique account identifier.

- e. Patron deposit account transaction records shall be available to the patron upon reasonable request.
- f. If electronic funds transfers are made to or from a gaming enterprise bank account for patron deposit account funds, the bank account shall be dedicated and may not be used for any other types of transactions.