

# GRAND RONDE GAMING COMMISSION



## MINIMUM INTERNAL CONTROL STANDARDS

*(Effective January 24, 2012)*

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**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 1: GENERAL**

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**(a) INTERNAL CONTROL**

- (1) Statement 78 of the American Institute of Certified Public Accountants Statements on Auditing Standards defines internal control as "... a process effected by an entity's board of directors, management and other personnel designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting, (b) effectiveness and efficiency of operations, and (c) compliance with applicable laws and regulations."
- (2) The gaming operation shall ensure that internal controls for the gaming operation are current and they are in compliance with the MICS.

**(b) GENERAL REQUIREMENTS**

- (1) The MICS are requirements for the minimum level of controls for the gaming operation. They are the foundation for policies and procedures required by the Regulations and implemented by the gaming operation to ensure the security and integrity of the gaming operation.
- (2) Regulation 5.1.2 requires the adoption of and adherence to policies and procedures governing gaming activities. Noncompliance with any MICS or control procedure is a violation of the Regulations.

**(c) MINIMUM REQUIREMENTS**

- (1) The NIGC and State have promulgated a minimum level of required internal control standards. The MICS meet or exceed the minimum levels required by NIGC and State.
- (2) Alternate internal controls that provide an equal or greater level of control are acceptable as approved by the Director.
- (3) The gaming operation shall continuously adhere to the minimum requirements set forth by the MICS.

**(d) APPROVAL OF MICS AMENDMENTS**

- (1) Any amendments to the MICS require Commission approval in accordance with the Regulations. The Director may approve alternative MICS that accomplish the intended control required by the MICS.
- (2) The gaming operation shall ensure that prior to any changes in gaming activities, appropriate changes in the MICS and policies and procedures are completed.

**(e) INFORMATION SYSTEMS AND COMPUTERS**

- (1) Computer systems and applications that require alternate controls shall meet or exceed the MICS and shall be approved by the Director.
- (2) Control procedures shall be documented and submitted to the Director not less than thirty (30) days prior to implementation.
- (3) Back-up procedures shall be in place for instances relating to computerized sys-

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tem failures. Manual procedures shall provide controls that provide an equal or greater degree of control.

**(f) SEGREGATION OF DUTIES AND NEPOTISM**

- (1) The gaming operation shall ensure that all job duties are sufficiently segregated to minimize weaknesses in internal control.
- (2) Immediate family members shall not participate in gaming activities where a potential for collusion would jeopardize assets. The gaming operation shall develop rules and procedures for the segregation of duties among incompatible positions for immediate family members.

**(g) DOCUMENTATION/RECORD RETENTION**

- (1) Documentation of gaming activities and other proprietary information shall be restricted to authorized personnel.
- (2) In accordance with the Regulations, all documents and records shall be maintained for not less than five (5) years unless waived by the Director.
- (3) Prior to the establishment of any record retention schedule and the destruction of any records or documentation, the gaming operation shall ensure that the elapsed time is in compliance with the Regulations and any waivers in effect.

**(h) VERIFICATIONS**

Signatures and employee numbers of participating employees shall evidence any procedure requiring verification.

*(End of Section)*

## MINIMUM INTERNAL CONTROL STANDARDS

### CHAPTER 2: DEFINITIONS

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**Actual hold:** Coins-in less coins-out, less manual payouts for VLT's.

**Authorized Personnel:** Authorized individuals, employees or persons whose functions are authorized by management and are required to be defined in approved policies and procedures.

**Bank:** The inventory of cash, coins, chips and other monetary instruments, in the cage and gaming areas.

**Base amount:** The starting amount of a progressive jackpot.

**Base level:** The average win-to-drop percentage for the previous business year.

**Bill validator:** A locked device attached to an electronic gaming device or kiosk that accepts currency/tickets.

**Booth cashier:** The custodian of a change booth fund.

**Boxperson:** A table games employee that operates and supervises a craps game.

**Breakage:** A rounding method used in connection with the computation of OTB wagering payouts.

**Cage:** A secure work area within the gaming facility for cashiers, and a storage area for banks, keys and other sensitive assets. The cage does not include bingo, keno and OTB.

**Chip:** A non-metal or partly metal representation of value, issued by the gaming operation for use at table games or poker games at the gaming facility.

**Closer:** The original form on which a table inventory is recorded at the end of a shift.

**Coin-in:** The total amount wagered from credits played.

**Commission:** Members of the Grand Ronde Gaming Commission appointed in accordance with the Ordinance.

**Complimentary:** Merchandise or services given to a player as an inducement to wager in a game, exclusive of player club point redemptions.

**Count:** (a) The total funds counted for a particular game, shift or other period. (b) The count of the drop box contents.

**Count sheet:** A form used to record the count of a bank or window drawer.

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**Credit:** A transaction whereby a supply of chips, coins, or currency is transferred from a gaming station to the cage.

**Credit slip:** A three-part, pre-numbered form used to record the return of monetary value from a gaming activity to the cage.

**Critical IT systems:** All hardware, application software, and data file components used for the operation of a game, with the exception of video lottery terminals and user workstations.

**Dealer:** An employee who conducts a table game, or poker game, in the gaming facility.

**Digital Video Recording:** A recording of images on digital media.

**Director:** The Director of the Grand Ronde Gaming Commission or his designee.

**Drop:**

(a) The act of removing drop boxes from tables or VLT's and transporting them to the count or secured area during the designated drop time.

(b) The total amount of cash and/or chips contained in and removed from the drop box.

**Drop box:**

(a) A locked container permanently marked with the game, shift and a number corresponding to a permanent number on a table.

(b) A locked container inside a locked bill validator.

**Drop box release key:** The key used to release a drop box from a bill validator or table.

**Drop storage rack key:** The key used to release drop boxes from the storage rack.

**DVR:** Digital Video Recording.

**Electronic player station:** A computer based terminal designated for the play of a Class II game.

**Electronic Promotion and Bonus Systems:** Method of providing free or bonus play on video lottery terminals.

**Electronic validation:** Method to validate a payout by computerized assignment to a player or by use of a personal identification number.

**Emergency drop:** Any drop performed at a time other than the designated drop time.

**EPROM:** Erasable programmable read-only memory.

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**Fill:** A transaction whereby a supply of chips, coins, or currency is transferred from a cage to a gaming station.

**Fill slip:** A three-part, pre-numbered form to record the fill.

**Fixed camera:** A camera fixed into a set position and can only be moved manually.

**Floor pars:** The sum of the theoretical hold percentages of all VLT's in a denomination weighted by the currency-wagered and/or credit-wagered contribution

**Funds:** Cash, coins, chips, and other monetary instruments.

**Game:** Any Class II or Class III game approved by the Commission.

**Gaming activity:** Any process related to the operation of a game, including play, surveillance, security, revenue collection, accounting for, reporting and auditing of the results produced.

**Gaming area:** Any approved location at the gaming facility designated for the operation of a game.

**Gaming facility:** The buildings and grounds located on the Tribe's land and any property that is used by the Tribe in connection with gaming, including any property used to store gaming equipment, supplies or records.

**Gaming station:** Any table, counter, electronic player station, or VLT designated for the acceptance of a wager.

**Gross gaming revenue:** The net win from games.

**Hand pay:** Manual payment of a VLT payout.

**Handle:** The total amount wagered.

**Hold:** The ratio of win to currency wagered and/or credits wagered for VLT's, and electronic player stations, and win to drop for other games.

**House banked game:** Each player opposes the gaming operation and the gaming operation opposes each player on behalf of the tribe.

**Internal progressive systems:** One or more electronic gaming devices at the gaming facility, not networked with other gaming jurisdictions, involving a common progressive jackpot(s) for participating players.

**Jackpot payout:** Direct payment to a player as a result of a wager, including:

(a) cash, coins, chips or check;

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- (b) credit to the player's bank account;
- (c) the actual cost to the gaming operation to offer a personal property award; or
- (d) cash paid directly to an independent financial institution by the gaming operation for the purchase of an annuity to pay a player's winnings.

**Jackpot payout ticket:** A form on which a jackpot payout is recorded.

**Kiosk:** A device made available to players on the gaming floor for ticket redemption and currency changing.

**Lammer:** A type of chip used to evidence transfers between table banks and a cage.

**Linked progressive systems:** Electronic gaming devices, monitored by an independent vendor, networked with other gaming jurisdictions involving a common progressive jackpot(s) for participating players.

**Manual pay:** A hand payment to a player as a result of a VLT ticket error. Also referred to as short pay.

**Master game report (stiff sheet):** A form used to record, by day, each table game's winnings and losses. This form reflects the opening and closing table inventories, fills and credits, and the drop and win.

**Meter:** An electronic or a mechanical apparatus in a VLT that records the number of credits wagered, the number of times the handle was pulled and the number of credits paid out to winning players.

**Meter reading summary:** A report of VLT meter readings recorded when the bill validator drop box is removed from the cabinet.

**MICS:** Grand Ronde Gaming Commission Minimum Internal Control Standards.

**Monitoring and control system (MCS):** An on-line system to monitor VLT's through secure transmissions of data including, but not limited to, detecting, logging and reporting designated game events, collecting meter and financial data and security information.

**Multi-game VLT:** A VLT that includes more than one type of game.

**Multiplexer:** A device that combines several electronic signals into one signal.

**Net win:** The difference between gaming wins and losses before deducting costs and expenses.

**Opener:** The form on which the table inventory at the beginning of a shift is recorded.

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**Order for credit:** A document prepared to authorize the preparation of a credit slip.

**Order for fill:** A document prepared to authorize the preparation of a fill slip.

**Pan-tilt-zoom (PTZ):** A camera that has the capabilities of panning right and left, up and down, and adjusting the focus on a specific area.

**Par sheet:** A specification sheet provided by the manufacturer for a VLT that shows hold percentages, model number, hit frequency reel combination, number of reels, reel strip listing, and number of credits that can be accepted.

**Payout:** The amount paid out on a winning wager.

**Payout schedule:** A statement printed on cards, paper, plexiglass, or other suitable material showing the payouts or awards applicable to a particular game or device.

**Pit:** An area in the gaming facility enclosed or encircled by gaming tables.

**Player:** Any individual that places a wager on any game at the gaming facility.

**Progressive jackpot:** A jackpot that increases over time or as a game is played.

**Promotion:** A gift, coupon prize, bonus or award, exclusive of player club points and promotional advertising gifts, given as an inducement to game.

**Promotional advertising gifts:** minor gifts less than \$25 given to the public to increase "brand" awareness of the gaming operation.

**Promotional payout:** Merchandise or awards given to players by the gaming operation based on a wagering activity.

**Rabbit ears:** Generally a V-shaped device that holds the numbered balls selected during a keno or bingo game so that the numbers are visible to players and employees. For purposes of the MICS, rabbit ears may also refer to a similar device.

**RAID 5:** Independent data disks with distributed parity blocks.

**Rake:** A fee, or percentage of the total amount wagered by players during a hand in a poker game, that may be taken by the gaming operation, for maintaining or dealing the game.

**Random number generator:** A computer program that is capable of producing numbers, within a prescribed range, such that each possible value of the resulting number has an equal chance of occurring.

**Recording device:** Any device used to record audio and/or video images.

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**Reel strip settings:** Setting positions on VLT reels so that they correspond to the calibrations regulating winning combinations and payoffs.

**Reel symbols:** Symbols listed on reel strips of VLT's.

**Runner:** An employee independent of the gaming department and transaction, who transports chips/cash between gaming station and cage cashier.

**Secured area:** A locked area in the gaming facility generally containing sensitive gaming supplies, funds, computer hardware and software, surveillance equipment, financial information, and any other locations as designated by the Director.

**Sensitive gaming supplies:** Any gaming supplies that may affect the outcome or payouts of games including playing cards, dice, bingo balls, VLT paper and other equipment as designated by the Director.

**Sensitive key:** A key to any secured area or gaming equipment in the gaming facility.

**Shift:** A designated time period within the gaming operation business day, for accounting and drop purposes, not to exceed twenty-four (24) hours.

**Signature:** At a minimum, an initial followed by the complete last name.

**Slip dispenser:** A locked device used primarily in a cage to dispense fill and credit slips in numerical sequence.

**Table game:** House banked game.

**Table inventory:** Total gaming operation chips at a table.

**Theoretical hold:** The intended hold percentage or win of a VLT as computed by reference to its payout schedule, and reel strip settings or EPROM.

**Tribes:** The Confederated Tribes of the Grand Ronde Community of Oregon.

**Vault:** A secure room within a cage where currency, coins, checks, and chips are stored.

**Verified funds:** Funds counted by two or more employees and reconciled to recorded amounts.

**Video lottery terminal (VLT):** An electronic gaming device that:

(a) contains a microprocessor with a random number generator;

(b) allows a player to play games of chance, some of which may be influenced by skill;

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- (c) is activated by the insertion of currency or by the use of credits; and
- (d) awards game credits, replays, or a written statement of the player's accumulated credits, redeemable for cash or check.

**VLT bill-in meter:** A VLT meter that tracks the number of bills by denomination accepted by the bill validator.

**VLT credits-wagered meter:** A VLT meter that records the amount wagered as a result of credits played.

**VLT payout:** The number of credits paid out by a VLT as the result of a winning combination.

**VLT payout form:** A document used to record jackpots and manual pays.

**VLT ticket:** A printed document issued by a VLT that represents cash value redeemable at another VLT, kiosk or a cage.

**Wager:** A sum of money risked on an uncertain occurrence.

*(End of Section)*

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**CHAPTER 3: DROP AND COUNT**

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**(a) DROP - GENERAL**

- (1) The drop shall begin only at the designated drop time.
- (2) The drop team supervisor shall ensure the Surveillance Department is notified when the drop is to begin.
- (3) Adequate security shall be provided for drop boxes and the drop cart at all times during the drop to prevent unauthorized access to drop boxes. The Security Officer shall notify the Surveillance Department when a drop cart is to be removed from the cart storage area/count room, and from a gaming area.
- (4) The cart used to transport drop boxes shall be:
  - A. fully enclosed;
  - B. lockable; and
  - C. secured at all times.
- (5) Drop boxes from a gaming department shall be placed in a separate area on the drop cart, and not be commingled with boxes from another gaming department.
- (6) Full drop boxes shall be transported directly to the count room, or other similarly restricted location, by a Security Officer and two (2) drop team members, and locked in the drop cart until the count takes place.
- (7) Access to stored drop boxes shall be restricted to authorized personnel.
- (8) Empty drop boxes shall be stored in a secured area, and access shall require a minimum of two authorized personnel independent of the cage.
- (9) If an emergency occurs during the drop process, the drop boxes shall be returned to the count room and secured.
- (10) An emergency drop shall not be performed by less than two individuals, including one independent of the gaming department. Emergency drop procedures shall be approved by the Director.
- (11) The drop team shall not participate in the count of the drop.
- (12) Locked drop boxes shall be used for funds accepted by VLT's, electronic player stations, table games and poker.
- (13) Full drop boxes shall be identified during the drop by gaming station number. An automated drop system may be used for identifying and accounting for drop boxes during and after the drop. An automated drop system shall include:
  - A. bar coding and scanning of drop boxes; and
  - B. a secure method for identifying and reporting all boxes dropped and not dropped.

**(b) DROP - TABLE GAMES/POKER**

- (1) All tables shall have drop boxes located on the right side of the inventory tray, except as follows:

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- A. the drop box for each craps table shall be located directly in front of the boxperson;
  - B. the drop box for each roulette table shall be located directly to the left of the dealer; and
  - C. each poker table shall have one drop box with the drop slot located to the right of the table tray, with a cover over the drop slot, which when activated will cause the rake to drop directly into the drop box.
- (2) A drop box shall be:
- A. a locked container used only for cash, coins, chips or coupons received and forms used in connection with table accountability;
  - B. locked to the table and separately keyed from the container itself; and
  - C. permanently marked to indicate the game, table number and shift clearly visible at a distance of twenty feet.
- (3) Drop slot openings shall be designed or protected to prevent playing cards, or other unintended items, from entering the drop box.
- (4) Emergency drop boxes may be maintained without numbers or markings, provided the word "Emergency" is temporarily imprinted thereon and, when put into use, shall be marked with the table number, game and shift.
- (5) The setting out of empty drop boxes shall be a continuous process.
- (6) The poker drop shall be performed by a minimum of two Security Officers, and for table games a minimum of one additional person independent of the Table Games Department.
- (7) All tables shall be dropped each business day.
- (8) The drop team member removing drop boxes from the tables shall not have more than one drop box in possession for table games and two boxes in possession for poker.
- (9) A drop team member shall transport no more than four full drop boxes to the storage cart at one time.

**(c) DROP – BILL VALIDATORS**

- (1) The drop shall be performed by a minimum of one Security Officer, and two employees independent of the gaming department.
- (2) The Security Officer shall be responsible for observing the drop process and providing security over the cart.
- (3) Each drop team member shall be in view of another team member at all times during the drop.
- (4) As each bill validator compartment is opened, the drop box shall be identified with the respective gaming station number.
- (5) The drop team member removing drop boxes shall not have more than one drop box in possession.

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- (6) Full drop boxes shall remain in the possession of the drop team member until placed in the storage cart.
- (7) A drop team member shall transport no more than four full drop boxes to the storage cart at one time.
- (8) **RESERVED.**

**(d) COUNT ROOM**

- (1) The count room shall remain locked at all times with access restricted to authorized personnel.
- (2) The count of drop box contents shall be performed in the count room or equivalently secured area. The count supervisor shall ensure the Surveillance Department is notified when the count is to begin.
- (3) Any items or audio transmissions extraneous to the count shall not be allowed in any area where the count is taking place.
- (4) All trash in the count room shall be placed in a transparent bag and removed at the end of the count by a Security Officer for inspection and disposal.
- (5) The Surveillance Department shall be notified prior to any person entering or exiting the count room.
- (6) Except for emergencies, funds shall not be left unsecured in the count room. A Security Officer shall accompany anyone other than the count team if unsecured funds are in the count room.
- (7) Counts from separate revenue centers occurring simultaneously in the count room shall not be commingled.
- (8) The count team shall consist of a minimum of three persons and meet the following requirements:
  - A. The count team shall be independent of the cage, revenue transactions and subsequent accounting for the drop.
  - B. Count team members shall be rotated on a routine basis, where the count team is not consistently the same three individuals more than four days per week.
  - C. While the count is in process, the count team shall wear pocketless coveralls that shall have loosely fitted sleeves, pant legs with no cuffs, no collars and zipper in the front that shall remain fully closed.
  - D. The count team shall not be allowed to exit or enter the count room during the count except for emergencies or scheduled breaks. At no time when uncounted and unsecured funds are present shall there be less than three count team members in the count room.
  - E. At no time, other than in an emergency, shall a count team member be replaced by a new member after the count has commenced.

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**(e) COUNT PROCESS**

- (1) General count process.
  - A. All drop carts shall remain locked until ready for the count.
  - B. Full drop boxes shall be transferred to a work area designated for recording box information and emptying contents.
  - C. The count team member who empties the box shall announce audibly, for recording by an audio recording device, the identifying box number for bill validators and the game, and box number for table games.
  - D. After the box is emptied, the inside of the box shall be shown to another member of the count team and to the surveillance camera.
  - E. After the boxes have been emptied and returned to the cart, the number of boxes shall be verified and the cart locked. All boxes shall be accounted for prior to completion of the count.
  - F. If currency counters or automated count machines are used, the loading and unloading of all currency and redeemed tickets shall be observable by another count team member.
  - G. Corrections to original information entered on count documents shall be made in ink by crossing out the error, entering the correct figure above the error, and initialing the document by the two employees verifying the change.
  - H. The count sheet and/or report shall be reconciled to the drop by a count team member who does not act as the sole recorder.
  - I. After the total currency counted has been recorded on the count sheet, count team members shall attest to the accuracy of the count by signature, and employee identification number.
  - J. All funds shall:
    - i. be released to an independent cage employee for verification;
    - ii. be certified by signature and employee identification number as to the accuracy of the amounts transferred; and
    - iii. include a detailed count of loose currency and bulk count of strapped bundles of currency in the presence of a count team member.
  - K. For any discrepancy of \$100 or more:
    - i. the Surveillance Department shall be notified;
    - ii. a count team member and cashier independent of the first cashier shall recount the currency;
    - iii. any unreconciled discrepancies shall be promptly communicated to the Casino Controller; and
    - iv. a report shall be promptly prepared and forwarded to the Director.
  - L. The count sheet, with all supporting documentation, shall be deliv-

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ered to the Accounting Department by an employee independent of the cage or stored in a locked container controlled by the Accounting Department.

- (2) Automated count process.
- A. The currency and ticket count shall be performed by an automated count machine capable of accepting, processing, and reporting all currency and tickets collected from each day's drop.
  - B. Each drop box shall be identified by gaming station number, which shall be electronically scanned or manually entered into the system. A machine readable form shall be printed to identify and segregate box contents for count purposes. Preprinted forms may be used if compatible with the machine.
  - C. Each box shall be individually opened, contents removed, placed in a clear tray with the printed form in a manner to be correctly accepted for processing, and not commingled with contents from other boxes.
  - D. Preliminary count reports shall be reviewed to ensure that all boxes were counted. The boxes identified by the count machine shall be reconciled to the boxes dropped as recorded in the drop system. Any discrepancies shall be resolved prior to the completion of the count.
  - E. If the automated count machine malfunctions, and the count can be reasonably delayed until repairs are made, all funds shall be secured until repairs are completed and the count process restarted. If the count cannot be reasonably delayed, the count shall be performed in accordance with the manual count process.
- (3) Manual count process.
- A. Drop boxes shall be individually emptied on the count room table.
  - B. The contents of each box shall be segregated into separate stacks on the count table by denominations of currency and document type in full view of surveillance cameras.
  - C. The currency shall be counted separately by at least two count team members who have no knowledge of the other's total count. Currency counters may be used to assist in the count, if available.
  - D. The accuracy of the count shall be confirmed by at least one other count team member and immediately recorded in ink on a count sheet prior to combining currency and redeemed tickets from other counted currency and redeemed tickets.
- (4) Table Games.
- A. Breaks shall not be scheduled during the table games count.
  - B. The contents of each box shall be emptied on the count table and sorted by cash, coins, coupons and documents, in such a manner to prevent the commingling of funds between drop boxes.
  - C. The following information shall be recorded on the count sheet by

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 3: DROP AND COUNT**

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- game, table number and shift:
- i. total amount of currency and other items counted;
  - ii. amount of the opener and closer;
  - iii. slip number and amount of each fill and credit;
  - iv. total amount of all fills and credits; and
  - v. win or loss.
- D. The original and first copy of fill/credit slips shall be matched or otherwise reconciled by the count team to verify that the total dollar amounts for the shift are identical. All orders for fill/credit shall also be matched to the fill/credit slips.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 4: CAGE**

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**(a) GENERAL**

- (1) The Cage Department shall be responsible for all cages and accountable for cage inventories. Procedures and documentation requirements for similar transactions shall be standardized for all cages and other areas performing cage functions.
- (2) Cage personnel shall:
  - A. maintain custody of cage inventories comprising cash, coins, checks authorized by the Regulations, chips, accountability forms, documents and records;
  - B. receive funds from count rooms;
  - C. receive, distribute, and redeem chips in accordance with the Regulations and MICS;
  - D. perform periodic verification of chip security features;
  - E. issue fills and receive credits from gaming areas;
  - F. pay winnings in accordance with the MICS; and
  - G. perform functions normally associated with the operation of a cage.
- (3) Cashier banks shall be:
  - A. maintained on an imprest basis;
  - B. contained in a secure area with access allowed only to the individual responsible for the bank; and
  - C. locked when left unattended.
- (4) Access to the cage shall be restricted to authorized personnel.
- (5) Transfer of funds.
  - A. Transfers of cash \$5,000 or more shall require notification to the Security and Surveillance Departments and be accompanied by a Security Officer. If a Security Officer is unavailable for inter-cage transfers, a Cage Supervisor may accompany transfers.
  - B. Voided transactions recorded on pre-numbered forms required for transfer of funds shall include signatures and badge numbers of the cashier and another employee.
  - C. The transportation of funds to/from the gaming facility shall be performed by an insured, reputable armored car service.
  - D. Funds shall be verified prior to transfers between gaming departments and cages.
- (6) If the ticket validation system becomes temporarily inoperable, cashiers shall follow the procedures of MICS 18(c)(8).

**(b) DOCUMENTATION**

- (1) Cage activity shall be summarized per shift on a cage accountability form.
- (2) Increases and decreases to the cage inventory shall be supported by documentation.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 4: CAGE**

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- (3) Cage inventories shall be:
  - A. Independently counted and verified by the outgoing cashier and incoming cashier or supervisor; and
  - B. supported by count sheets that include signatures and employee identification numbers of verifiers.
- (4) All inventory transfers to/from and within the cage shall be accounted for and documented.
- (5) Any discrepancies in cage counts shall be documented and investigated.
- (6) At the conclusion of each shift, copies of count, inventory and related documentation shall be forwarded to the Accounting Department or stored in a locked container controlled by the Accounting Department.
- (7) Corrections to original information entered on count documents shall be made by crossing out the error, entering the correct figure and initialing the document by the two employees verifying the change.

**(c) FILLS AND CREDITS**

- (1) Unissued fill and credit slips shall be safeguarded, securely maintained for distribution and use, and accounted for by a department independent of the cage and the requesting department.
- (2) Slip preparation.
  - A. Fill and credits shall be prepared in accordance with MICS 13(c).
  - B. The Surveillance Department shall be notified of the time when a fill/credit will be made.
- (3) Void slips.
  - A. The cashier shall clearly mark "void" across the face of the original and first copy.
  - B. The cashier and runner shall sign their name and employee identification number on both the original and first copy.
  - C. The cashier shall submit the original and first copy to the Accounting Department.
- (4) Personnel from the cage or gaming departments shall not have access to restricted copies of fill/credit slips.

**(d) CHECK CASHING**

The cashier shall comply with examination and documentation requirements of the issuer of guaranteed drafts/checks.

**(e) CASH DISPENSING MACHINES**

- (1) Any machines, owned or leased by the gaming operation, that are used to dispense cash including, but not limited to, kiosks, currency changers and ATM's shall be maintained on an imprest basis.
- (2) The Cage Department shall be responsible for maintaining, verifying and replenishing imprest funds designated for these machines.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 4: CAGE**

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- (3) Imprest funds shall be counted and verified prior to replenishment of the imprest amounts and subject to the documentation requirements of MICS 4(b). Verification shall include agreement to dispensed amounts recorded by the machines.
- (4) Kiosk bill-in/ticket-in meter readings shall be reconciled to the recorded drop amounts and replenished amounts.
- (5) Cash cassettes shall be locked or sealed with tamper proof seals.

**(f) PROCEDURES REQUIRING APPROVAL BY THE DIRECTOR**

The following require Director approval prior to implementation:

- (1) cashing of checks allowed by the Regulations;
- (2) procedures that address extraneous items (e.g., coats, purses, boxes) transported to/from the cage;
- (3) procedures for the removal of trash from the vault and cages;
- (4) chip acquisitions and redemptions in accordance with the Regulations; and
- (5) procedures for customer deposits and temporary retention of unpaid winnings.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 5: ACCOUNTING**

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**(a) GENERAL**

- (1) Accounting functions shall be performed by personnel who are independent of the transaction's origin.
- (2) Any unusual transactions and cash variances that are required by the Regulations to be reported to the Director shall be investigated and the results recorded for audit purposes.
- (3) All accounting procedures shall be documented in writing and be performed to ensure that all transactions are accurately accounted for, recorded and reported.
- (4) Accounting procedures shall be performed for gaming revenue and expense transactions within seven (7) days of the transaction date and include daily reconciliations of totals.
- (5) For random number generators affecting outcomes of games other than VLT's, at least weekly the numerical frequency distribution shall be reviewed for potential patterns.
- (6) Accounting employees shall prepare reports identifying any exceptions to the Regulations and MICS, and forward to the department director and manager for review.
- (7) Personnel access listings shall be reviewed periodically for inappropriate functions assigned to employees.

**(b) RECORD-KEEPING**

- (1) All documents and records prepared shall be accurate, complete and legible.
- (2) All accounting and proprietary information shall be restricted to authorized personnel only and shall remain confidential.
- (3) All accounting information required by the Regulations and MICS shall be recorded in ink, on information system storage media or other permanent form.
- (4) Whenever multiple copies are required of a form, record or document:
  - A. the original, duplicate and triplicate copies shall be color coded; except if computer generated.
  - B. the last copy of forms required to be inserted in a dispenser shall remain in a continuous unbroken form in the dispenser until removed for accounting; and
  - C. all copies shall be compared and any exceptions promptly investigated.
- (5) Unless otherwise specified in the Regulations, MICS or waived by the Director, all forms, records and documents required shall:
  - A. have the title imprinted or pre-printed thereon;
  - B. be retained within the gaming facility; and
  - C. be retained for a period of at least five (5) years.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 5: ACCOUNTING**

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- (6) All pre-numbered forms required by the MICS shall be:
  - A. accounted for by series number; and
  - B. alphanumeric if the series is repeated during the business year.
- (7) Records shall be maintained for all games and tables which include win, sales or drop, and hold percentage for:
  - A. each session and/or shift;
  - B. each day;
  - C. month-to-date; and
  - D. year-to-date.
- (8) All gaming revenue shall be properly recorded in the general ledger by revenue day and reconciled to bank deposits and supporting documentation.
- (9) All investigations shall be documented and include date, personnel involved, results and corrective action taken. Variance investigations shall be completed within seven (7) days of the variance date.

**(c) REPORTING**

- (1) All accounting reports required by the MICS shall be produced for all gaming activities.
- (2) Reports shall remain confidential with access to reports restricted to authorized individuals only.
- (3) A daily recap shall be prepared for all games showing day and month-to-date win and gross revenue.
- (4) All system produced exception reports shall be reviewed daily to determine the propriety of underlying transactions and any improper transactions shall be investigated.
- (5) Unless otherwise specified in the MICS, management independent of gaming departments shall review accounting reports at least monthly and investigate, with departmental supervisory personnel, any fluctuations in excess of three percent (3%) over or under the base level.
- (6) Monthly financial statements shall be prepared that include all financial activities of the gaming operation for the current period and submitted to management for review.

**(d) CAGE**

- (1) The cage accountability shall be:
  - A. reconciled to supporting documentation for each revenue day; and
  - B. reconciled to the general ledger not less than monthly.
- (2) For each revenue day, the originals and copies of the count reports and supporting documentation shall be:

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 5: ACCOUNTING**

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- A. compared for agreement with each other, on a test basis, by persons with no recording responsibilities and, if applicable, compared to triplicates or stored data;
  - B. reviewed for appropriate number and propriety of signatures on a test basis;
  - C. tested for proper calculation and summarization; and
  - D. related transactions subsequently recorded.
- (3) Unclaimed jackpots shall be secured and properly accounted for to reflect final disposition.
- (4) For each drop period, cage reconciliations shall be reviewed and kiosk bill-in/ticket meter readings shall be compared to the drop amount. Any discrepancies shall be investigated.

**(e) TIPS**

- (1) The gaming operation shall establish procedures consistent with state or federal laws or regulations for accounting for all tips received by employees.
- (2) Procedures shall be established for the identification and approval, if required, of tips received by all employees and will require that tips received by employees of gaming departments are not commingled with imprest funds or gaming revenue.
- (3) Tips received shall be retained by employees or pooled among employees in such manner as determined by the gaming operation.

**(f) BINGO**

- (1) The following shall be reviewed daily for proper authorizations, accuracy and completeness:
  - A. bingo card sales;
  - B. payout summaries;
  - C. random sample of payouts less than \$1,200;
  - D. all payouts of \$1,200 or more; and
  - E. voided payouts and sales.
- (2) The following shall be performed daily:
  - A. Review void sales, large payouts authorized by a supervisor who sells cards or makes payouts during a session, payout adjustments, or transaction overrides and other exceptions.
  - B. Review promotional coupons for proper cancellation.
  - C. Verify that inventory transfers are authorized and properly recorded.
  - D. Verify that controlled forms have been accounted for.
  - E. Reconcile activity report totals to transaction detail.
  - F. Compare net cash proceeds to the win/loss by session.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 5: ACCOUNTING**

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- G. Regrade at least one winning card per session and all winning cards greater than \$10,000 using the payout schedule and draw information.
- H. Verify increases and decreases to in-house jackpots.
- (3) The following shall be performed monthly:
  - A. Verify the bingo paper inventory balance by counting the paper on hand and compare the bingo paper sold to revenue for reasonableness.
  - B. Unresolved discrepancies shall be reported to the Director.
  - C. Verify contributions to intertribal prize pools.

**(g) KENO**

- (1) For at least one shift every other month:
  - A. the player copy of the payouts shall be footed and traced to the total of the payout report; and
  - B. at least one percent (1%) of the winning tickets shall be regraded using the payout schedule and draw ticket.
- (2) The following procedures shall also be performed:
  - A. comparison of the net cash proceeds to the win/loss by shift, and investigation of any cash overages or shortages in excess of twenty-five dollars;
  - B. reviewing and regrading all winning tickets of \$1,500 or more (less wager), including all forms documenting that authorizations have been obtained and verifications performed;
  - C. reviewing any large or frequent payout adjustments; and
  - D. reviewing weekly the random number generator numerical frequency distribution for patterns.
- (3) When the keno game is operated by one person:
  - A. all winning tickets in excess of \$100 and at least five percent (5%) of all other winning tickets shall be regraded and traced to the computer payout report; and
  - B. winning tickets shall be reviewed for proper authorizations.
- (4) For multi-game tickets included in any sample, a minimum of ten (10) games or ten percent (10%) of games won shall be regraded and traced to the payout report.
- (5) The write on the restricted copy of the keno transaction report shall, for a minimum of one shift, be footed at least on an annual basis and compared to the total documented by the computer.
- (6) Accounting exceptions shall be forwarded to management independent of the Keno Department for review and investigation.

**(h) POKER**

- (1) Increases to the progressive meter and/or sign shall be reconciled daily.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 5: ACCOUNTING**

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- (2) Payouts shall be reconciled to cage accountability supporting documentation.
- (3) The general ledger poker progressive liability account shall be reconciled daily to ensure accuracy of recorded amounts.
- (4) The accuracy of entry fees and prize awards shown on the tournament sheet shall be verified.

**(i) TABLE GAMES**

Originals and copies of the master game report, orders for fills and credits, fill and credit slips, and openers and closers for each revenue day shall be:

- (1) compared for agreement with each other on a test basis;
- (2) reviewed for appropriate number and propriety of signatures on a test basis;
- (3) accounted for by series number, if applicable; and
- (4) tested for proper calculation, summarization, and recording.

**(j) VLT**

- (1) One day per month jackpot and manual pay slips shall be reviewed for continuous sequencing.
- (2) All VLT jackpot payout tickets for each revenue day shall be compared to related VLT tickets, footed and totals traced to those produced by the system.
- (3) All meter readings shall be reviewed for reasonableness using pre-established parameters.
- (4) Prior to final preparation of statistical reports, meter readings that do not appear reasonable shall be reviewed with the VLT Department and exceptions documented.
- (5) At least monthly the continuing accuracy of the coin-in meter readings as recorded in the VLT statistical report shall be verified.
- (6) For each drop period, the bill-in meter/ticket-in reading shall be compared to the drop amount. Any discrepancies shall be resolved prior to generation and distribution of VLT statistical reports.
- (7) An investigation shall be performed for each VLT having any of the following variances:
  - A. more than \$25 and more than three percent between actual currency drop and ticket drop and the meter readings;
  - B. more than \$100 and more than one percent for hand payouts, which shall include a review of payout amounts for internal progressives and a review of operator payouts for linked progressives;
  - C. more than \$100 and more than one percent for win;
  - D. any variance between VLT meters and system meters for player account transfers in/out, cashable and non-cashable electronic promotions in/out, bonus payouts, and tickets out; and

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 5: ACCOUNTING**

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- E. any variance between VLT meters and system meters for player accounts.
- (8) EPROM changes, VLT additions and deletions shall be verified to ensure that all changes are properly reflected in the VLT reports.
- (9) Linked system provider billings shall be reconciled to meter readings.

**(k) COMPLIMENTARIES, PROMOTIONAL PAY-OUTS AND PLAYER POINTS**

- (1) Reports shall be prepared that include the following information for any complimentary (comp) that exceeds \$50;
  - A. name of the patron who received the comp;
  - B. name(s) of employee(s) who issued and/or authorized the comp;
  - C. issued and redeemed amounts;
  - D. type of comp (i.e., food, beverage, etc.); and
  - E. date the comp was issued.
- (2) An accounting supervisor shall review required reports at least weekly.
- (3) Appropriate review procedures shall be performed to determine that complimentary, promotional payouts and player points have been properly authorized, issued and recorded.
- (4) Adjustments made to player accounts shall be reviewed monthly and follow-up performed for any unusual or inadequately documented entries.
- (5) Player point additions and redemptions shall be reviewed and reconciled monthly to system totals on a test basis.
- (6) Promotional event summaries shall be compared to supporting documentation and reconciled to the general ledger.
- (7) Promotional documentation shall be identified and filed by event.
- (8) Promotional credit downloads to gaming stations.
  - A. System parameters shall be reviewed monthly for proper management authorization of changes made.
  - B. Decreases in player account balances resulting from downloads to gaming stations shall be reconciled to related gaming activity on a daily basis.

**(l) ELECTRONIC KEY CONTROL SYSTEMS – DROP AND COUNT KEYS**

- (1) Daily reviews of key control administrator transactions shall be performed for:
  - A. changes to user access; and
  - B. unauthorized removal or return of sensitive keys.
- (2) One day per month access reports shall be reviewed for any unusual transactions.
- (3) A quarterly review of a sample of users assigned to keys for appropriate access assignment relative to job title and/or functions shall be performed.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 5: ACCOUNTING**

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- (4) Annually a key inventory shall be performed on an unannounced basis unless performed by another independent party.
- (5) All unusual or improper transactions shall be investigated.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 6: CURRENCY TRANSACTION REPORTING**

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**(a) CURRENCY TRANSACTION REPORT BY CASINOS (CTRC)**

- (1) CTRC forms shall be available to all gaming departments.
- (2) CTRC forms shall be completed in accordance with Title 31 and contain all required information.
- (3) When a patron or patron's agent completes or attempts to complete a Title 31 transaction that would cause the patron's transactions to exceed \$10,000, the employee handling the transaction shall:
  - A. initiate the procedures for the reporting requirements of Title 31; and
  - B. prior to completing the transaction, obtain the patron's name, social security number, permanent address and appropriate identification credential, examine the identification credential, including the expiration date, and verify the patron's identity to the fullest extent possible.
- (4) As an option to requesting the necessary identification and other data from an established patron or patron's agent, information on file may be used if:
  - A. the handler of the transaction knows the patron;
  - B. the patron's name and appropriate identification credential were obtained from the patron for a previous transaction;
  - C. the information is on file to complete a CTRC;
  - D. the patron information on file is periodically updated with current expiration dates of identification credentials and documentation of the reexamination of original identification credentials; and
  - E. the information is reported on the CTRC.
- (5) The transaction shall be terminated in any situation where the identification requirements cannot be completed.
- (6) Subsequent to completing the reportable transactions, all required information shall be obtained for filing the CTRC.
- (7) In any situation where identification requirements are not complied with but the transaction was completed, the patron shall be prohibited from further gaming and a CTRC shall be prepared. Once the required information is obtained to file an amended CTRC, the prohibition may be removed.
- (8) The handler or supervisor of the transaction shall sign the CTRC and forward it to the Compliance Officer within twenty-four (24) hours after the end of the gaming day.
- (9) When two or more individuals act in concert to complete a reportable transaction, joint safe-keeping accounts, etc., the information from each individual shall be included on the CTRC.
- (10) When an agent or agents represent one or more individuals, then the agent information in addition to the individual's information shall be included on the CTRC. Where more than one agent acts in behalf of an individual, the transactions shall be aggregated.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 6: CURRENCY TRANSACTION REPORTING**

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**(b) MULTIPLE TRANSACTION LOG (MTL)**

- (1) A MTL is a one-part log maintained in each monitoring area for purposes of recording cash transaction information. Only one MTL is used at a time per monitoring area for the gaming day.
- (2) Single or aggregate transactions \$3,000 or more shall be logged on an MTL.
- (3) A MTL shall contain the following information for each loggable transaction:
  - A. description of the patron, and agent if applicable, shall include at a minimum, age, sex, race, eye color, hair, weight, and height;
  - B. patron's name and agent's name, if known;
  - C. location where the transaction occurred;
  - D. time and date of the transaction;
  - E. type of Title 31 transaction;
  - F. U.S. dollar amount of the transaction;
  - G. the amount and type of foreign currency, if applicable; and
  - H. signature of the person recording each transaction.
- (4) A MTL shall be prepared for a monitoring area with no loggable transactions indicating that no transactions occurred.
- (5) Monitoring areas shall be established within each department for multiple transactions and at each cage.
- (6) To prevent the circumvention of Title 31, employees in each monitoring area during each gaming day shall:
  - A. maintain MTL's;
  - B. immediately record loggable transactions on MTL's;
  - C. at the beginning of each shift, review the MTL to become familiar with descriptions of individuals whose transactions are being monitored;
  - D. notify other personnel in the same monitoring area that the monitoring process has been initiated for a particular patron; and
  - E. monitor patrons' transactions for possible reportable transactions.
- (7) For a single table game chip redemption \$3,000 or more, the cage shall contact the pit to inquire if the patron's name is available.
- (8) At the conclusion of the gaming day a new MTL is started and recording of information on the previous MTL will cease.
- (9) Within twenty-four (24) hours after the end the gaming day, all MTL's shall be submitted to the Compliance Officer.

**(c) SUSPICIOUS ACTIVITY REPORT BY CASINOS (SARC)**

- (1) A SARC form shall contain the information required by Title 31 and any other available information that is requested on the form for all suspicious transactions. A completed SARC is considered a confidential document and the patron is not to be informed that a report was completed.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 6: CURRENCY TRANSACTION REPORTING**

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- (2) SARC forms shall be available to all departments that may encounter suspicious transactions.
- (3) When an employee determines that a possible suspicious transaction has occurred, a SARC is prepared and submitted to the Compliance Officer within twenty-four (24) hours after the end of the gaming day.
- (4) The Compliance Officer shall review each SARC to determine whether or not a suspicious transaction has occurred.

**(d) PLAYER RATING RECORDS**

- (1) Player rating records may be used as source documents for documenting cash activity to comply with Title 31.
- (2) Summary documents may be retained in lieu of original player rating records if:
  - A. the summary documents include at a minimum, on a daily basis, all the cash transaction information recorded on the original player rating records;
  - B. original player rating records are retained for a minimum of seven days; and
  - C. both original and summary player-rating records are retained when the records are used as support to a SARC.

**(e) NEGOTIABLE INSTRUMENT RECORDS**

- (1) A separate check log that contains a chronological list of each transaction between the gaming operation and patrons shall be maintained for transactions \$3,000 or more involving personal checks including gaming operation checks, business checks, cashier's checks, third-party checks, traveler's checks and money orders.
- (2) The check log shall include:
  - A. the time, date and amount of the transaction;
  - B. patron name;
  - C. type of instrument;
  - D. name of drawee or issuer of the instrument;
  - E. instrument reference numbers; and
  - F. initials, employee identification number of the employee who completed the transaction.
- (3) Copies or microfilm of both sides of any instrument \$3,000 or more shall be made and retained.

**(f) SAFEKEEPING DEPOSITS**

- (1) All safekeeping deposits and withdrawals \$3,000 or more shall be recorded on a receipt with the date, time, customer name, customer permanent address, social security number and the type and amount of transaction.
- (2) The nature of any non-cash deposit shall be documented on the receipt form.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 6: CURRENCY TRANSACTION REPORTING**

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**(g) FOREIGN CURRENCY TRANSACTIONS**

- (1) Patrons using foreign currency shall be tracked by using the equivalent threshold level in U.S. currency of \$3,000 and a CTRC must be completed for a patron who has exceeded \$10,000.
- (2) A foreign patron may use their passport and another appropriate identification. The second form of identification shall be the equivalent type of U.S. identification approved by FinCEN and the IRS, such as a driver's license, military ID, etc. At least one form of identification must contain a photograph.

**(h) JOB RESPONSIBILITIES**

- (1) Job responsibilities of all gaming employees include:
  - A. ensuring that prohibited transactions do not occur;
  - B. recording Title 31 transactions when applicable;
  - C. observing all MTL and SARC procedures to prevent the circumvention of Title 31 requirements;
  - D. being familiar with what is considered a suspicious transaction; and
  - E. being familiar with Title 31 and related internal control standards and procedures.
- (2) Job responsibilities of the Compliance Officer include:
  - A. ensuring that Title 31 procedure manuals and documentation are current and available to employees when needed;
  - B. ensuring an effective training program is implemented and maintained;
  - C. maintaining an effective system of internal control relative to Title 31;
  - D. reviewing and evaluating Title 31 for exceptions and areas of noncompliance including internal audit and independent accountant findings; and
  - E. maintaining independence from the generation and recording of Title 31 transactions.
- (3) The Compliance Officer shall:
  - A. receive CTRC's, SARC's and MTL's from gaming departments from all monitoring areas;
  - B. review all documents for compliance with Title 31 and related Regulations and MICS;
  - C. determine and document the extent of missing information and make reasonable attempts to obtain any missing information;
  - D. document exceptions and forward to appropriate personnel;
  - E. review and sign CTRC's and SARC's; and
  - F. maintain copies of CTRC's, SARC's and original MTL's in chronological order.

**(i) TRAINING PROGRAM**

- (1) A comprehensive Title 31 training program shall be established and maintained.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 6: CURRENCY TRANSACTION REPORTING**

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- (2) A training coordinator shall oversee the training program.
- (3) Records shall be maintained to document training provided, employees receiving and passing training and the content of the training session.
- (4) Employees shall receive and pass training before they are permitted to function in any capacity that may include Title 31 reporting, record keeping, and compliance.
- (5) Additional training for these employees shall be provided annually.
- (6) Training shall include, but is not limited to:
  - A. presenting materials such as a copy of Title 31, MICS, a CTRC, a SARC, Title 31 transaction guidelines, a MTL and any appropriate procedure manuals;
  - B. reviewing and explaining the purpose, use and completion requirements of each Title 31 document and record and how they are used;
  - C. explaining prohibited transactions, logable transactions, reportable transactions and suspicious transactions;
  - D. reviewing duties, responsibilities and procedures associated with each employee's position;
  - E. explaining the procedures for safekeeping deposits;
  - F. reviewing the definition of a patron and "established patron" and when established patron information on file may be used on a CTRC; and
  - G. explaining the consequences of noncompliance with Title 31.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 7: COMPLIMENTARIES, PROMOTIONS AND PLAYER POINTS**

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**(a) COMPLIMENTARIES**

- (1) A complimentary (comp) shall be granted only to promote wagering at the gaming facility.
- (2) No comp shall be granted unless authorized by management.
- (3) Management shall establish specific, amounts, limits and conditions under which comps are granted. These amounts, limits and conditions shall at a minimum include:
  - A. Comps shall not be granted to employees of the gaming operation. Employees shall not accept, as a gift or gratuity, any goods or services received by grantees from comp redemptions.
  - B. Comps shall not be granted by an employee in a position that would result in a conflict of interest, or to an immediate relative or member of the household of the grantor of the comp.
  - C. Comps shall be for goods or services of a specified amount and not redeemable, in whole or part, for cash, chips or other monetary equivalents.
  - D. A comp shall expire not later than three days after the effective date, which shall be not more than 30 days from the date the comp is written.
  - E. Comps shall not be transferable to another individual.
- (4) Comps forms shall be pre-numbered.
- (5) Redemption requirements.
  - A. Comps shall be redeemed only by the grantee.
  - B. Redemption for an amount greater than the value of the comp shall not be allowed unless approved and documented by the grantor or management.
  - C. Comp form numbers shall be referenced on related sales receipts.
  - D. The grantee shall sign for the value of goods or services.
  - E. Comp amounts shall be charged to the department responsible for the expense.
- (6) Reports on comps shall be made available to the Director and the National Indian Gaming Commission upon request.
- (7) Disciplinary action shall be taken in any instance where a comp has been granted without proper authorization.
- (8) Comp procedures shall be approved by the Director prior to implementation.

**(b) PROMOTIONS**

- (1) Conditions for participation in promotions and prize schedules shall be approved by management and made available for each promotion by posting and/or upon request.
- (2) Each promotion and promotional payout form shall at a minimum include the following information:
  - A. date and time;

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- B. identification of the game or event as applicable;
  - C. dollar amount of payout or prize value;
  - D. description of any personal property;
  - E. type of promotion;
  - F. signature and employee identification number of at least one employee authorizing the transaction; and
  - G. signature and employee identification number of at least one employee completing the transaction unless electronically validated or waived by the Director; and
  - H. signature of the recipient unless electronically validated or waived by the Director.
- (3) Each promotion and tournament shall be documented and summarized to include:
- A. description of the event;
  - B. method for determination of winners;
  - C. reconciliation of total prizes available, payouts and remaining inventory;
  - D. signature of the department manager; and
  - E. description of method used to obtain signatures as required in 7(b)(2)G-H.
- (4) Drawings and other processes used to identify winners, and promotional cash payouts greater than \$5,000 shall be under surveillance cameras. The process shall be witnessed by an individual independent of the department responsible for the event, evidenced by signature and identification number.
- (5) Prizes purchased shall be charged to the department responsible for the event and expensed in the year in which the prize was won.
- (6) Programs involving the exchange of coupons for cash, chips, or another program require Director approval prior to implementation.

**(c) Electronic Promotion and Bonus Systems**

- (1) Electronic promotion and bonus systems shall be secured to ensure accuracy and integrity of transactions and player account information. Procedures shall include:
- A. changes to account parameters shall be approved by the Director and performed by supervisory personnel independent of the gaming machine department with changes documented;
  - B. limits on the number of workstations where application programs and data can be accessed;
  - C. authorized access levels for users that are not in conflict with other user responsibilities;
  - D. management independent of the gaming machine department shall approve promotion and bonus award criteria and maximum limits on awards; and

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E. notification to players of changes to account balances or other significant account information changes.

**(d) COMPLIMENTARY AND PROMOTIONAL FORM CONTROL**

- (1) Complimentary forms, promotional certificates, and drawing tickets shall be printed or marked to minimize counterfeiting or unauthorized copying.
- (2) The inventory of complimentary forms, promotional certificates, and drawing tickets shall be documented and secured. Access to inventories shall be limited to authorized employees.

**(e) PLAYER POINTS**

- (1) Rules for player tracking accounts including the awarding, redeeming, and expiration of points shall be prominently displayed or available for customer review and approved by the Director.
- (2) The addition or deletion, inclusive of closure of inactive accounts, of points to players' accounts shall be made only by an authorized employee, or electronically through an automated system as approved by management.
- (3) Additions and deletions of points to players' accounts and any adjustments shall be documented in a manner that provides a clear audit trail.
- (4) Player cards:
  - A. Player identification shall be required prior to issuance of player cards.
  - B. Procedures for lost cards shall be approved by the Director.
- (5) Employees who redeem points for players shall not have access to:
  - A. lost cards; or
  - B. inactive or closed accounts without prior supervisor approval and documented.
- (6) Any changes to the player tracking system, such as point structures and employee access, shall be performed by supervisory employees independent of gaming departments and documented.
- (7) Adjustments to player account balances shall be:
  - A. made only by an authorized employee independent of gaming departments;
  - B. recorded for audit purposes including the beginning balance, specific adjustments, ending balance and reason for the adjustments; and
  - C. approved by a supervisor.
- (8) Player points shall:
  - A. expire after a period of inactivity not to exceed twenty-four (24) months; and
  - B. shall be purged from the player database within a reasonable time period after expiration.
- (9) Redemption requirements:
  - A. The redemption dollar value for player points shall be equal for all players

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and approved by management.

- B. Redemptions for amounts that exceed point balances shall not be allowed.
- C. The method to convert points to cash or credits for play shall be approved by the Director.
- D. Player identification shall be required prior to accepting a player card presented for payment of goods or services.

(10) Automated point redemption:

- A. MICS 7(c)(1) shall also apply to point redemption systems that make available, through downloading to gaming stations, credits for play.
- B. Only employees independent of gaming departments and player point redemptions shall be authorized to modify system parameters.
- C. Player points may be converted to credits on any gaming station capable of electronically accepting down-loaded credit values.
- D. Management shall set reasonable amounts and time limitations for redemption of points for credits and cash out of unused point redemption credits.
- E. Player points converted to credits shall not be returned to player accounts.

*(End of Section)*

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**(a) General**

- (1) All gaming hardware and software acquisitions shall be subject to review and approval by the Director.
- (2) The Information Technology Department (IT) shall be independent of gaming and operational departments.
- (3) IT procedures and controls shall be documented and responsibilities communicated.

**(b) Backups**

- (1) The IT department shall develop and implement daily backup and recovery procedures which, if applicable, shall address at a minimum the following:
  - A. application data for files that have been updated;
  - B. application executable files for files that cannot be reinstalled; and
  - C. database contents and transaction log(s).
- (2) Upon completion of the backup process, the backup media shall :
  - A. be transferred as soon as practicable to a location separate from the location housing the systems' servers and data being backed up. The location may be located in another building on the premises or may 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;
  - B. be secured to prevent unauthorized access;
  - C. provide adequate protection to prevent the permanent loss of any data.
- (3) Backup system logs, if provided by the system, shall be reviewed daily by IT personnel to ensure that backup jobs execute correctly and on schedule. The logs shall be maintained for a minimum of two years.
- (4) Data recovery procedures shall be tested using actual data at least annually with documentation, review and IT managerial verification of results.

**(c) Equipment Maintenance and Security**

- (1) The IT Department, or other department designated by management and independent of gaming activities, shall be responsible for computer hardware and software maintenance.
- (2) Maintenance shall be routinely performed on all system equipment and software to ensure the security and integrity of gaming activities.
- (3) Maintenance personnel shall report significant gaming system problems to management independent of the gaming department for a follow-up investigation.
- (4) A log shall be maintained for system failures involving the VLT monitoring and control system, table games accounting, keno and bingo, which at a minimum

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contains the following:

- A. date and time of system failure;
  - B. reason for failure; and
  - C. date and time the system was restored.
- (5) Encryption or other adequate protection devices shall be utilized for data transmission, if supported by the system, to protect the computer system from unauthorized access and to ensure the integrity of transaction entry and recording.

#### **(d) Network Security**

- (1) If guest networks are offered, adequate logical segregation, as certified by IT management, shall be provided from the network serving access to gaming and financial related applications and devices.
- (2) Traffic on guest networks shall be non-routable to the network serving gaming and financial related applications and devices.
- (3) Production networks serving gaming systems shall be secured from outside traffic by firewalls and routers such that systems are configured to detect and report security related events (security logs).
- (4) If configurable, the system shall log the following:
  - A. unauthorized logins;
  - B. failed login attempts; and
  - C. other security related events including changes to live data files and any other unusual transactions.
- (5) If configurable, the system shall deactivate all unused physical and logical ports and any in-bound connections originating from outside the network.
- (6) Network shared drives containing application files and data for all gaming and financial related applications shall be secured such that only authorized personnel may gain access.
- (7) Server consoles and unattended user terminals in gaming areas shall be configured to automatically secure themselves after a period of inactivity as determined by IT management. Users shall supply proper login credentials to regain access to the terminal or console.
- (8) Login accounts and passwords required to administer network equipment shall be secured as follows:
  - A. only authorized personnel may gain access to these devices;
  - B. passwords for these accounts shall meet system security parameters in accordance with IT policies and procedures;
  - C. immediately disabled when IT personnel are terminated; and
  - D. the Director shall be immediately notified of such terminations.

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#### **(e) User Accounts**

- (1) Management personnel, or persons independent of the department being controlled, shall establish user accounts to ensure that, at a minimum, assigned application functions match the employee's current job responsibilities, unless otherwise authorized by management, and to ensure adequate segregation of duties.
- (2) At a minimum, reviews shall ensure that any previously assigned application function access for the employee's user account is changed to inactive or disabled prior to the employee accessing their new user account for their role or position in a new department.
- (3) When multiple user accounts for one employee per application are used, only one user account may be in use at a time. The user account shall contain a unique prefix/suffix to easily identify the users with multiple user accounts within one application.
- (4) The system administrator or designee and the Director shall be notified as required by the regulations when an employee is terminated or a user's authorized remote access capability is suspended or revoked. Upon notification the system administrator shall change the status of the employee's user account from active to inactive/disabled status.
- (5) Generic user accounts are prohibited.
- (6) Service accounts, if utilized and configurable, shall be administered in a manner that prevents unauthorized and inappropriate usage to gain logical access to an application and the underlying databases and operating system. Policies and procedures shall include at a minimum:
  - A. service accounts shall be configured such that the account cannot be used to directly log into the console of a server or workstation; and
  - B. service account passwords shall be changed at least every ninety (90) days, and deactivated immediately upon the completion of services provided.
- (7) User accounts created by default upon installation of any operating system, database or application shall be configured, if supported by the vendor, 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.
- (8) Any other default accounts that are not administrator, service, or guest accounts shall be disabled unless they are necessary for proper operation of the system. If these accounts must remain enabled, the passwords shall be changed at least once every ninety (90) days, if configurable.

#### **(f) Access**

- (1) Access to administer the network, operating system, applications, and database security and system parameters shall be limited to authorized employees of the IT department.
- (2) 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

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- (30) days and include time, date, login account name, description of event, the value before the change, and the value after the change.
- (3) The critical IT systems and equipment for each gaming application and each application for financials shall be maintained in a physically secured area. Each area shall be equipped with the following:
- A. an uninterruptible power supply to reduce the risk of data loss in the event of an interruption to commercial power; and
  - B. a security mechanism to prevent unauthorized 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.
- (4) Access to areas housing critical IT systems and equipment for gaming and financial applications, including vendor supported systems, shall be limited to authorized IT personnel as approved by the Director.
- (5) Non-IT personnel shall only be allowed access to areas housing critical IT systems when authorized by management in accordance with IT policies and procedures and approved by the Director. Personnel and/or access records shall be monitored for each access. In an emergency, access shall be immediately reported to IT management and Surveillance.
- (6) An access log of each access by non-IT personnel shall be maintained to include the following:
- A. name of visitor;
  - B. reason for access;
  - C. time and date of entry;
  - D. reason for visit;
  - E. company, organization, or department;
  - F. name of authorized person escorting visitor; and
  - G. date and time of departure.
- (7) IT personnel shall be precluded from:
- A. having access to gaming related forms, wagering instruments, cash or other liquid assets; and
  - B. initiating general or subsidiary ledger entries.

#### **(g) Remote Access**

- (1) For each critical IT system application that is accessible remotely for purposes of obtaining vendor support, policies and procedures, approved by the Director, shall specifically address the following:
- A. An automated or manual remote access log that includes:
    - i. name of authorized IT employee granting access;
    - ii. vendors business name and name of authorized programmer;
    - iii. reason for network access;

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- iv. critical IT system application to be accessed;
  - v. work to be performed on the system; and
  - vi. 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 documented upon termination of the vendor network connection.
- B. The approved secured connection shall be such that the system can only be accessed from an authorized authenticated user.
- C. The method and procedures used in establishing and using unique user ID's, passwords, and IP addressing to allow authorized vendor personnel to access the system.
- D. IT personnel, by name and title, authorized to enable a remote access connection and to disable the remote access connection when work has been performed. The list of authorized users shall be provided to the Director semi-annually.
- E. Any additional requirements related to remote access.
- (2) Vendor user accounts shall remain disabled on all operating systems, databases, network devices, and applications until needed by such vendor and shall be returned to a disabled state subsequent to authorized use.
- (3) If remote access to the production network is permissible, and allows access to critical IT system applications, such access shall be logged automatically by the device or software or manually if the device or software is not capable.

#### **(h) Password Protection**

- (1) The computer systems, including application software, shall be secured through the use of passwords or other means as approved by the Director.
- (2) Security parameters for passwords, if configurable, shall be controlled as follows:
- A. each user shall have their own individual password;
  - B. passwords shall be at least eight (8) characters in length and contain a combination of at least two of the following criteria: upper case letters, lower case letters, numeric and/or special characters;
  - C. passwords shall be changed at least quarterly with changes documented;
  - D. passwords may not be re-used for a period of 18 months if the system maintains an electronic record of old and previously used passwords; and
  - E. user accounts shall be automatically locked out after 3 failed login attempts.
  - F. the system may release a locked out account after 30 minutes has elapsed.

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#### (i) Documentation

- (1) 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, software, version numbers, user/operator manuals and any other documentation necessary for system maintenance.
- (2) System administrators shall maintain a current list of all enabled system and default accounts. The list shall be reviewed by IT management in addition to the system administrator at least once every six months to identify any unauthorized or outdated accounts. The documentation shall include, at a minimum, the following:
  - A. name of system;
  - B. user account login name;
  - C. description of the account's purpose; and
  - D. a record (or reference to the record) of the authorization for the account to remain enabled.
- (3) 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.
- (4) 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 such as a spreadsheet or database.
- (5) The IT department shall maintain current documentation with respect to:
  - A. the network topology;
  - B. deployment of servers housing applications and databases; and
  - C. inventory of software and hardware deployed.
- (6) Documentation shall be maintained for the process of managing changes to the production environment. Controls shall include all changes to the production environment (operating system, network, databases, and applications) that relate to critical IT, gaming and application systems. This process includes at a minimum:
  - A. proposed changes to the production environment shall be evaluated sufficiently by management personnel prior to implementation;
  - B. proposed changes shall be properly and sufficiently tested prior to implementation into the production environment;
  - C. a strategy of reverting back to the last implementation shall be used, rollback plan, if the installation is unsuccessful. The rollback plan shall be tested prior to implementation to the production environment; and
  - D. sufficient documentation shall be maintained evidencing management approvals, testing procedures and results, rollback plans, and any issues/resolutions encountered during implementation.
- (7) If source code for gaming and/or financial related software is developed or modified internally, a systems development life cycle (SDLC) shall be adopted to

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manage this in-house development. The process shall address, at a minimum:

- A. requests for new programs or program changes shall be reviewed by the IT manager with approvals to begin work on the program documented;
  - B. 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 who is to perform all such procedures;
  - C. sufficiently documenting software development and testing procedures through SDLC or other suitable, management approved process including documentation of approvals, systems development, testing, results of testing, and implementation into production shall include a record of the final program or program changes, including evidence of user acceptance, date in service, programmer, and reason for changes;
  - D. physical and logical segregation of the development and testing environment from the production environments;
  - E. adequate segregation of duties such that those who develop/test code do not have access to introduce new or modified code into the production environment.
  - F. a system administrator shall be precluded from developing/testing code which will be introduced into the production environment;
  - G. secured repositories for maintaining code history;
  - H. end-user documentation (guides and manuals); and
  - I. Director approval prior to implementation.
- (8) For critical IT systems, purchased software programs documentation shall be maintained and include, at a minimum the nature of the change, if applicable, a description of procedures required in order to bring the new or modified system into service and identification of the IT technicians who performed such procedures. Testing of new and modified programs shall be documented prior to full implementation, subject to Director approval.
- (9) A system event log (or series of reports/logs for critical IT systems, if capable of being created by all components that communicate within the gaming network, will be configured to track the following events:
- A. failed login attempts;
  - B. changes to live data files occurring outside of normal program and operating system execution;
  - C. changes to operating system, database, network, and application policies and parameters;
  - D. record of information changed by administrator accounts; and
  - E. changes to date/time on master time server.
- (10) Daily system event logs shall be reviewed at least once weekly, for each day of

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the previous week, by IT personnel other than the system administrator. The system event logs shall be maintained for a minimum of the preceding seven (7) days. Documentation of this review shall be maintained for a minimum of ninety (90) days and include the following:

- A. date and time;
  - B. name of individual performing the review;
  - C. exceptions noted; and
  - D. details of any follow-up of the noted exceptions.
- (11) An automated tool that polls the event logs for all gaming and financial related servers, and provides the system administrator's notification of the above may be used. Maintaining the notification for ninety (90) days shall serve as evidence of the review.
- (12) User access listings shall be maintained and include, if the system is capable of providing such information, at a minimum:
- A. employee name, title or position, and/or identification number;
  - B. user login name;
  - C. 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.);
  - D. date and time account created;
  - E. date and time of last login;
  - F. date of last password change;
  - G. date and time account disabled/deactivated; and
  - H. group membership of user account, if applicable.
- (13) User access listings for gaming applications at the application layer shall be reviewed quarterly by personnel independent of the authorization and user provisioning processes. The review shall consist of examining a sample of at least twenty-five (25) users included in the listing or more as determined by the Director. 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:
- A. the assigned system functions are being used as authorized and are appropriate for the user's job position;
  - B. the assigned functions provide an adequate segregation of duties;
  - C. terminated users' accounts have been changed to inactive/disabled status;
  - D. passwords have been changed within the last ninety (90) days. (The review applies regardless of whether the system parameter has been configured to forcefully request a password change.); and

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- E. there are no inappropriate assigned functions for group membership, if applicable.
- (14) Exception reports, if capable, for changes to system parameters, corrections, overrides, and voids shall be maintained and include at a minimum:
  - A. date and time of alteration;
  - B. identification of user that performed alteration;
  - C. data or parameter altered;
  - D. data or parameter value prior to alteration; and
  - E. data or parameter value after alteration.
- (15) Records shall be maintained delineating any systems that are not configurable for the requirements of MICS 8(h)(2) and to what extent the system is configurable in meeting the security requirements.

#### **(j) Storage Media**

- (1) Documents may be scanned or directly stored to unalterable storage media with the following conditions:
  - A. the storage media shall contain the exact duplicate of the original document; and
  - B. all documents on storage media shall be maintained with a detailed index containing the department and date.
- (2) Controls shall exist to ensure the accurate reproduction of records up to and including the printing of stored documents used for auditing purposes.
- (3) The storage media shall be retained for a minimum of five (5) years.
- (4) Original documents shall be retained until the annual audit has been performed by an independent certified public accountant.

*(End of Section)*

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**CHAPTER 9: Reserved for Future Revenue Audit**

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**RESERVED FOR FUTURE REVENUE AUDIT.**

*(End of Section)*

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CHAPTER 10: SURVEILLANCE**

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**(a) SURVEILLANCE DEPARTMENT**

- (1) The Surveillance Department shall be responsible for the following:
  - A. clandestine surveillance and monitoring and recording of gaming activities and cashiers' cages;
  - B. monitoring and recording of transfers of funds within the gaming facility
  - C. verifying payouts upon notification by gaming departments;
  - D. monitoring and recording of sensitive key check-out upon notification;
  - E. audio-video recording of activities in the count rooms;
  - F. monitoring and recording other gaming and non-gaming areas as designated by the Director;
  - G. recording and detection of all illegal activities in the gaming facility;
  - H. establishing and maintaining an evidence storage area with security controls that ensure the chain of custody and integrity of stored evidence;
  - I. investigating any unresolved count discrepancies as required by the Director;
  - J. notifying appropriate supervisory employees and the Director of any incident or activity which may negatively reflect on the integrity of gaming;
  - K. notifying appropriate supervisory employees, the Director and law enforcement upon the detection of illegal activities; and
  - L. receiving and forwarding all sensitive gaming supplies and/or equipment suspected to have been tampered with to the Director no later than the beginning of the next Commission business day.
- (2) The surveillance room shall remain locked and access shall be restricted to authorized personnel. The Director shall have immediate access.
- (3) The Surveillance Department shall be adequately staffed during all shifts by employees trained in the use of equipment, gaming activities, Regulations, MICS and Game Rules. Surveillance Department employees shall not be employed by any other department in the gaming operation.
- (4) A communication system shall be maintained that includes strategically placed telephones on the gaming floor, with a direct line to the surveillance room and radio communication with security employees.

**(b) EQUIPMENT**

- (1) The surveillance equipment shall:
  - A. be a matrix-type switching system with the capabilities of PTZ;
  - B. have the capability to bring up any camera throughout the gaming facility to a designated monitor;
  - C. record date, time, camera number and/or location which shall be recorded in a manner that does not significantly obstruct the recorded image;
  - D. include sufficient numbers of monitors and recorders to simultaneously display and record multiple activities;

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- E. have override capability over all surveillance equipment located outside the surveillance room;
  - F. have resolution sufficient to produce a video record that is a complete and accurate representation of the activity observed, as determined by the Director, and be maintained to ensure clarity of recordings; and
  - G. be used for monitoring and recording purposes only.
- (2) Each video camera shall:
- A. be installed in a manner that will prevent it from being readily obstructed, tampered with or disabled;
  - B. be connected to standard recording equipment that continuously records each fixed camera, and has the capability to record all PTZ cameras;
  - C. have adequate lighting present to ensure clarity of the recording;
  - D. possess the capability of having its picture displayed on a video monitor, and recorded at a minimum of thirty (30) frames per second for gaming activities; and
  - E. possess the capability of having its picture displayed on a video monitor and recorded at a minimum of 15 frames per second for non-gaming activities.
- (3) Digital video recording (DVR) systems shall include:
- A. images recorded at the minimum rate of 30 frames per second for gaming activities;
  - B. images recorded at the minimum rate of 15 frames per second for non-gaming activities;
  - C. pre-alarm and post-alarm activation for a minimum of five seconds for areas equipped with motion activated cameras;
  - D. viewing and recording image size at a minimum of four CIF (the Common Intermediate Format) for gaming activities;
  - E. viewing and recording image size at a minimum of two CIF for non-gaming activities;
  - F. redundant array of independent disks configured at a minimum with RAID 5;
  - G. failure notification with audible and visual warning;
  - H. a closed network with limited access from remote locations as approved by the Director;
  - I. multiplexers, as necessary, only for viewing;
  - J. dedicated uninterruptible power supply; and
  - K. director approval of any encryption software.
- (4) An auxiliary or backup power source shall be available and capable of providing immediate restoration of power to all elements of the surveillance system.
- (5) Reasonable efforts shall be made to repair malfunctions of surveillance equipment within seventy-two (72) hours after the malfunction has been discovered. DVR storage media must be repaired within eight hours after failure or re-

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placed. Alternate procedures shall be implemented to ensure adequate security is available while a malfunction exists.

**(c) DOCUMENTATION**

- (1) Hand written sign-in logs or computerized access records shall be maintained for authorized personnel entering the surveillance room.
- (2) A daily activity log shall be maintained to document all surveillance activities monitored by surveillance personnel. At a minimum, the following information and activities shall be recorded:
  - A. date and time the surveillance commenced and terminated;
  - B. name and employee number of each employee who initiated, performed or supervised the surveillance;
  - C. reason for the surveillance, including the name or alias, if known, and description of each individual monitored, and description of the activity monitored;
  - D. time at which each suspected offense is observed; and
  - E. summary of the results of the surveillance.
- (3) A video library log, or alternate procedures as approved by the Director, shall be maintained to document compliance with the required storage, identification and retention standards.
- (4) A malfunction and repair log shall be maintained including the following information:
  - A. date, time and nature of each malfunction;
  - B. efforts made to repair the malfunction;
  - C. reasons for any delays in repairing the malfunction;
  - D. date of repair; and
  - E. any alternate security measures taken.

**(d) RECORD RETENTION**

- (1) All recordings required by the MICS shall be retained for a minimum of seven (7) days.
- (2) Recordings involving suspected, unlawful activity, or detentions and questioning by security employees, shall be retained for a minimum of thirty (30) days.
- (3) Video shall not be destroyed or deleted without approval from the Director.
- (4) Documents and original recordings as evidence in confirmed crimes shall be retained until the case has been concluded.
- (5) Surveillance logs shall be made available to the Director for inspection at any time.
- (6) Original recordings and/or copies shall be provided to the Director upon request.

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**CHAPTER 10: SURVEILLANCE**

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**(e) FACILITY COVERAGE**

- (1) Exterior.
  - A. All main entrances and exits to the gaming facility shall be recorded by fixed cameras.
  - B. All emergency entrances and exits shall be recorded by fixed cameras or equipped with an alarm system that provides immediate notification to the Security Department. The Security Department shall immediately notify Surveillance upon the receipt of any exterior alarm. The Director shall be notified of any changes to surveillance coverage of entrances and exits.
  - C. Activity associated with tripped alarms shall be monitored and recorded.
  - D. External cameras shall be positioned to enable coverage of parking lot activity.
- (2) Cage.
  - A. Each cashier station shall have one fixed overhead camera to record the transaction area, and each cash drawer.
  - B. An additional camera shall be placed to provide an overview of cash transactions, including customers, employees and the surrounding area.
  - C. Sufficient fixed camera coverage shall be placed to prevent blind spots. A minimum of one PTZ shall be placed for monitoring and recording activities.
  - D. All stationary and general area banks, used by employees making change on the gaming floor, shall be covered by a fixed overview camera.
  - E. The PTZ recording chip fill and credit transactions shall be a color camera.
  - F. The area designated for fills and credits shall be recorded by a color fixed camera to identify the chip values and amounts on the fill and credit slips.
  - G. The interior of elevators shall be recorded while used to transport money or other sensitive assets.
  - H. Inter-cage transfers of \$5,000 or more, which are not accompanied by a Security Officer, shall be monitored.
- (3) Vault.
  - A. A fixed overhead camera shall record activity at each work station.
  - B. Sufficient fixed camera coverage shall be placed to prevent blind spots.
  - C. A minimum of one PTZ shall be placed to monitor and record activities.
- (4) Drop.
  - A. The movement of cash, chips and drop boxes, and activities of employees involved in the drop, shall be monitored and recorded.
  - B. The removal and transport of drop boxes, at times other than scheduled drop times, shall be monitored and recorded for all table games, and monitored and recorded for VLT's.
- (5) Count.
  - A. Count rooms shall have sufficient fixed camera coverage placed to prevent blind spots; an overhead fixed camera for each work station; a minimum of one color PTZ camera; and audio capability.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 10: SURVEILLANCE**

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- B. The entire count process and other activities in the count room shall be monitored and recorded.
  - C. The emptying of drop boxes shall be recorded to identify that contents have been removed. The audio recording shall include the announcement of the game, station number and shift.
  - D. The counting surface area shall be monitored and recorded during the count process by a fixed camera.
  - E. All areas where cash, coins and chips may be stored or counted shall be recorded.
  - F. All doors to count rooms and areas where uncounted cash, coins and chips may be stored shall be recorded.
  - G. Personnel entering and exiting, and activity within the count room during non-count times, shall be recorded.
  - H. Motion activated cameras are allowed for coverage of count activities and areas if connected to a DVR system.
- (6) Sensitive Gaming Supplies.
- A. All areas containing sensitive gaming supplies shall be recorded.
  - B. Personnel entering and exiting a secured area containing sensitive gaming supplies shall be recorded by a fixed camera.
  - C. The receipt of shipments and destruction/cancellation of sensitive gaming supplies shall be recorded.
  - D. Transport of sensitive gaming supplies in the gaming facility shall be recorded.
  - E. Opening of containers and/or inspection of sensitive gaming supplies shall be recorded.
- (7) **RESERVED.**
- (8) Bingo.
- A. The ball drawing device, or random number generator, shall be recorded during the course of the draw by a fixed camera to identify the balls drawn or numbers selected.
  - B. The game board and the activities of the employees responsible for drawing, calling and entering the balls drawn or numbers selected shall be recorded.
- (9) Blackjack and Other Card Games.
- A. Each table shall have a minimum of one, color fixed overhead camera to record activity at the table.
  - B. PTZ coverage shall be available for all tables with a minimum of one PTZ available for three tables.
  - C. Cameras shall be capable of identifying players, employees, card values, table layout symbols or numbers, table inventories, and money and chip denominations.

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- D. Removal of table inventory trays for table maintenance shall be monitored and recorded.
- E. Fill and credit transactions shall be monitored.
- (10) Craps.
  - A. All craps tables shall have two fixed cross-view cameras to record the ends of the table, and PTZ coverage to record the playing area of each table, and identify players, employees and wagers.
  - B. The inspection of dice to be used during the shift and the cancellation of dice from the previous shift shall be monitored.
  - C. Removal of table inventory trays for table maintenance shall be monitored and recorded.
- (11) Keno.
  - A. A fixed camera shall record the draw to identify the numbers selected.
  - B. General activities shall be recorded for each game area to identify the employees performing different functions.
- (12) Roulette.
  - A. All roulette areas shall have one overhead fixed camera to record the wheel.
  - B. One fixed overview shall record the table.
  - C. PTZ coverage shall be capable of recording the playing area of each table to identify players, employees and wagers.
  - D. Removal of table inventory trays for table maintenance shall be monitored and recorded.
- (13) Progressive Table Games and Poker.
  - A. The progressive meter or posted jackpot amount shall be recorded by a fixed camera for each progressive game with a potential jackpot greater than \$25,000.
  - B. In addition to the requirements of (e)(9), card suits shall be identifiable.
- (14) VLT.
  - A. All VLT's and kiosks on the gaming floor shall be capable of being monitored and recorded by a minimum of one PTZ.
  - B. Tech room activity shall be recorded by minimum of one fixed camera.
  - C. Nonprogressive VLT's offering payouts of more than \$250,000, all nonlinked progressive VLT's offering payouts of more than \$100,000, and linked progressive VLT's offering payouts of \$1,000,000 or more, shall be monitored and recorded by a fixed camera to identify players, employees, and payout line(s) of the VLT.
  - D. Any jackpot payout of \$5,000 or more shall be monitored and recorded to include VLT number, payout lines, jackpot won, credits accumulated, remaining credits, winning player and employees involved in the payout.
  - E. VLT ticket paper fills and manual pays shall be monitored on a daily basis.

**MINIMUM INTERNAL CONTROL STANDARDS**  
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- (15) Promotional Events.
  - A. Drawings and other processes used to identify winners shall be monitored and recorded.
  - B. Cash payouts greater than \$5,000 shall be monitored and recorded.
- (16) Non-gaming Areas.

Areas where funds are accepted or paid out shall be monitored and recorded.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 11: SENSITIVE GAMING SUPPLIES**

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**(a) GENERAL**

- (1) Surveillance shall be notified upon the receipt of shipments of sensitive gaming supplies.
- (2) A departmental supervisor and an employee independent of the gaming department shall inspect all shipments received from gaming vendors to ensure:
  - A. containers or packages are sealed and intact; and
  - B. there is no evidence of tampering.
- (3) Any containers or shipments that have been suspected of tampering shall be set aside and secured, and the Director shall be immediately notified.
- (4) After inspection of shipments and completion of appropriate receiving documentation, all containers shall be transported to the secured area and inventory records updated showing the shipment.
- (5) Sensitive gaming supplies shall be maintained in locked and secured areas requiring:
  - A. written management authorization for entry;
  - B. notification to the Surveillance Department prior to entry;
  - C. a log recording the signature and employee identification number of employees entering. Computerized access records may be used in lieu of a written log for all authorized personnel; and
  - D. access by not less than two authorized persons.
- (6) The gaming operation shall maintain perpetual inventories of sensitive gaming supplies that allow for the immediate verification of balances on hand.
- (7) A perpetual inventory system shall include a record of the following:
  - A. name of the manufacturer;
  - B. date and amount added or removed from the inventory including necessary signatures and employee identification numbers; and
  - C. balance on hand.
- (8) A physical inventory shall be:
  - A. conducted at least once every month;
  - B. performed by an employee independent of the gaming department; and
  - C. verified to recorded balances with any discrepancies reported to the Director not later than beginning of the next Commission business day.
- (9) Sensitive gaming supplies permanently removed from play shall be:
  - A. maintained in a secure location;
  - B. accounted for prior to destruction and discrepancies immediately investigated and an incident report forwarded to the Director not later than the beginning of the Commission's next business day; and
  - C. cancelled or destroyed, in a manner approved by the Director, within twenty-four (24) hours.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 11: SENSITIVE GAMING SUPPLIES**

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- (10) Envelopes used to transport sensitive gaming supplies within the gaming facility shall be sealed and designed to show signs of tampering, as approved by the Director.
- (11) Transport of sensitive gaming supplies in the gaming facility shall be accompanied by a Security Officer and under surveillance cameras.
- (12) Surveillance shall be notified prior to opening containers and/or inspection of sensitive gaming supplies.
- (13) Employees responsible for custody of sensitive gaming supplies shall securely maintain custody of the supplies from the time of checkout, until the supplies are returned to a secure area or transferred with proper authorization.

**(b) CARD CONTROL**

- (1) Changes to design and color of playing cards shall be approved by the Director.
- (2) All table game playing cards shall have a playing cycle not to exceed twenty-four (24) hours.
- (3) Card inventory in playing areas shall be maintained on an imprest basis.
- (4) Poker playing cards are subject to the following restrictions:
  - A. cards may be used for a maximum of seven (7) days before being removed from play; and
  - B. plastic cards may be used for up to three (3) months if the cards are washed or cleaned in a manner and time period approved by the Director.
- (5) Any playing card marked, altered, flawed, scratched, nicked, crimped, discolored, or at the request of the Director:
  - A. Shall be removed from play and maintained in a secure place within the pit until collection by a Surveillance Agent.
  - B. Cards showing evidence of tampering shall be placed in a sealed envelope identifying the table number, date and time, and signature and employee identification number of the supervisor and dealer.
  - C. Cards showing no evidence of tampering shall be documented by writing on the card in black ink the table number, date, time, shift, supervisor's name and identification number.
- (6) A Security Officer and a table games employee shall retrieve and transport all cards between the secured area and the pit area.
- (7) The exchange of cards in playing areas shall be documented and verified to ensure the number of decks received is equal to the number of decks removed.
- (8) The total number of cards, values and denominations shall be verified prior to use in a game.

**(c) DICE**

- (1) The Table Games Supervisor, in the presence of a Security Officer and under surveillance cameras shall:

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 11: SENSITIVE GAMING SUPPLIES**

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- A. retrieve from the secured area the exact number of dice as required for a gaming day; and
- B. transport the dice directly to the pit podium where they shall be secured.
- (2) Under surveillance cameras and at the pit podium, the incoming Table Games Supervisor, in the presence of another Table Games Supervisor, shall inspect the dice to be used during the next eight hours and shall cancel the dice used from the previous eight hours.
- (3) Dice inspection shall be performed as follows:
  - A. with a micrometer, or other instrument approved by the Director, which performs the same function; and
  - B. on a flat surface under surveillance cameras and visible to any person in the immediate vicinity of the pit podium.
- (4) Dice inspection instruments shall be securely maintained at the pit podium and shall be at all times readily available for inspection or use by the Director.
- (5) After completion of the inspection, the Table Games Supervisor who inspected the dice shall distribute the dice to each craps table, and in the presence of a dealer/boxperson, shall place the dice on the table.
- (6) Dice shall not be left unattended while at the table.
- (7) Dice at each table shall be changed every eight hours.
- (8) Dice shall be removed from play upon any indication of tampering, flaws or other defects, or at the request of the Director.
- (9) At the end of each shift, or as necessary, dice shall be visually inspected for evidence of tampering as follows:
  - A. by a supervisor other than the one who originally inspected the dice;
  - B. dice showing evidence of tampering shall be placed in a sealed envelope identifying the table number, date and time, signature and employee identification number of the supervisor, dealer and the Surveillance Agent responsible for collection;
  - C. all dice that show no evidence of tampering shall be canceled by placing an off-center indent on the middle spot of the number five (5) side of each die, and placed in the envelope which identifies the table number, date and time, signature and employee identification number of the supervisor; and
  - D. the envelope shall be appropriately sealed and maintained in a secure place within the pit and not less than once each gaming day collected by a Security Officer and transported to the secured area.

**(d) VLT PAPER**

- (1) Transfers from secured storage shall be performed by a Security Officer and a Cage employee.
- (2) VLT paper stock cases shall be hand-numbered with a sequential identification number in indelible ink when placed in storage.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 11: SENSITIVE GAMING SUPPLIES**

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- (3) VLT paper shall be returned to inventory or destroyed when a VLT is moved to storage.
- (4) The Security Department shall conduct sporadic, daily observations of VLT paper fills.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 12: SENSITIVE KEY CONTROL**

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**(a) GENERAL**

- (1) All original and duplicate sensitive keys shall be accounted for by the Security Department from the time of receipt through destruction.
- (2) All original and duplicate sensitive keys shall be keyed differently than any other key unless approved by the Director.
- (3) Keys shall not be duplicated without prior written approval from management. Spare keys shall be maintained to provide the same degree of control as required for original keys.
- (4) Sensitive locks and keys shall be ordered, received, and destroyed by authorized individuals.
  - A. Sensitive locks and keys shall be ordered from lock and key vendors licensed by the Commission.
  - B. The destruction of sensitive locks and keys shall be documented with date, time, key usage description, signatures and badge numbers of the individual that destroyed the key and the individual witnessing the destruction.
  - C. Surveillance shall be notified prior to the destruction of sensitive locks and keys.
- (5) Management shall approve levels of access to employees by department who are allowed access to keys.
- (6) A list shall be maintained to document employees who are authorized access to keys.
- (7) Changes to the access levels and authorization lists shall be evidenced by management's written approval.
- (8) Access to keys shall be allowed only to authorized employees.
  - A. A log of all employees accessing keys shall be maintained by each department having responsibility for keys.
  - B. The key access log shall include key name, date, time, signatures, and employee identification numbers.
- (9) All keys checked out shall be returned promptly after requirements are completed.
  - A. Keys shall not be transferred to another individual without prior authorization and documentation of the transfer.
  - B. The key custodian shall ensure that all keys checked out are returned and properly secured.

**(b) TABLE GAMES**

- (1) Keys to table game inventory trays shall be maintained in a lock box that requires sign-in and sign-out by the Table Games Supervisor.
- (2) Table game inventory tray keys shall not be accessible to cage employees or to any employee responsible for transporting inventories to or from tables.
- (3) Cage and Table Games Department employees shall not have access to the fill/credit dispenser keys.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 12: SENSITIVE KEY CONTROL**

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**(c) BINGO AND KENO**

- (1) Department employees shall not have access to keys for locked cabinets containing gaming equipment and computer hardware/software.
- (2) An employee independent of bingo/keno shall accompany keys to gaming computer hardware and observe changes/repairs.

**(d) VLT**

- (1) VLT door keys shall be maintained to ensure that only authorized employees have access into the VLT.
- (2) VLT logic board compartment keys shall be maintained to ensure that only authorized personnel may have access to the logic board.
- (3) VLT reset and privileged option keys shall be securely maintained by the VLT department to ensure that only authorized employees have access.
- (4) VLT progressive controller keys shall be maintained by a department independent of the VLT department.

**(e) DROP KEYS**

- (1) Drop Box Release Keys.
  - A. One employee independent of the gaming department subject to the drop and an additional employee shall accompany drop keys while checked out.
  - B. Drop box release keys shall be maintained by a department independent of the gaming department and shall be keyed differently from any other key.
  - C. Only the employee authorized to remove drop boxes shall be allowed access to the release keys. Count team members may have access to release keys during the count in order to reset the drop boxes.
  - D. Employees authorized to remove drop boxes shall be precluded from having access to contents keys.
- (2) Drop Cart Keys.
  - A. An employee independent of the gaming department shall be required to accompany the drop cart keys and observe each time drop boxes are removed from or placed on cart storage racks.
  - B. Drop cart keys shall be maintained by a department independent of the gaming department, and shall be keyed differently from any other key.
  - C. Employees, other than the count team, authorized to obtain drop cart keys shall be precluded from having access to contents keys.
- (3) Drop Box Contents Keys.
  - A. Only count team members during the count process shall be allowed access to contents keys.
  - B. Drop box contents keys shall be maintained by a department independent of the gaming department, and shall be keyed differently from any other key.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 12: SENSITIVE KEY CONTROL**

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- C. Three employees from separate departments, including management, shall be required to access drop box contents keys when the count is not in process. The reason shall be documented with signatures and employee identification numbers of all participants.
- D. Two employees shall be responsible for physical custody of the drop box contents keys.
- E. The Surveillance Department shall be notified prior to the checkout of contents keys.

**(f) COUNT ROOM KEYS**

- (1) At least three count team members shall be required to be present at the time count room keys and other count keys are issued for the count.
- (2) Count room keys shall be maintained and controlled by two separate departments independent of the Table Games and VLT departments with the exception of the count team.

**(g) ELECTRONIC KEY CONTROL SYSTEMS**

- (1) An electronic access system that creates a reliable and auditable historical record of door activity and/or key access may serve as an acceptable alternative as follows:
  - A. specific application shall be approved by the Director;
  - B. access shall be denied unless the minimum access requirements are met;
  - C. the access system shall be maintained by a designated access control system administrator (administrator);
  - D. written authorization for access shall be obtained from management; and
  - E. authorizations and historical entry records shall be immediately available to the Director.
- (2) Back-up access procedures shall be in place that ensure security of sensitive areas and that minimum logging requirements for check out of sensitive keys are met.
- (3) Emergency keys that allow manual access to key boxes require:
  - A. three supervisory personnel from separate departments to check out emergency keys to key boxes containing drop and count keys, two of which shall maintain custody while checked out;
  - B. two supervisory personnel from separate departments to check out and maintain custody of emergency keys to all other key boxes; and
  - C. a record of key name, date, time, reason for access, signatures and identification numbers of persons checking out emergency keys.
- (4) Maintenance requiring entry into key boxes by the administrator shall be documented.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 12: SENSITIVE KEY CONTROL**

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- (5) Quarterly the administrator shall inventory sensitive keys and reconcile records to acquisitions, issuances and disposals. Any discrepancies shall be documented and investigated.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 13: TABLE GAMES**

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**(a) EQUIPMENT SECURITY AND MAINTENANCE**

- (1) Access to gaming equipment shall be restricted to authorized personnel.
- (2) Computer hardware/software shall be maintained on a periodic basis by a department independent of the Table Games Department.
- (3) In the event of malfunction of any table game computer system, the game, or portion of the game affected by the malfunction, shall cease until repairs are made.

**(b) TABLE INVENTORIES**

- (1) Table inventory forms, and three-part opener/closer forms, shall be maintained and controlled by a Table Games supervisor.
- (2) Completed inventory forms and opener/closer forms shall contain the following information:
  - A. shift identification;
  - B. game and table number;
  - C. total value of each denomination of chips remaining at the table;
  - D. the total value of all chips remaining at the table; and
  - E. signatures and employee identification numbers of employees who counted and verified the inventory.
- (3) Whenever tables are to be opened for gaming activity, the inventory tray shall be unlocked by a Table Games supervisor.
- (4) On opening a table, the table inventory shall be counted by the dealer assigned to the table and verified by a Table Games supervisor, and both shall sign the inventory form.
- (5) Any discrepancy between the inventory count and the recorded amount shall be immediately reported to the shift supervisor. For discrepancies of \$100 or more, the Surveillance Department shall be notified.
- (6) Chips shall not be added to or removed from table inventories during the gaming day unless:
  - A. in exchange for cash;
  - B. in payment of winning wagers and collection of losing wagers;
  - C. in exchange for chips having an equal aggregate face value received from a player; or
  - D. by authorized fill and credit transactions.
- (7) All transfers of table inventories to/from the cage shall be documented. Transfers between tables are prohibited.
- (8) At the close of each gaming day, the opener/closer form shall be completed by the outgoing Table Games supervisor and dealer, if available, or another Table Games supervisor, or a supervisor from another gaming department. The verifications shall be evidenced by signatures and employee identification numbers on the opener/closer form.
- (9) The closer shall be placed in the outgoing drop box, and the opener shall be

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**CHAPTER 13: TABLE GAMES**

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placed in the incoming drop box by a Security Officer. The copy shall be forwarded to the Accounting Department.

- (10) On closing a table, the table inventory shall be counted by the dealer assigned to the table and verified by a Table Games supervisor. An inventory form shall be completed.
- (11) Each table inventory, and the inventory form, shall be stored when the table is closed in a locked and clear inventory tray secured to the table or in the cage.
- (12) The information on the inventory form shall be visible from the outside of the inventory tray.
- (13) Surveillance shall be notified prior to removal of table inventory trays. Inventory trays removed from tables for maintenance shall be secured by a Table Games supervisor under surveillance cameras.

**(c) FILLS AND CREDITS**

- (1) Copies of fill slips shall be distinguishable from credit slips by either a different color or different title. Fill and credit slips shall be prenumbered.
- (2) The table number, date, time, and amount of fill or credit by denomination and in total, shall be noted on all copies of the fill/credit slips.
- (3) Fills and credits shall be authorized by a Table Games supervisor prior to the cage issuing or receiving the chips. Chips shall not be transported without a properly completed fill/credit slip.
- (4) The fill and credit slips shall include the signature and employee identification number of at least the following individuals to attest to the verification of the transaction:
  - A. the cashier who prepared the slip and issued or received the chips;
  - B. the runner;
  - C. the dealer responsible for custody of the chips; and
  - D. the Table Games supervisor.
- (5) The three parts of each fill/credit slip shall be utilized as follows:
  - A. One part of the fill slip is transported by the runner to the pit with the fill. After the appropriate signatures and employee identification numbers are obtained, the slip is deposited in the drop box.
  - B. Two parts of the credit slip are transported by the runner to the pit. After the appropriate signatures and employee identification numbers are obtained, the slip is deposited in the drop box, and the original transported with the chips to the cage for verification.
  - C. One part is retained in the cage for reconciliation of the cashier's bank.
  - D. One part is retained intact in a locked dispenser in a continuous unbroken form, or on secured electronic storage media.
- (6) Chips shall be transported by a runner in a closed and clear container.
- (7) Fills and credits shall be broken down and verified by the dealer in view of surveillance cameras.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 13: TABLE GAMES**

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- (8) The fill/credit slips shall be placed in the drop box by the dealer. The runner shall observe the placement of the fill/credit slips in the drop box.

**(d) TABLE GAME JACKPOTS**

- (1) For jackpot payouts of \$2,000 or more:
- A. Surveillance shall be notified.
  - B. The date, time, game, amounts, and winning hand shall be documented.
  - C. Two Table Games Supervisors shall verify the payout.
- (2) If a malfunction occurs while a game is in play, and a progressive jackpot is won, the Surveillance Department shall verify the total to be paid.

**(e) CASH CONTROL**

- (1) All cash shall be accepted by the dealer/boxperson in full view of a Table Games supervisor, and the player who presented it.
- (2) Cash shall be placed on the table face up so each bill can easily be identified and each currency denomination separated from each other.
- (3) The amount of cash, if \$100 or more, shall be announced by the dealer/boxperson accepting it and acknowledged by a Table Games supervisor.
- (4) Immediately after an equivalent amount of chips has been given to the player, the cash shall be placed by the dealer/boxperson into the drop box.
- (5) The dealer/boxperson shall immediately clear their hands upon any of the following:
- A. the completion of a cash transaction;
  - B. before touching any area of their clothing; or
  - C. before leaving the table.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 14: POKER ROOM**

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**(a) GENERAL**

- (1) Adequate supervision shall be provided in the Poker Room at all times.
- (2) The rake shall be collected in conformity with the Game Rules and in accordance with the posted rules.

**(b) TABLE INVENTORIES**

- (1) Transfers between table inventories and the cage shall be:
  - A. authorized by a supervisor;
  - B. verified by the dealer and the runner; and
  - C. evidenced by the use of a lammer.
- (2) When a game closes, the table inventories shall be:
  - A. counted, recorded, and reconciled by a Poker Room employee and supervisor,
  - B. attested to by signature and employee identification number on the inventory form; and
  - C. locked.
- (3) Open table inventories shall be counted by incoming dealers.

**(c) PROMOTIONAL POOLS**

- (1) Rules governing promotional pools shall be conspicuously posted in the Poker Room and designate:
  - A. amount of funds to be contributed from each pot;
  - B. type of hand to win the pool;
  - C. how the promotional funds will be paid out;
  - D. how/when the contributed funds are added to the jackpots; and
  - E. amount or percentage of funds allocated to any existing primary and secondary jackpots.
- (2) The amount of the jackpot shall be conspicuously displayed in the Poker Room. Once a day the progressive sign, or meter, shall be updated to reflect the current pool amount. A Poker Room Supervisor shall verify all jackpot calculations.
- (3) All funds contributed by players into promotional pools shall be returned when won in accordance with the posted rules with no commissions or fees withheld.
- (4) Promotional pool contributions shall not be placed in or near the rake circle, in the drop box, or commingled with gaming revenue.
- (5) Promotional funds shall be removed from the game in plain view of the public and placed in a drop box.
- (6) Decreases to promotional pools shall be documented with the reason for the decrease.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 14: POKER ROOM**

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**(d) JACKPOT PAYOUTS**

- (1) The Surveillance Department shall be notified upon a jackpot win.
- (2) All jackpot hands shall be verified prior to payouts by two Poker Room Supervisors, or one Poker Room Supervisor and a Supervisor independent of the Poker Room.

**(e) TOURNAMENTS**

- (1) Poker tournament entry fees and re-buys, shall be documented on the tournament sheet, which shall include the name of the player, and amount of fee or re-buy.
- (2) All money collected as entry fees and re-buys shall be maintained in a secured area in the Poker Room and not commingled with other funds.
- (3) The cashier shall count and calculate the total amount of entry fees collected and complete the tournament sheet.
- (4) The cashier shall calculate, segregate and record the prize amounts on the tournament sheet.
- (5) The Poker Room Supervisor shall separately count, in the presence of a cashier and under surveillance cameras, the recorded prize amounts and compare the amounts to the tournament sheet. Both individuals sign the tournament sheet.
- (6) If the amounts do not agree, the cashier and Poker Room Supervisor shall recount the money.
- (7) Each tournament sheet shall include the date, player name and amount of the prize.
- (8) The player shall sign the tournament sheet upon receipt of any prize.
- (9) The tournament sheet shall be forwarded at the end of the shift to the Accounting Department, or deposited in a lock-box controlled by the Accounting Department.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 15: BINGO**

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**(a) EQUIPMENT**

- (1) Computerized accounting, sales, ball selection, electronic bingo cards, and other technological aids are allowed as approved by the Director.
- (2) Access to gaming equipment shall be restricted to authorized personnel.
- (3) Equipment shall be maintained and checked for accuracy on a periodic basis by a department independent of the Bingo Department.
- (4) Procedures to inspect bingo balls for defects or evidence of tampering prior to being put into play and, as necessary, shall be approved by the Director.

**(b) BINGO PAPER INVENTORY**

- (1) Bingo paper shall be controlled as follows:
  - A. Paper shall be inventoried and secured by an individual independent from bingo sales.
  - B. Issuance of paper to cashiers shall be documented by signatures of the inventory clerk and cashier.
  - C. The paper numerical sequence or series shall be logged.
  - D. All paper issuances and returns shall be recorded in the inventory accounting system.
  - E. System totals shall be verified with a count of the inventory on hand at the end of each session.
  - F. Any discrepancies in inventory shall be documented and investigated.
  - G. A copy of the paper control log shall be given to the caller for verification of the win.
- (2) All unsold paper shall be destroyed or returned to inventory after a session.
- (3) Cards returned from refunds shall be destroyed.

**(c) SALES**

- (1) The cut-off time to purchase cards shall be established by the Bingo Manager and conspicuously posted.
- (2) The total sales and win shall be computed and recorded by shift or session.
- (3) The Bingo Manager shall approve instances in which administrative or supervisory employees sell cards and pay winnings.
- (4) Non-supervisory employees who sell cards or pay winnings shall not perform administrative functions during a session, including changing game data, inputting winners, approving void cards and payouts, and accessing accounting data.
- (5) Sales and refunds shall be recorded in the bingo system and documented with:
  - A. a customer receipt that includes date, time, shift or session, transaction identifier(s), description, total items sold, total sales; and
  - B. signature of at least one seller if manually documented or identification of device if electronically documented.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 15: BINGO**

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- (6) After each session an employee independent of the seller shall reconcile total sales to amount of cards sold.
  - A. The reconciliation shall be documented with the employee signature.
  - B. Variances shall be recorded and investigated.
- (7) Sales adjustments shall be documented and approved by a supervisor.
- (8) Void sales.
  - A. Cards shall not be voided after the start of a game.
  - B. Returned cards shall be marked as void.
  - C. The void transaction shall be immediately recorded in the bingo system.
  - D. Void receipts shall be issued including date, time, session, identification of voided cards, total amount voided, amount refunded, and signature of a supervisor authorizing the transaction.

**(d) NUMBER SELECTION**

- (1) Balls shall be randomly drawn, one at a time, from a ball selection device. Procedures shall be implemented to ensure the correct selection of numbers.
- (2) Only authorized employees shall have access to bingo balls.
- (3) Each ball shall be shown to a surveillance camera and clearly displayed to all players immediately after the draw. The numbers drawn shall be shown on an electronic number board, screen or monitor.
- (4) For games offering a payout of \$1,200 or more, the ball numbers shall be immediately documented and maintained for a minimum of seven (7) days.
- (5) Balls shall be returned to the selection device prior to calling the next game.

**(e) PAYOUTS**

- (1) Prior to making payouts, the sequence number of cards shall be recorded in the system.
- (2) The system shall display the winning card to all players.
- (3) Payouts shall be verified by at least two employees. Computer verification may eliminate the need for a second verifier if the winning numbers are displayed on the reader board.
- (4) Payouts of \$1,200 or more require approval of a supervisor independent of the transaction.
- (5) Payouts greater than \$10,000 require notification to the Surveillance Department, and approval by a manager independent of the Bingo Department.
- (6) Payout adjustments shall be documented and approved by a supervisor.
- (7) Payout verification functions shall be adequately segregated from sales. Employees who sell cards on the floor shall not verify winning cards they had previously sold, unless the game can be verified by a computerized system.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 15: BINGO**

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**(f) DOCUMENTATION**

- (1) The system shall:
  - A. record game transactions on a restricted transaction log;
  - B. generate daily sales and payout summaries and detail balance reports including dates, transaction types and numbers, sessions, amounts, void information, discounts, coupons, employees involved in the transactions, and audit logs;
  - C. be capable of printing sequential list of balls drawn in a game; and
  - D. have backup and archiving capability to ensure required data is maintained in the case of system failure.
- (2) Approvals or verifications required by employees shall be evidenced by signature and identification number.

**(g) ELECTRONIC BINGO CARD DEVICE**

- (1) An EBCD shall not be placed in play if it shows any sign of tampering or problems that may affect play.
- (2) At least one EBCD shall be available to replace a malfunctioning device.
- (3) If an EBCD malfunctions, the bingo game shall not continue until the electronic cards can be played or transferred to another device.
- (4) Any remaining cards or unsold electronic cards shall be voided and removed from the EBCD prior to the next session.
- (5) The Director shall approve:
  - A. the method of electronic daubing of cards; and
  - B. the maximum number of cards allowed per game.

**(h) JACKPOTS AND PRIZE POOLS**

- (1) Jackpots and other prizes shall be conspicuously posted.
- (2) Increases and decrease to prize pools shall be recorded.
- (3) The total progressive jackpot amount shall be recorded each day and included with accounting information for reconciliation.
- (4) Inter-tribal prize pools.
  - A. Participation in inter-tribal prize pools for progressive jackpots is allowed as approved by the Commission.
  - B. Prize pool data shall be maintained by the vendor and shall include summaries of total contributions, payouts and available funds for existing and reserve jackpots.
  - C. Winners shall be confirmed at each participating site and the results verified by the system.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 15: BINGO**

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**(i) CASH CONTROL**

- (1) Funds shall be counted by two employees, reconciled to the recorded amounts, and recorded on an accountability form at the end of each session.
- (2) The following shall be recorded on the accountability form:
  - A. cashier bank balances;
  - B. increases and decreases to cashier banks;
  - C. transfers and/or exchanges; and
  - D. variances.
- (3) Internal and external transfers and exchanges shall be counted by at least two employees.
- (4) Employees who count and reconcile funds shall verify the accuracy on the accountability form(s).
- (5) The Surveillance Department shall be notified of the time when a fill/credit will be made.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 16: KENO**

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**(a) EQUIPMENT MAINTENANCE AND SECURITY**

- (1) Access to gaming equipment shall be restricted to authorized employees.
- (2) Equipment shall be maintained and checked for accuracy on a periodic basis by a department independent of the Keno Department or an authorized Keno vendor. Maintenance shall include computer program updates and hardware servicing.
- (3) If a barcode or microchip reader is used, the reader shall be tested annually for accuracy by personnel independent of the Keno Department.
- (4) Any evidence of tampering found during equipment maintenance shall be reported to management employees independent of the Keno Department for investigation.

**(b) TICKET SALES**

- (1) The player's ticket shall include the gaming operation name, city, state, date, game number(s), ticket sequence number, station number or writer identification number, and conditioning.
- (2) The information recorded on the ticket shall be concurrently recorded on a restricted transaction log.
- (3) Void ticket information shall be entered into the computer system and a void slip produced prior to the start of a game. The computer shall document the following:
  - A. ticket number;
  - B. date and time of the void;
  - C. name or other identifier of employee completing the void.
- (4) Writing of tickets shall not be performed:
  - A. after a game has been closed; or
  - B. after the number selection process for that game has begun.
- (5) Controls over tickets prepared in outstations shall be identical to the controls utilized in the primary game.
- (6) The restricted copy of the ticket shall be retained on computer storage media with access denied to Keno Department employees.

**(c) NUMBER SELECTION**

- (1) The date, game number, game closing time and numbers drawn shall be recorded by the computer system.
- (2) Random number selection.
  - A. The random number generator shall directly transmit selected numbers to a computer system linked to the random number generator.
  - B. Keno personnel shall not be authorized to access the random number generator.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 16: KENO**

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**(d) PAYOUTS**

- (1) The sequence number of the ticket presented for payment shall be input into the computer, and the payment amount given to the player.
- (2) No payments shall be made on tickets previously presented for payment, unclaimed winning tickets, voided tickets or unissued tickets. The time period for which payments are made on outstanding winning tickets shall not exceed one year.
- (3) All payouts shall be supported by the computer-generated player copy of the winning ticket.
- (4) Payments made on tickets outside the computer shall require supervisor approval prior to payment and logged with signatures and badge numbers of a Keno employee and supervisor.
- (5) For winning tickets and promotional payouts \$1,500 or more (less wager):
  - A. the Surveillance Department shall be notified for verification;
  - B. approval shall be obtained from a supervisor independent of the Keno Department evidenced by signature and employee identification number;
  - C. the winning player copy shall be compared to the computer reports;
  - D. the player copy using the payout schedule and draw information shall be re-graded; and
  - E. all approvals and verifications documented on a draw verification form.
- (6) The computer system shall immediately notify Keno Department employees of large multi-game winners.
- (7) At shift change, oncoming Keno Department employees shall be informed of multi-game tickets still in process.
- (8) All games encompassed by a multi-game keno ticket must be completed within 14 days of the wager being placed.
- (9) Procedures for the payout of mail-in winning tickets shall be approved by the Director and shall include:
  - A. Original winning tickets received shall be routed to personnel independent of the Keno department.
  - B. A mail pay log shall be maintained and include the date received, customer's name and ticket number.
  - C. The winning ticket(s) shall be forwarded to the Keno Department and entered into the computer system for validation and cancellation.
  - D. Accounting personnel shall compare the paid winning tickets to the log and the system report for paid winning tickets. Any discrepancies shall be documented by accounting and Keno management.
  - E. Accounting personnel independent of the above procedures shall verify the submitted correspondence, winning ticket, mail pay log, and system report for any discrepancies. Any discrepancies noted should be documented and investigated prior to payment to the customer.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 16: KENO**

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**(e) DOCUMENTATION**

- (1) Documentation of all keno information shall be restricted to authorized personnel and shall include:
  - A. a restricted copy of the ticket;
  - B. payout information including date, time, ticket number, and amount;
  - C. game information including game number, numbers drawn and time;
  - D. daily recap information by shift including write, payouts, and win;
  - E. win and write by either individual writer for each shift, or for each game during the shift; and
  - F. system exception information including voids, late pays, and appropriate system parameter information, such as, pay table changes, and payouts over a predetermined amount.
- (2) Copies of winning tickets less than \$1,500 (less wager) shall be retained for seven days.

**(f) CASH CONTROL**

- (1) Keno banks shall be contained in a secure area with access allowed only to individuals responsible for banks, and locked when left unattended.
- (2) Keno banks shall not be transferred between employees.
- (3) Funds shall be counted by two employees and reconciled to the recorded amounts at the end of each session. All variances shall be documented and investigated.
- (4) Employees who count and reconcile funds shall attest to the accuracy of the count with signatures and employee identification numbers on the appropriate accountability form(s).
- (5) The Surveillance Department shall be notified of the time when a fill/credit will be made.

*(End of Section)*

**MINIMUM INTERNAL CONTROL STANDARDS  
CHAPTER 17: RESERVED**

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***THIS SECTION HAS BEEN RESERVED AS OF FEBRUARY 20, 2009.***

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 18: VIDEO LOTTERY TERMINALS**

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**(a) EQUIPMENT MAINTENANCE AND SECURITY**

- (1) All VLT's shall be maintained to minimize communication and recording errors of VLT game data and to ensure immediate corrective action on any problems affecting the fairness and integrity of games.
- (2) Meter reading exceptions noted by the Accounting Department shall be reviewed to determine the corrective action to be taken.
- (3) VLT maintenance work shall be approved by management and performed by authorized employees only.
- (4) Prior to performing maintenance that may affect components with random access memory containing accounting data, the following shall be recorded and reported to the Accounting Department prior to the next VLT drop:
  - A. VLT number;
  - B. date and time maintenance was performed; and
  - C. coin-in, coin-out, coin-drop, tickets printed, tickets redeemed, and jackpot meters.

**(b) THEORETICAL AND ACTUAL HOLD**

- (1) The master game program number, par percentage and the pay table shall be verified with the par sheet when initially received from the vendor.
- (2) Accurate and current theoretical hold par sheets shall be maintained for each VLT.
- (3) For multi-game and/or multi-denominational VLT's:
  - A. An employee independent of the VLT department shall weekly record the total coin-in meter and quarterly record the coin-in meters for each payable in the VLT.
  - B. The theoretical hold percentage shall be adjusted annually to a weighted average based upon the ratio of coin in for each payable. The adjusted percentage shall be recorded and shown in the VLT analysis reports not later than the first month following the quarter in which the adjustment was made.
  - C. The adjusted theoretical hold percentage may be combined for VLT's with exactly the same game mix throughout the year.
- (4) The theoretical hold percentages used in the VLT analysis reports shall be within the performance standards set by the manufacturer.
- (5) For games that have par sheets with expected hold percentage ranges, an average shall be used. Use of any other hold percentages stated on the par sheets shall not be used unless approved by the Director.
- (6) Records shall be maintained for each VLT that indicate the date and type of any changes made and the recalculation of theoretical hold. Changes to a VLT's theoretical hold percentages, including progressive percentage contributions, shall result in the assignment of a new VLT number and treated as a new VLT in the statistical reports.

## **MINIMUM INTERNAL CONTROL STANDARDS**

### **CHAPTER 18: VIDEO LOTTERY TERMINALS**

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- (7) Promotional payouts and awards included on the statistical report shall not distort the actual hold percentages of the VLT.

#### **(c) PAYOUTS**

- (1) Players may redeem tickets at a change booth, cage, VLT or other approved validation terminal.
- A. The tickets are valid for a time period approved by the Director.
  - B. Procedures for remote validation of tickets shall be approved by the Director. The maximum limit for remote validation of tickets shall be less than \$3,000.
- (2) Data from tickets presented to cashiers shall be manually input into the validation system or scanned with an optical bar code reader or equivalent.
- (3) Tickets shall not be redeemed prior to the validation of tickets.
- (4) The ticket validation information shall be transmitted to the system for verification, and communicated directly to the change booth, cage terminal, VLT, or other approved terminal.
- (5) On validation of the ticket:
- A. the player shall be paid the validated amount;
  - B. the payment information shall be recorded in the system; and
  - C. the paid ticket shall be canceled and placed in the cashier's bank for reconciliation purposes, or retained in the VLT or other approved terminal until collected at the drop.
- (6) Procedures for the investigation and payment of locked tickets shall be approved for the Director.
- (7) The system shall notify the cashier that one of the following conditions exist:
- A. the ticket cannot be found on file;
  - B. the ticket has already been paid; or
  - C. the amount of the ticket differs from the amount on file.
- (8) In the event of an invalid, unreadable, altered or counterfeit ticket, the cashier shall refuse payment to the player and notify a supervisor for review.
- (9) If the system becomes temporarily inoperable:
- A. cashiers shall redeem and cancel complete and legible tickets only;
  - B. for any ticket \$500 or more presented for payment, Surveillance shall be notified;
  - C. redeemed tickets shall be entered promptly after the system is restored; and
  - D. if the system is inoperable for more than four (4) hours, written notice shall be submitted to the Director.

#### **(d) JACKPOT PAYOUTS AND MANUAL PAYS**

- (1) For jackpot payouts and manual pays, a prenumbered, three-part payout form shall be used including the following:
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**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 18: VIDEO LOTTERY TERMINALS**

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- A. date and time;
  - B. VLT number;
  - C. alpha and numeric dollar amount of payout or description of any personal property awarded;
  - D. if applicable, game outcome, including reel symbols, card values and suits; and
  - E. reason for payout for manual pays.
- (2) Computer generated payout forms shall be in triplicate form and have a unique identifying number.
  - (3) VLT tickets may be substituted for jackpot payout forms less than \$1,200.
  - (4) The witness and verification of jackpot/manual payouts shall be evidenced by signatures and employee identification numbers as follows:
    - A. for payouts less than \$2,500, two (2) VLT employees;
    - B. for payouts of \$2,500 to \$10,000, a VLT Lead or Supervisor and a VLT employee;
    - C. for payouts greater than \$10,000, a supervisor or manager independent of the VLT Department, a VLT Supervisor and a VLT employee; or
    - D. when the validation system is inoperable and the payout is up to \$10,000, a Security Officer or supervisor or manager independent of the VLT Department, and a VLT Supervisor, and a VLT employee.
  - (5) Frequent payouts originating from the same machine shall be evaluated. If a machine malfunction is suspected, an authorized technician shall test the machine and, in the case of a malfunction, the Director shall be notified.
  - (6) Surveillance shall be notified for jackpots of \$5,000 or more. The game state of the VLT shall not be altered until Surveillance has confirmed completion of required coverage.
  - (7) Payout forms shall be controlled to preclude fraudulent payouts.

**(e) INTERNAL PROGRESSIVE SYSTEM JACKPOT METERS**

- (1) At least once a day the gaming operation shall record the amount shown on each progressive jackpot meter for jackpots that will be hand paid. Explanations for meter reading decreases shall be maintained with the progressive meter sheets.
- (2) In cases where the payment of a jackpot is the explanation for a decrease in the meter reading:
  - A. the gaming operation shall record the jackpot payout form number on the sheet; or
  - B. have the number reasonably available.
- (3) The gaming operation shall record the base amount of each progressive jackpot offered.

**MINIMUM INTERNAL CONTROL STANDARDS**  
**CHAPTER 18: VIDEO LOTTERY TERMINALS**

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**(f) DOCUMENTATION**

- (1) A report shall be produced at least monthly showing month-to-date, year-to-date, and life-to-date if practicable, performance by denomination and individual VLT including:
  - A. floor par;
  - B. actual hold percentage;
  - C. theoretical hold percentage;
  - D. percentage variance; and
  - E. dollar variance.
- (2) Meter readings shall be recorded, manually or electronically, at least weekly immediately prior to or subsequent to the drop. The following reports shall be produced for each drop date:
  - A. Meter to actual drop;
  - B. Tickets in to tickets counted; and
  - C. Meter win to actual win.
- (3) If VLT's are not dropped and counted each day, the Monitoring and Control System shall read and record at the end of the business day attendant paid meters, drop meters, promotion meters and machine paid meters. The following reports shall be produced for each business day:
  - A. hand paid jackpots, cancelled credits, progressive payout, bonus payouts to actual;
  - B. meter and hand paid bonus payouts to system recorded bonus payouts;
  - C. promotions in/out to system recorded promotions in/out; and
  - D. tickets out to system recorded tickets out.
- (4) The employee who records the meter readings shall be independent of the count team.
- (5) The statistical reports shall be reviewed monthly by both VLT department management and management employees independent of the VLT department.
- (6) For games that have recorded 100,000 or more wagers, variances more than three percent (3%) between theoretical hold and actual hold shall be investigated, resolved and findings documented by an independent department in a timely manner.
- (7) MCS updates to reflect additions, deletions or movements of VLT's shall be:
  - A. made at least weekly, prior to meter readings; and
  - B. performed by a department independent of the VLT department or may be performed by VLT supervisory employees if adequately documented and randomly verified on a monthly basis by employees independent of the VLT Department.
- (8) Records shall be maintained for each VLT that show:
  - A. date placed into, removed from and returned to service; and
  - B. changes in VLT numbers and location.

## **MINIMUM INTERNAL CONTROL STANDARDS**

### **CHAPTER 18: VIDEO LOTTERY TERMINALS**

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- (9) Access into any VLT at times other than the drop shall be logged on a Machine Entry Authorization Log and returned to the inside of the VLT prior to securing the door. The log shall include:
  - A. the date, time, reason for access; and
  - B. the signature and employee identification number of the person gaining access.
- (10) Documentation shall be prepared showing maintenance performed on VLT games and related systems. The Director shall be notified of all actions taken to correct deficiencies affecting fairness and integrity of games. Notification shall include problem description, corrective actions, and date completed.

#### **(g) VLT TICKET DATABASE**

- (1) Ticket database creation and maintenance and ticket creation shall be authorized by management and performed by personnel independent of the VLT Department.
- (2) The creation of a ticket database shall be evidenced by documentation showing acceptance by VLT department management, individuals responsible for database creation, and date placed in service.
- (3) Accounting personnel and VLT personnel authorized by management shall review and test monthly through documented procedures, the database for unusual or unauthorized transactions.
- (4) The database shall be stored on redundant media to ensure no data is lost in the event of system failure or data corruption.

#### **(h) CASH CONTROL**

- (1) All VLT change banks, which are active during the shift, shall be counted and recorded each shift on an accountability form.
- (2) Funds shall not be removed from gaming areas and shall be verified at the end of each shift.
- (3) Employees who count and reconcile funds shall attest to the accuracy by signature and employee identification number on the appropriate accountability forms.

*(End of Section)*