LITTLE TRAVERSE BAY BANDS OF ODAWA INDIANS

TRIBAL MINIMUM INTERNAL CONTROL STANDARDS
REG-WOS 2011-005 081719-020

WAGANAKISING ODAWA

Approved by Tribal Council 080819
Approved by the Executive 080719
Tribal Minimum Internal Control Standards
REG-WOS 2011-005-080719-020

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TRIBAL INTERNAL CONTROL STANDARDS
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Table of Contents

Section I	**Definitions**
Section II	**General Operations**
Section III	**Currency Reporting Transactions**
Section IV	**Bingo – Class II**
Section V	**Pull Tabs – Class III**
Section VI	**Card Games –Class II**
Section VII	**Table Games**
Section VIII	**Slots**
Section IX	**Accounting**
Section X	**Cage**
Section XI	**Management Information Services – Class II & III**
Section XII	**Complimentary Services**
Section XIII	**Drop & Count**
Section XIV	**Internal Audit**
Section XV	**Surveillance**
Section XVI	**Gaming Promotions and Player Tracking Systems**
Section XVII	**Patron Deposit Accounts and Cashless Systems**

Section XVIII Effective Date

I. **Definitions:** The definitions in this section shall apply to all sections of these standards unless otherwise noted.

A.

a. **Account access card:** means an instrument used to access customer accounts for wagering at a gaming machine. Account access cards are used in connection with a computerized account database. Account access cards are not smart cards.

b. **Accountability:** means all items of cash, cash equivalents, chips, coins, tokens, plaques, receivables, and customer deposits constituting the total amount for which the bankroll custodian is responsible at a given time.

c. **Accumulated credit payout:** means credit earned in a gaming machine that is paid to a customer manually in lieu of a machine payout.(i.e. hand pay, manual pay)

d. **Actual hold percentage:** means the percentage calculated by dividing the win by the drop or coin-in (number of credits wagered). Can be calculated for individual tables or gaming machines, type of table games, or gaming machines on a per day or cumulative basis.

e. **Agent** means an employee or licensed person authorized by the Bingo operation, as approved by the LTBB Gaming Regulatory Commission, designated for certain authorizations, decisions, tasks and actions in the gaming operation

f. **Ante:** means a player's initial wager or predetermined contribution to the pot before the dealing of the first hand.

B.

a. **Bill acceptor:** means the device that accepts and reads cash by denomination and cash equivalents (e.g. tickets and vouchers) in order to accurately register customer credits.

b. **Bill acceptor canister:** means the box attached to the bill acceptor used to contain cash and cash equivalents received by bill acceptors.

c. **Bill acceptor canister release key:** means the key used to release the bill acceptor canister from the bill acceptor device.

d. **Bill acceptor canister storage rack key:** means the key used to access the storage rack where bill acceptor canisters are secured.

e. **Bill acceptor drop:** means cash or cash equivalent contained in bill acceptor canisters.

f. **Bill-in meter:** means a meter included on a gaming machine accepting cash or cash equivalent that tracks the cash or cash equivalent put in the machine.

g. **Bingo session:** means bingo games played within the gaming day.

h. **Bonus award:** means an award of cashable or non-cashable credits placed on the credit meter of the machine. The amount placed on the credit meter may or may not result from a wager.

i. **Bonus Payout:** means a type of payout possessing the objective of retaining customer patronage. Various types of bonuses are generally available, such as free cash, match bonuses or free play and may be dependent on the loyalty rating of a customer.

j. **Box person:** means the first-level supervisor who is responsible for directly participating in and supervising the operation and conduct of a craps game.

C.

a. **Cage:** means a secure work area within the gaming operation for cashiers which may include a storage area for the gaming operation bankroll.

b. **Cage accountability:** means all the cash and cash equivalents in the possession of the cage as summarized on a daily basis on a cage accountability form that includes, but is not limited to, items such as currency, coin, and chips/tokens. Contents of safe deposits boxes to which the gaming operation does not have access are excluded.

c. **Cage accountability form**: means an itemized list of the cash and cash equivalents that make up the cage department's accountability.

d. **Calibration module:** means the section of a weigh scale used to set the scale to a specific amount or number of coins to be counted.

e. **Card game:** means a game played with cards in which the gaming operation is not party to wagers and from which the gaming operation receives compensation in the form of a rake, a time buy-in, or other fee or payment from a player for the privilege of playing.

f. **Card room:** means an area set aside for the conduct of card games such as poker.

g. **Card room bank:** means the operating fund assigned to the card room or main card room bank.

h. **Cash equivalents:** means documents, financial instruments, or anything else of representative value other than cash to which a gaming operation has assigned a monetary value. A cash equivalent includes, but is not limited to, tokens, chips, coupons, vouchers, jackpot slips and, tickets and other items to which the LTBB Gaming Operation has assigned an exchange value.

i. **Cash-out ticket:** means an instrument of value generated by a gaming machine representing a cash amount owed to a customer at a specific gaming machine. This instrument may be wagered at other machines by depositing the cash-out ticket in the machine bill acceptor.

j. **Chips:** mean cash substitutes, in various denominations, issued by a gaming operation and used for wagering.

k. **Coin-in meter:** means the meter that displays the total amount wagered in a gaming machine that includes coins-in and credits played.

l. **Coin meter count machine:** means a device used in a coin room to count coin.

m. **Commission:** means the Little Traverse Bay Bands of Odawa Indians Gaming Regulatory Commission.

n. **Complimentary:** means a service or item provided at no cost, or at a reduced cost, to a customer at the discretion of an employee authorized to issue such services or items. This does not include non-gaming items made available to all Tribal Citizens, all Gaming Operation Employees, all LTBB Government Employees, or attendees at a conference or training session.

o. **Computerized casino accounting system:** means a system utilized by a gaming operation that securely maintains and monitors data which may include but is not limited to player tracking, gaming machine activity and marketing functionality, inclusive of other activities that interface with the system. In addition, the casino accounting system may provide the gaming operation with the ability to perform cashless transactions and monitor, detect, report and log system exceptions.

p. **Count:** means the total funds counted for a particular game, gaming machine, shift, or other period.

q. **Count room:** means a secure location in which the drop is counted.

r. **Count team:** means personnel who perform the count of the drop.

s. **Counter Game:** means a game in which the gaming operation is party to wagers and the gaming operation documents all wagering. The term includes, but is not limited to bingo. The term does not include table games card games or gaming machines.

t. **Credit meter:** is a visual LED display of the amount of money or credits on the gaming machine.

u. **Credit slip:** means a form used to record the return of chips from a gaming table to the cage.

v. **Critical IT system:** means the collective hardware, software, network infrastructure and associated equipment, to include computerized casino accounting system (if applicable), used to produce, accumulate, monitor, record, store, and report gaming revenues and associated

financial data. At a minimum, the term 'critical system' is applicable to the gaming revenue centers and the following activities and functions, as related to the recognition and recordation of the gaming activity: cage, credit, complimentary services and items, accounting, drop and count, internal audit and surveillance.

w. **Currency counter interface:** means a link between a currency counter and typically the accounting software systems of the gaming operation in which access is restricted to authorized persons.

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

y. **Customer deposits:** means an amount of funds deposited in an account opened at the cage for the customer's future use.

D.

a. **Deal:** means a specific pull tab game that has a specific serial number associated with each game.

b. **Dealer:** means an employee who operates a game, individually or as a part of a crew, administering house rules and making payoffs.

c. **Dedicated camera:** means a video camera required to continuously record a specific activity.

d. **Digital Video Recorder (DVR):** means a device that records video in a digital format to tape, digital video disk, or other storage medium, for later reproduction.

e. **Discount Wager:** means a wager in which a customer is given credit for an amount greater than the actual amount placed at risk and is supported by documentation, often a promotional coupon (e.g., match

play).

f. **Drop (for gaming machines):** means the total amount of cash, cash-out tickets, coupons, coins, and tokens removed from drop buckets and/or bill acceptor canisters.

g. **Drop (for table games):** means the total amount of cash, chips, and tokens removed from drop boxes.

h. **Drop box:** means a locked container affixed to the gaming table into which the drop is placed. The game type, table number, and shift are indicated on the box.

i. **Drop box contents keys:** means the key used to open drop boxes.

j. **Drop box release keys:** means the key used to release drop boxes from tables.

k. **Drop box storage rack keys:** means the key used to access the storage rack where drop boxes are secured.

l. **Drop bucket:** means a container located in the drop cabinet (or in a secured portion of the gaming machine in coinless/cashless configurations) for the purpose of collecting coins and tokens from the gaming machine.

m. **Drop cabinet:** means the wooden or metal base of the gaming machine that contains the gaming machine drop bucket.

n. **Drop period:** means the period of time that occurs between sequential drops.

E.

a. **EPROM:** means erasable programmable read-only memory.

b. **Exception report:** means a generated listing of occurrences, transactions or items that fall outside a predetermined range of acceptability.

c. **Extraneous Items:** are any items not required to perform job function.

F.

a. **Fill:** means a transaction whereby a supply of chips, coins, or tokens is transferred from a bankroll to a table game or gaming machine.

b. **Fill slip:** means a document evidencing a fill.

c. **Financial instrument:** means any tangible item of value tendered in Class II game play, including, but not limited to bills, coins, vouchers, and coupons.

d. **Financial instrument storage component:** means any component that stores financial instruments, such as a drop box, but typically used in connection with player interfaces. (Class II)

e. **Flare:** means the information sheet provided by the manufacturer that sets forth the rules of a particular pull tab game and that is associated with a specific deal of pull tabs. The flare shall contain the following information:

1. Name of the game;

2. Manufacturer name or manufacturer's logo;

3. Ticket count; and

4. Prize structure, which shall include the number of winning pull tabs by denomination, with their respective winning symbols, numbers, or both.

f. **Foot:** means to add up or total.

g. **Free play wager:** means a non-value promotional consideration afforded a customer to participate in a game without requiring the customer to place anything at risk.

G.

a. **Game server:** means an electronic selection device, utilizing a random number generator.

b. **Game Program:** means programs stored on ROMs, EPROMs, FLASH ROMs, DVD, CD-ROM, hard drive or Compact Flash

c. **Gaming floor:** means an area where gaming activity is conducted.

d. **Gaming machine:** means an electronic or electromechanical machine that allows a player to play games of chance, some of which may be affected by skill, which utilizes or relies upon a random number generator routine for outcome selection or computer terminal that accesses an outcome that is subsequently and randomly selected in drawings that are electronically conducted by central computer or other such methods of chance selection, whether mechanical or electronic. The machine is activated by the insertion of cash, cash equivalents or Free Play Wager and which awards cash, cash equivalents, merchandise or a written statement of the player's accumulated credits, which written statements may be redeemable for cash.

e. **Gaming machine analysis report:** means a report prepared that compares theoretical to actual hold by a gaming machine on a monthly or other periodic basis.

f. **Gaming machine booths and change banks:** means a booth or small cage in the gaming machine area used to provide change to players, store change aprons and extra coin, and account for jackpot and other payouts.

g. **Gaming machine count:** means the total amount of coins, tokens, and cash removed from a gaming machine. The amount counted is entered on the Gaming Machine Count Sheet and is considered the drop. The procedure of counting the coins, tokens, and cash or the process of verifying gaming machine coin and token inventory.

h. **Gaming machine pay table:** means the combinations that identify payouts of designated amounts.

i. **Gaming Promotion:** means any promotional activity or award that requires game play as a condition of eligibility.

j. **Generally Accepted Accounting Principles (GAAP):** means a widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial

Accounting Standards Board (FASB), including, but not limited to, the standards for casino accounting published by the American Institute of Certified Public Accountants (AICPA).

k. **Generally Accepted Auditing Standards (GAAS):** means a widely accepted set of standards that provide a measure of audit quality and the objectives to be achieved in an audit, as established by the Auditing Standards Board of the American Institute of Certified Public Accountants (AICPA).

l. **Governmental Accounting Standards Board (GASB):** means generally accepted accounting principles used by state and local governments.

m. **Gross gaming revenue:** means annual total amount of cash wagered on class II and class III games, less any amounts paid out as prizes or paid for prizes awarded.

H.

a. **Hold** means the relationship of win to coin-in for gaming machines and win to drop for table games.

I.

a. **Increase/decrease to cage accountability:** means the change in the cage accountability (inventory), which is a function of the gaming transactions. For example, the cash inventory is affected by (a) the cash collected from the drop and transferred to the cage; (b) funds transferred to or from bank a financial institution; (c) changes in the chip/token inventory due to the chip float (chips/tokens in possession of customers); and (d) front money and customer account transactions.

b. **Independent:** means the separation of functions to ensure that the agent or process monitoring, reviewing, or authorizing the controlled activity, function, or transaction is separate from the agents or process performing the controlled activity, function, or transaction.

c. **In-house progressive gaming machine(s):** means a gaming machine on which play on the machine affects the progressive amount. As wagers are placed, the progressive meter on the machine increases. An in-house progressive may be linked to other in-house progressive machines within a single gaming operation.

d. **Internal audit:** means persons who perform a regulatory audit function of a gaming operation that is independent of the department subject to audit. Independence is obtained through the organizational reporting relationship, as the Internal Audit Department shall not report to management of the gaming operation. Internal audit activities should be conducted in a manner that permits objective evaluation of areas examined. Internal audit personnel may provide audit coverage to more than one operation within a Tribe's gaming operation holdings.

J.

a. **Jackpot payout:** means a transaction associated with a winning event that causes the gaming machine to lock up at a predetermined amount and that is paid by gaming machine personnel.

K.

a. **Kiosk** means a self-serve component of a computerized casino accounting system capable of accepting or dispensing cash or cash equivalents and which may also be capable of initiating cashless transactions to or from a wagering account or promotional account.

L.

a. **Lammer button:** means a type of chip that is placed on a gaming table to indicate that the amount of chips designated thereon has been given to the customer for wagering on credit before completion of the credit instrument. Lammer button may also mean a type of chip used to evidence transfers between table banks and card room banks.

b. **Linked electronic game:** means any game linked to two (2) or more gaming operations that are physically separate and not regulated by the same Tribal LTBB Gaming Regulatory Commission.

c. **LTBB Gaming Operation:** means the commercial enterprise of the Tribe authorized to engage in Gaming, and all ancillary commercial activities within the building(s) and other improvements constructed for the conduct of Gaming.

d. **LTBB Gaming Regulatory Commission:** means the tribally designated entity responsible for gaming regulation.

M.

a. **Main card room bank:** means a fund of cash, coin, and chips used primarily for poker and pan card game areas. Used to make even cash transfers between various games as needed. May be used similarly in other areas of the gaming operation.

b. **Management:** means an employee who holds a primary license, has the authority to hire and fire employees and create working policies for the gaming operation or any other person designated by the LTBB Gaming Regulatory Commission.

c. **Master game program number:** means the game program number listed on a gaming machine EPROM.

d. **Master game sheet:** means a form used to record, by shift and day, each table game's winnings and losses. This form reflects the opening and closing of table inventories, the fills and credits, and the drop and win.

e. **Match play:** means a type of discount wager requiring a cash bet of equal amount.

f. **Mechanical coin counter:** means a device used to count coins that may be used in addition to or in lieu of a coin weigh scale.

g. **Meter:** means an electronic (soft) or mechanical (hard) apparatus in a gaming machine. May record the number of coins wagered, the number of coins dropped, the number of times the handle was pulled, or the number of coins paid out to winning players.

h. **Mobile gaming system**: means a system that allows for the conduct of games through mobile communications devices operated solely within a designated, authorized area of a gaming operation.

i. **Motion activated dedicated camera:** means a video camera that, upon its detection of activity or motion in a specific area, begins to record the activity or area.

j. **Multi-game machine:** means a gaming machine that includes more than one type of game.

N.

a. **Negotiable coupon:** means an instrument that can be used to purchase goods and/or services in lieu of cash directly at a venue. These include coupons for food and beverage, merchandise, hotel rooms, promotional voucher for E-games, gaming chips at a cage or table game and drawing entries. In the case of drawing entries the negotiable coupon would double as a drawing ticket and be placed directly in the hopper.

b. **Network communication equipment:** means a device or collection of devices that controls data communication in a system including, but not limited to, cables, switches, hubs, routers, internet connections, wireless access points, landline telephones and cellular telephones.

c. **Non-Gaming Equipment:** Equipment not classified as "gaming equipment" but interfaces with the computerized casino accounting system.

d. **Non-Negotiable coupon:** means preprinted coupons that are distributed to guests or potential guests that must be taken to the players club to have a Negotiable coupon issued.

O.

a. **Order for credit:** means a form that is used to request the transfer of chips from a table to the cage. The order precedes the actual transfer transaction that is documented on a credit slip.

P.

a. **Par percentage:** means the percentage of each dollar wagered that the house wins (i.e., gaming operation advantage).

b. **Par sheet:** (See Theoretical hold worksheet.)

c. **Patron:** means a person who is a customer or guest of the gaming operation and may be referred to as a "player".

d. **Patron Deposit Account:** means an account maintained on behalf of a patron, for the deposit and withdrawal of funds for the primary purpose of interacting with a gaming activity.

e. **Payout** means a transaction associated with a winning event.

f. **PIN:** means the personal identification number used to access a player's account.

g. **Pit podium:** means a stand located in the middle of the tables used by gaming operation supervisory personnel as a workspace and a record storage area.

h. **Pit supervisor:** means the employee who supervises all games in a pit.

i. **Player interface:** means any component(s) of a Class II gaming system, including an electronic or technologic aid (not limited to terminals, player stations, handhelds, fixed unites, etc.), that directly enables player interaction in a Class II game.

j. **Player tracking system:** means a system or a component of a computerized casino accounting system used to record the gaming play of individual customers.

k. **Points:** means a representative of value awarded to a customer based upon specific criteria established by the gaming operation.

l. **Premium points:** means points earned as a result of a winning event and the award is reflected on the payout schedule.

m. **Primary and secondary jackpots:** means promotional pools offered at certain card games that can be won in addition to the pot.

n. **Prize payout**: means payment to a player associated with a winning or qualifying event.

o. **Progressive gaming machine:** means a gaming machine, with a payoff indicator, in which the payoff increases as it is played and may be linked to other machines. The payoff amount is accumulated, displayed on a machine, and will remain until a player achieves the criteria that results in the progressive amount being paid.

p. **Progressive jackpot:** means payout from a progressive gaming machine.

q. **Progressive table game:** means table games that offer progressive jackpots.

r. **Promotional account:** means an electronic ledger used in a cashless wagering system to record transactions involving a customer or customers that are not otherwise recorded in a wagering account.

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

t. **Promotional progressive pots and/or pools:** means funds contributed to a table game or card game by and for the benefit of players. Funds are distributed to players based on a predetermined event.

Q.

[Reserved]

R.

a. **Rake:** means a commission charged by the house for maintaining or dealing a game such as poker.

b. **Rake circle:** means the area of a table where rake is placed.

c. **Random number generator:** means a software module, hardware component or combination of these designed to generate numbers that are effectively random.

d. **Reel symbols:** means symbols listed on reel strips of gaming machines.

e. **Rejected currency:** means currency that a currency counter has rejected due to the authenticity data (comparison of the note to a predetermined standard) failing to confirm the legitimacy of the note.

f. **Revenue Audit:** means persons who perform a Revenue Audit function of a gaming operation that is independent of the department

subject to audit.

g. **Runner:** means a gaming employee who transports chips/cash to or from a gaming table and a cashier.

S.

a. **Safe Deposit Box:** means a type of safe which may be located in the cage area to hold items of value. The content is not subject to casino access within the normal course of business and is not included in its accountability record-keeping.

b. **Series number:** means the unique identifying number printed on each sheet of bingo paper that identifies the bingo paper as a series or packet. The series number is not the free space or center space number located on the bingo paper.

c. **Server-based game system:** means a gaming system comprised of a server or system part(s) and player terminals that, together, form a single integrated system in which the server determines the outcomes of the individual games.

d. **Server-supported game:** system means a gaming system comprised of gaming machines connected to a server(s) for the purpose of downloading control programs (games) to gaming machines on an intermittent basis. The gaming machines are capable of operating independently of the server once the downloading process has been completed. In a server-supported game system, game outcome is determined by the gaming machines connected to the system and not by the system itself.

e. **Shift:** means an eight-hour period, unless otherwise approved by the Tribal LTBB Gaming Regulatory Commission, not to exceed twenty-four (24) hours.

f. **Short pay:** means a payoff from a gaming machine that is less than the listed amount.

g. **Smart card:** means a card that possesses the means to electronically store and retrieve data.

h. **Soft count:** means the count of the contents in a drop box or a bill acceptor canister.

i. **Statistical Drop:** means total amount of money, chips, and tokens contained in the drop boxes.

j. **Statistical Win:** means closing bankroll, plus chips, tokens, or credit slips returned to the cage plus drop, minus operating bankroll, minus fills to the table.

k. **Sufficient clarity:** means the capacity of a surveillance system to record images at a minimum of 30 fps (frames per second), and if digital, with a resolution of at least 4 CIF (Common Intermediate Format), which is generally defined as resolution 704X576.

l. **Surveillance operation room(s):** means the secured area(s) of the surveillance department where surveillance is taking place and/or where active surveillance equipment is located.

m. **Surveillance system:** means a system of video cameras, monitors, recorders, video printers, switches, selectors, and other ancillary equipment used for casino surveillance.

T.

a. **Table games:** means games that are banked by the house or a pool whereby the house or the pool pays all winning bets and collects from all losing bets.

b. **Table inventory:** means the total coins and chips at a table.

c. **Table inventory form:** means the form used by gaming operation supervisory personnel to document the inventory of chips, coins, and tokens on a table at the beginning and ending of a shift.

d. **Table tray:** means the container located on gaming tables where chips, coins, or cash are stored that are used in the game.

e. **Theoretical hold:** means the intended hold percentage or win of an individual game.

f. **Theoretical hold worksheet (par sheet):** means a worksheet provided by the manufacturer for all games that indicate the theoretical PAR percentages that the games should hold based on adequate levels of coin-in. The worksheet also indicates the reel strip settings, hit frequency, reel combinations, number of credits that may be played, the payout schedule, the number of reels and other information descriptive of the particular type of game.

g. **Tier A:** means gaming operations with annual gross gaming revenues of more than $ 3,000,000.00 (million) but not more than $8,000,000.00 (million).

h. **Tier B:** means gaming operations with annual gross gaming revenues of more than $8,000,000.00 (million), but not more than $15,000,000.00 (million).

i. **Tier C:** means gaming operations with annual gross gaming revenues of more than $15,000,000.00 (million).

j. **Title 31:** is the section of the Bank Secrecy Act (BSA) requiring record keeping and reporting requirements for the gaming operation.

k. **TITO:** means Ticket-In/Ticket-Out.

l. **TMICS:** means Tribal Minimum Internal Control Standards.

m. **Tokens:** mean a coin-like cash substitute, in various denominations, used for gambling transactions.

n. **Tribe:** means the Little Traverse Bay Bands of Odawa Indians or Waganakising Odawak.

U.

a. **UPS:** uninterrupted power supply. Used on electrical equipment to prevent electrical outages.

V.

a. **Vault:** means a secure area within the gaming operation where tokens, checks, cash, coins, and chips are stored.

b. **Voucher/TITO:** means a financial instrument of fixed wagering value, usually paper, that can be used only to acquire an equivalent value of cashable credits or cash through interaction with a voucher system.

c. **Voucher/ system:** See computerized casino accounting system.

W.

a. **Wager:** means the placing at risk money or something of value on a gambling game that has an uncertain outcome with the primary intent of winning additional money and/or personal property.

b. **Wagering account:** means an electronic ledger for a cashless wagering system customer deposit account wherein only the following types of transactions are recorded:

1. Deposits and withdrawals of cash or cash equivalents at a designated area of accountability;

2. Deposits initiated with a debit instrument;

3. Wagering account transfers to and from gaming devices; and

4. Wagering account adjustments.

c. **Weigh/count:** means the value of coins and tokens counted by a weigh machine.

d. **Weigh scale calibration module:** means the device used to adjust a coin weigh scale.

e. **Weigh scale interface:** means a communication device between the weigh scale used to calculate the amount of funds included in drop buckets and the computer system used to record the weigh data.

f. **Weigh tape:** means the tape where weighed coin is recorded.

g. **Wide-area progressive gaming machine:** means a progressive gaming machine that is linked to machines in other operations and play on the machines affect the progressive amount. As wagers are placed, the progressive meters on all of the linked machines increase. Definition applies to shared linked progressives between gaming operations operated by the same tribe and those linked and monitored by an independent wide area service provider.

h. **Win:** means the net win resulting from all gaming activities. Net win results from deducting all gaming losses from all wins prior to considering associated operating expenses.

i. **Win-to-write hold percentage:** means win divided by write to determine hold percentage.

j. **Wrap:** means the method of storing coins after the count process has been completed, including, but not limited to, wrapping, racking, or bagging. "Wrap" may also refer to the total amount or value of the counted and stored coins.

k. **Write:** means the total amount wagered in bingo and pull tab operations.

l. **Writer:** means an employee who writes bingo and pull tab tickets.

II. General Operations

A. The LTBB Gaming Operation shall develop Emergency Procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

B. The LTBB Gaming Operation shall comply with the Little Traverse Bay Bands of Odawa Indians Health and Safety Standards.

C. The LTBB Gaming Operation shall ensure that a Hardware/Software agreement is signed by the required gaming related companies. A signed copy will be forwarded to the Regulatory Licensing Department to be maintained in their Licensing file.

D. All Gaming Vendors are required to comply with LTBB Gaming Regulatory Commission approved shipping requirements.

E. The LTBB Gaming Operation shall respond to all audits within 30 days or the time frame specified in the audit report (Internal Audit or Safety Audit). If a change to Policies or Procedures is required, a draft of the changes may be submitted with the response. An extension can be granted by the Regulatory Director or designee in the event that more time is required.

F. Requests for Surveillance Dubs shall be submitted on the dub request form to the Surveillance Supervisor on duty. The Surveillance Manager in coordination with the Gaming Operation General Manager shall develop the list of gaming operation personnel authorized to request dubs. This list will require Regulatory Director approval.

G. The Surveillance Manager in coordination with the LTBB Gaming Operation General Manager shall develop the list of gaming operation personnel authorized to enter the Surveillance Suite to view dubs. This list will require Regulatory Director approval.

H. Access to the Surveillance Operation Room requires LTBB Gaming Regulatory Commission approval. Requests for access shall be submitted to the Regulatory Director.

I. Gaming Equipment must comply with approved gaming laboratories standards or be approved for our jurisdiction.

J. The Regulatory Director shall review the LTBB Gaming Operations policies and procedures for compliance with the Tribal Minimum Internal Control Standards and make recommendations to the LTBB Gaming Regulatory Commission for approval based on that review.

K. All departments handling cash must develop Cash Handling Procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

L. All departments handling cash must develop a Variance Policy. This Policy and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

M. All departments shall develop Asset Protection procedures. Including, but not limited to, inventory control, data protection, and fixed assets. These

procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

N. All required signatures and/or initials must be followed by the individuals gaming license number. The gaming license number must be legible. This requirement does not apply to computer generated signatures.

O. All departments shall comply with the established standards set forth in Title 31 Reporting Policies and Procedures.

P. Surveillance must be notified when a camera needs to be moved, covered, touched, etc. Touching, moving, obstructing, or disabling a Surveillance camera by anyone other than authorized Surveillance personnel is prohibited. These actions require Surveillance Supervisor or Surveillance Manager approval. Cameras that are required by the Tribal Minimum Internal Control Standards will also require notification to Regulatory.

Q. Internal Audit may monitor promotional activity for integrity of the process.

R. All promotional reports/records shall be maintained and made available to Regulatory upon request.

S. Non-Gaming Equipment:

1. Any non-gaming device, equipment, or software which may interface with any gaming equipment or device, such as micros, kiosk, etc. or gaming management system, must meet applicable testing standards as established by a LTBB Gaming Regulatory Commission approved testing company.

2. Any specific standard for non-gaming equipment must be reviewed and approved by the LTBB Gaming Regulatory Commission.

T. New Technology – The LTBB Gaming Regulatory Commission requires 6 month notification of any new games. Waivers are available upon completion of LTBB Gaming Regulatory Commission review and approval of; internal controls, policies, procedures and rules of the game.

U. Secured Areas – Access to secured areas shall be defined in Policy by the LTBB Gaming Operation as approved by the LTBB Gaming Regulatory Commission. Policies shall define areas of restricted access and limited access.

V. An Information Technology Network Security Assessment shall be conducted at a minimum of every three (3) years. At a minimum the Network Security Assessment shall include;

1. Internal Attack and Penetration Test
2. Wireless Assessment Firewall Assessment
3. External Vulnerability Assessment with Validation
4. External Attack and Penetration Test
5. Internal Vulnerability Assessment with Validation

W. Variance Requests – The LTBB Gaming Operations and the Regulatory Departments may jointly request a variance to these Minimum Internal Controls. Requests for a Variance shall be submitted to the LTBB Gaming Regulatory Commission. The LTBB Gaming Regulatory Commission may approve a variance to these internal controls for testing purposes only to determine if a change to these internal controls is warranted and provides the desired level of internal controls. The testing period for the variance shall be set by the LTBB Gaming Regulatory Commission and shall not extend beyond one hundred eighty (180) days and shall not be renewed. The LTBB Gaming Regulatory Commission shall post the approved variance to the Tribal website and shall notify Tribal Council upon approval of the variance.

X. Secured Keys – The LTBB Gaming Operation shall develop policies in the event that keys become unsecured, i.e. replacement of locks, etc. These policies and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

III. Currency Reporting Transactions

A. Requirements for Casino Management.

1. The LTBB Gaming Operation shall comply with the Bank Secrecy Act, BSA (Title 31) and all applicable standards set forth by the US Department of Treasury or its designee (FINCEN and IRS) and establish reporting policies and procedures.

2. The LTBB Gaming Operation shall have established training programs to ensure the adherence to all BSA reporting requirements as may be promulgated under the BSA by FINCEN and IRS.

3. The LTBB Gaming Operation shall determine the hours for the gaming day to ensure proper reporting.

4. Copies of all Suspicious Activity Reports shall be forwarded to LTBB Gaming Regulatory Commission.

5. The LTBB Gaming Operation shall ensure that BSA (Title 31) training is conducted for all new hires and all employees every 6 months, as required by job duty or title. These training records shall be made available to the Regulatory Department upon request.

6. The LTBB Gaming Operation will designate a BSA Compliance Officer, which shall be identified in Policy.

B. **Requirements for All Departments.**

1. The Bank Secrecy Act contains certain record keeping and reporting requirements for the casino.

2. The LTBB Gaming Operation shall comply with all reporting requirements set by the Bank Secrecy Act.

3. The LTBB Gaming Operation shall make every effort to prevent circumvention of these reporting requirements by a gaming patron. Therefore, the casino will identify currency transactions in excess of $2,500.00 and record them on a Multiple Transactions Log (MTL) by individual patron.

IV. Bingo

A. **Standards for Bingo.**

1. The LTBB Gaming Operation shall develop Bingo Game Protection Procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

2. The LTBB Gaming Operation shall develop Bingo Cash Handling Procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

3. The LTBB Gaming Operation shall develop Bingo Emergency Procedures. These procedures and any subsequent changes shall

require LTBB Gaming Regulatory Commission approval.

4. Bingo staff shall comply with the established standards set forth in Title 31 reporting policies and procedures.

5. LTBB Gaming Operation shall develop Bingo Key Control Polices. The policy should include, but not be limited to:

   a. Issuance;

   b. Tracking; (i.e. key log, electronic system)

   c. Retention;

   d. Storage;

   e. Access

6. All keys shall remain with the person who signed them out until they are returned to the key security system. Sharing of secured keys is prohibited.

7. Supervision must be provided as needed for bingo operations by an agent(s) with authority equal to or greater than those being supervised.

B. **Bingo Cards**

1. Physical bingo card inventory controls must address the placement of orders, receipt, storage, issuance, removal, and cancellation of bingo card inventory to ensure that:

   a. The bingo card inventory can be accounted for at all times; and

   b. Bingo cards have not been marked, altered or otherwise manipulated.

2. Receipt from supplier.

   a. When bingo card inventory is initially received from the supplier, it must be inspected (without breaking the factory seals, if any), counted, inventoried, and secured by an authorized agent.

b. Bingo card inventory records must include the date received, quantities received, and the name of the individual conducting the inspection.

3. Storage.

a. Bingo cards must be maintained in a secure location, accessible only to authorized agents, and with surveillance coverage adequate to identify persons accessing the storage area.

4. Issuance and returns of inventory

a. Controls must be established for the issuance and return of bingo card inventory. Records signed by the issuer and recipient must be created under the following events:

i. Issuance of inventory from storage to a staging area;

ii. Issuance of inventory from a staging area to the cage or sellers;

iii. Return of inventory from a staging area to storage; and

iv. Return of inventory from cage or seller to staging area or storage.

5. Cancellation and removal

a. Bingo cards removed from inventory that are deemed out of sequence, flawed, or misprinted and not returned to the supplier must be cancelled to ensure that they are not utilized in the play of a bingo game. Bingo cards that are removed from inventory and returned to the supplier or cancelled must be logged as removed from inventory.

b. Bingo cards associated with an investigation must be retained intact outside of the established removal and cancellation policy.

6. Logs

a. The inventory of bingo cards must be tracked and logged from receipt until use or permanent removal from inventory.

b. The bingo card inventory record(s) must include:

i. Date;

ii. Shift or session;

iii. Time;

iv. Location;

v. Inventory received, issued, removed, and returned;

vi. Signature of agent performing transaction;

vii. Signature of agent performing the reconciliation;

viii. Any variance

ix. Beginning and ending inventory; and

x. Description of inventory transaction being performed.

C. **Bingo Card Sales**

1. Agents who sell bingo cards must not be the sole verifier of bingo cards for prize payouts.

2. Manual bingo card sales: In order to adequately record, track, and reconcile sales of bingo cards, the following information must be documented:

a. Date;

b. Shift or session;

c. Number of bingo cards issued, sold and returned;

d. Dollar amount of bingo card sales;

e. Signature, initials or identification number of an independent agent preparing the record; and

f. Signature, initials or identification number of an independent agent who verified the bingo cards returned to inventory and dollar amount of the bingo card sales.

3. Bingo cards sale voids must be processed in accordance with the rules of the game and established controls that must include the following:

a. Patron refunds;

b. Adjustments to bingo card sales to reflect voids;

c. Adjustment to bingo card inventory;

d. Documentation of the reason for the void; and

e. Authorization for all voids.

4. Class II gaming system bingo card sales: In order to adequately record, track and reconcile sales of bingo cards, the following information must be documented from the server (this is not required if the system does not track the information, but system limitation (s) must be noted);

a. Date ;

b. Time;

c. Number of bingo cards sold;

d. Dollar amount of bingo card sales; and

e. Amount in, amount out and other associated meter information.

D. **Draw**

1. Controls must be established and procedures implemented to ensure that all eligible objects used in the conduct of the bingo game are available to be drawn and have not been damaged or altered. Verification of physical objects must be performed by two agents

before the start of the first bingo game/ session. At least one of the verifying agents must be a supervisory agent or independent of the bingo games department.

2. Where the selection is made through an electronic aid, certification in accordance with 25 CFR 547.14 or LTBB Technical Standards is acceptable for verifying the randomness of the draw and satisfies the requirements of paragraph (D)(1) of this section.

3. Controls must be established and procedures implemented to provide a method of recall of the draw, which includes the order and identity of the objects drawn, for dispute resolution purposes.

4. Verification and display of draw. Controls must be established and procedures implemented to ensure that:

   a. The identity of each object drawn is accurately recorded and transmitted to the participants. The procedures must identity the method used to ensure the identity of each object drawn.

   b. For all games offering a prize payout of $1,200 or more, as the objects are drawn, the identity of the objects are immediately recorded and maintained for a minimum of 24 hours.

E. **Prize Payout**

1. Controls must be established and procedures implemented for cash or cash equivalents that address the following:

   a. Identification of the agent authorized (by position) to make a payout;

   b. Predetermined payout authorization levels (by position); and

   c. Documentation procedures ensuring separate control of the cash accountability functions.

2. Verification of validity

a. Controls must be established and procedures implemented to verify that the following is valid for the game in play prior to payment of a winning prize;

i. Winning card(s);

ii. Objects drawn; and

iii. The previously designated arrangement of numbers or designations on such cards, as described in 25 U.S.C. 2703(7)(A).

b. At least two agents must verify that the card, objects drawn, and previously designated arrangement were valid for the game in play.

c. Where an automated verification method is available, verification by such method is acceptable.

3. Validation

a. For manual payouts, at least two agents must determine the validity of the claim prior to the payment of a prize. The system may serve as one of the validators.

b. For automated payouts, the system may serve as the sole validator of the claim.

4. Verification

a. For manual payouts, at least two agents must verify that the winning pattern has been achieved on the winning card prior to the payment of a prize. The system may serve as one of the verifiers.

b. For automated payouts, the system may serve as the sole verifier that the pattern has been achieved on the winning card.

5. Authorization and signatures

a. At least two agents must authorize, sign, and witness all manual prize payouts above $1,200, or a lower threshold as authorized by management and approved by the LTBB Gaming Regulatory Commission.

b. Manual prize payouts above $50,000 (or a lower threshold as authorized by management and approved by LTBB Gaming Regulatory Commission) must require one of the two signatures and verifications to be a supervisory or management employee independent of the operation of Class II Gaming System bingo.

c. The predetermined threshold must be authorized by management, approved by the LTBB Gaming Regulatory Commission , documented, and maintained.

d. A Class II gaming system may substitute for one authorization/signature verifying, validating or authorizing a winning card, but may not substitute for a supervisory or management authorization/signature.

6. Payout records, including manual payout records, must include the following information;

a. Date and time;

b. Amount of the payout (alpha & numeric for player interface payouts); and

c. Bingo card identifier or player interface identifier.

d. Manual payout records must also include the following:

i. Game name or number;

ii. Description of pattern covered, such as cover-all or four corners;

iii. Signature of all, but not less than two, agents involved in the transaction;

iv. For override transactions, verification by a supervisory or management agent independent of the transaction; and

v. Any other information necessary to substantiate the payout.

F. **Cash and Cash Equivalent Controls**

1. Cash or cash equivalents exchanged between two persons must be counted independently by at least two agents and reconciled to the recorded amounts at the end of each shift or session. Unexplained variances must be documented and maintained. Unverified transfers of cash or cash equivalents are prohibited.

2. Procedures must be implemented to control cash or cash equivalents based on the amount of the transaction. These procedures must include documentation by shift, session, or other relevant time period of the following:

a. Inventory, including any increases or decreases;

b. Transfers;

c. Exchanges, including acknowledging signatures or initials; and

d. Resulting variances.

3. Any change to control of accountability, exchange, or transfer requires that the cash or cash equivalents be counted and recorded independently by at least two agents and reconciled to the recorded amount.

G. **Technologic aids to the play of bingo** Controls must be established and procedures implemented to safeguard the integrity of technologic aids to the play of bingo during installations, operations, modifications, removal and retirements. Such procedures must include the following:

1. Shipping and receiving.

a. A communication procedure must be established between the supplier, the gaming operation, and the LTBB Gaming

Regulatory Commission to properly control the shipping and receiving of all software and hardware components. Such procedures must include:

i. Notification of pending shipments must be provided to the LTBB Gaming Regulatory Commission by the gaming operation;

ii. Certification in accordance with 25 CFR part 547 or the LTBB Technical Standards;

iii. Notification from the supplier to the LTBB Gaming Regulatory Commission, or the gaming operation as approved by the LTBB Gaming Regulatory Commsission, of the shipping date and expected date of delivery. The shipping notification must include:

1. Name and address of the supplier;

2. Description of shipment;

3. For player interfaces: a serial number;

4. For software: software version and description of software;

5. Method of shipment; and

6. Expected date of delivery.

b. Procedures must be implemented for the exchange of Class II gaming system components for maintenance and replacement.

c. Class II gaming system components must be shipped in a secure manner to deter unauthorized access.

d. The LTBB Gaming Regulatory Commission, or its designee, must receive all Class II gaming system components and game play software packages, and verify the contents against the shipping notification.

2. Access credential control methods.

   a. Controls must be established to restrict access to the Class II gaming system components, as set forth in Section XI, Management Information Services.

3. Recordkeeping and audit processes.

   a. The gaming operation must maintain the following records, as applicable, related to installed game servers and player interfaces:

      i. Date placed into service;

      ii. Date made available for play;

      iii. Supplier;

      iv. Software version;

      v. Serial Number;

      vi. Game title;

      vii. Asset and/or location number;

      viii. Seal number; and

      ix. Initial meter reading.

   b. Procedures must be implemented for auditing such records in accordance with Section IX and Section XIV, Accounting and Internal Audit.

4. System software signature verification.

   a. Procedures must be implemented for system software verifications. These procedures must include comparing signatures generated by the verification programs required by 25 CFR 547.8 or LTBB Technical Standards, to the signatures

provided in the independent test laboratory letter for that software version.

b. An agent independent of the bingo operation must perform system software signature verification(s) to verify that only approved software is installed.

c. Procedures must be implemented for investigating and resolving any software verification variances.

d. Internal audits must be conducted as set forth in Audit and Accounting. Such audits must be documented.

5. Installation testing.

a. Testing must be completed during the installation process to verify that the player interface has been properly installed. This must include testing of the following, as applicable:

i. Communication with the Class II gaming system;

ii. Communication with the accounting system;

iii. Communication with the player tracking system;

iv. Currency and vouchers to bill acceptor;

v. Voucher printing;

vi. Meter incrementation;

vii. Pay table, for verification;

viii. Player interface denomination, for verification;

ix. All buttons, to ensure that all are operational and programmed appropriately;

x. System components, to ensure that they are safely installed at location; and

xi. Locks, to ensure that they are secure and functioning.

6. Display of rules and necessary disclaimers. The LTBB Gaming Regulatory Commission or the operation must verify that all game rules and disclaimers are displayed at all times or made readily available to the player upon request, as required by 25 CFR part 547 or the LTBB Technical Standards;

7. LTBB Gaming Regulatory Commission approval of all technologic aids before they are offered for play.

8. All Class II gaming equipment must comply with 25 CFR part 547, Minimum Technical Standards for Gaming Equipment Used With the Play of Class II Games or LTBB Technical Standards; and

9. Dispute resolution.

H. Operations

1. **Malfunctions.** Procedures must be implemented to investigate, document and resolve malfunctions. Such procedures must address the following:

   a. Determination of the event causing the malfunction;

   b. Review of relevant records, game recall, reports, logs, surveillance records;

   c. Repair or replacement of the Class II gaming component;

   d. Verification of the integrity of the Class II gaming component before restoring it to operation.

2. **Removal, retirement and/or destruction.** Procedures must be implemented to retire or remove any or all associated components of a Class II gaming system from operation. Procedures must include the following:

   a. For player interfaces and components that accept cash or cash equivalents:

      i. Coordinate with the drop team to perform a final drop;

ii. Collect final accounting information such as meter readings, drop and payouts;

iii. Remove and/or secure any or all associated equipment such as locks, card reader, or ticket printer from the retired or removed component; and

iv. Document removal, retirement, and/or destruction.

b. For removal of software components:

i. Purge and/or return the software to the license holder; and

ii. Document the removal.

c. For other related equipment such as blowers, cards, interface cards:

i. Remove and/or secure equipment; and

ii. Document the removal or securing of equipment.

d. For all components;

i. Verify that unique identifiers, and descriptions of removed/retired components are recorded as part of the retirement documentation; and

ii. Coordinate with the accounting department to properly retire the component in the system records.

b. Where the LTBB Gaming Regulatory Commission authorizes destruction of any Class II gaming system components, procedures must be developed to destroy such components. Such procedures must include the following:

i. Methods of destruction;

ii. Witness or surveillance of destruction;

iii. Documentation of all components destroyed; and

iv. Signatures of agent(s) destroying components attesting to destruction.

I. Vouchers

1. Controls must be established and procedures implemented to:

   a. Verify the authenticity of each voucher redeemed.

   b. If the voucher is valid, verify that the patron is paid the appropriate amount.

   c. Document the payment of a claim on a voucher that is not physically available or a voucher that cannot be validated such as a mutilated, expired, lost, or stolen voucher.

   d. Retain payment documentation for reconciliation purposes.

   e. For manual payment of a voucher of $500 or more, require a supervisory employee to verify the validity of the voucher prior to payment.

2. Vouchers paid during a period while the voucher system is temporarily out of operation must be marked "paid" by the cashier.

3. Vouchers redeemed while the voucher system was temporarily out of operation must be validated as expeditiously as possible upon restored operation of the voucher system.

4. Paid vouchers must be maintained in the cashier's accountability for reconciliation purposes.

5. Unredeemed vouchers can only be voided in the voucher system by supervisory employees. The accounting department will maintain the voided voucher, if available.

J. Accounting/Revenue Audit

1. **Supervision.** Supervision must be provided as needed for bingo operations by an agent(s) with authority equal to or greater than those being supervised.

2. **Independence**. Audits must be performed by agent(s) independent of the transactions being audited.

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

4. **Inventory.** At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to bingo cards, keys, pre-numbered and/or multi part forms.

5. Controls must be established and procedures implemented to audit Bingo:

    a. At the end of each month, verify the accuracy of the ending balance in the bingo control log by reconciling it with the bingo paper inventory. Investigate and document any variance noted.

    b. Daily, reconcile supporting records and documents to summarized paperwork or electronic records (e.g. total sales and payouts per shift and/or day).

    c. At least monthly, review variances related to bingo accounting data in accordance with an established threshold, which must include, at a minimum, variance(s) noted by the Class II gaming system for cashless transactions in and out, electronic funds transfer in and out, external bonus payouts, vouchers out and coupon promotion out. Investigate and document any variance noted.

    d. At least monthly, review statistical reports for any deviations from the mathematical expectations exceeding a threshold established by the LTBB Gaming Regulatory Commission. Investigate and document any deviations compared to the mathematical expectations required to be submitted per § 547.4 or LTBB Technical Standards.

e. At least monthly, take a random sample, foot the vouchers redeemed and trace the totals to the totals recorded in the voucher system and to the amount recorded in the applicable cashier's accountability document.

K. **Variance.** The operation must establish, as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance, including deviations from the mathematical expectations required by 25 CFR 571.4 or the LTBB Technical Standards, will be reviewed to determine the cause. Any such review must be documented.

L. **All relevant controls from Section XI, Management Information Services will apply.**

V. Pull Tabs

A. **Computer Applications.** For any computer application utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section, as approved by the LTBB Gaming Regulatory Commission, will be acceptable.

B. **Supervision.** Supervision must be provided as needed for pull tab operations and over pull tab storage areas by an agent(s) with authority equal to or greater than those being supervised.

C. **Standards for Pull Tabs**

1. The Pull Tabs Department shall develop Game Protection procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

2. The Pull Tabs Department shall develop Cash Handling procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

3. The Pull Tabs Department shall develop Emergency Procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

4. The Pull Tabs Department shall comply with the established standards set forth in Title 31 reporting policies and procedures.

5. All sensitive keys for Pull Tabs shall be maintained in a secure manner. Key logs shall be maintained by Security to record authorized use of keys.

D. **Pull Tab Inventory** Controls must be established and procedures implemented to ensure that:

1. Access to pull tabs is restricted to authorized agents;

2. The pull tab inventory is controlled by agents independent of pull tab sales;

3. Pull Tabs exchanged between agents are secured and independently controlled;

4. Increases or decreases to pull tab inventory are recorded, tracked and reconciled; and

5. Pull tabs are maintained in a secure location, accessible only to authorized agents, and with surveillance coverage adequate to identify persons accessing the area.

E. **Pull Tab Sales**

1. Controls must be established and procedures implemented to record, track, and reconcile all pull tab sales and voids.

2. When pull tab sales are recorded manually, total sales must be verified by an agent independent of the pull tab sales being verified.

3. No person may have unrestricted access to pull tab sales records.

F. **Transfers.** Transfers of pull tabs from storage to the sale location shall be secured and independently controlled.

G. **Winning Pull Tabs**

1. Controls must be established and procedures implemented to record, track, and reconcile all redeemed pull tabs and pull tab payouts.

2. The redeemed pull tabs must be defaced so that they cannot be redeemed for payment again.

3. Pull tabs that are uniquely identifiable with a machine readable code (including, but not limited to a barcode) may be redeemed, reconciled, and stored by kiosks without the need for defacing, so long as the redeemed pull tabs are secured and destroyed after removal from the kiosk in accordance with the procedures approved LTBB Gaming Regulatory Commission.

4. At least two agents must document and verify all prize payouts above $600, or lower threshold as authorized by management and approved by the LTBB Gaming Regulatory Commission.

    a. An automated method may substitute for one verification.

    b. The predetermined threshold must be authorized by management, approved by the LTBB Gaming Regulatory Commission, documented, and maintained.

5. Total payout must be calculated and recorded by shift.

H. **Pull tab operating funds.**

1. All funds used to operate the pull tab game shall be accounted for and recorded and all transfers of cash and/or cash equivalents must be verified.

2. All funds used to operate the pull tab game must be independently counted and verified by at least two agents and reconciled to the recorded amounts at the end of each shift or session.

I. **Statistical Records**

1. Statistical records must be maintained, including (for games sold in their entirety or removed from play) a win to-write hold percentage as compared to the expected hold percentage derived from the flare.

2. A manager independent of the pull tab operations must review statistical information when the pull tab deal has ended or has been removed from the floor and must investigate any unusual statistical fluctuations. These investigations must be documented, maintained for inspection, and provided to the LTBB Gaming Regulatory Commission upon request.

J. **Variances.** The operation must establish, as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

K. **Accounting/Auditing Standards**

1. **Independence.** Audits must be performed by agent(s) independent of the transactions being audited.

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

3. Controls must be established and procedures implemented to audit pull tabs:

   a. Daily, verify the total amount of winning pull tabs redeemed each day.
   b. At the end of each month, verify the accuracy of the ending balance in the pull tab control log by reconciling the pull tabs on hand. Investigate and document any variance noted.
   c. At least monthly, compare for reasonableness the amount of pull tabs sold from the pull tab control log to the amount of pull-tab sales.
   d. At least monthly, review statistical reports for any deviations exceeding a specified threshold, as defined by the LTBB Gaming Regulatory Commission. Investigate and document any large and unusual fluctuations noted.

4. **Inventory.** At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to, pull tabs, keys, pre-numbered and/or multi-part forms.

VI. Card Games

A. **Computer Applications.** For any computer application utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section, as approved by the LTBB Gaming Regulatory Commission will be acceptable.

B. **Standards for Card Games**

1. All sensitive keys for Card Games shall be maintained in a secure manner. Key logs shall be maintained by Security to record authorized use of keys.

C. **Standards for Drop and Count.**

1. The procedures for the collection of the card game drop and count thereof shall comply with Section XIII.

D. **Standards for Supervision.**

1. Supervision shall be provided at all times the card room is in operation by personnel with authority equal to or greater than those who are being supervised.
    a. A supervisor may function as a dealer without any other supervision if disputes are resolved by supervisory personnel independent of the card games department;

    b. A dealer may function as a supervisor, if not dealing the game.

2. Exchanges between table banks and the main card room bank (or cage, if main card room bank is not used) shall be authorized by a supervisor. All exchanges shall be evidenced by the use of a lammer unless the exchange of chips, token, and/or cash takes place at the table. If table banks are maintained at an imprest level and runners are used for exchanges at the table, no supervisory authorization is

required.

3. Exchanges from the main card room bank (or cage, if main card room bank is not used) to the table banks shall be verified by the card room dealer and the runner.

4. Transfers between the main card room bank and the cage shall be properly authorized and documented. Documentation must be retained for at least 24 hours.

5. A rake collected and an ante placed shall be done in accordance with the posted rules.

E. **Standards for playing cards.**

1. New and used playing cards to be issued to a table shall be maintained in a secure location to prevent unauthorized access and reduce the possibility of tampering. Used playing cards that are not to be re-used shall be properly canceled and removed from service. The cancelation and removal procedure shall be subject to LTBB Gaming Regulatory Commission review and approval.

2. This standard shall not apply where playing cards are retained for an investigation.

3. A card control log shall be maintained that documents when cards and dice are received on site, distributed to and returned from tables and removed from play by the LTBB Gaming Operation.

F. **Plastic Cards.**

1. Notwithstanding paragraph (E) of this section, if the LTBB Gaming Operation is permitted to use plastic cards (not plastic-coated cards), the plastic cards are to be routinely inspected, and washed or cleaned in a manner and time frame approved by the LTBB Gaming Regulatory Commission.

G. **Standards for Reconciliation of Card Room Bank.**

1. The amount of the main card room bank shall be counted, recorded, and reconciled at least once every eight hours or when accountability

transfers.

2. Two agents – one of whom must be a supervisory agent-must independently count the table inventory at the opening and closing of the table and record the following information:
    a. Date;
    b. Shift;
    c. Table number;
    d. Amount by denomination;
    e. Amount in total; and
    f. Signature of both agents.

H. **Posted Rules**

1. The rules must be displayed or available for patron review at the gaming operation, including rules governing contests, prize payouts, fees, the rake collected, and the placing of antes.

I. **Standards for Promotional Progressive Pots and Pools.**

1. All funds contributed by players into pools shall be returned when won in accordance with the posted rules with no commission or administrative fee withheld.
    a. The payout may be in the form of personal property (e.g., car).
    b. A combination of a promotion and progressive pool may be offered.

2. The conditions for participating in current card game promotional progressive pots, pools, and any related promotions including drawings and giveaway programs shall be prominently displayed or available for customer review at the gaming operation.

3. Payouts for card game promotional progressive pots, pools and any other promotion, including related drawings and giveaway programs,

that are $600 or more shall be documented at the time of the payout to include the following:

a. Date and time;

b. Dollar amount of payout or description of personal property(e.g., car);

c. Reason for payout (e.g., promotion name, name of contest/tournament);

d. Signature of one employee verifying, authorizing, and completing the promotional payout with the customer. The employee need not be a card game department employee provided that the required signature is that of the employee completing the payout with the customer; and

e. Customer's name.

4. If the cash (or cash equivalent) payout for the card game promotional progressive pot, pool, or related promotion, including a payout resulting from a drawing or giveaway program, is less than $600, documentation shall be created to support accountability of the bank from which the payout was made. Such documentation may consist of a line item on a card games department or cage accountability document (e.g., 43 (forty-three) $10 card games giveaway coupons = $430).

5. Rules governing current promotional pools shall be conspicuously posted in the card room and/or available in writing for customer review. The rules shall designate:

a. The amount of funds to be contributed from each pot;

b. What type of hand it takes to win the pool (e.g., what constitutes a "bad beat");

c. How the promotional funds will be paid out;

d. How/when the contributed funds are added to the pools; and

e. Amount/percentage of funds allocated to primary and secondary pools, if applicable.

6. Promotional pool contributions shall not be placed in or near the rake circle, in the drop box, or commingled with gaming revenue from card games or any other gambling game.

7. The amount of the pools shall be conspicuously displayed in the card room.

8. At least once a day, the posted pool amount shall be updated to reflect the current pool amount.

9. At least once a day, increases to the posted pool amount shall be reconciled to the cash previously counted or received by the cage by personnel independent of the card room.

10. All decreases to the pool must be properly documented, including a reason for the decrease.

11. Promotional funds removed from the card game shall be placed in a locked container (e.g., a separate locked container affixed to a card game table used solely for promotional pool funds).

12. Persons authorized to transport the locked container shall be precluded from having access to the contents keys.

13. The contents key shall be maintained by a department independent of the card room.

14. At least once a day, the locked container shall be removed by two (2) persons, one (1) of whom is independent of the Card Games Department, and transported directly to the cage or other secure room to be counted, recorded, and verified, prior to accepting the funds into cage accountability.

I. Card Room Contests and Tournaments

1. All contest/tournament entry fees and prize payouts shall be summarized on a cash accountability document on a daily basis.

2. When, in accordance with the rules of the contest/tournament as established by the LTBB Gaming Operation, identification of the entrant is required for making the subsequent payout of $600 or more,(e.g., high hand of the day/week), the entry fee(s) shall be recorded on a document which contains:

    a. Customer's name;

    b. Date of entry;

    c. Dollar amount of entry fee (both alpha and numeric, or unalterable numeric);

    d. Signature of individual completing transaction attesting to the receipt the entry fee with the customer; and

    e. Name of contest/tournament.

3. When contest/tournament payouts of $600 or more are transacted, the transactions shall be recorded on a document which contains:

    a. Customer's name;

    b. Date of payout;

    c. Dollar amount of entry payout (both alpha and numeric, or unalterable numeric) and/or nature and dollar value of any noncash payout;

    d. Signature of individual completing transaction attesting to the disbursement of the payout with the customer; and

    e. Name of contest/tournament.

4. Contest/tournament prize pools that have the amount of the pool determined through player contributions from card game pots are subject to the requirements of (H) (5) and (H) (11)-(14).

5. The contest/tournament entry fees and payouts shall be summarized and posted to the accounting records on at least a monthly basis.

6. Current contest/tournament rules shall be included on all entry forms/brochures and prominently displayed or available for customer review at the gaming operation. The rules must include at a minimum:

   a. All conditions customers must meet to qualify for entry into, and advancement through, the contest/tournament;

   b. Specific information pertaining to any single contest/tournament, inclusive of the following:

      i. Dollar amount of money placed in to the prize pool;

      ii. If dollar amount not predetermined, the method by which the dollar contribution will be determined; and

      iii. Description of merchandise contributed, inclusive a dollar value.

   c. The distribution of funds based on specific outcomes.

7. Results of current contests/tournaments shall be recorded and available for participants to review, including the name of the event, date(s) of event, total number of entries, dollar amount of entry fees, total prize pool, and the dollar amount paid for each winning category. The LTBB Gaming Operation shall establish a reasonable retention period to maintain the information, which shall be subject to LTBB Gaming Regulatory Commission concurrence.

   a. For contest/tournament prize pools where the amount of the pool is determined through customer contributions from card game pots, the daily contributions and the total contributions shall be recorded.

   b. Two employees, one of whom is independent of the collection of entry fees, shall reconcile the total amount of card game chips issued for the contest/tournament. The reconciliation shall be documented and signed by the employees.

   c. The aforementioned contest/tournament records shall be maintained for each event.

J. **Accounting/Audit Standards**

1. The card games audit shall be conducted by personnel independent of the card games department.

2. On a daily basis, audit/accounting personnel shall reconcile the amount indicated on the progressive sign/meter to the cash counted or received by the cage and the payouts made for each promotional progressive pot and pool. This reconciliation must be sufficiently documented (including substantiation of differences, adjustments, etc.).

3. The following procedures shall be performed by accounting/audit personnel using the master game sheet prepared by the count team members for each day:

   a. Reconcile the dollar amount of drop proceeds to the dollar amount recorded in the applicable accountability document using, if applicable, the transfer forms indicating all transfers in/out of the count room, both during and at the end of the count. Investigate and document any variance noted.

   b. Recalculate card game proceeds (all funds received by the LTBB Gaming Operation as compensation for conducting the game) in total and by shift. For computerized master games sheets that total the count proceeds from each box, accounting personnel are to recalculate rake in total and by shift for one day each month.

   c. Verify that the correct total of card game proceeds is recorded in the accounting records.

4. At least monthly, accounting/audit personnel shall review all payouts for the promotional progressive pots, pools, or other promotions to determine proper accounting treatment.

5. At least monthly, accounting/audit personnel shall perform procedures to ensure that payouts for the promotional progressive pots, pools, or other promotions are conducted in accordance with conditions provided to the guests.

6. At the conclusion of each contest/tournament, reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

7. Documentation (e.g., log, checklist, notation on reports, and tapes attached to original documents) evidencing the performance of card games audit procedures, the exceptions noted, and the follow-up of all card games audit exceptions shall be maintained.

8. **Inventory.** At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to playing cards, keys, pre-numbered and/or multi-part forms.

M. **Variances.**

1. The LTBB Gaming Operation must establish, as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

VII. Table Games

A. **Computer Applications.** For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section, approved by the LTBB Gaming Regulatory Commission, will be acceptable.

B. **Standard Table Games.**

1. The Table Games Department shall develop Game Protection Procedures. These procedures and any subsequent changes shall

require LTBB Gaming Regulatory Commission approval.

2. The Table Games Department shall develop Cash Handling Procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

3. The Table Games Department shall develop Emergency Procedures. These procedures and any subsequent changes shall require the LTBB Gaming Regulatory Commission approval.

4. The Table Games Department shall comply with the established standards set forth in Title 31 reporting policies and procedures.

5. All sensitive keys for Table Games shall be maintained in secure manner. Key logs shall be maintained by Security to record authorized use of keys.

C. **Fill and Credit Standards.**

1. Fill slips and credit slips shall be in at least triplicate form, and in a continuous, pre-numbered series. Such slips shall be concurrently numbered in a form utilizing the alphabet and only in one series at a time. The alphabet need not be used if the numerical series is not repeated during the business year.

2. Unissued and issued fill/credit slips shall be safeguarded and adequate procedures shall be employed in their distribution, use, and control. Personnel from the Cashier or Pit Departments shall have no access to the secured (control) copies of the fill/credit slips.

3. When a fill/credit slip is voided, "void" shall be clearly marked on all the copies, the cashier and a Security Officer shall sign all copies, and shall submit them to the Accounting Department for retention and accountability.

4. Fill transactions shall be authorized by pit supervisory personnel before the issuance of fill slips and transfer of chips, tokens, or cash equivalents. The fill request shall be communicated to the cage where the fill slip is prepared.

5. At least three (3) parts of each fill slip shall be utilized as follows:

a. One (1) part shall be transported to the pit with the fill and, after the appropriate signatures are obtained, deposited in the table game drop box.

b. One (1) part shall be retained in the cage for reconciliation of the cashier bank; and

c. For computer systems, one (1) part shall be retained in a secure manner to insure that only authorized persons may gain access to it. For manual systems, one (1) part shall be retained in a secure manner in a continuous unbroken form.

6. The part of the fill slip that is placed in the table game drop box shall be a different color for fills than for credits, unless the type of transaction is clearly distinguishable in another manner.

7. The total number, shift, and amount of fill by denomination and in total shall be noted on all copies of the fill slip. The correct date and time shall be indicated on at least two (2) copies.

8. All fills shall be carried or escorted from the cashier's cage by a Security Officer.

9. The fill slip shall be signed by at least the following persons (as an indication that each has counted the amount of the fill and the amount agrees with the fill slip):

a. Cashier who prepared the fill slip and issued the chips, tokens, or cash equivalent;

b. Security Officer who carried the chips, tokens, or cash equivalent from the cage to the pit.

c. Dealer or box person who received the chips, tokens, or cash equivalents at the gaming table; and

d. Pit supervisory personnel who supervised the fill transaction.

10. Fills shall be broken down and verified by the dealer or box person in public view before the dealer or box person places the fill in the table tray.

11. A copy of the fill slip shall be deposited into the drop box on the table by the dealer or box person, where it shall appear in the soft count room with the cash receipts for the shift.

12. Table credit transactions shall be authorized by a pit supervisor before the issuance of credit slips and transfer of chips, tokens, or other cash equivalent. The credit request shall be communicated to the cage where the credit slip is prepared.

13. At least three (3) parts of each credit slip shall be utilized as follows:

    a. Two (2) parts of the credit slip shall be transported by the Security Officer to the pit. After signatures of the Security Officer, dealer, and pit supervisor are obtained, one (1) copy shall be deposited in the table game drop box and the original shall accompany transport of the chips, tokens, or cash equivalents from the pit to the cage for verification and signature of cashier.

    b. For computer systems, one (1) part shall be retained in a secure manner to insure that only authorized persons may gain access to it. For manual systems, one (1) part shall be retained in a secure manner in a continuous unbroken form.

14. The table number, shift, and the amount of credit by denomination and in total shall be noted on all copies of the credit slip. The correct date and time shall be indicated on at least two (2) copies.

15. Chips, tokens, and/or cash equivalents shall be removed from the table tray by the dealer or box person and shall be broken down and verified by the dealer or box person in public view prior to placing them in racks for transfer to the cage.

16. All chips, tokens, and/or cash equivalents removed from the tables shall be carried or escorted to the cashier's cage by a Security Officer.

17. The credit slip shall be signed by a least the following persons (as an indication that each has counted.

    a. Cashier who received the item transferred from the pit and prepared the credit slip;

b. Security Officer who carried the items transferred from the pit to the cage;

c. Dealer who had custody of the items prior to transfer to the cage; and

d. Pit supervisory personnel who supervised the credit transaction.

18. The credit slip shall be inserted in the drop box by the dealer or box person.

19. Chips, tokens, or other cash equivalents shall be deposited on or removed from gaming tables only when accompanied by the appropriate fill/credit transfer forms.

20. Cross fill (the transfer of chips between table games) and even cash exchanges are prohibited in the pit.

D. **Table Inventory Forms.**

1. At the close of each shift, for those table banks that were opened during that shift:

   a. The table's chip, token, and coin inventory shall be counted and recorded on a table inventory form.

2. If final fills are not made, beginning and ending inventories shall be recorded on the master game sheet for shift win calculation process.

3. The accuracy of inventory forms prepared at shift end shall be verified by the outgoing pit supervisor and the dealer. Alternatively, if the dealer is not available, such verification may be provided by another pit supervisor or another supervisor from another gaming department. Verifications shall be evidenced by signature on the inventory form.

4. When inventory forms are placed in the drop box, such action shall be performed by the dealer or box person.

E. **Table Games Computer Generated Documentation Standards.**

1. The computer system shall be capable of generating adequate documentation of all information recorded on the source documents and transaction detail (e.g., fill/credit slips etc.)

2. This documentation shall be restricted to authorized personnel.

3. This documentation shall include, at a minimum:

    a. System exception information (e.g., appropriate system parameter information, corrections, voids, etc.); and

    b. Personnel access listing, which includes, at a minimum:

        i. Employee name or employee identification number (if applicable); and
        ii. Listing of functions employees can perform or equivalent means of identifying the same.

F. **Standards for Playing Cards and Dice.**

1. Playing cards and dice shall be maintained in a secure location to prevent unauthorized access and to reduce the possibility of tampering.

2. Used cards and dice shall be maintained in a secure location until defaced, in a manner approved by the LTBB Gaming Regulatory Commission, to prevent unauthorized access and reduce the possibility of tampering.

3. Used cards and dice shall be defaced by Security within 7 days of being received from the pit.

    a. This standard shall not apply where playing cards or dice are retained for an investigation.

4. Inventory Logs shall be maintained in the Card Room by Security that document when the cards and dice are received on site, distributed to and returned from tables and removed from the LTBB Gaming Operation. Internal Audit or designated Regulatory Staff with Security present, may access the Card Room for inspection of all cards, dice, balls, and Inventory Logs.

5. Internal Audit or designated Regulatory Staff shall be present during inspection of received shipments prior to issuance to the gaming floor.

G. **Standards for Supervision.** Pit supervisory personnel (with authority equal to or greater than those being supervised) shall provide supervision of all table games.

H. **Analysis of Table Game Performance Standards.**

1. Records shall be maintained by day and shift indicating any single-deck blackjack games that were dealt for an entire shift.

2. Records reflecting hold percentage by table and type of game shall be maintained by shift, by day, cumulative month-to-date, and cumulative year-to-date.

3. This information shall be presented to and reviewed by management independent of the Table Games Department on at least a monthly basis.

4. Management independent of the Table Games Department shall investigate any unusual fluctuations in hold percentage with pit supervisory personnel.

5. The results of such investigations shall be documented, maintained for inspection, and provided to the Regulatory Director or designated Regulatory Staff upon request.

I. **Accounting/Revenue Auditing Standards.**

1. The Accounting and Auditing Procedures shall be performed by the Revenue Audit Department.

2. Evidence of Table Games auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the LTBB Gaming Regulatory Commission upon request.

3. A daily recap shall be prepared for the day and month-to-date, which shall include the following information:

a. Drop;

b. Win; and

c. Gross Revenue.

4. Monthly, accounting/auditing personnel shall reconcile gross revenue from the general ledger to the month-end daily tables games recap(this function will be completed by the Accounting Department).

5. The following procedures shall be performed by accounting/auditing personnel using the master game summary prepared by the count team members for each day:

   a. Reconcile the dollar amount of currency drop proceeds on the master games summary to the dollar amount recorded in the applicable accountability document using, if applicable, the transfer forms indicating all transfers in/out of the currency count room, both during and at the end of the count. Investigate and document any variance noted.

   b. Recalculate win/loss in total and by shift on a daily basis.

   c. For computerized master game summaries that compute win/loss, accounting personnel shall recalculate win/loss in total and by shift for at least one day each month.

   d. Verify that the correct total of win/loss on the master games summary is recorded in the accounting records.

   e. Examine documents for propriety of signatures.

6. If a table game has the capability to determine drop (e.g., bill-in/coin-drop meters, bill acceptor, computerized record, etc.) the dollar amount of the drop shall be reconciled to the actual drop by shift. An investigation shall be performed for each table having an unresolved variance in excess of $200 between actual cash and the automated recordings. The investigation performed by accounting/auditing personnel and results of investigation shall be documented and maintained for LTBB Gaming Regulatory Commission review upon request.

7. Accounting/auditing employees shall review exception reports for all computerized table games systems at least monthly for propriety of transactions and unusual occurrences. The review shall include, but not be limited to, void authorizations.

8. All noted improper transactions or unusual occurrences shall be investigated with the results documented and maintained for LTBB Gaming Regulatory Commission review upon request.

9. The following procedures shall be performed on fill/credit slips by accounting/audit personnel:

   a. For manual fill/credit slips, for at least one day per month, reconcile the original slip (placed in the table game drop box) to the restricted copy to verify that the dollar amount of the transaction is the same on both parts of the slip.

   b. For manual fill/credit slips, for at least one day per month, verify that all numerically numbered slips issued are properly accounted for. Investigations shall be performed for all slips that are unaccounted for with the investigation being documented and retained for LTBB Gaming Regulatory Commission review upon request.

   c. For at least one day per month, foot the original slips (placed in the table game drop box) and trace the total to the total fill/credit amounts indicated on the master game summary prepared by the count team members. If the reconciliation results in a variance, an investigation shall be performed to determine whether all forms are accounted for with the investigation being documented and retained for LTBB Gaming Regulatory Commission review upon request.

   d. For each day, examine a sample of slips for propriety of signatures and proper completion.

10. The following procedures shall be performed on voided fill/credit slips by accounting/audit personnel (accounting/audit department employees who are soft count team members may perform) after the soft count process for each day:

    a. Examine all voided forms for proper authorization and "void" designation;

    b. For fill/credit computer systems, trace the voided form to computer system report(s) reflecting void activity;

    c. For fill/credit computer systems, examine the computer system report(s) reflecting void activity for void transactions that are not supported by a voided form.

    d. Determine that all parts of the voided form have been received.

    e. Examine form for the proper number of signatures.

11. **Inventory.** At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to playing cards, keys, pre-numbered and/or multi-part forms.

J. **Foreign Currency.** Foreign currency will not be accepted at any gaming table.

VIII. Slots

A. **Standards for Gaming Machines.**

1. For this section only, credit or customer credit means a unit of value equivalent to cash or cash equivalents deposited, wagered, won, lost, or redeemed by a customer.

2. Coins shall include tokens.

3. For all computerized gaming machine systems, a personnel access listing shall be maintained, which includes at a minimum:

   a. Employee name or employee identification number or equivalent; and

   b. Listing of functions employees can perform or equivalent means of identifying same.

4. Internal Audit or designee shall be present for all incoming slot machine shipments to break seal and verify incoming shipment. Internal Audit or designee shall be notified of all out-going slot machine shipments.

5. The Slot Department shall notify the Regulatory Department of any gaming machine movement in storage and for Gaming Machine Inventory reports to Internal Audit on a monthly basis. The inventory report shall include machines in-house and at storage sites.

6. The Slot Department shall notify the Regulatory Department of any gaming machine movement on the gaming floor at least seventy-two (72) hours prior to movement.

7. A current and accurate gaming machine information file shall be maintained for each gaming machine and should include at a minimum:

   a. Gaming machine information form(s).

   b. Theoretical hold worksheet/PAR sheet. Electronic documentation is acceptable provided that it is made readily available to the LTBB Gaming Regulatory Commission upon request.

8. A gaming machine information form shall be completed for every Gaming Machine install, removal, move, conversion or hold change.

9. The gaming machine information form should include at a minimum:

   a. Action taken;

   b. Date;

c. Manufacturer;

d. Asset number;

e. Location;

f. Serial Number;

g. Hold Percentage;

h. Secure Software Media;

i. Seal Number;

j. Signatures of employees verifying, approving and/or completing the form.

B. **Computer Applications.** For any computer applications utilized, alternative documentation and/or procedures that provide at least the level of control described by the standards in this section, as approved by the LTBB Gaming Regulatory Commission in writing, will be acceptable.

C. **Documentation for Jackpot Payouts, Pouch Pays, Gaming Machine Fills, Short Pays exceeding $10, and Accumulated Credit Payout Standards.**

1. For payout and fill documentation (minimum two-part form) shall include the following information:

a. Date and time;

b. Machine number; or for server-based games and mobile gaming systems, the player terminal number;

c. Dollar amount of cash payout or gaming machine fill, both alpha and numeric or description of personal property awarded, including fair market value. Alpha is optional if another unalterable method is used for evidencing the amount of the payout;

d. Game outcome, including reel symbols, card values, suits, etc., for jackpot payouts. Recording "multi-line payout" on the jackpot payout form is adequate as the game outcome. Game

outcome is not required if a computerized jackpot/fill system is used;

e. Preprinted or concurrently printed sequential number; and

f. Signatures of at least two (2) employees are required when verifying and witnessing the payout or gaming machine fill (except as otherwise provided in paragraphs (C) (1) (f) (i) and (ii) of this section).

i. Payouts over a predetermined amount shall require the signature and verification of a supervisory or management employee independent of the gaming machine department (in addition to the two signatures required in paragraph (C) (1) (f) of this section). Alternatively, if a computerized casino accounting system is utilized that validates, initiates, and prints the dollar amount of the jackpot payout on the form, only two signatures are required: one employee and one supervisory or management employee independent of the gaming machine department. This predetermined amount shall be authorized by management (as approved by the LTBB Gaming Regulatory Commission), documented, and maintained.

ii. With regard to payouts and hopper fills, the signature of one employee is sufficient if a computerized casino accounting system is utilized that validates, initiates, and prints the dollar amount of the payout on the form and the jackpot or fill is less than $1,200. However, in other situations that allow an individual to add to or edit the dollar amount of the payout by more than $1 in the computerized casino accounting system, two individuals must be physically involved in verifying and witnessing the payout or fill that are less than $1,200.

2. Computerized jackpot/fill systems shall be restricted so as to prevent unauthorized access and fraudulent payout by one (1) person as required by Section XI.
3. Payout forms shall be controlled and routed in a manner that precludes any one (1) person from producing a fraudulent payout by forging signatures or by altering the amount paid out subsequent to the payout and misappropriating the funds.

4. For Pouch Pays, documentation forms shall include the following information:

   a. Date;

   b. Time;

   c. Machine number;

   d. Reel symbols or winning combination (for jackpots) Recording "multi-line payout" on the jackpot payout form is adequate as the game outcome. Game outcome is not required if a computerized jackpot/fill system is used;

   e. Original amount of jackpot;

   f. Amount of jackpot paid;

   g. Signature of guest;

   h. Signature or initials and legible license number of employee that paid the jackpot;

   i. Preprinted or concurrently printed sequential number.

5. The Pouch Pay documentation referenced above (C)(4) shall be attached to the printed computerized jackpot slip after processing through the computerized casino accounting system.

D. **Gaming Machine Promotional Prize Payouts or Awards.**

1. The conditions for participating in promotional payout events, including drawings and giveaway programs, shall be prominently displayed or available for customer review at the gaming operation.

2. If the LTBB Gaming Operation offers promotional prize payouts or awards that are not reflected on the gaming machine pay table and are deducted from gross gaming revenue, then the payout form/documentation shall include:

   a. Date and time;

   b. Machine number and denomination; or for server-based games and mobile gaming systems, the player terminal;

   c. Dollar amount of payout or description of personal property (e.g., jacket, toaster, car, etc.), including fair market value; or for server-based games and mobile gaming systems, the player terminal number;

   d. Type of promotion (e.g., double jackpots, four-of-a-kind bonus, etc.); and

   e. Two employee signatures for all payouts of $100 or more. For computerized casino accounting systems that validate and print the dollar amount of the payout on a computerized form, only one employee signature is required on the payout form.

3. If a gaming operation offers promotional prize payouts or awards that are not reflected on the gaming machine pay table and are not deducted from gross gaming revenue, then the payout form/documentation shall include;

   a. For promotional prize payouts less than $600, the documentation created must support the decrease in bank accountability, such as a line item on a gaming machine or cage accountability document (e.g., "45 $10 cash giveaway coupons=$450").

b. For promotional prize payouts $600 or more, two employees verifying and witnessing the payout shall be documented on the payout form authorizing and completing the transaction.

4. Payout forms shall be sequentially numbered and if a form is voided, the employee completing the void shall clearly mark "void" across the face of the form, sign adjacent to the void indication, and submit all parts of the payout form to the accounting department for retention and accountability.

5. Payout forms shall be controlled and routed in a manner that precludes any one person from producing a fraudulent payout by forging signatures or by altering the amount paid subsequent to the payout and misappropriating the funds.

E. Gaming Machine Department Funds Standards.

1. The gaming machine booths, Pouch Pays and change banks that are active during the shift shall be counted down and reconciled each shift utilizing appropriate accountability documentation.

   a. Gaming machine department automated kiosks (e.g., change machines, cashless wagering kiosks, jackpot payout kiosks, etc.) do not require counting/reconciling each shift.

   b. Unverified transfers of cash and/or cash equivalents are prohibited.

2. A computerized casino accounting system shall provide records of the dollar amount of active cash-out tickets created (i.e., available for sale or distributed for promotional purposes) and of wagering account transactions (i.e., deposits, withdrawals, and account adjustments) that should be reflected in the bank's accountability. Such computerized casino accounting system records shall be utilized in reconciling, at least once a day, the inventory of active cash-out tickets and funds held for wagering accounts.

3. The wrapping of loose gaming machine booth and cage cashier coin shall be performed under camera coverage at a time or location that does not interfere with the hard count/wrap process or the

accountability of that process.

4. All transfers of funds from one bank to another bank shall be documented.

   a. Each even-money exchange (cash or noncash) shall be recorded on a separate multi-part form and retained.

   b. Each increase/decrease to an imprest bank's accountability inventory with funds from the cage/vault shall be recorded on a separate multi-part form. . All parts of the form shall be sent to the accounting department daily and retained

5. For each employee jackpot payout kiosk the following standards shall apply:

   a. At least weekly or every drop period if drops are more frequently, kiosk reports shall be compared to other system reports (e.g., gaming machine jackpot reports).

   b. At least weekly or every drop period if drops are more frequently , a minimum of two employees independent of the gaming machine department shall remove the remaining bills from the kiosk, count the cash, and document the count.

   c. At least quarterly, a minimum of two employees independent of the gaming machine department shall remove the remaining coin from the kiosk, count the cash and document the count.

   d. Whenever cash is removed from or inserted into a kiosk, kiosk reports shall be generated from the kiosk regarding the kiosk transactions and accountability.

   e. At least weekly, the cash remaining in each kiosk shall be reconciled to the cash loaded into the kiosk less the payouts from the kiosk, by a gaming machine, cage or accounting employee. The kiosk reports shall be compared to the transactions recorded by the other systems (e.g., gaming machine jackpot reports). Variances shall be documented and investigated.

F. **Game Program Control Standards.**

1. Personnel who are independent of the gaming machine department and independent of any other department involved in the operation of server-based games and server-supported games, or a representative of an outside entity, shall perform the following;

   a. At least annually, procedures shall be performed to insure the integrity of a sample of gaming machine game programs (e.g., game programs stored on ROMs, EPROMs, FLASH ROMs, DVD, CD-ROM, hard drive or Compact Flash), including those stored on the game server of a server-based game, by the Regulatory Internal Audit Department to ensure that the game program is an unaltered LTBB Gaming Regulatory Commission approved game program.

   b. For server-supported games and server-based games, for at least one day per quarter, review a sample of server modification logs. The reviewer shall identify any changes to the existing game programs provided by the server-supported games or on the game server of a server-based games, and shall document and maintain the results of the review. All noted improper changes to game programs, improper transactions or unusual occurrences shall be investigated with the results documented and provided to the LTBB Gaming Regulatory Commission as required.

2. The LTBB Gaming Operation with the approval of the LTBB Gaming Regulatory Commission shall develop and implement game program (ROMs, EPROMs, FLASH ROMs, DVD, CD-ROM, hard drive and Compact Flash)procedures for the following:

   a. Removal of game programs or other equivalent game software media from devices, the verification of the existence of errors as applicable, and the correction via duplication from the master game program or other equivalent software media.

   b. Copying one gaming device program to another approved program;

c. Verification of duplicated game program before being offered for play;

d. Game programs shall be received from the manufacturer, by the Regulatory Department.

e. Destruction of game programs or other equivalent game software media shall be witnessed by a Security Officer and the log shall be completed by the Slot Technician and the Security Officer. Destruction shall take place within 30 days of removal.

f. Securing the EPROM, or other equivalent game software media, duplicator, and master game programs, or other equivalent game software media, from unrestricted access..

g. Game programs removed from a gaming machine shall be secured in a manner that requires dual access in order to prevent unrestricted access until destruction.

3. The master game program number, par percentage, and the pay table shall be appropriately verified (par sheet/theoretical hold worksheet) prior to initiating play.
4. Gaming Machines shall have the game programs locked or physically sealed. The lock or seal shall necessitate the presence of Regulatory Department designated staff to access the device game program or other equivalent game software media. If a seal is used to secure the board to the frame of the gaming device, it shall be pre-numbered.

5. Records that document the procedures for the removal of game program or other equivalent software media, shall include the following information:

   a. Date;

   b. Machine number source and destination;

   c. Manufacturer;

   d. Program number;

   e. Personnel involved;

f. Disposition of any permanently removed game program or other equivalent game software media;

g. Seal numbers, if applicable; and

h. Approved testing lab approval numbers, if available.

2. Game program's returned to gaming devices shall be labeled with the program number. Supporting documentation shall include the date, program number, information identical to that shown on the manufacturer's label, and initials of the person replacing the game program, or other equivalent game software media.

G. **Standards for Evaluating Theoretical and Actual Hold Percentages.**

1. Accurate and current theoretical hold worksheets shall be maintained or readily available for each gaming machine pay table, and for each game program on a server-based game server.

2. Performance records for gaming machines and server-based games shall include at a minimum the following;

a. For each gaming machine or server-based game player terminal, indicating the date placed into service, date(s) removed from operation, date(s) placed back into operation, and any changes in ID numbers and designations.

b. For each gaming machine, the initial theoretical hold percentage (if available), dates and type of changes made affecting the gaming machine's theoretical hold percentage, and the recalculation of theoretical hold percentage as a result of the changes. For server-based games, records are created and maintained indicating the pay tables on a server-based game server including the dates pay tables are added or deleted.

c. Maintenance of the gaming machine/server-based game player terminal computer data files (theoretical hold percentage, coin-in, drop, payouts, fills and win amounts) shall be performed by a department independent of the gaming department. Alternatively, maintenance of the theoretical hold percentage for each gaming machine/player terminal may be performed by

gaming machine supervisory employees if sufficient documentation is generated and it is randomly verified by employees independent of the gaming machine department on at least a monthly basis.

d. Updates to the gaming machine/server-based game player terminal computer data files to reflect gaming machine additions, deletions or movements, and server-based game player terminal additions, deletions, or changes, shall be made at least weekly, and prior to in-meter readings, generation of system reports, and the gaming machine count process.

3. For multi-game/multi-denominational gaming machines that cannot communicate the coin-in amount by pay table to a computerized casino accounting system, the following standards shall apply;

a. A record shall be maintained for each gaming machine containing the following information;

i. Gaming machine number;

ii. Date gaming machine was placed on the floor;

iii. The initial pay tables activated for play (from a library of pay tables) along with each activated payable's theoretical hold percentage as determined by the manufacturer;

iv. The simple average of the theoretical hold percentages of the pay tables initially activated for play; and

v. The date of each change to the activated pay tables, the revised list of activated pay tables, the theoretical hold percentage for each pay table activated for play, and the new simple average of the theoretical hold percentages of the pay tables activated for play.

b. Addition and/or change of progressive percentage contribution to an activated pay table is considered a change to the activated pay tables requiring recalculation of the simple average theoretical hold percentage.

c. The theoretical hold percentage is obtained for each activated pay table when multi-game and/or multi-denomination slot machines have different pay tables for each denomination within a game.

d. Assignment of a new gaming machine number or other means of differentiating machine performance shall be required when the entire library of pay tables within a machine is replaced with a new library of pay tables.

e. Assignment of a new gaming machine number or other means of differentiating machine performance is not required when a new simple average theoretical hold percentage is calculated as a result of a correction of an inaccurate par percentage.

f. The gaming machine analysis report shall include the simple average of the theoretical hold percentages of all activated pay tables as the theoretical hold for each gaming machine. The gaming machine analysis report shall be revised to indicate the new simple average theoretical hold percentage whenever there is a change in the activated pay tables.

4. For multi-game/multi-denominational gaming machines that can communicate coin-in amount by pay table to the computerized casino accounting system, the following standards shall apply;

a. The computerized casino accounting system shall capture and record the coin-in amount by pay table and adjust the theoretical hold for each machine as follows;

i. Weekly, capture and record the total coin-in meter by gaming machine;

ii. Quarterly, capture and record the coin-in meter for each pay table and the coin-in meter for each pay table by denomination

when the pay table has a different theoretical hold percentage for each denomination; and

iii. Annually adjust the theoretical hold percentage for each gaming machine to a weighted average based upon the ratio of coin-in for each pay table in play during the year. Include the new weighted average percentage for the gaming machine in the fiscal year end gaming machine analysis report.

b. For multiple gaming machines with exactly the same activated pay table mix used throughout the year, the adjusted weighted average theoretical hold percentage may be calculated using a weighted average of the combined slot machines' percentages.

c. Adding and/or changing progressive percentage contributions to pay tables requires the use of a new pay table with a new theoretical hold percentage calculated.

5. For server-based games, the following theoretical adjustment standards shall apply;

a. The computerized casino accounting system shall be utilized to complete and document the results of the following procedures (including the theoretical hold percentage reflected in the gaming analysis report) for each player interface ID;

i. Weekly, capture and record the total coin-in meter by player terminal;

ii. Quarterly, for the pay tables with activity associated with the player terminal, capture and record the coin-in meters for each pay table and the coin-in meter for each pay table by denomination when the pay table has a different theoretical hold percentage for each denomination; and

iii. Annually adjust the theoretical hold percentage for each player interface ID to a weighted average based upon the ratio of coin-in for each pay table in play during the year. Include the new weighted average percentage for the player terminal ID in the fiscal year end slot analysis report.

b. Adding and/or changing progressive percentage contributions to pay tables require the use of a new pay table with a new theoretical hold percentage calculated.

6. For gaming machines and server-based game player terminals, the following meter standards shall apply:

a. All machines and terminals shall at a minimum have functioning coin-in, bill-in and ticket out meters (hard or soft);

b. All machines and terminals communicating with a computerized casino accounting system shall contain properly functioning meters (e.g., ticket in, ticket out, etc.) that will enable compliance with this part;

c. Bill-in electronic (soft) meter readings shall be captured and recorded immediately prior to or subsequent to a currency acceptor drop. Coin-in electronic (soft) meter readings shall be captured and recorded at least weekly.

i. The time between readings may extend beyond one week in order for a reading to coincide with the end of an accounting period only if such extension is for no longer than six days;

ii. If a gaming operation chooses to perform a gaming machine coin or currency acceptor drop only once per month, the coin-in electronic (soft) meter readings still shall be captured and recorded at least weekly;

iii. The coin-in and/or bill-in hard meters shall be captured and recorded only when the

machine or terminal does not have electronic soft meters;

iv. For gaming operations utilizing a computerized casino accounting system, the meter readings shall be recorded and maintained at the time a drop box (coin or currency) is removed in conjunction with a gaming machine drop. This standard does not preclude the use of "smart cans".

d. If an employee manually records coin-in and bill-in meter readings, the employee recording the readings shall either be independent of the count teams or is assigned on a rotating basis. If the in-meter readings are randomly verified quarterly for all gaming machines and currency acceptors by an employee other than the regular in-meter reader, the regular in-meter reader does not need to be independent of the count teams or assigned on a rotating basis.

e. The coin-in and bill-in meter readings, by gaming machine/player terminal, shall be documented and maintained.

f. Upon receipt of the meter readings information, the accounting department shall review all coin-in meter readings for reasonableness using pre-established parameters.

g. Prior to final generation of gaming analysis and performance reports, coin-in meter readings which do not appear reasonable shall be reviewed with gaming machine department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected. The final gaming machine analysis report shall be reviewed to ensure that the correct coin-in dollar amount has been recorded.

h. When the correct coin-in amount cannot be determined (i.e., coin-in not recorded properly due to meter or system failure), the preferred method for recalculating a reasonable coin-in amount is to use an average coin-in from similar gaming machines/player terminals for the period in question. An alternative method is to use the actual average coin-in for the

gaming machine/player terminal in question over the previous four weeks.

7. For gaming machine analysis reports, the following standards shall apply;

   a. A gaming machine analysis report shall be generated at least monthly summarizing month-to-date, year-to-date, and if practicable, life-to-date gaming machine/player terminal performance by machine and terminal to include the following data;

      i. Denomination or an indication that the gaming machine/player terminal is multi-denomination;

      ii. Gaming machine/player terminal number and game type ("Game type" is a code or abbreviation associated with a specific game. For example, for multi-game gaming machines, the code could be "MG" and for a server-based game, the code could be "SBG");

      iii. Coin in;

      iv. Metered or actual drop (if system is configurable);

      v. Actual jackpot payouts;

      vi. Actual fills;

      vii. Statistical win;

      viii. Theoretical hold percentage;

      ix. Actual hold percentage;

      x. Percentage variance (theoretical hold vs. actual hold); and

xi. Projected dollar variance (i.e., coin in times the percentage variance).

b. The drop and payout activity shall include the following:

i. The payout activity represents only gaming machine payouts associated with the manufacturer's pay table. Payouts and fills recorded in the gaming machine analysis report shall include promotional payouts and/or bonus payouts when the payouts are reflected on the pay table and included in the calculation of the theoretical hold percentage.

ii. The drop activity for gaming machines/player terminals recorded in the gaming machine analysis report shall include all amounts placed into bill acceptors (e.g., free play cash-out tickets accepted by the bill acceptor of the gaming machine are included in the drop amount), coin in drop buckets and electronic money transfers made to the gaming machine.

iii. The gaming machine statistical win recorded in the gaming machine analysis report may or may not equal the amount of assessable gross revenues reported in accordance with 25 CFR §514.1.

c. Report(s) shall be generated which includes all gaming machines/player terminals including the gaming machines not communicating with a computerized casino accounting system. For server-based games, a separate section of the report with applicable subtotals is required or, alternatively, a separate report may be generated.

d. The theoretical hold percentages used in the gaming machine analysis reports shall be within the performance standards set by the manufacturer and shall not include other fees (e.g., a

percentage payment to operators of inter-casino linked gaming machines).

i. For single pay table gaming machines with identical game programs, the theoretical hold percentage used for like gaming machines in the gaming machine analysis reports shall be the same theoretical hold percentage. When a range of theoretical hold percentages is provided by a manufacturer for a single pay table, the theoretical hold percentage used shall be consistent among the gaming machines.

ii. The optimum hold percentage may be used for skill based game pay tables.

e. The theoretical hold percentage used in the gaming machine analysis report shall represent theoretical performance of the pay table and shall exclude promotional payouts and bonus payouts not included in the pay table.

f. For other than server-supported games and server-based games, each change to a gaming machine's theoretical hold percentage, including adding and/or changing progressive percentage contributions, shall require the use of a new theoretical hold percentage (see (G)(3)(a) and (G)(4)(a) of this section regarding a multi-game and/or multi-denominational gaming machine's theoretical hold percentage). When such changes are made, the gaming machine shall be treated as a new gaming machine in the gaming machine analysis reports with a new theoretical hold percentage (i.e., not commingling various hold percentages).

i. For multi-game and/or multi-denomination gaming machines, a new gaming machine number is required when the entire library of pay tables within a machine is replaced with a new library of pay tables.

ii. A new gaming machine is not required when a new theoretical hold percentage is calculated as a result of a correction of an inaccurate par percentage.

g. For server-supported games, each change to a gaming machine's theoretical hold percentage, including adding and/or changing progressive percentage contributions, shall require the use of a new theoretical hold percentage. The gaming machine shall be treated as a new machine in the gaming machine analysis reports with a new theoretical hold percentage (i.e., not commingling various hold percentages) unless meter readings are taken to calculate a weighted average theoretical hold percentage for use in the gaming machine analysis report in a manner similar to (G)(4)(a) of this section.

i. For multi-game and/or multi-denominational gaming machines, a new gaming machine number is not assigned when pay tables with metered activity remain stored on the gaming machine.

ii. A new gaming machine number is not required when a new theoretical hold percentage is calculated as a result of a correction of an inaccurate par percentage.

h. Promotional payouts and/or bonus payouts, not reflected on the pay table and/or not included in the calculation of the theoretical hold percentage, shall not be included in gaming machine statistical win for statistical performance purposes in the gaming machine analysis reports. However, these payouts may be included in the gaming machine analysis report as a separate disclosure for the calculation of assessable gross revenues in accordance with 25 CFR §514.1.

i. The statistical reports shall be reviewed by both gaming machine department management and management employee's independent of the gaming machine department on at least a monthly basis.

j. At a minimum, large (5% or as otherwise determined by the LTBB Gaming Operation as approved by the LTBB Gaming Regulatory Commission) year-to-date variances between theoretical hold and actual hold, by gaming machine/player terminal and by denomination (including the multi-denomination category), shall be investigated with the findings documented no later than 30 days after the generation of the gaming machine analysis report. Findings will be provided to the Regulatory Internal Audit Department within 72 (seventy-two) hours of request. Alternatively, life-to-date variances shall be examined when there is insufficient play resulting in large year-to-date variances.

H. **Computerized Casino Accounting Systems**. This standard is not intended to require a centralized accounting system.

1. The computerized casino accounting system shall be connected, functioning and communicating with gaming machines (activated for play) and/or the server-based game server to obtain gaming machine/player terminal meter information as required by this section.

2. At least monthly, the gaming operation shall prepare and maintain a list of gaming machines not available for patron play and not communicating with the computerized casino accounting system along with the reason (e.g. in storage, removed from the floor, awaiting repair, tournament play.)

3. For a computerized casino accounting system that captures the values indicated on gaming machine or server-based game server meters:

   a. All required meters shall be captured, recorded and maintained by the computerized casino accounting system before and after any gaming machine or server-based game server maintenance that involves the clearing or resetting of the meters is performed.

   b. For a server-supported game, before and after any software is added or removed from a gaming machine, if the meter information could be lost, all required meters for the gaming machine shall be captured, recorded and maintained by the computerized casino accounting system.

c. For a server-based game, before and after any software is added or removed from the game server, if the meter information could be lost, all required meters for each player terminal shall be captured, recorded and maintained by the computerized casino accounting system.

d. This meter information shall be used when reviewing gaming machine performance reports to ensure that the maintenance performed did not improperly affect the meter values recorded in the gaming machine performance reports.

4. At the time a drop box (coin or currency) is removed in conjunction with a gaming machine drop, the "Drop Meters" (coin drop, bill-in, ticket-in, and coupon promotion in) for each gaming machine dropped shall be captured, and meter amounts recorded and maintained.

5. At the end of the gaming operation's specified 24-hour accounting period, the following meters, by gaming machine/player terminal, shall be captured, and meter amounts recorded and maintained;

a. Attendant Paid Meters" (jackpots, accumulated credit payouts, external bonus payouts, and progressive payouts).

b. Physical coin-in meter.

c. Physical coin out meter.

d. "Electronic Promotion Meters" (negotiable in, negotiable out, non- negotiable in and non- negotiable out).

e. "Machine Paid Meters" (external bonus payout and progressive payout).

f. "Wagering Account Transfer" (WAT) meters (out and in).

g. Electronic funds transfer in meter.

h. Ticket out meter.

i. Coin drop meter.

6. The following computerized casino accounting system gaming machine performance reports, as applicable to the gaming operation, shall be generated and maintained for each day for each gaming machine/player terminal:

   a. Meter attendant paid jackpots, accumulated credits, progressive payouts and external bonus payouts (in total) vs. actual attendant paid jackpots, accumulated credits, progressive payouts and external bonus payouts (in total).

   b. Meter fills vs. actual fills.

   c. Meter machine paid and attendant paid external bonus payouts vs. external bonusing system machine paid and attendant paid external bonus payouts.

   d. Meter wagering account transfer (WAT) in vs. computerized casino accounting system wagering account transfer (WAT) in.

   e. Meter wagering account transfer (WAT) out vs. computerized casino accounting system wagering account transfer (WAT) out.

   f. Meter electronic funds transfer (EFT) in vs. computerized casino accounting system electronic funds transfer (EFT) in.

   g. Meter negotiable electronic promotion in vs. computerized casino accounting system negotiable electronic promotion in.

   h. Meter negotiable electronic promotion out vs. computerized casino accounting system negotiable electronic promotion out.

   i. Meter non-negotiable electronic promotion in vs. computerized casino accounting system non-negotiable electronic promotion in.

   j. Meter non-negotiable electronic promotion out vs. computerized casino accounting system non-negotiable electronic promotion out.

k. Meter ticket-out vs. computerized casino accounting system ticket-out and payout receipt forms issued.

l. Meter coupon promotion out vs. computerized casino accounting system coupon promotion out forms issued.

m. For gaming machines dropped, meter drop vs. actual drop for each drop type (e.g., coin and bills).

n. For gaming machines dropped, computerized casino accounting system wagering instruments accepted vs. wagering instruments counted in the count room (e.g., tickets and coupons).

o. For gaming machines dropped, meter ticket-in vs. computerized casino accounting system ticket-in forms accepted.

p. For gaming machines dropped, meter coupon promotion in vs. computerized casino accounting system coupon promotion in forms accepted.

7. Variances, by gaming machine/player terminal, noted in the reports required by (H) (6) of this section that are in excess of the following parameters shall be reviewed by the accounting department:

a. For gaming machines dropped, variances in excess of one percent or $100, whichever amount is greater, for each drop type (coin, bills, tickets and coupons).

b. For gaming machines dropped, variances in excess of one percent or $100, whichever amount is greater, for the total of attendant payouts.

c. Any variance noted between meters and computerized casino accounting system for wagering account transfers (WAT) in and out, electronic funds transfer (EFT) in, cashable electronic promotion in and out, non-cashable electronic promotion in and out, external bonus payouts, tickets out and coupon promotion out.

8. The results of the variance investigation, including the date of and personnel involved in the investigations, shall be documented in the appropriate report and retained. The results shall also include any corrective action taken (e.g., meter replaced, interface component repaired, software debugged, etc.). The investigation shall be completed and the results documented within seven days of the day the variance was noted. Supplemental Information: Material attendant payout variances noted in (H)(6)(a) of this section may be due to an attendant paid progressive jackpot payout amount or wide-area progressive payout amount not being recorded on the gaming device attendant paid progressive payout meter. The attendant paid progressive payout meter may not have the capability to obtain the dollar amount of the progressive amount displayed on the progressive sign. If the variance is due to a progressive jackpot payout the investigation should include the review of the daily progressive payoff dollar amounts recorded to determine that the decrease is reasonably equivalent to the actual progressive jackpot payout dollar amount. For a wide-area progressive payout the investigation should include the review of the report of payouts from the operator of the wide-area progressive system.

I. Gaming Machine Hopper and/or Bill Acceptor Contents Standards.

1. When gaming machines with hoppers and/or bill acceptors are temporarily removed from the floor, gaming machine coin and currency drop and hopper contents shall be protected to preclude the misappropriation of stored funds.

2. When gaming machines with hoppers and/or bill acceptors are permanently removed from the floor, the gaming machine drop and hopper contents shall be removed from the gaming machine and properly stored in a secured area until counted and recorded by three employees in the count rooms with appropriate documentation produced and routed to the Revenue Audit Department for proper recording and accounting for initial hopper loads.

3. Permanent removal of a gaming machine from the floor shall require an adjustment to the general ledger to reduce the initial hopper load asset account by the dollar amount of the initial hopper load asset amount. Additionally, the dollar amount of the initial hopper load shall not be included in gross gaming revenue. The difference between

the hopper contents and the initial hopper load dollar amount is an adjustment to gaming machine revenue, which should be included in assessable gross revenues in accordance with 25 CFR §514.1.

J. **Gaming Machine Wagering Account Standards**

1. Equipment

   a. A central computer, with supporting hardware and software, to coordinate network activities, provide system interface, and store and manage a wagering account database including the deposit, withdrawal and adjustment functions of the accounts.

2. Wagering account transaction standards.

   a. In order to facilitate the reconciliation required by (J) (2) (i) of this section, gaming machine wagering accounts shall be established at one designated area of accountability (e.g., main casino cage). Further, all subsequent deposits/withdrawals and account adjustments shall be transacted through the same designated area of accountability. The standard does not require all customer transactions to be performed at the designated area of accountability (e.g., deposit may be accepted at gaming machine booth and accountability is at the main cage).

   b. For each wagering account established, an employee shall:

      i. Require the customer to personally appear at the gaming operation prior to the customer completing a wagering account transaction.

      ii. Examine, in the customer's presence, the customer's valid identification credential.

      iii. Record the following:

         I. The customer's name, current address and signature;

II. Type of identification credential, credential number, expiration date of credential, and date credential was examined. A customer's driver's license is the preferred method for verifying the customer's identity. The following documents may also be used:

A. Passport;

B. Non-resident alien identification card;

C. Tribal identification card as approved by the LTBB Gaming Regulatory Commission;

D. Other government issued identification credential or

E. Another picture identification credential normally acceptable as a means of identification when cashing checks.

III. The dollar amount of the customer's initial deposit;

IV. The customer's gaming machine wagering account number; and

V. The date the customer's account is opened.

c. Procedures shall be established to provide a secure method for a customer to access a wagering account (e.g. Personal Identification Number (PIN), account access card/ player tracking card, etc.)

d. Prior to the customer making a cash withdrawal from a wagering account, the employee shall verify the identity of the

customer and availability of funds through the computerized casino accounting system.

e. A deposit/withdrawal, other than through actual gaming machine play, shall be evidenced by at least a two-part document, with one part remaining in the area of the employee handling the transaction and the other part given to the customer when a deposit or withdrawal is made. An adjustment to a customer's wagering account shall also be documented. Alternatively, a computerized application approved by the LTBB Gaming Regulatory Commission that satisfied these requirements is acceptable. The deposit/ withdrawal/ adjustment document shall contain the following information;

   i. Same document number on all copies;

   ii. Customer's name, account number, and signature (adjustments do not require customer signature);

   iii. Date of deposit/withdrawal or account adjustment;

   iv. Dollar amount of deposit/withdrawal or account adjustment;

   v. Nature of deposit/withdrawal (e.g. cash, check, chips);

   vi. Reason for adjustment to wagering account, if applicable; and

   vii. Signature of employee handling the transaction.

f. Alternatively, if a kiosk is utilized to accept deposits subsequent to the creation of a wagering account, the kiosk reports shall facilitate the reconciliation required by (J)(2)(i) of this section.

g. Adjustments to wagering accounts shall be made by personnel authorized by management.

h. A computerized casino accounting system wagering account detail report shall be created at least daily and upon demand, indicating for each customer's wagering account, the dollar amount of funds deposited and withdrawn, account adjustments made, the transfers to/from the gaming machines and net win/loss (i.e., transfers to gaming machines less transfers from gaming machines). This record shall be maintained for the period of time established by management and approved by the LTBB Gaming Regulatory Commission and made available to the customer upon request.

i. The total of all gaming machine wagering accounts shall be reconciled by employees of the designated area of accountability, as follows:

    i. For each shift, obtain a computerized casino accounting system wagering account detail (or summary) report; and

    ii. Reconcile the ending and beginning balances (per the computerized casino accounting system) to the hard copy deposit/withdrawal documentation, account adjustment documentation, and the wagering account transfers (per the computerized casino accounting system).

j. All gaming machine wagering account deposits/withdrawals, account adjustments, and wagering account transfers to/from gaming machines shall be summarized in total on an accountability form on at least a per shift basis.

k. Gaming machine department wagering account revenue shall be summarized and posted as a single line item on an accountability form on at least a daily basis.

3. Smart cards (i.e., cards that possess the means to electronically store and retrieve data) that maintain the only source of account data are prohibited.

K. **Contests/Tournaments**

1. All contest/tournament entry fees and prize payouts shall be summarized on a cash accountability document on a daily basis.

2. When, in accordance with the rules of the contest/tournament as established by the gaming operation and subject to LTBB Gaming Regulatory Commission approval, identification of all entrants is required for making a subsequent payout subject to IRS reporting thresholds, the entry fee(s) shall be recorded on a document which contains:

   a. Customer's name;

   b. Date of entry;

   c. Dollar amount of entry fee (both alpha and numeric, or unalterable numeric);

   d. Signature (electronic signature acceptable of individual completing transaction attesting to the receipt of entry fee (s) and

   e. Name of contest/tournament.

3. When contest/tournament payouts subject to IRS reporting thresholds are transacted, the transactions shall be recorded on a document which contains:

   a. Customer's name;

   b. Date of payout;

   c. Dollar amount of entry payout (both alpha and numeric, or unalterable numeric) and/or nature and dollar value of any noncash payout;

   d. Signature (electronic signature acceptable) of individual completing transaction attesting to the disbursement of the payout; and

e. Name of contest/tournament.

4. The contest/tournament entry fees and payouts shall be summarized and posted to the accounting records on at least a monthly basis.

5. Current contest/tournament rules, as approved by the LTBB Gaming Regulatory Commission, shall be included on all entry forms or brochures or prominently displayed and available for review at the gaming facility upon request. The rules must include at a minimum:

   a. All conditions customers must meet to qualify for entry into, and advancement through, the contest/tournament;

   b. Specific information pertaining to any single contest/tournament, inclusive of the contest or tournament prize schedule.

   c. The distribution of funds based on specific outcomes.

6. Results of current contests and tournaments, approved by the LTBB Gaming Regulatory Commission, for which the payout was subject to IRS reporting thresholds, shall be recorded and available for participants' review including:

   a. Name of the event;

   b. Date(s) of the event;

   c. Total number of entries;

   d. Dollar amount of entry fees;

   e. Total prize pool; and

   f. The dollar amount paid for each winning category.

   The gaming operation shall establish a reasonable period, subject to LTBB Gaming Regulatory Commission approval, to retain the information.

L. **In-House Progressive Gaming Machine Standards.**

1. A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies.

2. At least one (1) time each day, the Revenue Audit Department shall read and record the amount shown on each progressive jackpot meter at the LTBB Gaming Operation except for those jackpots that can be paid directly from the machine.

3. Explanations for meter reading decreases shall be maintained with the progressive meter reading sheets, and where the payment of a jackpot is the explanation for a decrease the Revenue Audit Department shall record the jackpot payout number on the sheet or have the number reasonably available;

4. Revenue Audit Department shall record the base amount of each progressive jackpot the LTBB Gaming Operation offers.

5. The LTBB Gaming Regulatory Commission shall approve procedures specific to the transfer of progressive amounts in excess of the base amount to other gaming machines. Such procedures may also include other methods of distribution that accrue to the benefit of the gaming public via an award or prize.

M. **Wide-Area Progressive Gaming Machine Standards.**

1. A display meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies;

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

3. The Regulatory Director or designated Regulatory Staff shall be contacted to participate in the verification process of Wide Area Progressive Jackpots.

N. **Accounting/Revenue Auditing Standards.**

1. Gaming Machine Accounting/Auditing Procedures shall be performed by the Revenue Audit Department.

2. For weigh scale and currency interface systems, for at least one (1) drop period per month Revenue Audit employees shall compare the totals on the weigh scale report/currency counter report to the system generated count as recorded in the gaming machine statistical report. Discrepancies shall be resolved prior to generation/distribution of gaming machine reports.

   a. For gaming operations that do not have a weigh scale or currency counter interface system, the gaming operation will develop procedures as determined by the LTBB Gaming Regulatory Commission for the reconciliation of meter to drop and the count reflected in the drop report. Variance amounts as established by policy shall be investigated and documented.

3. Accounting/auditing employees shall review exception reports for all computerized gaming machine systems, inclusive of server-based games and server-supported games, on a daily basis for propriety of transactions and unusual occurrences. Alternatively, employees not authorized to add, delete or change game programs may perform the review.

4. For other than server-based games, procedures shall be performed on a random sampling basis (at least 3% of the gaming machines at each facility, if applicable.) at least monthly to verify that the gaming machines are accurately reporting data to the computerized casino accounting system and to verify the continuing accuracy of the coin-in meter readings as recorded in the final gaming machine statistical report.

5. For server-based games, procedures shall be performed on a random sampling basis (one player terminal) at least monthly to verify that the gaming machines are accurately reporting data to the computerized

casino accounting system and to verify the continuing accuracy of the coin-in meter readings as recorded in the final gaming machine statistical report.

6. At least annually, accounting/auditing personnel shall randomly verify that game program or other equivalent game software media changes are properly reflected in the gaming machine analysis reports or equivalent.

7. For at least one day each month, accounting/audit personnel shall reconcile the dollar amount of preprinted active tickets that are created and issued to an accountability area (e.g., cashier, players club, change booth) for subsequent sale to customers to the amount reflected in the accountability documents. The reconciliation includes using documents and the computerized casino accounting system reports supporting all additions and reductions of active cash-out tickets.

8. The following procedures shall be performed by accounting personnel for each day:

    a. Review the following gaming machine payout (includes promotional payouts) and fill forms for proper completion:

        i. All computer payout and fill forms prepared as a result of a computer system override.

        ii. All manual payout and fill forms

        iii. A sample of computer payout and fill forms.

        iv. All voided sequentially-numbered payout forms.

    b. For a manual payout process, reconcile the gaming machine payout and fill forms as follows:

        i. Foot the payout and fill forms and trace to the total payout and fill amounts recorded on the cage accountability documents.

        ii. If the reconciliation results in a variance, an investigation shall be performed to

determine whether all forms are accounted for with the investigation being documented.

iii. Verify that the correct total payout and fill amounts are recorded in the accounting records.

c. For one cashier, foot the cash-out tickets redeemed and trace the totals to the corresponding amount recorded in the computerized casino accounting system and to the amount recorded in the applicable cashier's accountability documents.

d. Reconcile all parts of the form used for increases/decreases to bank accountability inventory (includes gaming machine booths, change banks, and any other gaming machine accountability areas), investigate any variances noted, and document the results of such investigations.

e. The following procedures are performed using the count document completed by the count team members:

i. Reconcile the dollar amount of coin/currency drop proceeds on the count sheet to the dollar amount recorded in the appropriate cage/ vault accountability document. Additionally, transfer forms documenting transfers in/out of the hard and currency acceptor count rooms during the count, if applicable, shall be considered in the reconciliation. Investigate and document any variance noted.

ii. Verify that the correct totals of coin/currency drop proceeds on the count sheet are recorded in the accounting records.

iii. Examine for propriety of signatures.

f. Ensure all single-use gaming machine promotional coupons redeemed at booths, cages, etc. (i.e., coupons that cannot be accepted by a gaming machine for wagering purposes) are

properly canceled by gaming machine/ cage personnel to prevent improper recirculation.

g. Compare the dollar amount of issued, voided, and redeemed cash-out tickets to the unpaid and expired cash-out tickets dollar amount using the reports generated by the computerized casino accounting system for reasonableness, as defined by the LTBB Gaming Regulatory Commission. Investigate and document any variance noted. Examine paid expired cash-out tickets for proper authorization and documentation pursuant to (O)(5) and (O)(6) of this section.

h. Reconcile the dollar amount of wagering account deposit, withdrawal and account adjustment forms to the dollar amount recorded on the accountability form and computerized casino accounting system reports.

i. Verify that the correct amount of gaming machine revenue resulting from wagering account and/or electronic funds transfers and cash-out ticket activity has been recorded in the accounting records. Reconcile the dollar amount of the wagering account revenue (net win/loss) to the dollar amount recorded on the accountability form and computerized casino accounting system reports.

j. Reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

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

9. At least monthly, accounting/audit personnel shall perform the following:

a. Review the following gaming machine payout (includes promotional payouts) and fill forms for proper completion:

i. All computer payout and fill forms prepared as a result of a computer system override.

ii. All manual payout and fill forms.

iii. A sample of computer payout and fill forms.

iv. All voided sequentially-numbered payout forms.

b. For a manual payout process, reconcile the gaming machine payout and fill forms as follows:

i. Foot the payout and fill forms and trace to the total payout and fill amounts recorded on the cage accountability documents.

ii. If the reconciliation results in a variance, an investigation shall be performed to determine whether all forms are accounted for with the investigation being documented.

iii. Verify that the correct total payout and fill amounts are recorded in the accounting records.

c. For one cashier, foot the cash-out tickets redeemed and trace the totals to the corresponding amount recorded in the computerized casino accounting system and to the amount recorded in the applicable cashier's accountability documents.

d. Reconcile all parts of the form used for increases/decreases to bank accountability inventory (includes gaming machine booths, change banks, and any other gaming machine accountability areas), investigate any variances noted, and document the results of such investigations.

e. The following procedures are performed using the count document completed by the count team members:

i. Reconcile the dollar amount of coin/currency drop proceeds on the count sheet to the dollar amount recorded in the appropriate cage/ vault accountability document. Additionally, transfer forms documenting transfers in/out of the hard and currency acceptor count rooms during the count, if applicable, shall be considered in the reconciliation. Investigate and document any variance noted.

ii. Verify that the correct totals of coin/currency drop proceeds on the count sheet are recorded in the accounting records.

iii. Examine for propriety of signatures.

f. Ensure all single-use gaming machine promotional coupons redeemed at booths, cages, etc. (i.e., coupons that cannot be accepted by a gaming machine for wagering purposes) are properly canceled by gaming machine/ cage personnel to prevent improper recirculation.

g. Compare the dollar amount of issued, voided, and redeemed cash-out tickets to the unpaid and expired cash-out tickets dollar amount using the reports generated by the computerized casino accounting system for reasonableness, as approved by the LTBB Gaming Regulatory Commission. Investigate and document any variance noted. Examine paid expired cash-out tickets for proper authorization and documentation pursuant to (O)(5) and (O)(6) of this section.

h. Reconcile the dollar amount of wagering account deposit, withdrawal and account adjustment forms to the dollar amount recorded on the accountability form and computerized casino accounting system reports.

i. Verify that the correct amount of gaming machine revenue resulting from wagering account and/or electronic funds transfers and cash-out ticket activity has been recorded in the accounting records. Reconcile the dollar amount of the wagering account revenue (net win/loss) to the dollar amount

recorded on the accountability form and computerized casino accounting system reports.

j. Reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

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

10. At least once a quarter, for each patron kiosk and jackpot kiosk, accounting/audit personnel shall foot the cash-out tickets redeemed for a week (or one drop period if dropped more frequently) and trace the totals to the totals recorded in the computerized casino accounting system and the related accountability document. This procedure may be performed for different kiosks throughout the quarter as long as each kiosk is examined once a quarter. The audit and the results of investigations into all variances shall be documented by kiosk.

11. At least monthly, accounting/audit personnel shall review all contests, tournaments, promotional payouts, drawings, and giveaway programs to determine proper accounting treatment and proper gaming machine gross revenue win/loss computation.

12. For each day, accounting/audit personnel shall compare the total dollar amount of WAT In (transfers from wagering account to gaming machines), total dollar amount of WAT Out (transfers to the wagering account from the gaming machine) and total dollar amount of WAT net win/loss (wagering account transfers to gaming machines less wagering account transfers from the gaming machines) indicated on the server-based games revenue report to the total dollar amount of WAT In, total dollar amount of WAT Out and total dollar amount of WAT net win/loss on the computerized casino accounting system wagering account detail report.

13. For each day, accounting/audit personnel shall compare the WAT net win/loss (wagering account transfers to gaming machines less

wagering account transfers from the gaming machines) amount indicated on the computerized casino accounting system wagering account detail report to the total dollar amount of WAT net win/loss indicated in the cage accountability.

14. In-house Progressives – If an in house progressive malfunctions and loses data, LTBB Gaming Operation must have adequate procedures to reconcile/retrieve data to restore the proper amount. These procedures and any subsequent changes must be approved by the LTBB Gaming Regulatory Commission.

15. Revenue Audit employees shall review exception reports for all computerized gaming machine systems on a daily basis for propriety of transactions and unusual occurrences.

16. All Gaming Machine Auditing Procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the LTBB Gaming Regulatory Commission upon request.

17. **Inventory.** At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to keys, pre-numbered and/or multi-part forms.

O. **Ticket-In/Ticket-Out.**

1. The issuance of cash-out tickets for promotional purposes, other than through actual gaming machine play or through the purchase of cash-out tickets by the customer, shall be sufficiently documented and authorized by management personnel independent of the gaming machine department. Alternatively, gaming machine supervisory employees may authorize the issuance of the cash-out tickets for promotional purposes if sufficient documentation is generated and employees independent of the gaming machine department randomly verify the issuance of the cash-out tickets on a quarterly basis.
2. The customer may request a cash-out ticket from the gaming machine that reflects all remaining credits. The cash-out ticket shall be printed at the gaming machine by an internal document printer. The cash-out ticket shall be valid for sixty (60) days as approved by the LTBB

Gaming Regulatory Commission. Cash-out tickets may be redeemed for payment or inserted in another gaming machine and wagered, if applicable, during the specific time period. The printed cash-out ticket shall include the following;

a. Gaming operation name;

b. Gaming machine number, or for server-based games and mobile gaming systems, the player terminal number;

c. Date and time of issuance;

d. Alpha and numeric dollar amount;

e. Validation number; and

f. Expiration period or date when ticket will expire, if applicable.

3. The customer may redeem the cash-out ticket at a kiosk or cashier's cage. Due to utilization of a remote computer validation system, the LTBB Gaming Operation as approved by the LTBB Gaming Regulatory Commission shall develop alternate standards for the maximum amount that can be redeemed at the kiosk, which shall not exceed $2,499.99 per cash-out ticket.

4. Prior to making payment on a cash-out ticket, an employee shall verify the validity of the ticket through the system. The LTBB Gaming Regulatory Commission shall develop procedures for payment of tickets greater than a predetermined amount (not to exceed $10,000), which shall include documentation of supervisory approval prior to payment.

5. Cash-out tickets that cannot be validated (scanned) by the system for reasons other than system failure (e.g. lost, stolen, mutilated or expired tickets) shall require supervisory approval prior to payment. Supervisory personnel shall review the applicable gaming machine play transaction history or other system records to verify the validity of the ticket. The supervisor shall document approval for payment by signing, dating, and writing/stamping a paid designation on the ticket. If the pre-printed amount of the ticket is not legible, it shall also be recorded on the ticket. If the ticket is not available, a document shall be prepared evidencing the approval and documenting the above

required information as well as the ticket's validation number, if available. The payment of the ticket shall be entered into system by cage/gaming machine/accounting employees immediately, as applicable

6. Cash-out tickets in excess of an amount predetermined by management (not to exceed $500) that cannot be validated (scanned) by the system because of system failure shall require supervisory approval prior to payment. Supervisory personnel shall review the applicable gaming machine play transaction history or other similar method to verify the validity of the ticket. The supervisor shall document approval for payment by signing, dating, and writing/stamping a paid designation on the ticket. The payment of the ticket shall be entered into the system by cage/gaming machine/accounting employees when the system resumes operation. This predetermined amount shall be authorized by management (as approved by the LTBB Gaming Regulatory Commission), documented, and maintained.

7. During a system failure, cash-out tickets not requiring supervisory approval for payment when paid shall be written/stamped with a paid designation, signed by the cashier, and noted with the date paid. The payment of the ticket shall be entered into the computerized casino accounting system by cage/gaming machine/accounting personnel when the system resumes operation.

8. Unredeemed cash-out tickets (physical tickets) can only be voided in the system when the ticket is available and when voided by an employee independent of the gaming machine department. The employee completing the void shall enter the void into system and clearly mark "void" across the face of the ticket, date, and sign the face of the ticket. The accounting department shall maintain the voided ticket.

9. The LTBB Gaming Operation shall develop and the LTBB Gaming Regulatory Commission shall approve procedures for the disposition of cash-out tickets found by employees.

10. If the host validation computer system is down for more than four (4) hours, The LTBB Gaming Operation shall promptly notify the LTBB Gaming Regulatory Commission or its designated representative.

P. **Account Access Cards.** Not applicable at this time.

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

IX. Accounting

A. The LTBB Gaming Operation shall prepare accurate, complete, legible, and permanent records of all transactions pertaining to revenue and gaming activities.

B. **Conflicts of Standards.** When establishing SICS, the gaming operation should review, and consider incorporating, other external standards such as GAAP, GAAS, and standards promulgated by GASB and FASB. In the event of a conflict between the MICS and the incorporated external standards, the external standards prevail.

C. The LTBB Gaming Operation shall prepare general accounting records according to "Generally Accepted Accounting Principles" using a double-entry system of accounting, and shall maintain detailed, supporting, subsidiary records including, but not limited to:

1. Detailed records identifying revenues, expenses, assets, liabilities, and equity for each gaming operation.

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

3. Gaming machine analysis reports which, by each machine, compare actual hold percentage to theoretical hold percentages;

4. Other records required by this section and by the Tribal Internal Control Standards;

5. Prepare income statements and balance sheets;

6. Prepare appropriate subsidiary ledgers to support the balance sheet;

7. Prepare minimum bankroll calculations;

8. Journal entries prepared by the LTBB Gaming Operation and by its independent accountants: and

9. Any other records specifically required to be maintained.

D. The LTBB Gaming Operation shall establish administrative and accounting procedures for the purpose of determining effective control over a gaming operation's fiscal affairs. The procedures shall be designed to reasonably ensure that:

1. Assets are safeguarded;

2. Financial records are accurate and reliable;

3. Transactions are performed only in accordance with management's general and specific authorization;

4. Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees taxes, and to maintain accountability of assets;

5. Recorded accountability for assets is compared with actual assets at reasonable intervals, and appropriate action is taken with respect to any discrepancies; and

6. Functions, duties, and responsibilities are appropriately segregated in accordance with sound business practices.

E. Gross Gaming Revenue Computations.

1. For table games, gross revenue equals the closing table bankroll, plus credit slips for cash, chips, tokens or personal/payroll checks returned to the cage, plus drop, less opening table bankroll and fills to the table, and money transfers issued from the game through the use of a cashless wagering system.

2. For gaming machines, gross revenue equals drop, less fills, jackpot payouts and personal property awarded to patrons as gambling winnings. Additionally, the initial hopper load is not a fill and does

not affect gross revenue. The difference between the initial hopper load and the total amount that is in the hopper at the end of the LTBB Gaming Operation's fiscal year should be adjusted accordingly as an addition to or subtraction from the drop for the year.

3. For each counter game, gross revenue equals:

   a. The money accepted by the LTBB Gaming Operation on events or games that occur during the month or will occur in subsequent months, less money paid out during the month to guests on winning wagers ("cash basis"); or

   b. The money accepted by the LTBB Gaming Operation on events or games that occur during the month, plus money not previously included in gross revenue, that was accepted by the LTBB Gaming Operation in previous months on events or games occurring in the month, less money paid out during the month to guests as winning wagers ("modified accrual basis').

4. For each card game and any other game in which the LTBB Gaming Operation is not a party to a wager, gross revenue equals all money received by the operation as compensation for conducting the game.

F. The LTBB Gaming Operation shall establish internal control systems sufficient to ensure that currency (other than tips or gratuities) received from a guest in the gaming area is promptly placed in a locked box in the table, or, in the case of a cashier, in the appropriate place in the cashiers cage, or on those games which do not have a locked drop box, or on card game tables, in an appropriate place on the table, in the cash register or in another approved repository.

G. If the LTBB Gaming Operation provides periodic payments to satisfy a payout resulting from a wager, the initial installment payment, when paid, and the actual cost of a payment plan, which is funded by the LTBB Gaming Operation, may be deducted from winnings. The LTBB Gaming Operation is required to obtain approval of all payment plans from the LTBB Gaming Regulatory Commission. For any funding method which merely guarantees the LTBB Gaming Operation's performance, and under which the LTBB Gaming Operation makes payments out of cash flow (e.g., irrevocable letters of credits, surety bonds, or other similar methods), the LTBB Gaming Operation may only deduct such payments when paid to the guest..

H. Cash-out tickets issued at a gaming machine or gaming device shall be deducted from gross revenue as jackpot payouts in the month the tickets are issued by the gaming machine or gaming device. Tickets deducted from gross revenue that are not redeemed within a period, not to exceed the validation date approved by the LTBB Gaming Regulatory Commission, shall be included in gross revenue. An unredeemed ticket previously included in gross revenue may be deducted from gross revenue in the month redeemed.

I. The LTBB Gaming Operation may not deduct from gross revenues the unpaid balance of a credit instrument extended for purposes other than gaming.

J. The LTBB Gaming Operation may deduct from gross revenue the unpaid balance of a credit instrument if the gaming operation documents, or otherwise keeps detailed records of, compliance with the following requirements. Such records confirming compliance shall be made available to the LTBB Gaming Regulatory Commission upon request:

1. The LTBB Gaming Operation can document that the credit extended was for gaming purposes.

2. The LTBB Gaming Operation has established procedures and relevant criteria to evaluate a guest's credit reputation or financial resources and to then determine that there is a reasonable basis for extending credit in the amount or sum placed at the guest's disposal;

3. In the case of personal checks, the LTBB Gaming Operation has established procedures to examine documentation, which would normally be acceptable as a type of identification when cashing checks, and has recorded the guest's bank check guarantee card number or credit card number, or has satisfied paragraph (J)(2) of this section, as management may deem appropriate for the check-cashing authorization granted;

4. In the case of third-party checks for which cash, chips, or tokens have been issued to the guest, or which were accepted in payment of another credit instrument, the LTBB Gaming Operation has established procedures to examine documentation, normally accepted as a means of identification when cashing checks and as, for the check's maker or drawer, satisfied paragraph (J)(2) of this section, as management may deem appropriate for the check-cashing authorization granted;

5. In the case of guaranteed drafts, procedures should be established to ensure compliance with the issuance and acceptance procedures prescribed by the issuer;

6. The LTBB Gaming Operations has established procedures to ensure that the credit extended is appropriately documented, not least of which would be the guest's identification and signature attesting to the authenticity of the individual credit transactions. The authorizing signature shall be obtained at the time credit is extended.

7. The LTBB Gaming Operation has established procedures to effectively document its attempt to collect the full amount of the debt. Such documentation includes, but is not limited to, letters sent to the guest, logs of personal or telephone conversations, proof of presentation of the credit instrument to the guest's bank for collection, settlement agreements, or other documents which demonstrate that the LTBB Gaming Operation has made a good faith attempt to collect the full amount of the debt. Such records documenting collection efforts shall be made available to the LTBB Gaming Regulatory Commission upon request.

K. Allowable and Non-allowable Deductions from Gross Revenue.

1. Any prizes, premiums, drawings, benefits or tickets that are redeemable for money or merchandise or other promotional allowance, except money or tokens paid at face value or the cost of personal property awarded directly to a guest as the result of a specific wager, must not be deducted.

2. Cash paid to fund periodic payments may be deducted.

3. A gaming operation that provides a guest with additional play at bingo as the result of an initial wager may deduct all money or tokens paid directly to that customer as a result of such additional play.

4. The LTBB Gaming Operation may deduct its pro-rata share of a payout from a game played in a wide area linked system except for a payout made in conjunction with a card game. The amount of the deduction must be determined based upon the written agreement among the gaming establishments participating in the wide area linked system and the operator of the system. All cash prizes and the value of

noncash prizes awarded during a contest or tournament conducted in conjunction with a wide area linked system are also deductible on a pro-rata basis to the extent of the compensation received for the right to participate in that contest or tournament.

5. Deductibility of free play and promotional items:

(i) Gaming machines	
(A) Free pulls on a promotional gaming machine	No effect on drop and no deduction of payouts
(B) Free pulls on a gaming machine	No effect on drop and all payouts deductible
(C) Free play wagering (negotiable, including free coin/tokens) if distinguishable and accounted for separately in the drop	No effect on drop and all payouts deductible
(D) Free play wagering (non-negotiable)	No effect on drop for free play and all payouts deductible
(E) Gaming machine negotiable wagering credits (If tracked electronically when wagered)	No effect on drop and all payouts deductible
(F) Gaming machine negotiable wagering credits (If not tracked electronically when wagered)	Add cash value to drop and all payouts deductible
(G) Non-cash prizes awarded for winning wagers	Cost to gaming operation deductible
(H) Premium points awarded in accordance with a payout schedule as the result of a winning wager	Cash or cost of prizes for redeemed points deductible (Appropriate tracking and documentation required)
(I) Premium points not awarded in accordance with a payout schedule or as the result of a winning wager	Cash or cost of prizes for redeemed points not deductible
(J) Promotional activity reimbursed by an external party	Total amount wagered included in drop and all payouts deductible
(K) Gold or silver coins paid out (legal tender)	Purchase cost to gaming operation deductible
(L) Gold or silver tokens paid out (not legal tender)	Face value deductible
(M) Tournaments/contests/drawings	Include total amount received in drop and payouts deductible (limited to amount received)

(N) Bonus payouts	Bonus payouts resulting from a winning wager deductible
(O) Mystery jackpots (Only if selected by random number generator)	All mystery jackpot payouts reflected on the payout schedule deductible
(P) Appeasement payouts (payments made on non-winning wagers in response to guest complaints)	Not deductible
(ii) Table Games	
(A) Match play (e.g., wager five dollars and receive a ten dollar bet)	Include cash received in drop and all payouts deductible
(B) Discount wagering (negotiable)	Discounted dollar amount (if distinguishable) included in drop and all payouts deductible
(C) Discount wagering (non-negotiable)	Discounted dollar amount included in drop and all payouts deductible
(D) Free play wagering (negotiable)	If distinguishable, no effect on drop, all payouts deductible
(E) Free play wagering (non-negotiable)	No effect on drop and all payouts deductible
(F) Promotional activity reimbursed by an external party	Total amount wagered included in drop and all payouts deductible
(G) Tournaments/contests/drawings	Include total amount received in drop and payouts deductible (limited to amount received)
(H) Tournaments which include purchase and redemption of negotiable chips.	Include total amount wagered in drop, payouts deductible, tournament prizes not deductible
(iii) Card Games	
(A) Buy-in coupons (e.g., $25 in chips for $20 buy-in)	No effect on revenue
(B) Tournaments played with negotiable chips and rake is taken	Rake is included in revenue
(C) Tournaments played with non-negotiable chips, contests and drawings	No effect on revenue
(D) Prizes (e.g., $100 prize for high hand of the week)	No effect on revenue
(E) Promotional progressive pot and/or pool payouts	No effect on revenue
(iv) Pull Tabs	
(A) Match play/discount wagering	Include cash received in sales and all payouts deductible

(B) Free play wagering (negotiable and non-negotiable)	No effect on sales and all payouts deductible
(C) Non-cash prizes	Include cash received in sales and purchase cost of prizes deductible
(D) Promotional activity reimbursement by external party	Include cash received in sales and all payouts deductible
(E) Appeasement payouts (payments made on non-winning pull tabs in response to guest complaints)	Not deductible
(v) Baccarat	
Uncollected baccarat commission	No effect on drop

L. Maintenance and Preservation of Books, Records, and Documents.

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

    a. Casino cage documents;

    b. Documentation supporting the calculation of table game win;

    c. Documentation supporting the calculation of gaming machine win;

    d. Documentation supporting the calculation of revenue received from the games of bingo, pull-tabs (if applicable), card games, and all other gaming activities offered by the LTBB Gaming Operation;

    e. Table games statistical analysis reports;

f. Gaming machine statistical analysis reports;

g. Bingo and pull-tab wagering statistical reports; (if applicable),

h. Internal audit reports;

i. All other books, records, and documents pertaining to the conduct of wagering activities that contain original signature(s) attesting to the accuracy of the gaming related transaction.

2. Unless otherwise specified in this section, all other books, records, and documents shall be retained until such time as the accounting records have been audited by the LTBB Gaming Operation's independent certified public accountants.

3. The above standards shall apply without regards to the medium by which the book, record, and document is generated or maintained (paper, computer-generated, magnetic media, etc.).

X. Cage

A. **Computer Applications.** For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section, as approved in writing by the LTBB Gaming Regulatory Commission, will be acceptable.

B. **Supervision.** Supervision must be provided as needed for cage, vault, kiosk, and other operations using cash equivalents by an agent(s) with authority equal to or greater than those being supervised.

B. **Personal Checks, Cashier's Checks and Traveler's Checks**

1. If personal checks, cashier's checks, Tribal Enterprise checks or traveler's checks are cashed at the cage, the LTBB Gaming Regulatory Commission, or the LTBB Gaming Operation as approved by the LTBB Gaming Regulatory Commission, shall establish and the LTBB Gaming Operation shall comply with appropriate controls that, at a minimum, provide for security and integrity (i.e. identification verification, acceptance procedures, prompt endorsement and inclusion

in cage accountability). For each check cashing transaction, the minimum controls shall include the following:

a. Verify the guest's identity by examining an identification credential (e.g. driver's license) or other method to ensure the guest's identity. The identification credential information shall be documented on the check unless the information is maintained elsewhere. In such cases, record "Account on file" on the check as the verification source and results.

b. Examine the check to ensure it includes the guest's name, current address, and signature.

c. For personal checks, verify the guest's check cashing authority and record the source and results in accordance with management policy.

d. If a check guarantee service is used to guarantee the transaction and the procedures required by the check guarantee service are followed, then the above requirements do not apply.

2. [Reserved]

3. When traveler's checks or other guaranteed drafts such as cashier's checks are presented, the cashier shall comply with the examination and documentation procedures as required by the issuer.

4. The LTBB Gaming Operation shall develop check cashing authorization standards. These standards delegate to the employees the authority to approve checks based on amounts and job titles. Any changes to the standards will require LTBB Gaming Regulatory Commission approval.

C. **Customer/Guest Deposited Funds.** If the LTBB Gaming Operation permits a guest to deposit funds for safekeeping and/or front money purposes with the gaming operation at the cage, the following standards shall apply. These standards also apply when transfers are made from such deposit accounts to a wagering account resulting in the funds being transferred to a gaming area for wagering purposes.

1. The receipt or withdrawal of a guest deposit shall be evidenced by at least a completed three-part document (if a manual system is used) with one copy given to the guest, and one copy remaining in the cage and one forwarded to the Revenue Audit Department. If electronic system is used a two part form will satisfy this requirement.

2. Prior to the patron making a deposit or withdrawal from a patron deposit account, the employee must verify the patron deposit account, the patron identity, and availability of funds. A personal identification number (PIN) is an acceptable form of verifying identification.

3. Adjustments made to the patron deposit accounts must be performed by an employee.

4. When a deposit, withdrawal, or adjustment is processed by an employee, a transaction record must be created. Each of the three parts of the sequentially-numbered receipt shall contain the following information:

    a. Same receipt number on each copy;

    b. Type of transaction (deposit, withdrawal, or adjustment);

    c. Guest's name and signature;

    d. The unique account identifier;

    e. For adjustments to the account, the reason for the adjustment;

    f. Date and time of receipt and transaction;

    g. Dollar amount of transaction.

    h. Nature of deposit, withdrawal, or adjustment (cash, check, chips); and

    i. Name and signature of employee who conducted the transaction.

5. The following procedures shall be established and complied with for front money deposits:

a. Maintain a detailed record by guest name and date of all funds on deposit;

b. Maintain a current balance of all guest cash deposits that are in the cage/vault inventory or accountability; and

c. Reconcile this current balance with the deposits and withdrawals at least daily.

6. Supervision must be provided as needed for patron deposit accounts by an agent(s) with authority equally to or greater than those being supervised.

7. Establishment of patron deposit accounts. The following standards apply when a patron establishes an account:

   a. The patron must appear at the gaming operation in person, at a designated area of accountability, and present valid government issued picture identification; and

   b. An agent must examine the patron's identification and record the following information:

      i. Type, number, and expiration date of the identification;

      ii. Patron's name;

      iii. A unique account identifier;

      iv. Date the account was opened; and

      v. The agent's name.

   c. The patron must sign the account documentation before the agent may activate the account.

   d. The agent must provide the patron deposit account holder with a secure method of access.

8. When a patron deposits or withdraws funds from a patron deposit account electronically, the following must be recorded:

a. Date and time of transaction;

b. Location (player interface, kiosk);

c. Type of transaction (deposit, withdrawal);

d. Amount of transaction; and

e. The unique account identifier.

9. If electronic funds transfers are made to or from a gaming operation bank account for patron deposit account funds, the bank account must be dedicated and may not be used for any other types of transactions.

10. Patron deposit account transaction records must be available to the patron upon reasonable request.

11. The LTBB Gaming Operation must establish, as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

D. **Cage and Vault Accountability Standards.**

1. All transactions that flow through the cage shall be summarized on a cage accountability form for each work shift of the cage and shall be supported by documentation.

2. Increases and decreases to the total cage inventory shall be supported by documentation. For any individual increase/decrease documentation shall include the date and shift, the purpose of the increase/decrease, the person(s) completing the transaction, and the person or department receiving the cage funds (for decreases only).

3. The cage and vault inventories (including coin rooms/vault) must be counted independently by at least two employees at the beginning and end of each work shift. These employees shall make individual counts for comparison of accuracy and maintenance of individual accountability. Such counts must be attested to by signature, and recorded in ink or other permanent form at the end of each shift during which activity took place. All discrepancies shall be noted and investigated. Unverified transfers of cash and/or equivalents are

prohibited.

4. The LTBB Gaming Operation must establish and comply with a minimum bankroll formula as approved by LTBB Gaming Regulatory Commission to ensure the gaming operation maintains cash or cash equivalents (on hand and in the bank, if readily accessible) in an amount sufficient to satisfy obligations to the gaming operation's guests as they are incurred. A suggested bankroll formula will be provided by the LTBB Gaming Regulatory Commission upon request.

F. **Promotional Payouts, Drawings, and Giveaway Programs.** At a minimum, the following procedures (LTBB Gaming Regulatory Commission approval recommended) shall apply to any payout resulting from a promotional payout, drawing, or giveaway program (e.g. free pull) disbursed by the cage department. Such payouts are associated with gaming activity or a promotional program to encourage guest participation in gaming activities.

1. The conditions for participating in promotional payments, including drawings and giveaway programs, shall be prominently displayed or available for guest review at the LTBB Gaming Operation.

2. Payments of $100 or more shall be documented at the time of the payment. Documentation shall include the following:
   a. Date and time.
   b. Dollar amount of payment or description of personal property (e.g. car).
   c. Reason for Payment (e.g. name of promotion).
   d. Guest's name (drawings only).
   e. Signature(s) of the following number of employees verifying, authorizing, and completing the promotional payment with the guest;

      i. Two employee signatures for all payments of $100 or more; or

      ii. For computerized systems that validate and print the dollar amount of the payment on a computer – generated form, only one employee signature is required on the payment form.

   f. The required documentation may be prepared by an individual who is not a cage department employee as long as the required

signatures are those of the employees completing the payment with the guest.

G. **Chip and Token Standards.**

1. The LTBB Gaming Operation shall comply with established procedures for the purchase, receipt, inventory, storage and destruction of gaming chips and tokens. All chips and tokens will be stored in a secure location and become part of inventory. Destruction of damaged or obsolete chips or tokens shall be performed by a bonded vendor. Chips or tokens slated for destruction shall be verified by Internal Audit or designee prior to destruction.

2. The Regulatory Department shall be notified of incoming shipments of new chips and/or tokens. The Internal Auditor or designee shall be involved in the receipt and inspection of the new chips and/or tokens shipment.

G. **Coupon Standards.** Any program for the exchange of coupons for chips, tokens, and/or another coupon program shall be approved by the LTBB Gaming Regulatory Commission or designated staff prior to implementation. The LTBB Gaming Operation shall establish and comply with procedures that account for such control programs.

H. **Kiosks.**

1. Kiosks must be maintained on the cage accountability and must be counted independently by at least two agents, documented, and reconciled for each increase or decrease to the kiosk inventory.

2. Currency cassettes must be counted and filled by an agent and verified independently by at least one agent, all of whom must sign each cassette.

3. Currency cassettes must be secured with a lock or tamper resistant seal and, if not placed inside a kiosk, must be stored in a secured area of the cage/vault.

4. The LTBB Gaming Regulatory Commission or the gaming operation, subject to the approval of the LTBB Gaming Regulatory Commission must develop and implement physical security controls over the

kiosks. Controls should address the following: forced entry, evidence of any entry, and protection of circuit boards containing programs.

5. With regard to cashless systems, the LTBB Gaming Regulatory Commission or the gaming operation, subject to the approval of the LTBB Gaming Regulatory Commission, must develop and implement procedures to ensure that communications between the kiosk and system are secure and functioning.

6. The following reconciliation reports must be available upon demand for each day, shift, and drop cycle (this is not required if the system does not track the information, but system limitation(s) must be noted):

   a. Starting balance dollar amount per financial instrument;

   b. Starting balance number of items per financial instrument;

   c. Dollar amount per financial instrument issued;

   d. Number of items per financial instrument issued:

   e. Dollar amount per financial instrument issued;

   f. Number of items per financial instrument redeemed;

   g. Dollar amount per financial instrument increases;

   h. Number of items per financial instrument increases;

   i. Dollar amount per financial instrument decreases;

   j. Number of items per financial instrument decreases;

   k. Ending balance dollar amount per financial instrument; and

   l. Ending balance number of items per financial instrument.

I. **Vouchers.**

1. Controls must be established and procedures implemented to:

a. Verify the authenticity of each voucher redeemed;

b. If the voucher is valid, verify that the patron is paid the appropriate amount.

c. Document the payment of a claim on a voucher that is not physically available or a voucher that cannot be validated such as a mutilated, expired, lost, or stolen voucher.

d. Retain payment documentation for reconciliation purposes.

e. For manual payment of a voucher of $500 or more, require a supervisory employee to verify the validity of the voucher prior to payment.

2. Vouchers paid during a period while the voucher system is temporarily out of operation must be marked ''paid'' by the cashier.

3. Vouchers redeemed while the voucher system was temporarily out of operation must be validated as expeditiously as possible upon restored operation of the voucher system.

4. Paid vouchers must be maintained in the cashier's accountability for reconciliation purposes.

5. Unredeemed vouchers can only be voided in the voucher system by supervisory employees. The accounting department will maintain the voided voucher, if available.

J. Cage/ Vault Access and Extraneous Items.

1. Controls must be established and procedures implemented to restrict physical access to the cage to cage agents, designated staff, and other authorized persons.

2. Extraneous items are prohibited in the cage and vault areas.

3. The cage policy, at a minimum, must address the transportation of permitted items into or out of the cage.

K. Accounting/Auditing Standards

1. The cage accountability shall be reconciled to the general ledger at least monthly.

2. For at least one day each month, accounting/audit personnel shall trace the amount of cage deposits to the amounts indicated in the bank statements.

3. For at least two days each year, a count shall be performed of all funds in all gaming areas (i.e. cages, vaults and booths (including reserve areas), kiosks, cash-out ticket redemption machines, and change machines. Do not include player interface hopper funds. Count all chips and tokens by denomination and type. Count individual straps, bags, and imprest banks on a sample basis. Trace all amounts counted to the amounts recorded on the corresponding accountability forms to ensure the proper amounts are recorded. Maintain documentation evidencing the amount counted for each area and the subsequent comparison to the corresponding accountability form. The count shall be completed within the same gaming day for all areas.

    a. Counts shall be observed by an individual independent of the department being counted. It is permissible for the individual responsible for the funds to perform the actual count while being observed

    b. Internal audit may perform and/or observe the two counts.

4. At least annually, select a sample of invoices for chips and tokens purchased and trace the dollar amount from the purchase invoice to the accountability document that indicates the increase to the chip or token inventory to ensure the proper dollar amount has been recorded.

5. For each business year end, create and maintain documentation evidencing the amount of the chip/token liability, the change in the liability from the previous year, and explanations for adjustments to the liability account including any adjustments for chip/token float.

6. For at least one day each month, accounting/audit personnel shall review a sample of returned checks to determine that the required information was recorded by cage personnel when the check was cashed.

7. Accounting/audit personnel shall review exception reports for all computerized cage systems (e.g., fill/credit systems) at least monthly for propriety of transactions and unusual occurrences. The review shall include, but is not limited to, voided authorizations. All noted improper transactions or unusual occurrences identified shall be investigated with the results documented.

8. At least monthly, accounting/audit personnel shall review all promotional payments, drawings, and giveaway programs to verify proper accounting treatment and proper win/loss computation.

9. Daily, accounting/audit personnel shall reconcile all parts of forms used to document increases/decreases to the total cage inventory, investigate any variances noted, and document the results of such investigations. The LTBB Gaming Operation must establish, as approved by the LTBB Gaming Regulatory Commission the threshold at which a variance must be reviewed to determine the cause.

10. All cage auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the LTBB Gaming Regulatory Commission upon request.

11. **Inventory.** At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to, keys, pre-numbered and/or multi-part forms.

12. Periodically perform minimum bankroll calculations to ensure that the gaming operation maintains cash in an amount sufficient to satisfy the gaming operation's obligations.

L. **Variances.** The operation must establish as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

XI. Management Information Systems

A. Supervision

1. Controls must identify the supervisory agent in the department or area responsible for ensuring that the department or area is operating in accordance with established policies and procedures.

2. The supervisory agent must be independent of the operation of Class II games.

3. Controls must ensure that duties are adequately segregated and monitored to detect procedural errors and to prevent the concealment of fraud.

4. Information technology agents having access to Class II gaming systems may not have signatory authority over financial instruments and payout forms and must be independent of and restricted from access to:
   a. Financial instruments;
   b. Accounting , audit, and ledger entries; and
   c. Payout forms.

B. As used in this section only, a system is any computerized system that is integral to the gaming environment. This includes, but is not limited to, the server and peripherals for Class II gaming system, accounting, surveillance, essential phone system, and door access and warning systems.

C. Physical Access and Maintenance Controls

1. The critical IT systems and equipment for each gaming application (e.g., keno, pari-mutuel, gaming machines, etc.) and each application for financials, shall be maintained in a physically secured area. The area housing the critical IT systems and equipment for each gaming and other critical IT systems and equipment shall be equipped with the following:

   a. Uninterruptible power supply to reduce the risk of data loss in the event of an interruption to commercial power. Components

in a gaming machine device cabinet are not required to maintain an uninterruptible power supply.

b. A security mechanism to prevent unauthorized physical access to areas housing critical IT systems and equipment for gaming and financial applications, such as traditional key locks, biometrics, combination door lock, or electronic key card system.

c. Access devices to the systems' secured physical location, such as keys, cards, or fobs, must be controlled by an independent agent.

d. Network Communication Equipment must be physically secured from unauthorized access.

2. 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 LTBB Gaming Regulatory Commission. Non-IT personnel, including vendors of the gaming computer equipment, shall only be allowed access to the areas housing critical IT systems and equipment for gaming applications when authorized by IT Management in accordance with IT policies and procedures. At a minimum, such policies and procedures shall require monitoring of personnel during each access.

   a. A record of each access by non-IT personnel shall be maintained by IT management to include the name of the visitor(s), time and date of entry, reason for visit, company or organization and the name of the designated and authorized personnel escorting the visitor, followed by the time and date of visitor departure.

   b. The administration of the electronic security systems, if used to secure areas housing critical IT systems and equipment, shall be performed by personnel independent of a gaming or financial department in accordance with policies and procedures approved by the LTBB Gaming Regulatory Commission.

D. **Logical Security**

1. Controls must be established and procedures implemented to protect all systems and to ensure that access to the following is restricted and secured:

   a. Systems' software and application programs;

   b. Data associated with Class II gaming; and

   c. Communications facilities, systems, and information transmissions associated with Class II gaming systems.

2. Unused services and non-essential ports must be disabled whenever possible.

3. Procedures must be implemented to ensure that all activity performed on systems is restricted and secured from unauthorized access, and logged.

4. Communications to and from systems via Network Communication Equipment must be logically secured from unauthorized access.

E. **System Parameters**

1. The computer systems, including application software, shall be logically secured through the use of passwords, biometrics, or other means approved by the LTBB Gaming Regulatory Commission.

2. Security parameters for passwords, if configurable, shall meet the following minimum requirements:

   a. Passwords shall be changed at least once every 90 days (quarterly).

   b. Passwords shall be at a minimum of 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. If the system maintains an electronic record of old or previously used passwords, passwords may not be re-used for a period determined by management.

d. User accounts shall be automatically locked out after 3 failed login attempts. The system may, subject to the approval of the LTBB Gaming Regulatory Commission, release a locked out account as determined by management.

e. The written system of internal controls shall delineate whether the system is configurable for security parameters for passwords, including temporary passwords, and to what extent the system is configurable in meeting the security parameter requirements.

3. A system event log (incident log) or series of reports/logs for critical IT systems, if capable of being created by all components that communicate within the gaming network, 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. Audit trail of information changed by administrator accounts; and

e. Changes to date/time on master time server.

4. Daily system event logs shall be reviewed at least once weekly (for each day of the entire previous week) by a person independent of the IT department for events listed in (E) (3) of this section. The system event logs shall be maintained for a minimum of the preceding seven (7) days. Documentation of this review (e.g., log, checklist, notation on reports) shall be maintained for a minimum of ninety (90) days and

include the date, time, name of individual performing the review, the exceptions noted, and any follow-up of the noted exception

a. An automated tool that polls the event logs for all gaming and financial related servers, and provides the system administrators notification of the above may be used. Maintaining the notification for ninety (90) days shall serve as evidence of the review.

b. Any exceptions noted should be reported to the Regulatory Department within 4 hours of detection.

5. Exception reports for components that communicate within the gaming network (e.g. changes to system parameters, corrections, overrides, voids, etc.) 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.

F. **User Accounts**

1. Management personnel, or persons independent of the department being controlled, shall establish, or review and approve, user accounts to ensure that, at a minimum, assigned application functions match the employee's current job responsibilities, unless otherwise authorized by management personnel, and to ensure adequate segregation of duties.

2. At a minimum, the review shall ensure that any previously assigned application function access for the employee's user account is changed to inactive (disabled) prior to the employee accessing their new user account for their role or position in a new department.

3. Access credentials such as passwords, PINs, or cards must be controlled as follows:

a. Each user must have his or her own individual access credential;

b. Access credentials must be changed at an established interval approved by the LTBB Gaming Regulatory Commission; and

4. Lost or compromised access credentials must be deactivated, secured or destroyed within an established time period approved by the LTBB Gaming Regulatory Commission.

5. Only authorized agents may have access to inactive or closed accounts of other users, such as player tracking accounts and terminated user accounts.

6. User access listings shall be maintained either manually or by systems that automatically record access changes and force access credentials changes including the following information for each user:,

a. Employee name and title or position.

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.

h. Group membership of user account, if applicable.

7. When multiple user accounts for one employee per application are used, only one user account may be active (enabled) at a time if the concurrent use of the multiple accounts by the employee could create a

segregation of duties deficiency resulting in noncompliance with one or more TMICS. Additionally, the user account has a unique prefix/suffix to easily identify the users with multiple user accounts within one application.

8. The system administrator or designee and the LTBB Gaming Regulatory Commission shall be notified within an established time period as approved by the LTBB Gaming Regulatory Commission when an employee is known to be no longer employed (e.g., voluntary or involuntary termination of employment). Upon notification the system administrator shall change the status of the employee's user account from active to inactive (disabled) status.

9. The system administrator or designee and the LTBB Gaming Regulatory Commission shall be notified as approved by the LTBB Gaming Regulatory Commission when a user's authorized remote access capability is suspended or revoked. Upon notification, the system administrator or designee shall change the status of the user's account from active to inactive (disabled) status.

10. 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 25 users included in the listing or more as determined by the LTBB Gaming Regulatory Commission. 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 (i.e., system functions are appropriate for 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 for password changes within 90 days applies regardless of whether the system parameter has been configured to forcefully request a password change every 90 days.

e. There are no inappropriate assigned functions for group membership, if applicable.

G. **Generic User Accounts**

1. Generic user accounts at the operating system level, if used, shall be configured such that the user is automatically brought to the application logon screen immediately upon logging into the operating system. The generic user accounts must also be configured such that the user is logged out of the operating system automatically upon exiting the application.

2. Generic user accounts at the application system level shall be prohibited unless user access is restricted to inquiry or read only functions.

H. **Service and Default Accounts**

1. Service accounts, if utilized, shall be configured in a manner that prevents unauthorized and inappropriate usage to gain logical access to an application and the underlying databases and operating system. The employee responsible for the documentation indicating the method used to prevent unauthorized and inappropriate usage of these service accounts shall be identified in the written system of internal controls, that 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 once every 90 days, and deactivated immediately upon the completion of services provided.

2. User accounts created by default upon installation of any operating system, database or application (default user accounts) shall be

configured, which may include deactivation or disabling, to minimize the possibility that these accounts may be utilized to gain unauthorized access to system resources and data. The employee responsible for the documentation indicating the procedures implemented to restrict access through the use of default accounts shall be identified in the written system of internal controls.

3. 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 90 days.

I. Administrative Access

1. Access to administer the network, operating system, applications, and database security and system parameters shall be limited to supervisory and/or management employees of the IT department or IT employees under the supervision of supervisory and/or management employees of the IT department. If there is no formal IT department, supervisory or management personnel independent of the department using such system and/or application may perform the administrative procedures. The LTBB Gaming Regulatory Commission shall be notified by the IT department (or supervisory or management personnel independent of the department using the system, if there is no formal IT department) of those employees who have been given administrator level access. Such notification shall occur no less than quarterly or whenever changes occur to the listing.

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 30 days and include time, date, login account name, description of event, the value before the change, and the value after the change.

3. An individual independent of the gaming machine department shall review as determined by the LTBB Gaming Regulatory Commission the requirements of a system based game and a system supported game ensuring the proper use of split or dual passwords by system administrators. This standard requires a review to confirm that the system requires or warrants the use of split or dual passwords and that split or dual passwords have been used.

J. 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 (this standard only applies if data files have been updated).

    b. Application executable files (unless such files can be reinstalled).

    c. Database contents and transaction logs.

    d. Redundant and backup hardware restoration.

    e. Data backup of critical programs or the ability to reinstall the exact programs as needed.

    f. Mirror or redundant data source

2. Upon completion of the backup process, the backup media shall be transferred as determined by the LTBB Gaming Regulatory Commission to a location separate from the location housing the systems' servers and data being backed up (for temporary and permanent storage). The storage location shall be secured to prevent unauthorized access and provides adequate protection to prevent the permanent loss of any data.

3. Backup data files and programs can be maintained in a secured manner in another building on the premises that is physically separated from the building where the system's hardware and software are located. They may also be stored in the same building as the system hardware/software as long as they are secured in a fireproof safe (1000 degrees Fahrenheit for one (1) hour minimum) or in some other manner that will ensure the safety of the files and programs in the event of a fire or other disaster.

4. Backup system logs, if provided by the system, shall be reviewed by IT personnel or individuals authorized by IT personnel (daily review recommended) at a frequency determined by the LTBB Gaming

Regulatory Commission to ensure that backup jobs execute correctly and on schedule. The backup system logs shall be maintained for a time period established by the LTBB Gaming Regulatory Commission.

5. Backup data files and recovery components must be managed with at least the same level of security and access controls as the system for which they are designed to support.

6. The IT employee(s) responsible for the documentation indicating the procedures implemented for the backup processes and for restoring data and application files is delineated in the written system of internal control or policies and procedures.

    a. In support of data restoration procedures, LTBB Gaming Operations shall test data recovery procedures using actual data at least annually, with documentation, review and IT managerial sign-off of results, which shall be made available to the LTBB Gaming Regulatory Commission upon request.

K. Recordkeeping

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 and software (including version numbers), operator manuals, etc

2. System administrators shall maintain a current list of all enabled generic, system, and default accounts. The documentation shall include, at a minimum, the following:

    a. Name of system (i.e., the application, operating system, or database).

    b. The user account login name.

    c. A description of the account's purpose.

    d. A record (or reference to a record) of the authorization for the account to remain enabled.

3. The current 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.

4. User access listings for all gaming systems shall be retained for at least one (1) day of each month for the most recent five (5) years. The lists may be archived electronically if the listing is written to unalterable media (secured to preclude alteration). If the list of users and user access for any given system is available in electronic format, the list may be analyzed by analytical tools (i.e., spreadsheet or database).

5. The IT department shall maintain current documentation with respect to the network topology (e.g., flowchart/diagram), deployment of servers housing applications and databases, and inventory of software and hardware deployed (available upon request by authorized internal and external auditors and by LTBB Gaming Regulatory Commission personnel). The employee responsible for maintaining the current documentation on the network topology shall be identified in the IT departmental policies and procedures.

L. Electronic Storage of Documentation

1. Documents may be scanned or directly stored to unalterable media (secured to preclude alteration) with the following conditions:

   a. The storage media shall contain the exact duplicate of the original document.

   b. All documents stored shall be maintained with a detailed index containing the casino department and date.

   c. Controls shall exist to ensure the accurate reproduction of records, up to and including the printing of stored documents used for audit purposes.

M. Network Security

1. If guest networks are offered (such as networks that provide internet access for patrons, hotel guests, or vendors), adequate logical segregation, as certified by IT management, shall be provided of the guest network from the network used to serve access to gaming and financial related applications and devices. Traffic on guest networks

shall be non-routable to the network serving gaming and financial related applications and devices.

2. Production networks serving gaming systems shall be secured from outside traffic (e.g., firewall and routers) such that systems are configured to detect and report security related events (security logs).

    a. IT employees responsible for documentation and review of procedures for detecting and reporting security related events shall be identified in the written system of internal control or policies and procedures.

    b. If the system is configurable, the system shall log:

        i. Unauthorized logins,

        ii. Failed login attempts,

        iii. Other security related events (incident logs).

    c. Deactivate all unused physical and logical ports and any in-bound connections originating from outside the network.

        i. Other security related events to be captured by the system include changes to live data files and any other unusual transactions.

3. 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.

4. Server consoles, and unattended user terminals in gaming areas shall be configured to automatically secure themselves after a configurable period of inactivity elapses, the amount of time to be determined by IT department personnel. The time period of inactivity shall be documented in the written system of internal controls or IT policies and procedures. Users shall supply proper login credentials to regain access to the terminal or console.

5. Login accounts and passwords required to administer network equipment shall be secured such that only authorized IT personnel may gain access to these devices. The passwords for these accounts shall meet system security parameters in accordance with IT policies and procedures, and shall be immediately disabled when IT personnel are terminated. The LTBB Gaming Regulatory Commission shall be immediately notified of such actions.

N. Changes to production Environment

1. The employee responsible for the documentation indicating the process for managing changes to the production environment shall be identified in the written system of internal control or IT policies and procedures. Control shall include all changes to the production environment (operating system, network, databases, and applications) that relate to critical IT, gaming and applications systems. This process includes at a minimum:

    a. Proposed changes to the production environment shall be evaluated sufficiently by management personnel prior to implementation (certification from a The LTBB Gaming Regulatory Commission approved gaming lab will satisfy this requirement);

    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 and 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.

O. Remote Access

1. For each critical IT system application that is accessible remotely for purposes of obtaining vendor support, the written system of internal control or policies and

a. If remote access to the production network (live network) is permissible, and allows access to critical IT system applications, such access shall be logged automatically by the device or software where access is established if such logging is capable within system configurations.

   i. name of authorized IT technician granting authorization;

   ii. vendor's business name and name of authorized programmer;

   iii. verification of the agent's authorization;

   iv. reason for network access;

   v. critical IT system application to be accessed,

   vi. work to be performed on the system and

   vii. date and time of start of end user remote access session; and

   viii. date and time of conclusion of end-user remote access session. Description of work performed shall be adequately detailed to include the old and new version numbers of any software that was modified, and details regarding any other changes made to the system. Final duration of access will be annotated upon termination of the vendors' network connection.

b. For computerized casino accounting systems, 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 IDs, passwords and IP addressing to allow authorized vendor personnel to access the system through remote access.

d. IT personnel, by name and role, shall be authorized by IT Management to enable the method of establishing a remote access connection to the system. Such authorizations shall be submitted to the LTBB Gaming Regulatory Commission no less than twice annually.

e. The name and role of IT personnel involved and procedures performed to ensure the method of establishing remote access connection shall be disabled when vendor remote access is no longer required and not in use. The same shall be submitted to the LTBB Gaming Regulatory Commission upon request.

2. User accounts used by vendors shall remain disabled on all operating systems, databases, network devices, and applications until needed by such vendor. Subsequent to an authorized use by a vendor, the account shall be returned to a disabled state.

3. If remote access to the production network (live network) is permissible, and allows access to critical IT system applications, such access shall be logged automatically by the device or software where access is established if such logging is capable within system configurations.

P. Information Technology Department

1. A separate IT department shall be maintained. The IT department shall be independent of all gaming departments (e.g., cage, pit, count rooms, etc.) and operational departments.

2. IT personnel shall be precluded from access to wagering instruments and gaming related forms (e.g., gaming machine jackpot forms, table games fill/credit forms, etc.). IT personnel shall be restricted from having unauthorized access to cash or other liquid assets as well as initiating general or subsidiary ledger entries.

Q. In-house Developed Systems

1. All of the in-house developed systems described within this section must be submitted to the LTBB Gaming Regulatory Commission for approval prior to being implemented on the gaming network.

2. If source code for gaming and/or financial related software is developed or modified internally, a process (systems development life cycle) shall be adopted to manage this in-house development. The employee responsible for the documentation indicating the process in managing the development or modification of source code shall be identified in the written system of internal control or IT policies and procedures. The process shall address, at a minimum:

   a. Requests for new programs or program changes shall be reviewed by IT supervisory personnel. Approvals to begin work on the program shall be 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 which operational department is to perform all such procedures.

   c. Sufficiently documenting software development and testing procedures through system development life cycle (SDLC) or other suitable, management approved process. Documentation of approvals, systems development, testing, results of testing, and implementation into production. Documentation shall include a record of the final program or program changes, including evidence of user acceptance, date in service, programmer, and reason for changes, shall be documented and maintained.

   d. Physical and logical segregation of the development and testing environment from the production environments.

   e. Adequate segregation of duties (i.e., those who develop/test code do not have access to introduce new or modified code into the production environment). In addition, a system administrator shall be precluded from developing/testing code which will be introduced into the production environment.

   f. Secured repositories for maintaining code history.

R. **Purchased Software**

1. For critical IT systems, documentation shall be maintained and include, at a minimum, the date the program was placed into service, the nature of the change (if applicable), a description of procedures required in order to bring the new or modified program into service (conversion or input of data, installation procedures, etc.), and an indication of the IT technicians who performed such procedures.

    a. Testing of new and modified programs shall be performed (by the LTBB Gaming Operation or the system manufacturer) and documented prior to full implementation.

    b. Only LTBB Gaming Regulatory Commission authorized or approved systems and modifications may be installed.

S. **Software Downloads.** Downloads, either automatic or manual, must be performed in accordance with NIGC Technical Standards 25 CFR 547.12 or LTBB approved Technical Standards.

1. Verifying downloads. Following download of any Class II gaming system software, the Class II gaming system must verify the downloaded software using a software signature verification method. Using any method it deems appropriate, the LTBB Gaming Regulatory Commission must confirm the verification.

XII. Complimentary Services

A. **Supervision**. Supervision must be provided as needed for approval for complimentary services by an agent(s) with authority to or greater than those being supervised.

B. **Complimentary Services or items.** Controls must be established and procedures implemented for complimentary services or items that address the following;

a. Agents authorized to approve the issuance of complimentary services or items, including levels of authorization;

b. Limits and conditions on the approval and issuance of complimentary services or items;

c. Making and documenting changes to conditions or limits on the approval and issuance of complimentary services or items;

d. Documenting and recording the authorization, issuance, and redemption of complimentary services or items, including cash and non-cash gifts;

i. Records must include the following for all complimentary items and services equal to or exceeding an amount established by the gaming operation and approved by the LTBB Gaming Regulatory Commission.:

1. Name of patron who received the complimentary service or item;

2. Name(s) of issuer(s) of the complimentary service or item;

3. The actual cash value of the complimentary service or item;

4. The type of complimentary service or item (i.e., food, beverage); and

5. Date the complimentary service or item was issued.

ii. [Reserved]

C. The report required by paragraph (B) of this section shall not be required to include complimentary services or items below $100.00, but will include a cumulative daily total of $100.00 or more per customer as approved by the LTBB Gaming Regulatory Commission.

D. Complimentary services and items records must be summarized and reviewed for proper authorization and compliance with established authorization thresholds.

E. The reports required in paragraph (B) of this section must be prepared at least monthly. The Internal Audit Department and the Gaming Operation Accounting/Revenue Audit Departments shall review the reports at least monthly. These reports shall be made available to the Tribe, LTBB Gaming Regulatory Commission, or other entities designated by the Tribe upon request.

F. Revenue Audit shall verify receipt, issuance and use of controlled manual complimentary forms.

G. **Variances.** The LTBB Gaming operation must establish, as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

XIII. Drop and Count

A. **Computer Applications.** For any computer applications utilized, alternate documentation and/or procedures that provide at a minimum level of control described by these standards in this section, as approved by the LTBB Gaming Regulatory Commission in writing, will be acceptable.

B. **Supervision.** Supervision must be provided for drop and count as needed by an employee with authority equal to or greater than those being supervised.

C. **Count Room Access.** Controls must be established and procedures implemented to limit physical access to the count room to count team agents, designated staff, and other authorized persons. Such controls must include the following:

1. Count room personnel shall not be allowed to exit or enter the count room during the count except for emergencies or scheduled breaks. At no time during the count, shall there be fewer than three (3) employees in the count room until the drop proceeds have been accepted into the cage/vault accountability. Surveillance shall be notified whenever count room personnel exit or enter the count room during the count.

2. Extraneous items are prohibited in the Count Room and/or the Cart Storage area.

3. The Count/ Drop policy, at a minimum, must address the transportation of permitted items into or out of the Count Room and/ or the Cart Storage Area.

D. Standards for Count/Drop Teams.

1. Count team members shall rotate duties on a routine basis such that the count team member is not consistently performing the same duty more than four (4) days per week. Exceptions can be made by executive management with notification to the Regulatory Department.

2. The LTBB Gaming Operation shall develop polices in regard to key control during count and drop procedures. Keys may be left in the Count Room while on scheduled breaks.

E. Table and Card Game Drop Standards.

1. The setting out of empty table and card game drop boxes and the drop shall be a continuous process. The drop begins with notification to Surveillance.

2. At the end of each shift:

   a. All locked table and card game boxes shall be removed from the tables by Security;

   b. The LTBB Gaming Operation utilizes a single drop box with separate openings and compartments for each shift; and

   c. Upon removal from the tables, table and card game drop boxes shall be transported directly to the count room or another equivalently secure area with comparable controls and locked in a secure manner until the count takes place.

3. All tables that were not open during a shift and therefore not part of the drop must be documented.

4. The transporting of the table and card game drop boxes shall be performed by a minimum of two (2) persons, at least one (1) of whom is independent of the table or card games department.

5. All table and card game drop boxes shall be posted with a number corresponding to a permanent number on the gaming table and marked to indicate game, table number, and shift.

6. Surveillance shall be notified when the drop is to begin so that Surveillance may monitor the activities.

7. All drop boxes shall be removed only at the time previously designated by the LTBB Gaming Operation and reported to the LTBB Gaming Regulatory Commission, except for emergency drops.

   a. If an emergency drop is required, surveillance must be notified before the drop is conducted and the LTBB Gaming Regulatory Commission must be informed within a timeframe approved by the LTBB Gaming Regulatory Commission.

8. For standards for drop of promotional progressive pots and pools refer to Section VI (H).

D. **Soft Count Room Personnel.**

1. The table and card game soft count and the gaming machine bill acceptor count shall be performed by a minimum of three (3) employees.

2. The count team shall be independent of transactions being reviewed and counted. The count team shall be independent of the Cage/Vault Department; however an accounting representative may be used if there is an independent audit of all soft count documentation.

E. **Table and Card Game Soft Count Standards.**

1. The table and card game soft count shall be performed in a soft count room or other equivalently secure area with comparable controls.

2. Access to the count room during the count shall be restricted to members of the drop and count teams, with the exception of authorized observers, supervisors or authorized persons for resolution of

problems, and authorized maintenance personnel.

3. If counts from various revenue centers occur simultaneously in the count room, procedures shall be in effect that prevent the commingling of funds from the different revenue centers.

4. Immediately prior to the count at least two count team members shall verify the accuracy of the currency counter with previously counted currency for each denomination (i.e., test currency). The test currency shall be counted by the currency counter to ensure that the counter is functioning properly. The test results shall be documented and maintained.

    a. The currency counter test shall be performed with test currency rather than with currency from a drop box.

    b. If the same currency counter is used for one revenue center (e.g., gaming or nongaming revenue center) and then immediately used for a second revenue center, performing the currency counter test once will satisfy the standard provided the same count team members complete one count and then proceed to the other revenue center count.

5. The table and card game drop boxes shall be individually emptied and counted in such a manner to prevent the commingling of funds between boxes until the count of the box has been recorded.

    a. The count of each box shall be recorded in ink or in another permanent form of recordation.

    b. For counts that do not utilize a currency counter, a second count shall be performed by an employee on the count team who did not perform the initial count. Separate counts of chips and tokens must always be performed by employees of the count team.

    c. Coupons or other promotional items not included in gross revenue may be recorded on a supplemental document by either the count team members or accounting personnel. All single-use coupons shall be cancelled daily by either the count team members or accounting personnel to prevent improper

recirculation

d. If a currency counter interface is used:

i. It shall be adequately restricted (e.g., password, keys, etc.) so as to prevent unauthorized access.

ii. The currency drop figures shall be transferred via direct communications line or computer storage media to the accounting department.

6. If currency counters are utilized and the count room table is used only to empty boxes and sort/stack contents, a count team member shall be able to observe the loading and unloading of all currency at the currency counter, including rejected currency.

7. When the currency counter rejects currency but does not record the amount of rejected currency (re-run of rejected currency is permissible), procedures shall be developed and implemented to record the rejected currency amount by table game and to ensure that two counts of the rejected currency (by table game and in total) are performed to ensure the correct amount of the drop is recorded on the count sheet. Posting rejected currency to a nonexistent "dummy" table game is prohibited.

8. Table and card game drop boxes, when empty, shall be shown to another member of the count team, and to surveillance. The inside of the drop box must be clearly visible for a reasonable amount of time for observers to verify the contents.

9. Fill/credit slips removed from the drop boxes shall be matched to the fill/credit slips obtained from the cage or otherwise reconciled by the count team members or accounting department/revenue audit personnel to verify that the total dollar amounts for the shift are identical. Fills and credits shall be traced to or recorded on the count sheet.

10. The opening/closing table and card forms shall either be:

a. Examined and traced to or recorded on the count sheet; or

b. If a computerized system is used, accounting personnel can trace the opening/closing table forms to the count sheet. Discrepancies shall be investigated with the findings documented and maintained for inspection.

11. To correct errors in soft count documentation, a single line shall be drawn through the error, and the correct figure entered above the original figure. The correction shall be initialed by at least two count team members verifying the change. Any corrections to the count documentation shall be permanent and identifiable. If a currency interface is used, an employee independent of the table games department and count team shall enter the correct figure into the computer system prior to the generation of related table and card games reports.

12. The count sheet shall be reconciled to the total drop by a count team member who shall not function as the sole recorder and variances shall be reconciled and documented.

13. All members of the count team shall sign the count document or a summary report to attest to their participation in the count.

14. A final verification of the total drop proceeds, before transfer to cage/vault, must be performed by at least two employees, one of whom is a supervisory count team member, and one a count team member.

    a. Final verification must include a comparison of currency counted totals against the currency counter/system report, if any counter/system is used.

    b. Any unresolved variances must be documented, and the documentation must remain part of the final count record forwarded to accounting.

    c. This verification does not require a complete recount of the drop proceeds, but does require a review sufficient to verify the total drop proceeds being transferred.

    d. The two agents must sign the report attesting to the accuracy of the total drop proceeds verified.

15. All drop proceeds and cash equivalents that were counted shall be turned over to the cage or vault cashier for verification. Such person shall certify by signature as to the amount of the drop proceeds delivered and received. The individual performing the verification count shall be precluded from having prior knowledge of the results of previous count performed by count team personnel. Any unresolved variances shall be reconciled, documented, and/or investigated by accounting/revenue audit.

16. The count sheet, with all supporting documents, shall be immediately delivered to the Accounting Department by a count team member or a person independent of the Cashiers Department. Alternatively, it may be adequately secured, e.g., locked container to which only accounting personnel can gain access until retrieved by the Accounting Department.

17. The cage/vault employee shall sign the count sheet, or other reconciling document, and thereby assume accountability of the currency drop proceeds, ending the count.

18. After verification by the cage/vault employee the drop proceeds must be transferred to the cage/vault.

19. Access to stored, full table and card game drop boxes shall be restricted to authorized members of the drop and count teams.

F. **Gaming Machine Bill Acceptor Drop Standards.**

1. A minimum of three (3) employees shall be involved in the removal of the gaming machine drop, at least one (1) of whom is independent of the Gaming Machine Department.

2. All bill acceptor canisters shall be removed only at the time previously designated by the LTBB Gaming Operation and reported to the LTBB Gaming Regulatory Commission or designee except for emergency drops.
   a. If an emergency drop is required, surveillance must be notified before the drop is conducted and the LTBB Gaming Regulatory Commission must be informed within a timeframe

approved by the LTBB Gaming Regulatory Commission.

3. Surveillance shall be notified when the drop is to begin so that surveillance may monitor the activities. The gaming machine bill acceptor drop begins with notification to Surveillance.

4. The bill acceptor canisters shall be removed by a Drop Team member, then transported directly to the count room or other equivalently secure area with comparable controls and locked in a secure manner until the count takes place.

    a. Security shall be provided over the bill acceptor canisters removed from the gaming machines and awaiting transport to the count room.

    b. The transporting of bill acceptor canisters shall be performed by a minimum of two (2) persons, at least one (1) who is independent of the Gaming Machine Department.

5. All bill acceptor canisters shall be posted with a number corresponding to a permanent number on the gaming machine.

G. **Gaming Machine Bill Acceptor Count Standards.**

1. The gaming machine bill acceptor count shall be performed in a soft count room or other equivalently secure area with comparable controls.

2. Access to the count room during the count shall be restricted to members of the drop and count teams, with the exception of authorized observers, supervisors for resolution of problems, and authorized maintenance personnel.

3. If counts from various revenue centers occur simultaneously in the count room, procedures shall be in effect that prevent the commingling of funds from different revenue centers.

4. The count team shall not have access to bill-in meter amounts until after the count is completed and the drop proceeds are accepted into the cage/vault accountability. A count team member is allowed to read/record the amount from the bill-in meters provided the count team members do not have knowledge of the dollar amount of currency

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

5. Immediately prior to the count at least two count team members shall verify the accuracy of the currency counter with previously counted currency for each denomination (i.e., test currency). The test currency is counted by the currency counter to ensure the counter is functioning properly. The test results shall be documented and maintained.

    a. The currency counter test must be performed with test currency rather than with currency from a bill acceptor.

    b. If the same currency counter is used for one revenue center (e.g., gaming or nongaming revenue center) and then immediately used for a second revenue center, performing the currency counter test once will satisfy the standard provided the same count team members complete one count and then proceed to the other revenue center count.

6. If a currency counter interface is used:

    a. It shall be adequately restricted (e.g., password, keys, etc.) so as to prevent unauthorized access).

    b. The currency drop figures shall be transferred via direct communications line or computer storage media to the accounting department.

7. The bill acceptor canisters shall be individually emptied and counted in such a manner to prevent the commingling of funds between canisters until the count of the canister has been recorded.

    a. The count of each canister shall be recorded in ink or another permanent form of recordation.

    b. For counts that do not utilize a currency counter, a second count shall be performed by an employee on the count team who did not perform the initial count.

8. If currency counters are utilized and the count room table is used only to empty boxes and sort/stack contents, a count team member shall be able to observe the loading and unloading of all currency at the currency counter, including rejected currency.

9. When the currency counter rejects currency (re-run of rejected currency is permissible) but does not record the amount of rejected currency, procedures shall be developed and implemented to record the rejected currency amount, by gaming machine, and to ensure that two counts of the rejected currency (by gaming machine and in total) are performed to ensure the correct amount of the drop is recorded on the count sheet. Posting rejected currency to a nonexistent "dummy" gaming machine is prohibited

10. Canisters, when empty, shall be shown to another member of the count team, or to surveillance, provided that the count is monitored in its entirety by the Surveillance Department or designated Regulatory Staff. The inside of the canister must be clearly visible for a reasonable amount of time for observers to verify the contents.

11. To correct errors in soft count documentation, a single line shall be drawn through the error, and the correct figure entered above the original figure. The correction shall be initialed by at least two count team members verifying the change. If a currency interface is used, an employee independent of the gaming machine department and count team shall enter the correct figure into the computer system prior to the generation of related gaming machine reports.

12. The count sheet shall be reconciled to the total drop by a count team member who shall not function as the sole recorder and variances shall be reconciled and documented. This standard does not apply to cash-out tickets removed from the bill acceptors canisters.

13. All members of the count team shall sign the count document or a summary report to attest to their participation in the count.

14. All drop proceeds and cash equivalents that were counted shall be turned over to the cage or vault cashier for verification. Such person shall certify by signature as to the amount of the drop proceeds delivered and received. The employee performing the verification count shall be precluded from having prior knowledge of the results of previous count performed by count team personnel. Any unresolved

variances shall be reconciled, documented, and/or investigated by accounting/revenue audit.

15. The cage/vault employee shall sign the count sheet, or other reconciling document, and thereby assume accountability of the currency drop proceeds, ending the count.

16. The count sheet, with all supporting documents, shall be immediately delivered to the Revenue Audit Department by a Count Team member or a person independent of the Cashiers Department. Alternatively, it may be adequately secured (e.g., locked container to which only revenue audit personnel can gain access) until retrieved by the Revenue Audit Department.

17. Access to stored bill acceptor canisters, full or empty, shall be restricted to:

    a. Authorized member of the drop and count teams; and

    b. Authorized personnel for the resolution of a problem. (i.e. Slot Technician/Room, Operations Manager)

18. All bill acceptor canisters contents shall be posted with a number corresponding to a permanent number on the gaming machine.

H. **Gaming Machine Coin Drop Standards.**

1. A minimum of three (3) employees shall be involved in the removal of the gaming machine drop, at least one (1) who is independent of the Gaming Machine Department.

2. All drop buckets shall be removed only at the time previously designated by the LTBB Gaming Operation and reported to the LTBB Gaming Regulatory Commission, except for emergency drops.

3. Surveillance shall be notified when the drop is to begin in order that Surveillance may monitor the activities. The gaming machine coin drop begins with notification to Surveillance.

4. Security shall be provided over the buckets removed from the gaming machine drop cabinets and awaiting transport to the count room.

5. As each machine is opened, the contents shall be tagged with its respective machine number, if the bucket is not permanently marked with the machine number. The contents shall be transported directly to the area designated for the counting of such drop proceeds. If more than one (1) trip is required to remove the contents of the machines, the filled carts of coins shall be securely locked in the room designed for counting or in another equivalently secure area with comparable controls. There shall be a locked covering on any carts in which the drop route includes passage out of doors.

    a. Alternatively, a smart bucket system that electronically identifies and tracks the gaming machine number, and facilitates the proper recognition of gaming revenue, shall satisfy the requirements of this paragraph.

6. Each drop bucket in use shall be:

    a. Housed in a locked compartment separate from any other compartment of the gaming machine and keyed differently than other gaming machine compartments; and

    b. Identifiable to the gaming machine from which it is removed. If the gaming machine is identified with a removable tag that is placed in the bucket, the tag shall be placed on top of the bucket when it is collected.

7. Each gaming machine shall have drop buckets into which coins or tokens that are retained by the gaming machine are collected. Drop bucket contents shall not be used to make change or pay hand-paid payouts.

8. The Collection Procedures may include procedures for dropping gaming machines that have trays instead of drop buckets.

I. **Hard Count Room Personnel.**

1. The weigh/count shall be performed by a minimum of three (3) employees.

2. At no time during the weigh/count shall there be fewer than three (3) employees in the count room until the drop proceeds have been accepted into cage/vault accountability. Surveillance shall be notified

whenever count room personnel exit or enter the count room during the count.

3. The Count Team shall be independent of transactions being reviewed and counted. The Count Team shall be independent of the Cage/Vault Departments, unless they are non-supervisory gaming machine employees and perform the laborer function only "a non-supervisory gaming machine employee" is defined as a person below the level of gaming machine shift supervisor. A cage cashier may be used if this person is not allowed to perform the recording function. An accounting representative may be used if there is an independent audit of all count documentation.

J. **Gaming Machine Coin Count and Wrap Standards.**

1. Coins shall include tokens.

2. The gaming machine coin count and wrap shall be performed in a count room or equivalently secure area with comparable controls.

3. Access to the count room during the count shall be restricted to members of the Drop and Count Teams, with the exception of authorized observers, supervisors for resolution problems, and authorized maintenance personnel.

4. If counts from various revenue centers occur simultaneously in the count room, procedures shall be in effect that prevent the commingling of funds from different revenue centers.

5. The following functions shall be performed in the counting of the gaming machine drop:

   a. Recording function, which involves the recording of the gaming machine count; and

   b. Count Team supervisor function, which involves the control of the gaming machine weigh and wrap process. The supervisor shall not perform the initial recording of the weigh/count unless a weigh scale with a printer is used.

6. The gaming machine drop shall be counted, wrapped, and reconciled in such a manner to prevent the commingling of gaming machine drop

coin with coin (for each denomination) from the next gaming machine drop until the count of the gaming machine drop has been recorded. If the coins are not wrapped immediately after being weighed or counted, they shall be secured and not commingled with other coin.

a. The amount of the gaming machine drop from each machine shall be recorded in ink or another permanent form of recordation on a gaming machine count document by the recorder or mechanically printed by the weigh scale. Additionally, if a weigh scale interface is used, the count figures shall be transferred via direct communications line or computer storage media to the accounting department.

b. Corrections to information originally recorded by the Count Team on gaming machine count documentation shall be made by drawing a single line through the error, writing the correct figure above the original figure, and then obtaining the initials of at least two (2) Count Team members who verified the change.

c. If a weigh scale interface is used, corrections to the gaming machine count data shall be made by drawing a single line through the error on the gaming machine document, writing the correct figure above the original figure, and then obtaining the initials of at least two (2) Count Team employees. An employee independent of the Gaming Machine Department and Count Team shall enter the correct figure into the computer system prior to the generation of related gaming machine reports.

7. The recorder and at least one (1) other Count Team member shall sign the weigh tape and the gaming machine count document attesting to the accuracy of the weigh/count.

8. All members of the Count Team shall sign the count document or a summary report to attest to their participation in the count.

9. All drop proceeds and cash equivalents that were counted shall be turned over to the cage or vault cashier who shall be independent of the Count Team or to an authorized person/employee independent of the revenue generation and the count process for verification. Such person shall certify by signature as to the accuracy of the drop

proceeds delivered and received.

10. All gaming machine count and wrap documentation , including any application computer storage media, shall be delivered to the Revenue Audit Department by a Count Team member or a person independent of the Cashiers Department. Alternatively, it may be adequately secured (e.g., locked container to which only revenue audit personnel can gain access) until retrieved by the Revenue Audit Department.

11. If the coins are transported off the property, a second (alternative) count procedure shall be performed before the coins leave the property. Any variances shall be documented.

12. Large variances (by denomination, either $1,000.00 or 2% of the drop, whichever is less) or unusual (e.g., zero for weigh/count or patterned for all counts) between the weigh/count and wrap shall be investigated by management personnel independent of the Gaming Machine Department, Count Team, and the cage/vault functions within seventy-two (72) hours. The results of such an investigation shall be documented, maintained for inspection, and provided to the LTBB Gaming Regularly Commission upon request.

K. **Security of the Count Room Inventory during the Gaming Machine Coin Count and Wrap.**

1. If the count room is segregated from the coin room, or if the coin room is used as a count room and the coin room inventory is secured to preclude access by the Count Team, all of the following requirements shall be completed, at the conclusion of the count:

   a. At least two (2) members of the Count/Wrap Team shall count the final wrapped gaming machine drop independently from each other;

   b. The final counts, in total and by denomination, shall be recorded on a summary report;

   c. The same Count Team members shall compare the final wrap to weigh/count, recording the comparison and noting any variances on the summary report;

d. A member of the Cage/Vault Department shall count the wrapped gaming machine drop by denomination and reconcile it to the weigh/count summary report. Any variance shall be reconciled and documented;

e. At the conclusion of the reconciliation, at least two (2) Count Team members and the cage/vault employee shall sign the summary report attesting to its accuracy; and

f. The wrapped coins shall be transported to the cage, vault or coin vault after the reconciliation of the weigh/count to the wrap.

g. The count team shall not have access to coin drop meter amounts until after the count is completed and the drop proceeds have been accepted into the cage/vault accountability. A count team member is allowed to read/record the amount from the coin-in meters provided the count team members do not have knowledge of the dollar amount of coin contained in the drop buckets pursuant to the coin-in meters during the count process.

L. **Transfers during the gaming Machine Coin Count and Wrap are not Permitted.**

M. **Collecting currency cassettes and financial instrument storage components from kiosks.** Controls must be established and procedures implemented to ensure that currency cassettes and financial instrument storage components are securely removed from kiosks. Such controls must include the following:

1. Surveillance must be notified prior to the financial instrument storage components or currency cassettes being accessed in a kiosk.

2. Every drop period, not to exceed one (1) week, the following will be performed by two employees; at least one employee must be independent of kiosk accountability.

   a. Drop each currency acceptor canister from each kiosk.

   b. Remove all cassettes from each kiosk, replenish the kiosk with full cassettes based on a predetermined level, count the cash, and document the count.

3. Currency cassettes and financial instrument storage components must be secured in a manner that restricts access to only authorized agents.

4. Redeemed vouchers and pulltabs (if applicable) collected from the kiosk must be secured and delivered to the appropriate department (revenue audit or accounting) for reconciliation.

5. Controls must be established and procedures implemented to ensure that currency cassettes contain the correct denominations and have been properly installed.

6. If the system does not provide adequate reporting or is down, each kiosk currency acceptor canister shall be dropped daily and all cassettes shall be removed and replenished daily, the cash will be counted and the count will be documented daily until the system is back online or reliable reporting is restored.

N. **Kiosk count standards.**

1. Access to stored full kiosk bill acceptor canister and currency cassettes must be restricted to:

   a. Authorized agents; and

   b. In an emergency, authorized persons for the resolution of a problem.

2. The kiosk count must be performed in a secure area, such as the cage or count room.

3. If counts from various revenue centers and kiosks occur simultaneously in the count room, procedures must be in effect that prevent the commingling of funds from the kiosks with any revenue centers.

4. The kiosk bill acceptor canister and currency cassettes must be individually emptied and counted so as to prevent the commingling of funds between kiosks until the count of the kiosk contents has been recorded.

a. The count of must be recorded in ink or other permanent form of recordation.

b. Coupons or other promotional items not included in gross revenue (if any) may be recorded on a supplemental document. All single-use coupons must be cancelled daily by an authorized agent to prevent improper recirculation.

5. Procedures must be implemented to ensure that any corrections to the count documentation are permanent, identifiable, and the original, corrected information remains legible. Corrections must be verified by two agents.

O. **Key Controls-General**

1. The gaming machine coin drop cabinet keys, table and card games drop box release keys, bill acceptor canister release keys, table games drop box contents keys, bill acceptor canister contents keys, storage rack and carts, and kiosk keys shall all be separately keyed from each other.

2. Surveillance monitoring key access does not satisfy the requirements in this part for physical involvement.

3. All duplicate keys shall be maintained in a manner that provides the same degree of control as is required for the original keys. Records shall be maintained for each key duplicated that indicate the number of keys made and destroyed.

4. Records shall be maintained by the custodian of sensitive keys to document authorization of personnel accessing keys.

P. **Gaming Machine Drop Key Control Standards.**

1. Gaming machine coin drop cabinet keys, including duplicates, shall be maintained by the Security Department.

2. The physical custody of the keys needed to access gaming machine coin drop cabinets, including duplicates, shall require the involvement of two (2) persons, one (1) of whom is independent of the Gaming Machine Department.

3. Two (2) employees separate from key custodian shall be required to accompany such keys while checked out and observe each time the gaming machine drop cabinets are accessed, unless surveillance is notified each time keys are checked out and Surveillance observes the person throughout the period the keys are checked out.

Q. **Table Game Drop Box Key Control Standards.**

1. Procedures shall be developed and implemented to ensure that unauthorized access to empty table game drop boxes shall not occur from the time the boxes leave the storage racks until they are placed on the tables.

2. The involvement of at least two (2) Security Officers shall be required to access stored empty table game drop boxes.

3. The release keys shall be separately keyed from the contents keys.

4. At least three (3) Drop Team members are required to be present to access and return keys.

5. At least three (3) Count Team members are required to be present at the time count room and other count keys are issued for the count.

6. All duplicate keys shall be maintained in a manner that provides the same degree of control as is required for the original keys. Records shall be maintained for each key duplicated that indicate the number of keys made and destroyed.

7. Documentation of all keys, including duplicates, must be maintained, including:

   a. Unique identifier for each individual key;

   b. Key storage location;

   c. Number of keys made, duplicated, and destroyed; and

   d. Authorization and access.

8. Custody of all keys involved in the drop and count must be maintained by a department independent of the count and the drop agents as well as those departments being dropped and counted.

9. Other than the count team, no agent may have access to the drop box content keys while in possession of storage rack keys and/or release keys.

R. **Table Game Drop Box Release Keys.**

1. The table game drop box release keys shall be maintained by the Security Department.

2. Only Security Officers authorized to remove table game drop boxes from the tables shall be allowed access to the table game drop box release keys; however, the Count Team members may have access to the release keys during the soft count in order to reset the table game drop boxes.

3. Security Officers authorized to remove the table game drop boxes shall be precluded from having access to the drop box content keys while in possession of storage rack keys and/or release keys. For situations requiring access to a table game drop box at a time other than the scheduled drop, the date, time, and signature of employee signing out/in the release key must be documented.

S. **Bill Acceptor Canister Release Keys.**

1. The bill acceptor canister release keys shall be maintained by the Security Department.

2. Only persons authorized to remove bill acceptor canisters from the gaming machines shall be allowed access to the release keys.

3. Persons authorized to remove the bill acceptor canisters shall be precluded from having simultaneous access to the bill acceptor canisters contents keys and release keys.

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

T. **Table Game Drop Box Storage Rack Keys.**

1. A person independent of the Table Games Department shall be required to accompany the table game drop box storage rack keys and observe each time the table game drop boxes are removed from or placed in storage racks.

2. Persons authorized to obtain table game drop box storage rack keys and/or the release keys shall be precluded from having simultaneous access to table game drop box contents keys with the exception of the count team.

U. **Bill Acceptor Canister Storage Rack Keys.**

1. A person independent of the Gaming Machine Department shall be required to accompany the bill acceptor canister storage rack keys and observe each time canisters are removed from or placed in storage racks.

2. Persons authorized to obtain bill acceptor canister storage rack keys shall be precluded from having simultaneous access to bill acceptor canister contents keys with the exception of the Count Team.

V. **Table Game Drop Box Contents Keys.**

1. Issuance of the table game drop box contents keys at other than scheduled count times shall require the involvement of at least three persons from separate departments, including management. The reason for access issuance shall be documented with the signatures of all participants and observers. Two employees from separate departments are required to accompany the table game drop box contents key from the time the keys are issued until the time the keys are returned. The key custodian issuing keys constitutes physical involvement. A computerized key security system functions as the key custodian.

2. Only Count Team members shall be allowed access to table game drop box content keys during the count process.

W. **Bill Acceptor Canister Contents Keys.**

1. Issuance of the bill acceptor canister contents key at other than scheduled count times shall require the involvement of at least three

persons from separate departments, one of whom must be a supervisor. The reason for access issuance shall be documented with the signatures of all participants and observers. Two employees from separate departments are required to accompany the bill acceptor canister contents key from the time the keys are issued until the time the keys are returned. The key custodian issuing keys constitutes physical involvement. A computerized key security system functions as the key custodian.

2. Only Count Team members shall be allowed access to bill acceptor canister content keys during the count process.

X. **Gaming Machine Computerized Key Security Systems.**

1. Computerized key security systems which restrict access to the gaming machine drop and count through the use of passwords, keys or other means, other than a key custodian, must provide the same degree of control as indicated in the aforementioned key control standards; refer to paragraphs (N)(Q)(S), and (U) of this section. Note: This standard does not apply to the system administrator. The system administrator is defined in paragraph (V)(2)(a) of this section.

2. For computerized key security systems, the following additional gaming key control procedures apply:

   a. Management personnel independent of the Gaming Machine Department assign and control user access to keys in the computerized key security system, i.e., system administrator, to ensure that gaming machine drop and count keys are restricted to authorized employees.

   b. In the event of an emergency or the key box is inoperable, access to the emergency manual keys, AKA the "Override Key" used to access the box containing the gaming machine drop and count keys, requires the physical involvement of at least three (3) persons from separate departments, including management. The date, time, and reason for access must be documented with the signatures of all participating employees signing out/in the emergency manual keys.

   c. The custody of the keys issued pursuant to paragraph (V)(2)(b) of this section requires the presence of two (2) persons from

separate departments from the time of their issuance until the time of their return.

d. Routine physical maintenance that requires accessing the emergency manual keys, override key, and does not involve the accessing of the gaming machine drop and count keys, only requires the presence of two (2) persons from separate departments. The date, time, and reason for access must be documented with the signatures of all participating employees signing out/in the emergency manual keys.

3. For computerized key security systems controlling access to gaming machine drop and count keys, accounting/audit personnel, independent of the system administrator, will perform the following procedures:

a. Daily review the report generated by the computerized key security system indicating the transactions performed by the individuals that adds, deletes, and changes user's access within the system, i.e., system administrator. Determine whether the transactions completed by the system administrator provide an adequate control over the access to the gaming machine drop and count keys. Determine whether any gaming machine drop and count keys removed or returned to the key cabinet by the system administrator was properly authorized.

b. For at least one (1) day each month, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual gaming machine drop and count key removals or key returns occurred.

c. Review quarterly a sample of users that are assigned access to the gaming machine drop and count keys to determine that their access to the assigned keys is adequate relative to their job position.

d. All noted improper transactions or unusual occurrences are investigated with the results documented.

4. Quarterly an inventory of all count room, gaming machine drop box release, storage rack and contents keys is performed, and reconciled to records of keys made, issued, and destroyed. Investigations are

performed for all keys unaccounted for, with the investigation being documented.

Y. **Table Games Computerized Key Security Systems.**

1. Computerized key security systems which restrict access to the table game drop and count keys through the use of passwords, keys or other means, other than a key custodian, must provide the same degree of control as indicated in the aforementioned key control standards; refer to paragraphs (O)(P)(R), and (T) of this section. Note: This standard does not apply to the system administrator. The system administrator is defined in paragraph (W)(2)(b) of this section.

2. For computerized key security systems, the following additional Table Game Key Control Procedures apply:

   a. Management personnel independent of the Table Game Department assign and control user access to keys in the computerized key security system, i.e., system administrator to ensure that table game drop and count keys are restricted to authorized employees.

   b. In the event of an emergency or the key box is inoperable, access to the emergency manual keys, AKA the "Override Key", used to access the box containing the table game drop and count keys, requires the physical involvement of at least three (3) persons from separate departments, including management. The date, time, and reason for access, must be documented with the signatures of all participating employees signing out/in the emergency manual keys.

   c. The custody of the keys issued pursuant to paragraph (W)(2)(b) of this section requires the presence of two (2) persons from separate departments from the time of their issuance until the time of their return.

   d. Routine physical maintenance that requires accessing the emergency manual keys, the override key, and does not involve the accessing of the table games drop and count keys, only requires the presence of two (2) persons from separate departments. The date, time, and reason for access must be documented with the signatures of all participating employees

signing out/in the emergency manual keys.

3. For computerized key security systems controlling access to table games drop and count keys, accounting/audit personnel, independent of the system administrator, will perform the following procedures:

   a. Daily review the report generated by the computerized key security system indicating the transactions performed by the individuals that adds, deletes, and changes user's access within the system, i.e., system administrator. Determine whether the transactions completed by the system administrator provide an adequate control over the access to the table games drop and count keys. Determine whether any table games drop and count keys removed or returned to the key cabinet by the systems administrator was properly authorized.

   b. For at least one (1) day each month, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual table games drop and count key removals or key returns occurred.

   c. At least quarterly review a sample of users that are assigned access to the table games drop and count keys to determine that their access to the assigned keys is adequate relative to their job position.

   d. All noted improper transactions or unusual occurrences are investigated with the results documented.

4. Quarterly an inventory of all count room, table game drop box release, storage rack and contents keys is performed, and reconciled to records of keys made, issued, and destroyed. Investigations are performed for all keys unaccounted for, with the investigation being documented.

Z. **Equipment Standards for Gaming Machine Count.**

1. A weigh scale calibration module shall be secured so as to prevent unauthorized access (e.g., pre-numbered seal, lock, and key etc.).

2. A person independent of the cage, vault, gaming machine, and count team functions shall be required to be present whenever the calibration

module is accessed. Such access shall be documents and maintained.

3. If a weigh scale interface is used, it shall be adequately restricted so as to prevent unauthorized access (passwords, keys, etc.).

4. If the weigh scale has a zero adjustment mechanism, it shall be physically limited to minor adjustments (e.g., weight of a bucket or physically situated such that any unnecessary adjustments to it during the weigh process would be observed by other count team members).

5. The weigh scale and weigh scale interface (if applicable) shall be tested by a person or persons independent of the cage, vault, and Gaming Machine Departments and count team at least quarterly. At least annually, this test shall be performed by Internal Audit in accordance with the Internal Audit Standards. The result of these tests shall be documented and signed by the person or persons performing the test.

6. Prior to the gaming machine count, at least two (2) employees shall verify the accuracy of the weigh scale with varying weights or with varying amounts of previously counted coin for each denomination to ensure the scale is properly calibrated (varying weights/coin from drop to drop is acceptable).

7. If a mechanical coin counter is used instead of a weigh scale, the LTBB Gaming Regulatory Commission, or the LTBB Gaming Operation as approved by the LTBB Gaming Regulatory Commission, shall establish and the LTBB Gaming Operation shall comply, with procedures that are equivalent to those described in paragraphs (Z)(4), (Z)(5), and (Z)(6) of this section.

8. If a coin meter count machine is used, the Count Team member shall record the machine number denomination and number of coins in ink on a source document, unless the meter machine automatically records such information.

    a. A Count Team member shall test the coin meter count machine prior to the actual count to ascertain if the metering device is functioning properly with a predetermined number of coins for each denomination.

b. [Reserved]

AA. **Emergency Drop Procedures.** The LTBB Gaming Operation shall develop Emergency Drop Procedures. These procedures and any subsequent changes shall require LTBB Gaming Regulatory Commission approval.

BB. **Accounting/Auditing Standards**

1. Unannounced currency counter and currency counter interface (if applicable) tests shall be performed by personnel independent of the cage, vault, count team, player interface, and card games departments (as applicable) on at least a quarterly basis with the test results documented and maintained. All denominations of currency and all types of cash out tickets counted by the currency counter must be tested. This test may be performed by internal audit or the LTBB Gaming Regulatory Commission. The result of these tests shall be documented and signed by the person or persons performing the test.

2. Unannounced weigh scale and weigh scale interface (if applicable) tests shall be performed by a person or persons independent of the cage, vault, and player interface departments and count team at least quarterly with the test results being documented and maintained. This test may be performed by internal audit or the LTBB Gaming Regulatory Commission. The result of these tests shall be documented and signed by the person or persons performing the test.

3. **Inventory.** At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to keys, pre-numbered and/or multi-part forms.

CC. The LTBB Gaming Operation must establish, as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

XIV. Internal Audit

A. **Internal Audit Personnel.**

1. A separate Internal Audit Department shall be maintained whose primary function is performing internal audit work and that is

independent with respect to the departments subject to audit.

2. The Internal Audit personnel shall report directly to the LTBB Gaming Regulatory Commission, as designated by the Tribe.

B. **Audits.**

1. Internal Audit personnel shall perform audits of all areas of the LTBB Gaming Operation. The following shall be audited at least annually:

   a. Bingo, including but not limited to, supervision, computer applications, game play standards, promotional payouts or awards, accountability form, bingo equipment, statistical reports, electronic equipment, linked games, host requirements, remote requirements, player accounts ;

   b. Pull tabs, including but not limited to, computer applications, pull tab inventory, access, transfers, winning pull tabs, accountability form, statistical reports, and electronic equipment;

   c. Card Games, including but not limited to, computer applications, drop and count, exchange or transfers, supervision, playing cards, shills, reconciliation of card room bank promotional progressive pots, posted rules, card room contests and tournaments computerized player tracking systems and accounting/audit standards;

   d. Gaming promotions and player tracking procedures, including supervision, gaming promotion rules and player tracking systems;

   e. Cage procedures, including but not limited to, computer applications, personal checks, cashier's checks, and traveler's checks, customer deposited funds, safe deposit boxes, cage/vault accountability, chip and token standards, promotional payouts, drawings, and giveaway programs, accounting/auditing standards and extraneous items;

   f. Patron deposit accounts and cashless systems procedures, including supervision, patron deposit accounts and cashless systems, as well as patron deposits, withdrawals and

adjustments;

g. Information technology functions, including but not limited to, physical access and maintenance controls, system parameters, user accounts, generic user accounts, service and default accounts, administrative access, backups, recordkeeping, electronic storage of documentation, network security, changes to production environment, remote access, information technology department, in-house developed systems, and purchased software programs.

h. Complimentary service(s) or item(s), including but not limited to, procedures whereby complimentary service(s) and/or item(s) are issued, authorized, and redeemed and reported;

i. Accounting standards, including but not limited to, accounting records, GAAP requirements, administrative and accounting procedures, gross gaming revenue computations, currency controls, periodic payment plans, cash out ticket deductibility, credit instrument deductibility, allowable and non-allowable deductions from gross revenue, and maintenance and preservation of books;

j. Drop and count standards, including but not limited to, computer applications, supervision, count room access, table and card games drop, soft count room personnel, table and card games count, gaming machine bill acceptor drop, gaming machine bill acceptor count, gaming machine coin drop standards, hard count room personnel, gaming machine coin count and wrap standards, count room inventory security, transfers of currency and coin during the count, key controls-general, gaming machine drop key control standards, table and card games drop key control standards, table and card game drop box release keys, bill acceptor canister release keys, table and card game drop box storage rack keys, bill acceptor canister storage rack keys, table and card game drop box contents keys, bill acceptor canister contents keys, gaming machine computerized key security systems and table and card game computerized key security systems, emergency drop procedures and gaming machine count equipment; and

k. Any other internal audits as required by the Tribe, LTBB Gaming Regulatory Commission.

2. In addition to the observation and examinations performed under paragraph (B)(1) of this section, follow-up observations and examinations shall be performed to verify that corrective action has been taken regarding all instances of non-compliance cited by internal audit, the independent accountant, and/or the LTBB Gaming Regulatory Commission. The verification shall be performed within six (6) months following the date of notification.

3. The following areas shall be audited at least semi-annually:

   a. Table games, including but not limited to, fill and credit procedures, table inventory forms, playing cards and dice, table game analysis, accounting/auditing, call bets, and foreign currency; and

   b. Gaming machines, including but not limited to, jackpot payout and gaming machine fills, promotional payouts, department funds, game programs, theoretical and actual hold, hopper content standards, player tracking, in-house progressives, wide area progressives, accounting/auditing, cash-out tickets and account access cards.

4. Whenever possible, internal audit observations shall be performed on an unannounced basis, i.e., without the employees being forewarned that their activities will be observed.

C. **Documentation.**

1. Documentation (e.g., checklists, programs, reports, etc.) shall be prepared to evidence all internal audit work performed as it related to the requirements in this section, including all instances of noncompliance.

2. The Internal Audit Department shall operate with audit programs which, at a minimum, address the TMICS. Additionally, the department shall properly document the work performed, the conclusions reached, and the resolution of all exceptions. Institute of Internal Auditors Standards are recommended but not required.

D. **Reports.**

1. Reports documenting audits performed shall be maintained and made available to the LTBB Gaming Regulatory Commission upon request.

2. Such audit reports shall include the following information:

   a. Audit objectives;

   b. Audit Procedures and scope;

   c. Findings and conclusions;

   d. Recommendations, if applicable; and

   e. Management's response.

E. **Material Exceptions.** All material exceptions resulting from internal audit work shall be investigated and resolved with the results of such being documented and retained for five (5) years. .

F. **Role of Management.**

1. Internal audit findings shall be reported to Casino Management.

2. Management shall be required to respond to internal audit findings stating corrective measures to be taken to avoid recurrence of the audit exception.

3. Such management responses shall be included in the internal audit report that will be delivered to the Tribal Executive, Tribal Council, the LTBB Gaming Regulatory Commission, and Casino Management.

G. **Internal Audit Annual Audit Plan.** In connection with the internal audit testing pursuant to paragraph (B)(1) and (B) (3) in this section, the LTBB Gaming Regulatory Commission shall review and approve the recommended Internal Audit Annual Audit Plan, which shall be available upon request.

H. **Annual Requirements.**

1. Agreed upon procedures. A CPA must be engaged to perform an assessment to verify whether the gaming operation is in compliance

with these TMICS. The assessment must be performed in accordance with agreed upon procedures and the most recent versions of the Statements on Standards for Attestation Engagements and Agreed-Upon Procedures Engagements (collectively "SSAEs"), issued by the American Institute of Certified Public Accountants.

2. The tribe must submit two copies of the agreed-upon procedures report to the NIGC within 120 days of the LTBB Gaming Operation's fiscal year end in conjunction with the submission of the annual financial audit report.

I. **Review of Internal Audit**

1. The CPA must determine compliance by the gaming operation with the internal audit requirements in this paragraph (H) by:

   a. Completing the internal audit checklist;

   b. Ensuring that the internal auditor completed checklists for each gaming department of the operation;

   c. Verifying that any areas of non-compliance have been identified;

   d. Ensuring that audit reports are completed and include responses from management; and

   e. Verifying that appropriate follow-up on audit findings has been conducted and necessary corrective measures have been taken to effectively mitigate the noted risks.

2. If the CPA determines that the internal audit procedures performed during the fiscal year have been properly completed, the CPA may rely on the work of the internal audit for the completion of the MICS checklists as they relate to the standards covered by this part.

J. **Report format**. The SSAEs are applicable to agreed-upon procedures engagements required in this part. All noted instances of noncompliance with the TMICS must be documented in the report with a narrative description, the number of exceptions and sample size tested.

XV. Surveillance

A. The surveillance system shall be maintained and operated from a staffed surveillance room and shall provide surveillance over all gaming and areas designated by the LTBB Gaming Regulatory Commission.

B. Supervision must be provided as needed for surveillance by an employee with authority equal to or greater than those being supervised.

C. The entrance to the surveillance operation room shall be located so that it is not readily accessible by either the LTBB Gaming Operation employees who work primarily on the casino floor, or the general public.

D. Access to the surveillance operation room shall be limited to surveillance personnel, designated employees, or other persons authorized in accordance with the Surveillance Department policies as approved by the LTBB Gaming Regulatory Commission. The Surveillance Department shall maintain a sign-in log of other authorized persons entering the surveillance operation room.

E. Surveillance room equipment shall have a total override capability over all other satellite surveillance equipment located outside of the surveillance operation room.

F. All DVR equipment must be securely located in the surveillance operation room and the Surveillance Department shall be ultimately responsible for its proper operation and maintenance. The master evidence server may be stored in a separate outside secured location.

G. All logs required in this section and as outlined in approved policies will be stored as determined by the LTBB Gaming Regulatory Commission.

H. In the event of power loss to the surveillance system, an auxiliary or back up power source shall be available and capable of providing immediate restoration of power to all elements of the surveillance system that enable surveillance personnel to observe the table games remaining open for play and all areas covered by dedicated cameras. Auxiliary or back up power sources such as a UPS System, back-up generator, or an alternate utility supplier satisfies this requirement.

I. The surveillance system shall include date and time generators that possess the capability to display the date and time of recorded events on video and/or digital recordings. The displayed date and time shall not significantly obstruct

the recorded view.

J. The Surveillance Department shall ensure staff is trained in the use of the equipment, knowledge of the games, and house rules.

K. Each camera required by the standards in this section shall be installed in a manner that will prevent it from being readily obstructed, tampered with, or disabled by customers or employees. Surveillance must be notified when a camera needs to be moved, covered, touched, etc. Touching, moving, obstructing, or disabling a Surveillance camera by anyone other than authorized Surveillance personnel is prohibited. These actions require Surveillance Supervisor or Surveillance Manager approval. Cameras that are required by the Tribal Minimum Internal Control Standards will also require notification to the Regulatory Department.

L. Each camera required by the standards in this section shall possess the capability of having its picture displayed on a monitor and recorded. The surveillance system shall include sufficient numbers of monitors and recorders to simultaneously display and record multiple gaming and count room activities, and record views of all dedicated cameras and motion activated dedicated cameras.

M. A periodic inspection of the surveillance systems must be conducted (a system self-monitoring program will not meet this requirement)Reasonable effort shall be made to repair each malfunction of surveillance system equipment required by the standards in this section within seventy-two (72) hours after the malfunction is discovered. The LTBB Gaming Regulatory Commission shall be notified of any camera(s) that have malfunctioned for more than twenty-four (24) hours.

1. In the event of a dedicated camera malfunction, the LTBB Gaming Operation and/or the Surveillance Department shall immediately provide alternative camera coverage or other security measures, such as additional supervisory or security personnel, to protect the subject activity.

M. **Revenue Outlets**

1. The surveillance system shall monitor and record a general overview of the activities occurring in each point of sale area.

2. The surveillance system shall be capable of monitoring all opening and closing (beginning and end of shift) of cashier's drawers.

N. **Bingo.**

1. The surveillance system shall possess the capability to monitor the bingo ball drawing device or random number generator, which shall be recorded during the course of the draw by a dedicated camera with sufficient clarity to identify the balls drawn or numbers selected.

2. The surveillance system shall monitor and record the game board and the activities of the employees responsible for drawing, calling, and entering the balls drawn or numbers selected.

O. **Card Games.**

1. Except for card game tournaments, a dedicated camera(s) with sufficient clarity must be used to provide:

   a. An overview of the activities on each card table surface, including card faces and cash and/or cash equivalents;

   b. An overview of card game activities, including patrons and dealers; and

   c. An unobstructed view of all posted progressive pool amounts.

2. For card game tournaments, a dedicated camera(s) must be used to provide an overview of tournament activities, and any area where cash or cash equivalents are exchanged.

P. **Progressive Card Games.**

1. Progressive card games with a progressive jackpot of $25,000.00 or more shall be monitored and recorded by dedicated cameras that provide coverage of:

   a. The table surface, sufficient that the card values and card suits can be clearly identified;

b. An overall view of the entire table with sufficient clarity to identify customers and dealer; and

c. A view of the posted jackpot amount.

Q. **Table Games.**

1. Except as otherwise provided in paragraphs (Q)(3) and (Q)(4) of this section, the surveillance system of the LTBB Gaming Operations operating four (4) or more table games shall provide at a minimum one (1) pan-tilt-zoom camera per two (2) tables and surveillance must be capable of taping:

   a. With sufficient clarity to identify customers and dealers; and

   b. With sufficient coverage and clarity to simultaneously view the table bank and determine the configuration of wagers, card values, and game outcome.

   c. One (1) dedicated camera per table and one (1) pan-tilt-zoom camera per four (4) tables may be an acceptable alternative procedure to satisfy the requirements of this paragraph.

2. The surveillance system of the LTBB Gaming Operations operating three (3) or fewer table games shall:

   a. Comply with the requirements of paragraph (Q)(1) in this section; or

   b. Have one (1) overhead camera at each table.

3. **Craps.** All craps tables shall have two (2) dedicated cross view cameras covering both ends of the table.

4. **Roulette.** All roulette area shall have one (1) overhead dedicated camera covering the roulette wheel and shall also have one (1) dedicated camera covering the play of the table.

R. **Progressive Table Games.**

2. Progressive table games with a progressive jackpot of $25,000.00 or more shall be monitored and recorded by dedicated cameras that

provide coverage of:

a. The table surface, sufficient that the card values and card suits can be clearly identified;

b. An overall view of the entire table with sufficient clarity to identify customers and dealer; and

c. A view of the progressive meter jackpot amount. If several tables are linked to the same progressive jackpot meter, only one (1) meter need be recorded.

S. **Gaming Machines.**

1. Except as otherwise provided in paragraphs (S)(2) and (S)(3) in this section gaming machines offering a payout of more than $250,000.00 shall be monitored and recorded by a dedicated camera(s) to provide coverage of:

   a. All customers and employees at the gaming machine; and

   b. The face of the gaming machine, with sufficient clarity to identify the payout lines of the gaming machine.

2. In-house progressive gaming machines offering a base payout amount jackpot reset amount of more than $100,000.00 shall be monitored and recorded by a dedicated camera(s) to provide coverage of:

   a. All customers and employees at the gaming machine; and

   b. The face of the gaming machine, with sufficient clarity to identify the payout lines of the gaming machine.

3. Wide-area progressive gaming machines offering a base payout amount of $1,000,000.00 or more and monitored by an independent vendor utilizing and on-line progressive computer system shall be monitored and recorded by dedicated cameras to provide coverage of:

   a. All customers and employees at the gaming machine;

b. The face of the gaming machine, with sufficient clarity to identify the payout lines of the gaming machine; and

c. The Surveillance Department shall contact the Gaming Regulatory Department Director or designee when wide-area jackpots are awarded.

4. Notwithstanding paragraph (S)(1) in this section, if the gaming machine is a multi-game machine, the LTBB Gaming Operation, subject to the approval of the LTBB Gaming Regulatory Commission, shall develop and implement alternative procedures to verify payouts.

T. **Cage and Vault.**

1. The surveillance system shall monitor and record a general overview of activities occurring in each cage and vault area with sufficient clarity to identify employees within the cage and customers and employees at the counter areas and to confirm the amount of each cash transaction.

2. Each cashier station shall be equipped with one (1) dedicated overhead camera covering the transaction area.

3. The surveillance system shall provide an overview of cash transactions. This overview should include the customer, the employee, and the surrounding area.

4. The cage or vault area in which exchange and transfer transactions occur must be monitored and recorded by a dedicated camera or motion activated dedicated camera that provides coverage with sufficient clarity to identify the chip values and the amounts on the exchange and transfer documentation. Controls provided by a computerized exchange and transfer system constitute an adequate alternative to viewing the amounts on the exchange and transfer documentation.

U. **Fills and Credits.**

1. The cage or vault area in which fills and credits are transacted shall be monitored and recorded by a dedicated camera or motion activated dedicated camera that provides coverage with sufficient clarity to

identify the chip values and the amounts on the fill and credit slips.

2. Controls provided by a computerized fill and credit system may be deemed an adequate alternative to viewing the fill and credit slips.

V. **Currency and Coin.**

1. The surveillance system shall monitor and record with sufficient clarity all areas where currency or coin may be stored or counted.

2. Audio capability of the soft count room shall also be maintained.

3. The surveillance system shall provide for:

a. Coverage of scales shall be sufficiently clear to view any attempted manipulation of the recorded data;

b. Monitoring and recording of the table game drop box storage rack or area by either a dedicated camera or a motion activated camera;

c. Monitoring and recording of all areas where coin may be stored or counted, including the hard count room, all doors to the hard count room, all scales and wrapping machines, and all areas where uncounted coin may be stored during the drop and count process. Coverage of the currency counting machines and currency sorting machines must be sufficiently clear to view the currency input, output and reject areas.

d. Monitoring and recording of soft count room, including all doors to the room, all table game drop boxes, safes, and counting surfaces, and all Count Team personnel. The counting surface area must be continuously monitored and recorded by a dedicated camera during the soft count.

e. Monitoring and recording of all areas where currency is sorted, stacked, counted, verified, or stored during the soft count process.

W. **Change Booths.** The surveillance system shall monitor and record a general overview of the activities occurring in each gaming machine change booth.

X. **Kiosks.** The surveillance system must monitor and record a general overview of activities occurring at each kiosk with sufficient clarity to identify the activity and the individuals performing it, including maintenance, drops or fills, and redemption of wagering vouchers or credits.

Y. **Revenue Audit** The surveillance system shall monitor and record a general overview of the activities occurring within the Revenue Audit Room. Additionally, dedicated cameras shall be required in areas where paperwork/documentation is stored and received.

Z. **Reporting requirements.** LTBB Gaming Regulatory Commission approved procedures must be implemented for reporting suspected crimes and suspicious activity.

A. **Digital Equipment Standards.**

1. Frame rate shall be a minimum of thirty (30) frames per second for all coverage of the gaming floor.

2. Picture size measured in Common Image Format (CIF) shall be a minimum of four (4) CIF. Digital storage shall be minimally hot swappable Raid 5 or equivalent for coverage of the gaming floor.

3. Raid units (Redundant Array of Independent Drives) shall at a minimum be configured as raid 5.

4. A supervisory program that monitors the system and immediately reports malfunctions is required.

5. Access, or the ability to access, a digital surveillance system from any location outside of the surveillance operation room, must be approved by the LTBB Gaming Regulatory Commission. Such transmissions shall be effectively encrypted, firewalled on both ends, and password protected. If remote access (e.g., VPN, modem, wireless) to any associated equipment is allowed for software support, the LTBB Gaming Operation shall maintain an access log that includes:
   a. Name of employee authorizing remote access;

   b. Name of Authorized programmer or manufacturer representative;

c. Reason for remote access;

d. Description of work performed in adequate detail to include the old and new version numbers, if applicable of any other changes made to the system; and

e. Date, time and duration of access

6. All digital records of coverage provided by the dedicated cameras or motion activated dedicated cameras required by the standards in this section shall be retained for a minimum of ten (10) days.

7. Recordings involving suspected or confirmed gaming crimes, unlawful activity must be retained for a minimum of one year.

8. Duly authenticated copies of digital records shall be provided to the LTBB Gaming Regulatory Commission upon request.

9. Have a media storage system configured to limit loss of data.

10. In the event of a failure of a DVR storage media system, the gaming operation should strive to repair or replace the equipment within 8 hours of the failure.

BB. **Video Library Log.** A video library log, or comparable alternative procedure approved by the LTBB Gaming Regulatory Commission shall be maintained to demonstrate compliance with the storage, identification, and retention standards required in this section.

C. **Malfunction and Repair Log.**

1. Surveillance personnel shall maintain a log or alternative procedure approved by the LTBB Gaming Regulatory Commission that documents each malfunction and repair of the surveillance system as defined in this section.

2. The log shall state the time, date, and nature of each malfunction, the efforts expended to repair the malfunction, the reasons for any delays in repairing the malfunction, and when applicable any alternative

security measures that were taken related to the malfunction.

D. **Surveillance Log.**

1. Surveillance personnel shall maintain a log of all surveillance activities.

2. Such log shall be maintained by the Surveillance Room personnel and shall be stored securely within the Surveillance Department.

3. At a minimum, the following information shall be recorded in the surveillance log:

   a. Date;

   b. Time commenced and terminated;

   c. Activity observed or performed; and

   d. The name or license credential number of each person who initiates, performs, or supervises the surveillance.

4. Surveillance personnel shall also record a summary of the results of the surveillance of any suspicious activity. This summary may be maintained in a separate log.

EE. **Surveillance Review.** Surveillance shall develop Review Procedures for review purposes for Tribal Law Enforcement and Casino Management. These procedures and any subsequent changes shall require the LTBB gaming Regulatory Commission approval.

XVI. Gaming Promotions and Player Tracking Systems.

A. Supervision. Supervision must be provided as needed for gaming promotions and player tracking by an agent(s) with authority equal to or greater than those being supervised.

B. Gaming promotions

1. The rules of the gaming promotion must be displayed or made readily available to patrons upon request. Gaming promotion rules require

LTBB Gaming Regulatory Commission approval and include the following:

a. The rules of play;

b. The nature and value of the associated prize(s) or cash award(s);

c. Any restrictions or limitations on participant eligibility;

d. The date(s), time(s), and location(s) for the associated promotional activity or activities;

e. Any other restrictions or limitations, including any related to the claim of prizes or cash awards;

f. The announcement date(s), time(s), and location(s) for the winning entry or entries; and

g. Rules governing promotions offered across multiple gaming operations, third party sponsored promotions, and joint promotions involving third parties.

2. At a minimum the following procedures (LTBB Gaming Regulatory Commission approval required) shall apply to any payout resulting from a promotional payout, drawing, or giveaway program(e.g. free pull) disbursed by the cage department.

    a. Payments of $100 or more shall be documented at the time of the payment. Documentation shall include the following:

        i. Date and time;

        ii. Dollar amount of payment or description of personal property (e.g. car);

        iii. Reason for payment (e.g. name of promotion);

        iv. Guest's name (drawing only);

v. Signatures of the following number of employees verifying , authorizing, and completing the promotional payment with the guest:

1. Two employee signatures for all payments of $100 or more; or

2. For computerized systems that validate and print the dollar amount of the payment on a computer generated form, only one employee signature is required on the payment form.

vi. The required documentation may be prepared by and individual who is not a cage department employee as long as the required signatures are those of the employees completing the payment with the guest.

3. For all promotional payments, drawings, and giveaway programs the following documentation shall be maintained:

a. Copies of the information provided to the patrons describing the promotional payments, drawings, and giveaway programs (e.g., brochures, flyers);

b. Effective dates; and

c. Accounting treatment, including general ledger accounts, if applicable.

C. Player tracking systems and gaming promotions.

1. The following standards apply for all computerized player tracking, promotional accounts, promotion and external bonusing systems utilized, including those that communicate negotiable and non-negotiable credits to gaming machines:

a. The addition or deletion, inclusive of closure of inactive accounts, of points to member's accounts other than through actual gaming machine play shall be sufficiently documented including substantiation of reasons for increases and shall be authorized by the Revenue Audit Department. Alternatively,

addition or deletion, inclusive of closure of inactive accounts, of points to member's accounts may be authorized by player tracking or gaming machine supervisory employees if sufficient documentation is generated and it is verified by Revenue Audit on at least a quarterly basis. The standard does not apply to the deletion of points related to inactive or closed accounts through an automated process.

b. Subject to LTBB Gaming Regulatory Commission approval, the issuance of wagering credits shall be sufficiently documented, and authorized by management personnel independent of the gaming machine department. Alternatively, gaming machine supervisory personnel may authorize the issuance of the wagering credits if sufficient documentation is generated and personnel independent of the gaming machine department on at least a quarterly basis randomly verify the issuance. The player tracking system shall create and maintain documentation indicating the wagering credits issued.

c. Employees who redeem points for guests shall be allowed to receive lost players club cards, provided that they are immediately deposited into a secured container for retrieval by Security personnel for destruction.

d. Employees who redeem points for customers shall be precluded from access to inactive or closed accounts without supervisory personnel authorization. Documentation of such access and approval shall be created and maintained.

e. Customer identification shall be required when redeeming points.

f. Changes to the player tracking system parameters, such as point structures and employee access, shall be performed by supervisory employees independent of the department initiating the change. Alternatively, changes to player tracking system parameters may be performed by supervisory employees of the department initiating the change if sufficient documentation is generated and it is randomly verified by the Revenue Audit Department on a monthly basis.

g. Subject to prior notification and approval of the LTBB Gaming Regulatory Commission, changes to the promotional accounts parameters, promotion and external bonusing system parameters, such as the awarding of bonuses, the issuance of cashable credits, non-cashable credits, coupons, vouchers and employee access, shall be performed by supervisory personnel independent of the department initiating the change. Alternatively, changes to promotional accounts parameters, promotion and external bonusing systems may be performed by supervisory employees of the department initiating the change if sufficient documentation is generated and it is randomly verified by the Revenue Audit Department on a monthly basis.

h. All other changes to the player tracking system, promotional account parameters, promotion and external bonusing system shall be appropriately documented.

2. Rules and policies, as approved by the LTBB Gaming Regulatory Commission, for player tracking accounts including the awarding, redeeming and expiration of points shall be prominently displayed or available for customer review at the licensed location.

D. Variances. The LTBB Gaming Operation must establish, as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented and available to the LTBB Gaming Regulatory Commission upon request.

E. Accounting/Auditing Standards

1. At least monthly, accounting/audit personnel shall perform procedures to ensure that promotional payments, drawings, and giveaway programs (as relates to the cage) are conducted in accordance with the information provided to the guests.

2. For computerized player tracking systems, an accounting/audit employee shall perform the following procedures at least monthly;

   a. Review all point addition/deletion authorization documentation, other than for point addition/deletions made through an automated process, for propriety;

b. Review exception reports including point transfers between accounts; and

c. Review documentation related to access to inactive and closed accounts.

3. At least annually, all computerized player tracking, promotional accounts, promotion and external bonusing gaming machine systems (in-house developed and purchased systems) shall be reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., player tracking system - verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., wagering at a gaming machine to verify the accuracy of the amount of points/credits awarded). Documentation of the test results shall be created and maintained for LTBB Gaming Regulatory Commission review upon request.

4. Inventory. At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to keys, pre-numbered and/or multi-part forms.

XVII. Patron Deposit Accounts and Cashless Systems

A. Supervision. Supervision must be provided as needed for patron deposit accounts and cashless systems by an agent(s) with authority equal to or greater than those being supervised.

B. Patron Deposit Accounts and Cashless Systems

1. Smart cards cannot maintain the only source of account data.

2. Establishment of patron deposit accounts. The following standards apply when a patron establishes an account.

a. The patron must appear at the gaming operation in person, at a designated area of accountability, and present valid government issued picture identification; and

b. An agent must examine the patron's identification and record the following information;

i. Type, number, and expiration date of the identification;

ii. Patron's name;

iii. A unique account identifier;

iv. Date the account was opened; and

v. The agent's name.

3. The patron must sign the account documentation before the agent may activate the account.

4. The agent or cashless system must provide the patron deposit account holder with a secure method of access.

C. Patron Deposits, Withdrawals and Adjustments

1. Prior to the patron making a deposit or withdrawal from a patron deposit account, the agent or cashless system must verify the patron deposit account, the patron identity, and availability of funds. A personal identification number (PIN) is an acceptable form of verifying identification.

2. Adjustments made to the patron deposit accounts must be performed by an agent.

3. When a deposit, withdrawal, or adjustment is processed by an agent, a transaction record must be created containing the following information:

a. Same document number on all copies;

b. Type of transaction, (deposit, withdrawal, or adjustment);

c. Name or other identifier of the patron;

d. The unique account identifier;

e. Patron signature for withdrawals, unless a secured method of access is utilized;

f. For adjustments to the account, the reason for the adjustment;

g. Date and time of transaction;

h. Amount of transaction;

i. Nature of deposit, withdrawal, or adjustment (cash, check, chips); and

j. Signature of the agent processing the transaction.

4. When a patron deposits or withdraws funds from a patron deposit account electronically, the following must be recorded:

   a. Date and time of transaction;

   b. Location (player interface, kiosk);

   c. Type of transaction (deposit, withdrawal);

   d. Amount of transaction; and

   e. The unique account identifier.

5. Patron deposit account transaction records must be available to the patron upon reasonable request.

6. If electronic funds transfers are made to or from a gaming operation bank account for patron deposit account funds, the bank account must be dedicated and may not be used for any other types of transactions.

D. Accounting/Auditing Standards.

1. At least weekly, reconcile patron deposit account liability (deposits +adjustments-withdrawals = total account balance) to the system record.

2. At least weekly, review manual increases and decreases to/from player deposit accounts to ensure proper adjustments were authorized.

3. Inventory. At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to keys, pre-numbered and/or multi-part forms.

E. Variances. The operation must establish as approved by the LTBB Gaming Regulatory Commission, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

XVIII. Effective Date. These approved Tribal Minimum Internal Control Standards (TMICS) will be implemented and become effective at a date no later than six-months from the approval date of this amendment to the TMICS.

CERTIFICATION

As Tribal Chairperson, I approve these amendments to the Tribal Minimum Internal Control Standards.

Date: 08-17-19

Regina Gasco Bentley

Regina Gasco-Bentley, Tribal Chairperson

Received by the Tribal Council Office on: 8.7.19 by: _____

As the Legislative Leader and Tribal Council Secretary, we certify that these TMICS REG-WOS 2011-005 -080719-020 were approved by the Tribal Council of the Little Traverse Bay Bands of Odawa Indians at a regular meeting of the Tribal Council held on August 8, 2019, by a vote of 8 in favor, 0 opposed, 1 abstentions, and 0 absent.

Date: 08.20.19

Fred Harrington, Legislative Leader

Date: 08-22-19

Tamara Kiogima, Secretary