



COWLITZ INDIAN TRIBE
COWLITZ TRIBAL GAMING COMMISSION

RESOLUTION No. 2018-03

TO REVISE TRIBAL INTERNAL CONTROL STADARDS

WHEREAS, the Cowlitz Tribal Gaming Commission (hereafter referred to as the Commission) is the regulating body for Gaming on the Cowlitz Indian Reservation acting under the authority of the Tribe pursuant to the Cowlitz Gaming Ordinance 18-01; and

WHEREAS, Section 14 of the Gaming Ordinance empowers the Commission to issue such regulations and resolutions as it deems appropriate to implement the provisions of the Ordinance; and

WHEREAS, Section 14(L) of the Gaming Ordinance empowers the Commission to promulgate and issue regulations necessary to comply with the National Indian Gaming Association's Minimum Control Standards; and

WHEREAS, at a duly called meeting of the Cowlitz Tribal Gaming Commission on November 29, 2018, the Commission adopted revisions to the Tribal Internal Control Standards;

NOW THEREFORE BE IT RESOLVED, the Commission adopts Regulation 2018-03 entitled "Tribal Internal Control Standards", replacing all previous versions.

CERTIFICATION

As Secretary of the Cowlitz Gaming Commission, I hereby certify the above resolution was duly adopted at a regular meeting of the Gaming Commission on November 29, 2018, by a vote of Five (5) for, and zero (0) against, and zero (0) abstentions.

Kristen Hitchcock

Kristen Hitchcock
Commission Secretary

Jerry Iyall

Jerry Iyall
Commission Chairman



COWLITZ TRIBAL GAMING COMMISSION

Tribal Internal Control Standards

CTGC-REG-2018-03

Revised November 29, 2018

Adopted by Commission Resolution 2018-03

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Chapter 1 - Overview

The Cowlitz Tribal Gaming Commission, under authority of the Indian Gaming Regulatory Act of 1988, utilizing the National Indian Gaming Commission's Minimum Internal Control Standards (MICS), the 25 CFR Part 542, 543 and 547 regulations as a framework to create regulations to be known as Tribal Internal Control Standards (TICS).

These regulations contain standards and procedures that govern cash handling, documentation, game integrity, auditing, surveillance, information technology, complimentary services or items, gaming promotions and player tracking systems, drop and count, as well as other areas. MICS 542.3(c)

Also contained in the TICS are standards for currency transaction reporting in accordance with 31 CFR Part 1021 (Effective March 1, 2011).

How do these regulations affect the Class III gaming minimum internal control standards established in the Tribal-State Compact? MICS 542.4

- A. If there is a direct conflict between the Tribal-State Compact and this document, then the Tribal-State Compact shall prevail.
- B. If the Tribal-State Compact provides a level of control that equals or exceeds the level of control under this document, then the Tribal-State Compact standard shall prevail.
- C. If this document provides a level of control that exceeds the level of control under the Tribal-State Compact, then this document shall prevail.

Chapter 2 – Definitions MICS 542.2

The following are definitions for terms used in this document.

Accountability- All financial instruments, receivables, and patron deposits constituting the total amount for which the bankroll custodian is responsible at a given time.

Accumulated Credit Payout- means credit earned in an Electronic Gaming Machine that is paid to a customer via a cash-out ticket.

Actual Hold Percentage- means the percentage calculated by dividing the win by the drop. Can be calculated for individual games or type of games on a per-day or cumulative basis.

Agent (or employee, staff, personnel, team member)- A person authorized by the gaming operation, as approved by the TGA, to make decisions or perform assigned tasks or actions on behalf of the gaming operation.

AICPA- means the American Institute of Certified Public Accountants.

Annual- One full calendar year; not to exceed 15 months

Automated payout- Payment issued by a machine.

Bank or Bankroll- means the inventory of currency, coins, chips, and cash equivalents in the cage, pit area, cashiering locations, and on the playing tables and cash in bank which is used to make change, pay winnings, bets, and pay electronic game jackpots.

Cage- A secure work area within the gaming operation for cashiers, which may include a storage area for the gaming operation bankroll.

Cage Accountability Form or Accountability Form- means an itemized list of the components that make up the cage accountability.

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

Card Room Bank- means the operating fund assigned to the card room or main card room bank.

Cash equivalents- means a treasury check, personal check, travelers check, wire transfer of funds, money order, certified check, cashier's check, a check drawn on the Tribal Gaming Operation payable to the patron or to the Tribal Gaming Operation, or a voucher recording cash drawn against a credit card or charge card.

Cashless system- A system that performs cashless transactions and maintains records of those cashless transactions.

Cashless transaction- A movement of funds electronically from one component to another.

Cash-Out Ticket- means an instrument of value generated by an EGM representing a monetary amount owed to a customer at a specific electronic gaming machine. This investment may be wagered at

other machines by depositing the cash-out ticket in the machine document acceptor.

Chair of NIGC- The Chair of the National Indian Gaming Commission.

Chip- means a money substitute, in various denominations, issued by a gaming establishment and used for wagering.

Chip Tray- means that container located on gaming tables where chips are stored that are used in the game.

Class II gaming- Class II gaming has the same meaning as defined in 25 U.S.C. 2703(7)(A).

Class III gaming- means gaming that is govern by the Tribal-State Compact

Class II gaming system- All components, whether or not technologic aids in electronic, computer, mechanical, or other technologic form, that function together to aid the play of one or more Class II games, including accounting functions mandated by these regulations or part 547 of this chapter.

Complimentary services and items (or Comps)- Services and items provided to a patron at the discretion of an agent on behalf of the gaming operation or by a third party on behalf of the gaming operation. Services and items may include, but are not limited to, travel, lodging, food, non-alcoholic beverages, or entertainment expenses.

Count- The act of counting and recording the drop and/or other funds. Also, the total funds counted for a particular game, player interface, shift, or other period.

Count room- A secured room where the count is performed in which the cash and cash equivalents are counted.

Coupon- A financial instrument of fixed wagering value that can only be used to acquire non-cashable credits through interaction with a voucher system. This does not include instruments such as printed advertising material that cannot be validated directly by a voucher system.

CPA- means Certified Public Accountant. Professional accountant(s) who is qualified and sufficiently independent to act as auditor of the tribal gaming operations.

Credit-In Meter- means a meter that records the amount wagered as a result of credits played.

Credit Slip- means a form used to record the return of chips from a gaming table to the cage.

CTGC- means the Cowlitz Tribal Gaming Commission.

Currency cassette-A compartment that contains a specified denomination of currency. Currency cassettes are inserted into kiosks, allowing them to dispense currency.

Dealer/Boxperson- means an employee who operates a game, individually or as a part of a crew, administering house rules and making payoffs.

Dedicated camera- A video camera that continuously records a specific activity.

Download package- Approved data sent to a component of a gaming system for such purposes as

changing the component software.

Drop- means the total amount of cash and/or cash equivalent removed from the drop box.

Drop Box- A locked container attached to a gaming station, EGM or remote point of sales in which cash or cash equivalents are placed at the time of a transaction.

Drop Box Cabinet- means the wooden or metal base of the gaming machine that contains the gaming machine drop box.

Drop Box Contents Key- means the key used to open drop boxes.

Drop Box Release Key- means the key used to release drop boxes from gaming station or EGM.

Drop Box Storage Rack Key- means the key used to access the storage rack where drop boxes are secured.

Drop period- means the period of time that occurs between sequential drops.

Drop Proceeds- The total amount of financial instruments removed from drop boxes and financial instrument storage components.

Electronic Gaming Machine or EGM- means an electronic or electromechanical device that allows a player to play games of chance. Such device is activated by the insertion of a ticket, currency or credit purchased currency and awards game credits or a written statement of the player's accumulated credits, which written statements are redeemable for cash.

Electromagnetic interference- The disruption of operation of an electronic device when it is in the vicinity of an electromagnetic field in the radio frequency spectrum that is caused by another electronic device.

EPROM- Erasable Programmable Read Only Memory—a non-volatile storage chip or device that may be filled with data and information, that, once written, is not modifiable, and that is retained even if there is no power applied to the system.

Exception report- A listing of occurrences, transactions or items that fall outside a predetermined range of acceptability.

Financial instrument- Any tangible item of value tendered in game play, including, but not limited to bills, coins, vouchers, and coupons.

Financial instrument storage component (or Drop Box)- Any component that stores financial instruments, such as a drop box, but typically used in connection with player interfaces.

FinCEN- means Financial Crimes Enforcement Network, Department of the Treasury.

Fill- means a transaction whereby a supply of cash, chips or coins is transferred from the cage to a table game, cashier station, bingo, pull tab, OTB, or keno department.

Fill Slip- means a document evidencing a fill.

Game software- The operational program or programs that govern the play, display of results, and/or awarding of prizes or credits for games.

Gaming system- All components, whether or not technologic aids in electronic, computer, mechanical, or other technologic form, that function together to aid the play of Class II and Class III games, including accounting functions mandated by these regulations or part 547 of this chapter.

Gaming equipment- All electronic, electro-mechanical, mechanical, or other physical components utilized in the play of games.

Gaming promotion- Any promotional activity or award that requires game play as a condition of eligibility.

Gaming - means staking or risking something of value upon the outcome of a contest of chance or a future contingent event not under the person's control or influence, upon an agreement or understanding that the person or someone else will receive something of value in the event of a certain outcome.

Generally Accepted Accounting Principles (GAAP)- 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).

Generally Accepted Auditing Standards (GAAS)- 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).

Governmental Accounting Standards Board (GASB)- Generally accepted accounting principles used by state and local governments.

Gross Gaming Revenue- means annual total amount of money wagered on Class II and Class III games and admission fees (including table or card fees), less any amounts paid out as prizes or paid for prizes awarded.

Hardware- Gaming equipment.

Hold- means the relationship of win to credit or ticket-in for EGM's and win to drop for table games.

Imprest Basis means a method of accounting for a cash or cash equivalent bank such that the expected value remains a constant, fixed, and known amount.

Independent- 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.

Inspector- means an employee of the Tribal Gaming Agency duly appointed by the agency as an Inspector.

Internal Audit- means individuals who are independent of gaming operations with respect to the departments subject to audit (auditors internal to the operation, officers of the TGRA, or outside CPA firm may perform this function). Internal auditor(s) report directly to the Tribe, TGRA, audit committee, or other entity designated by the Tribe.

Jackpot Payout- means the portion or amount of a jackpot paid by EGM personnel.

Kiosk- A device capable of redeeming vouchers and/or wagering credits or initiating electronic transfers of money to or from a patron deposit account.

Main Card Room Bank- means a fund of currency, coin, and chips used primarily for poker card game areas. Used to make even money transfers between various games as needed. May be used similarly in other areas of the gaming operation. May also be known as the Cage Poker Window.

Manual payout- Any non-automated payout.

Master Game Program Number- means the game program number listed on an EGM EPROM, or other equivalent game software media.

Master Game Report- means a form used to record, by shift and day, each table game's winnings and losses. This form reflects the opening and closing table inventories, the fills and credits, and the drop and win. This form is also known as the "stiff sheet."

MICS- Minimum internal control standards in this part.

Modification- A revision to any hardware or software used in a gaming system.

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

NIGC- The National Indian Gaming Commission, established by the Indian Gaming Regulatory Act, 25 U.S.C. 2701 et seq.

Non-cashable credit- Credits given by an operator to a patron; placed on a Class II or Class III gaming system through a coupon, cashless transaction or other approved means; and capable of activating play but not being converted to cash.

Openers and Closers- means the forms used by gaming operation supervisory personnel to document the inventory of chips and coins on a table at the beginning and ending of a shift and by Accounting to calculate the Table Games win/loss. Also known as a table inventory form/slip.

Patron- A person who is a customer or guest of the gaming operation and may interact with a game. Also may be referred to as a "player."

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

Par Sheet- means a manufacturer's specification sheet for an electronic lottery game that provides game payouts by type, count, and percentage.

Payout- means a transaction associated with a winning event.

PIN- means the personal identification number used to access a player's account.

Pit Supervisor- means the employee who supervised all games in a pit.

Player Account Server- means a system used by a gaming operation to monitor EGM activity on an

online basis.

Player interface- Any component(s) of a gaming system, including an electronic or technologic aid (not limited to terminals, player stations, handhelds, fixed units, etc.), that directly enables player interaction in a Class II or Class III game.

Player Supported Jackpot - Player-supported jackpot" (PSJ) means a separate contest of chance directly related to the play or outcome of an authorized Table Game, Tribal Lottery System, or Electronic Bingo game.

(1) In PSJs, operations:

- (a) Collect funds from the players' wagers (the pot) for a separate prize; and**
- (b) Act only as the custodian of the PSJ funds, including any interest earned on this money; and**
- (c) Maintain no legal right to the funds, except for administrative fees; and**
- (d) Must strictly account for all funds.**

Player Tracking System- means a system used in gaming departments to record the gaming activity of individual patrons.

Primary and Secondary Jackpots- means promotional pools offered at certain card games that can be won in addition to the primary pot.

Prize payout- Payment to a player associated with a winning or qualifying event.

Progressive prize- A prize that increases by a selectable or predefined amount based on play of a game.

Progressive Electronic Gaming Machine- means an EGM, with a payoff indicator, in which the payoff increases as it is played (i.e., deferred payout). The payoff amount is accumulated, displayed, and remains until a player attains the pre-determined event that results in the progressive amount being paid.

Progressive Jackpots- means deferred payout from a progressive EGM or table game.

Progressive Table- game means table games that offer progressive jackpots.

Promotional Payouts- are generally personal property or awards given to players by the gaming operation as an inducement to play. Promotions vary but a promotion example might be a program developed where a player receives a form of personal property based on the number of games or sessions played.

Promotional Progressive Pots/Pools- Funds contributed to a game by and for the benefit of players that are distributed to players based on a predetermined event.

Proposition Player- means a person paid a fixed sum by the gaming operation for the specific purpose of playing in a card game. A proposition player makes wagers with her/his own funds, retains her/his winnings, and absorbs her/his losses.

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

Rake Circle- means the area of a table where the rake is placed.

Random number generator (RNG) - A software module, hardware component or combination of these designed to produce outputs that are effectively random.

Reflexive software- Any software that has the ability to manipulate and/or replace a randomly generated outcome for the purpose of changing the results of a game.

Removable/rewritable storage media- Program or data storage components that can be removed from gaming equipment and be written to, or rewritten by, the gaming equipment or by other equipment designed for that purpose.

Request for Fill- means a form that is used to request the transfer of chips and/or coin from the cage to a table. The request precedes the actual transfer transaction that is documented on a fill slip.

Request 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.

Runner- means a gaming employee who transports chips/cash between a gaming table and a cashier.

Server- A computer that controls one or more applications or environments within a gaming system.

Seed Money- **A beginning jackpot amount (also known as a base amount) added to a progressive meter which the operation funds, but maybe recovered by the operation through player funds once per seed amount the operation contributes.**

Shift- A time period, unless otherwise approved by the Tribal Gaming Agency, not to exceed 24 hours.

Shill Funds- Financing provided by the gaming operation to a proposition player.

Signature- (as required upon any record or document) means the legible recording in script of not less than a person's first initial, last name, and certificate or permit number.

Soft Count- means the count of the contents in a drop box or currency acceptor.

Sufficient clarity- The capacity of a surveillance system to record images at a minimum of 20 frames per second or equivalent recording speed and at a resolution sufficient to clearly identify the intended activity, person, object, or location.

Surveillance operation room(s)- The secured area(s) where surveillance takes place and/or where active surveillance equipment is located.

Surveillance system- A system of video cameras, monitors, recorders, video printers, switches, selectors, and other equipment used for surveillance.

SICS (System of Internal Control Standards)- An overall operational framework for a gaming operation that incorporates principles of independence and segregation of function, and is comprised of written policies, procedures, and standard practices based on overarching regulatory standards specifically designed to create a system of checks and balances to safeguard the integrity of a gaming operation and protect its assets from unauthorized access, misappropriation, forgery, theft, or fraud.

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.

Table Inventory- Total coins and chips at a Table.

Table Inventory Form- means the document where chips and funds held at a table are recorded when table inventory is taken. Also known as a table inventory slip and openers and closers.

Test/diagnostics mode- A mode on a component that allows various tests to be performed on the gaming system hardware and software.

Testing lab- An organization recognized by a TGA pursuant to § 547.5(f) and the Tribal-State Compact.

TGA- Tribal Gaming Agency, which is the entity authorized by tribal law to regulate gaming conducted pursuant to the Indian Gaming Regulatory Act.

TGO- Tribal Gaming Operations (operation or gaming operation) refers to the Ilani Casino.

Theoretical Hold- means the intended hold percentage or win as computed and referenced to its payout schedule or par sheet.

Theoretical Hold Worksheet- means a worksheet provided by the manufacturer that indicates the theoretical percentages that the gaming device should hold based on exhaustive play.

Tier A- Gaming operations with annual gross gaming revenues of more than \$3 million but not more than \$8 million.

Tier B- Gaming operations with annual gross gaming revenues of more than \$8 million but not more than \$15 million.

Tier C- Gaming operations with annual gross gaming revenues of more than \$15 million.

TICS- Tribal Internal Control Standards established by the TGA that are at least as stringent as the standards set forth in the Tribal State Compact and 25 CFR Part 542 and 543.

Tribal-State Compact- means an agreement between a tribe and a state to govern the conduct of Class III gaming

Vault- A secure area where cash and cash equivalents are stored.

Voucher- 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.

Voucher system- A system that securely maintains records of vouchers and coupons; validates payment of vouchers; records successful or failed payments of vouchers and coupons; and controls the purging of expired vouchers and coupons.

Wide Area Progressive Electronic Gaming Machine- means a Class II progressive EGM that makes deferred payouts where individual machines are linked to machines in other operations and all the machines affect the progressive amount. As money is inserted into a single machine, the progressive meter on all of the linked machines increases.

Win- means the net win resulting from all gaming activities. Net win results from the total amount of gaming income (gross gaming revenue) after prizes or winnings have been paid out; i.e., the difference between the total amount wagered or played and the amounts repaid to the winners.

WSGC – means the Washington State Gambling Commission

Chapter 3 – General Standards

3.1 System of Internal Control Standards (SICS) MICS 542.3(d)

- A. The Tribal Gaming Operations (TGO) must develop and implement a System of Internal Control Standards (SICS) that, at a minimum, complies with the TICS.
- B. Initially and upon each subsequent update of the SICS, TGO shall submit the SICS document to the Tribal Gaming Agency for review, discussion, and approval.
- C. All changes necessary to ensure compliance with the TICS must be promulgated and implemented no later than 30 days after final approval by TGA.

3.2 Alternate Minimum Standards MICS 542.18

- A. The gaming operation may request an alternate standard from those set forth in the TICS if the gaming operation:
 - 1. Determines that it is unable to comply substantially with a standard in the TICS; and
 - 2. Develops an alternate standard that will achieve at least the same level of control for the standard that it seeks to replace.
- B. For each standard for which the gaming operation seeks an alternate, the gaming operation shall submit to TGA a detailed report which shall include the following information:
 - 1. An explanation of why the gaming operation is unable to comply substantially with the standard;
 - 2. A description of the proposed alternate standards; and
 - 3. An explanation of how the proposed alternate standard achieves at least the same level of control as the standard it is to replace.
- C. TGA may test the adequacy of the alternate standards.
- D. TGA may approve an alternate standard from those required if it has determined that the alternate standard will achieve a level of security and integrity sufficient to accomplish the purpose of the standard it is to replace. A gaming operation may implement an alternate standard upon approval by TGA.
- E. For each applicable enumerated standard for which TGA approves an alternate standard, it must submit to the Chair of NIGC within 30 days a detailed report and to the WSGC, which must include the following:
 - 1. An explanation of how the alternate standard achieves a level of security and integrity sufficient to accomplish the purpose of the standard it is to replace; and
 - 2. The alternate standard as approved and the record on which it is based.

F. Chair of NIGC review

Under IGRA there are circumstances in which the NIGC Chair may be required to approve certain CTGC or ilani regulations, these may include: the process to license key employees and facility licenses as defined under IGRA and NIGC; Tribal Gaming Ordinances; Management contracts; Net Gaming Revenues; Environmental, Public Health and Safety.

1. The Chair may approve or object to an alternate standard approved by TGA.
2. If the Chair approves the alternate standard, the TGO may continue to use it as authorized by the TGA.
3. If the Chair objects, the TGO may no longer use the alternate standard and must follow the relevant internal controls set forth in the TICS.
4. Any objection by the Chair must be in writing and provide reasons that the alternate standard, as approved by the TGA, does not provide a level of security or integrity sufficient to accomplish the purpose of the standard it is to replace.
5. If the Chair fails to approve or object in writing within 60 days after the date of receipt of a complete submission, the alternate standard is considered approved by the Chair. The Chair may, upon notification to the TGA, extend this deadline an additional 60 days.

G. WSGC review

1. TGA shall notify the WSGC of any intent to revise Class III standards or of any other regulations issued thereafter and shall request the concurrence of the WSGC for such revisions. WSGC and TGA shall agree upon the alternative standards according to the provisions of the TSC Section IX.A(3)

3.3 Variances

- A. Where referenced throughout the TICS, TGO must set a reasonable threshold, approved by TGA, for when a variance must be reviewed to determine the cause, and the results of the review must be documented and maintained.
- B. If TGA determines there is a pattern or excessive number of variances which do not meet the established threshold, TGA may request, and the TGO must comply, with an adjusted threshold.

3.4 Certified Public Accountant (CPA) MICS 543.23

- A. The Certified Public Accountant (CPA) shall perform an independent assessment to verify whether the TGO's SICS is in substantial compliance with the TICS by comparing the documents.
- B. The CPA shall also perform an independent assessment to verify whether the TGO has implemented and is in substantial compliance with its SICS. These procedures may be performed in conjunction with the annual audit.
- C. The CPA shall prepare a report of the material weakness in accounting and system of internal controls for the Tribe and management.
- D. Tribal Gaming Operation shall submit two copies of the CPA's agreed-upon procedures report of TGO's compliance to NIGC within 120 days of TGO's fiscal year end in conjunction with the submission of the annual financial audit report.
- E. 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 in 3.4(A) and

3.4(B) above with agreement of the Tribal Gaming Agency.

3.5 Records, Documents and Retention

- A. The TGO shall keep permanent books of account or records, including inventory records of gaming supplies, sufficient to establish the amount of gross and net revenue, deductions and expenses, receipts and disbursements, and other information required in any financial statement, report, and/or other accounting records prepared pursuant to these standards. TSC App.A:4(1); App. A:4(4)
- B. These books or records shall be kept at all times and made readily available upon request for inspection by the authorized representatives of TGA.
- C. Except as otherwise specified in these standards, all required records, reports, and documents shall be retained for a period of at least five (5) years in a manner that assures reasonable accessibility. MICS 542.19(k)
- D. Access logs and authorization lists shall be retained for a period of at least two (2) years in a manner that assures reasonable accessibility. TSC App.A:4(5)

3.6 Established Procedures

- A. TGO shall submit initially, and upon each subsequent update, for review, discussion, and approval, all procedures established pursuant to the standards of the TICS.
- B. Any requirement for the establishment of procedures pursuant to the standards of TICS must be submitted to TGA no later than 30-days following the effective date or thereafter within 20-days of TGA request. Effective dates for updates shall be upon approval of TGA unless otherwise specified by TGA.

3.7 Computer Applications

- A. For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control established by the standards of this part, as approved in writing by TGA will be acceptable. MICS 542.12(a); 542.13(b); 542.14(a); 542.41(a)
- B. For Class III gaming, in addition to TGA's approval, for any computer application utilized, alternate documentation and/or procedures that provide at least the level of control established by the Tribal-State Compact need concurrence with the WSGC. TSC App. A :17(9)

Chapter 4 – Bingo Minimum Internal Control Standards

4.1 Supervision

- A. Supervision must be provided as required for bingo operations by an agent(s) with authority greater than those being supervised. (MICS 543.8(a))
- B. Key management personnel shall be on the premises at which the bingo game is licensed for operation, during all hours of its operation. Such personnel shall be of a position of shift-manager or higher and hold a current and valid license from the TGA. Such hours of operation shall include at a minimum any time during which the premises are open to the public for entrance and occupation.

4.2 Prize Payout

- A. Controls must be established and procedures implemented for cash or cash equivalents that address the following: (MICS 543.8(e)(1))
 - 1. Identification of the agent authorized (by position) to make a payout;
 - 2. Predetermined payout authorization levels (by position); and
 - 3. Documentation procedures ensuring separate control of the cash accountability functions.
- B. Verification of validity. (MICS 543.8(e)(2))
 - 1. 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:
 - a. Winning card(s);
 - b. Objects drawn; and
 - c. The previously designated arrangement of numbers or designations on such cards.
 - 2. At least two agents must verify that the card, objects drawn, and previously designated arrangement were valid for the game in play.
 - 3. Where an automated verification method is available, verification by such method is acceptable.
- C. Validation. (MICS 543.8(e)(3))
 - 1. 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.
 - 2. For automated payouts, the system may serve as the sole validator of the claim.
- D. Verification. (MICS 543.8(e)(4))
 - 1. 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.
 - 2. For automated payouts, the system may serve as the sole verifier that the pattern has been achieved on the winning card.

- E. Authorization and signatures. (MICS 543.8(e)(5))
 - 1. 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 TGA.
 - 2. Manual prize payouts above the following threshold (or a lower threshold, as authorized by management and approved by TGA) 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:
 - a. \$5,000 for a Tier A facility;
 - b. \$10,000 at a Tier B facility;
 - c. \$20,000 for a Tier C facility; or
 - d. \$50,000 for a Tier C facility with over \$100,000,000 in gross gaming revenues
 - 3. The predetermined thresholds, whether set at the TICS level or lower, must be authorized by management, approved by TGA, documented, and maintained.
 - 4. 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.
- F. Payout records, including manual payout records, must include the following information: (MICS 543.8(e)(6))
 - 1. Date and time;
 - 2. Amount of the payout (alpha & numeric for player interface payouts); and
 - 3. Bingo card identifier or player interface identifier.
 - 4. Manual payout records must also include the following:
 - a. Game name or number;
 - b. Description of pattern covered, such as cover-all or four corners;
 - c. Signature of all, but not less than two, agents involved in the transaction;
 - d. For override transactions, verification by a supervisory or management agent independent of the transaction; and
 - e. Any other information necessary to substantiate the payout.

4.3 Cash and Cash Equivalent Controls (MICS 543.8(f))

- A. 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.
- B. 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:
 - 1. Inventory, including any increases or decreases;
 - 2. Transfers;
 - 3. Exchanges, including acknowledging signatures or initials; and

4. Resulting variances.
- C. 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.

4.4 Technologic Aids to the Play of Bingo (MICS 543.8(g))

- A. 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 TGA 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 TGA by the gaming operation;
 - ii. Certification in accordance with 25 CFR part 547;
 - iii. Notification from the supplier to TGA, or the gaming operation as approved by TGA, 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 the gaming system components for maintenance and replacement.
 - c. Gaming system components must be shipped in a secure manner to deter unauthorized access.
 - d. TGA, or its designee, must receive all the 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 gaming system components.
 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 §543.23, Audit and Accounting.
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, to the signatures provided in the independent test laboratory letter for that software version.
 - b. An agent independent of 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. 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 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 incrimination;
 - 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.
 - a. The operation must ensure that all game rules and disclaimers are displayed at all times or made readily available to the player upon request,
 - b. TGA 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
- 7. TGA 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*; and
- 9. Dispute resolution.

4.5 Operations MICS 543.8(h)

- A. Malfunctions - Procedures must be implemented to investigate, document and resolve malfunctions. Such procedures must address the following:
 - 1. Determination of the event causing the malfunction;
 - 2. Review of relevant records, game recall, reports, logs, surveillance records;
 - 3. Repair or replacement of the gaming component;
 - 4. Verification of the integrity of the gaming component before restoring it to operation; and
- B. Removal, retirement and/or destruction. Procedures must be implemented to retire or remove any or all associated components of a gaming system from operation. Procedures must include the following:
 - 1. For player interfaces and components that accept cash or cash equivalents:
 - a. Coordinate with the drop team to perform a final drop;
 - b. Collect final accounting information such as meter readings, drop and payouts;
 - c. Remove and/or secure any or all associated equipment such as locks, card reader, or ticket printer from the retired or removed component; and
 - d. Document removal, retirement, and/or destruction.
 - 2. For removal of software components:
 - a. Purge and/or return the software to the license holder; and
 - b. Document the removal.
 - 3. For other related equipment such as blowers, cards, interface cards:
 - a. Remove and/or secure equipment; and
 - b. Document the removal or securing of equipment.

4. For all components:
 - a. Verify that unique identifiers, and descriptions of removed/retired components are recorded as part of the retirement documentation; and
 - b. Coordinate with the accounting department to properly retire the component in the system records.
5. Where TGA authorizes destruction of any gaming system components, procedures must be developed to destroy such components. Such procedures must include the following:
 - a. Methods of destruction;
 - b. Witness or surveillance of destruction;
 - c. Documentation of all components destroyed; and
 - d. Signatures of agent(s) destroying components attesting to destruction

4.6 Vouchers MICS 543.8(i)

- A. Controls must be established and procedures implement to:
 1. Verify the authenticity of each voucher redeemed.
 2. If the voucher is valid, verify that the patron is paid the appropriate amount.
 3. Document the payment of a claim on a voucher that is not physically available or a voucher that cannot be validated such as a mutilated, expired, lost, or stolen voucher.
 4. Retain payment documentation for reconciliation purposes.
 5. For manual payment of a voucher of \$500 or more, require a supervisory employee to verify the validity of the voucher prior to payment.
- B. Vouchers paid during a period while the voucher system is temporarily out of operation must be marked "paid" by the cashier.
- C. 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.
- D. Paid vouchers must be maintained in the cashier's accountability for reconciliation purposes.
- E. Unredeemed vouchers can only be voided in the voucher system by supervisory employees. The accounting department will maintain the voided voucher, if available.

4.7 Variance 543.8(i)

- A. The operation must establish, as approved by TGA, the threshold level of at least +/- 3%, at which a variance, including deviations from the mathematical expectations required in this section, will be reviewed to determine the cause. Any such review must be documented.
 1. Fairness. No gaming system may cheat or mislead users. All prizes advertised must be available to win during the game. A test laboratory must calculate and/or verify the mathematical expectations of game play, where applicable, in accordance with the manufacturer stated submission. The results must be included in the test laboratory's report to TGA.

Chapter 5 – Card Games Minimum Internal Control Standards

5.1 Supervision

- A. Supervision must be provided as required during the card room operations by an agent(s) with authority greater than those being supervised.
 - 1. A supervisor may function as a dealer without any other supervision if disputes are resolved, and exchanges and transfers are authorized by other supervisory agents.
 - 2. A dealer may function as a supervisor if not dealing the game.

5.2 Exchanges or Transfers

- A. Exchanges between table banks and the main card room bank (or cage, if a main card room bank is not used) must be authorized by a supervisor. All exchanges must be evidenced by the use of a lammer unless the exchange of chips, tokens, and/or cash takes place at the table. If table banks are maintained at an imprest level and runners are used for the exchanges at the table, no supervisory authorization is required.
- B. Exchanges from the main card room bank (or cage, if a main card room bank is not used) to the table banks must be verified by the card room dealer and the runner.
- C. Transfers between the main card room bank and the cage must be properly authorized and documented. Documentation must be retained for at least 24 hours.

5.3 Playing Cards

- A. New and used playing cards must be maintained in a secure location, with appropriate surveillance coverage, and accessible only to authorized agents.
- B. Used playing cards that are not to be re-used must be properly cancelled and removed from service to prevent re-use. The removal and cancellation procedure requires TGA review and approval.
- C. Playing cards associated with an investigation must be retained intact and outside of the established removal and cancellation procedure.

5.4 Shill Funds

- A. Issuance of shill funds must be recorded and have the written approval of the supervisor.
- B. Returned shill funds must be recorded and verified by a supervisor.
- C. The replenishment of shill funds must be documented.

5.5 Reconciliation of Card Room Bank

- A. 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:
 - 1. Date;
 - 2. Shift;
 - 3. Table number;
 - 4. Amount by denomination;

5. Amount in total; and
6. Signatures of both agents.

5.6 Posted Rules

- A. 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.
 1. Prohibitions on side betting between and against player and against the house.

5.7 Promotional Progressive Pots and Pools

- A. All funds contributed by players into the pools must be returned when won in accordance with posted rules, and no commission or administrative fee may be withheld.
 1. The payout may be in the form of personal property, such as a car.
 2. A combination of a promotion and progressive pool may be offered.
- B. The conditions for participating in current card game promotional progressive pots and/or pools must be prominently displayed or available for patron review at the gaming operation.
- C. Individual payouts for card game promotional progressive pots and/or pools that are \$600 or more must be documented at the time of the payout to include the following:
 1. Patron's name;
 2. Date of payout;
 3. Dollar amount of payout and/or nature and dollar value of any non-cash payout;
 4. The signature of the agent completing the transaction attesting to the disbursement of the payout; and
 5. Name of contest/tournament.
- D. If the cash (or cash equivalent) payout for the card game promotional progressive pot and/or pool is less than \$600, documentation must be created to support accountability of the bank from which the payout was made.
- E. Rules governing current promotional pools must be conspicuously posted in the card room and/or available in writing for patron review. The rules must designate:
 1. The amount of funds to be contributed from each pot;
 2. What type of hand it takes to win the pool;
 3. How the promotional funds will be paid out;
 4. How/when the contributed funds are added to the pools; and
 5. Amount/percentage of funds allocated to primary and secondary pools, if applicable.
- F. Promotional pool contributions must 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.
- G. The amount of the pools must be conspicuously displayed in the card room.
- H. At least once each day that the game is offered, the posted pool amount must be updated

to reflect the current pool amount.

- I. At least once each day that the game is offered, agents independent of the card room must reconcile the increases to the posted pool amount to the cash previously counted or received by the cage.
- J. All decreases to the pool must be properly documented, including a reason for the decrease.
- K. Promotional funds removed from the card game must be placed in a locked container.
 - 1. Agents authorized to transport the locked container are precluded from having access to the contents keys.
 - 2. The contents key must be maintained by a department independent of the card room.
 - 3. At least once a day, the locked container must be removed by two agents, one 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.

5.8 Accepting Cash at Gaming Stations

- A. The cash shall be spread on the top of the gaming station by the dealer or croupier, accepting it in full view of the patron who presented it and the supervisor specifically assigned to such gaming station.
- B. The amount of cash shall be announced by the dealer or croupier accepting it in a tone of voice calculated to be heard by the patron who presented the cash and the supervisor specifically assigned to such gaming station. All cash changes of \$100 or over shall be verified by the supervisor.
- C. Immediately after an equivalent amount of gaming chips has been given to the patron, the cash shall be taken from the top of the gaming station and placed by the dealer or croupier into the drop box attached to the gaming station.

5.9 Acceptance of Gratuities from Patrons

- A. No tribal gaming operation employee directly concerned with management, accounting, security and surveillance shall solicit or accept any tip or gratuity from any player or patron.
- B. The tribal gaming operation shall establish a procedure for accounting for all tips received by other gaming employees.
- C. Upon receipts from a patron of a tip, a dealer assigned to a gaming station shall tap the table or wheel and extend his or her arm to show the supervisor that he has received a tip and immediately deposit such tip in the tip box. Tips received shall be retained by employees or pooled among employees in such a manner as determined by the TGO.

Chapter 6 – Gaming Promotions & Player Tracking Systems Minimum Internal Control Standards

6.1 Supervision MICS 543.12(a)

- A. Supervision must be provided as required for gaming promotions and player tracking by an agent(s) with authority greater than those being supervised.

6.2 Gaming promotions 543.12(b)

- A. The rules of the gaming promotion must be displayed or made readily available to patron upon request. Gaming promotions rules require TGA approval and must include the following:
 1. The rules of play;
 2. The nature and value of the associated prize(s) or cash award(s);
 3. Any restrictions or limitations on participant eligibility;
 4. The date(s), time(s), and location(s) for the associated promotional activity or activities;
 5. Any other restrictions or limitations, including any related to the claim of prizes or cash awards;
 6. The announcement date(s), time(s), and location(s) for the winning entry or entries; and
 7. Rules governing promotions offered across multiple gaming operations, third party sponsored promotions, and joint promotions involving third parties.

6.3 Player Tracking Systems and Gaming Promotions 543.12(c)

- A. Changes to the player tracking systems, promotion and external bonusing system parameters, which control features such as the awarding of bonuses, the issuance of cashable credits, non-cashable credits for gaming, coupons and vouchers, must be performed under the authority of supervisory agents, independent of the department initiating the change. Alternatively, the changes may be performed by supervisory agents of the department initiating the change with notification of TGA, if sufficient documentation is generated and the propriety of the changes are verified by supervisory agents independent of the department initiating the change.
- B. All other changes to the player tracking system must be appropriately documented.

6.4 Player Tracking System Controls MICS 543.12(c)(2)

- A. The player tracking system shall be secured so as to prevent unauthorized access (e.g., changing passwords at least quarterly and physical access to computer hardware, etc.).
- B. The addition of points to members' accounts other than through actual gaming play shall be sufficiently documented (including substantiation of reasons for increases). Each request shall be in writing by the department determining an adjustment is necessary. The written request shall be forwarded to a designated person or group within accounting, as designated by the operation, who will review and (if appropriate) authorize the adjustment. Authorized point adjustments shall then be forwarded to Marketing or Player Services staff as designated by the operation. This employee may not have the ability to either create player's club accounts or issue momentum cards.

C. Employees who redeem points for members shall not have access to lost cards.

6.5 Variances MICS 543.12(d)

- A. The operation must establish, as approved by TGA, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Chapter 7 – Table Games Minimum Internal Control Standards

7.1 Supervision

- A. Pit supervisory personnel (with authority equal to or greater than those being supervised) shall provide supervision of all table games.

7.2 Table Inventory Requirements and Procedures TSC App. A:16(1-4)

- A. Station inventory slips shall be a pre-numbered, three-part form, “Opener,” “Closer,” and triplicate, which are maintained and controlled by security. The Gaming Facility supervisor shall record the following:
 - 1. The date and identification of the shift ended;
 - 2. The game and station number;
 - 3. The value of each denomination of gaming chips and coins, and total.
 - 4. Signatures shall be of either the Dealer and the Gaming Facility supervisor assigned to the incoming and outgoing shifts or the Gaming Facility supervisor assigned to the gaming station at the time of a Drop Box shift change and another table games employee.
- B. Each station inventory and the Opener shall be stored while not in use in a separate locked, clear container which shall be clearly marked on the outside with the game and the gaming station number to which it corresponds. The information on the Opener shall be visible from the outside of the container. All containers shall be stored either in the cashier's cage or secured to the gaming station while not in use.
- C. The keys to the locked containers containing the station inventories shall be maintained and controlled by the Gaming Facility department in a secure place and will not be accessible to any cashier's cage or security personnel.
- D. Gaming chips or coins cannot be added to or removed from station inventory during the gaming day except:
 - 1. In exchange for cash;
 - 2. In payment of winning wagers and collection of losing wagers made at such gaming station;
 - 3. In exchange for gaming chips received from a patron having an equal aggregate face value; and
 - 4. In conformity with the fill and credit procedures described in these standards.

7.3 Procedures for Opening Stations for Gaming TSC App. A:16(5)

- A. Gaming stations will be opened for gaming activity as follows:
 - 1. The inventory container shall be unlocked in the presence of the Gaming Facility supervisor.
 - 2. A Dealer shall count the contents of the container in the presence of the Gaming Facility supervisor and shall verify the count to the Opener removed from the container.
 - 3. The Dealer and the Gaming Facility supervisor will sign the Opener.
 - 4. Any discrepancy between the table inventory and the Opener shall be immediately reported to at least the Gaming Facility shift manager, the security department, and the Tribal Gaming Agency Inspector. A Notification of Error (NOE) or security

report shall be completed in conformity with agreed upon internal controls. In the event a security report is written; a copy must be forwarded to accounting for reconciliation purposes.

5. After the count of the contents of the container and the signing of the Opener, it shall be immediately deposited in the Drop Box attached to the gaming station by the Dealer.

7.4 Procedures for Closing Gaming Stations TSC App. A:16(6-7)

- A. When gaming activity at a gaming station is concluded, the gaming chips and coins shall be counted by the Dealer assigned to the gaming station and observed by a table games supervisor.
- B. The gaming chips and coins counted shall be recorded on a station inventory slip by the table games supervisor
- C. The Dealer and the table games supervisor, who observed the Dealer count, will sign the station inventory slip.
- D. Upon meeting the signature requirements, the Closer shall be deposited in a Drop Box attached to the gaming station immediately prior to the closing of the station.
- E. The triplicate copy of the station inventory slip shall be forwarded to the cashier's cage by a Security Department Member.
- F. The Opener and the gaming chips remaining at the station shall be stored as outlined in 7.2B.

7.5 Fill and Credit General Standards MICS 542.12(c)(1-4)

- A. Fill slips and credit slips shall be in at least triplicate form, in a continuous numerical series, and pre-numbered and 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.
- B. Unissued and issued fill/credit slips shall be safeguarded and adequate procedures shall be employed in the distribution, use, and control of unissued and issued fill/credit slips. Personnel from the cashier or pit departments shall have no access to the secured copies of the fill/credit slips.
- C. When a fill/credit slip is voided, the cashier shall clearly mark "void" across the face of the original and first copy. The cashier and one other person independent of the transactions shall sign both the original and first copy, and shall submit them to the accounting department for retention and accountability.
- D. 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.
- E. 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. MICS 542.12(c)(12)

7.6 Fill Slip Standards

- A. When table fills are transacted, a two-part request for fill shall be prepared by the pit supervisor for transferring chips, or monetary equivalents from the cage to the pit.
TSC App. A:17(1)(a) and (c); MICS 542.12(c)(4)

- B. The duplicate of the fill request form shall be retained in the pit to check the fill slip for proper entries and to document the total amount of chips and monetary equivalents to be added to the table inventory. TSC App.A:17(1)(c)(vi)
- C. The original of the fill request shall be communicated to the cage where the fill slip is prepared. MICS 542.12(c)(4)
- D. At least three parts of each fill slip shall be utilized as follows: MICS 542.12(c)(5)
 - 1. Two parts shall be transported to the pit with the fill and, after the appropriate signatures are obtained, one part shall be deposited in the table drop box with the fill request duplicate;
 - 2. One part shall be retained in the cage for reconciliation of cashier bank once signed by all participants and returned to the Cage by security; and
 - 3. One part shall be retained intact by the locked machine in a continuous unbroken form. PROVIDED, for an automated system, the restricted copy may be retained within the automated system.
- E. The part of the fill slip that is placed in the drop box shall be of a different color for fills than for credits, unless the type of transaction is clearly distinguishable in another manner (the checking of a box on the form shall not be a clearly distinguishable indicator). MICS 542.12(c)(6)
- F. The game, table 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 copies. 542.12(c)(7)
- G. All fills shall be carried from the cashier's cage by a Security Department member. 542.12(c)(8)
- H. The fill slip shall be signed by at least the following individuals (as an indication that each has counted the amount of the fill and the amount agrees with the fill slip): MICS 542.12(c)(9)
 - 1. Cashier who prepared the fill slip and issued the chips, tokens, or monetary equivalent;
 - 2. Security Department member who carried the chips, tokens, or monetary equivalents from the cage to the pit;
 - 3. Dealer who received the chips, tokens, or monetary equivalents at the gaming table; and
 - 4. Gaming Facility supervisor who supervised the fill transaction.
- I. Fills shall be either broken down or verified by the dealer in public view before the dealer places the fill in the table tray. MICS 542.12(c)(10)
- J. All fill slips requesting chips or money shall be prepared at the time a fill is made.
- K. A copy of the fill slip shall then be deposited with the fill request duplicate into the drop box on the table by the dealer, where it shall appear in the count room with the cash receipts for the shift. MICS 542.12(c)(12); TSC App. A:17(6)(c)

7.7 Credit Slip Standards

- A. When table credits are transacted, a two-part request for credit shall be prepared by the pit supervisor for transferring chips, tokens, or monetary equivalents from the pit to the cashier area or other secure area of accountability. TSC App. A:17(1)(a) and (c); MICS 542.12(c)(12)

- B. The duplicate copy of a request for credit shall be retained in the pit to check the credit slip for proper entries and to document the total amount of chips, tokens, and monetary equivalents removed from the table. TSC App. A:17(1)(c)(vi)
- C. The original of the credit request shall be communicated to the cage where the credit slip is prepared. MICS 542.12(c)(12)
- D. At least three parts of each credit slip shall be utilized as follows: MICS 542.12(c)(13)
 - 1. One part shall be retained in the cage for reconciliation of the cashier bank once signed by all participants and returned to the Cage with the credit;
 - 2. Two parts shall be transported to the pit by the Security Department member who transports chips, tokens, or monetary equivalents from the pit to the cage, and after the appropriate signatures are obtained, one part shall be deposited in the table drop box with the credit request duplicate;
 - 3. One part shall be retained by the locked machine intact in a continuous unbroken form. PROVIDED, for an automated system, the restricted copy may be retained within the automated system.
- E. The game, 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 copies. MICS 542.12(c)(14)
- F. Chips, tokens, and/or monetary equivalents shall be removed from the table tray by the dealer and shall be broken down or verified by the dealer in public view prior to placing them in racks for transfer to the cage. MICS 542.12(c)(15)
- G. All chips, tokens, and monetary equivalents removed from the tables shall be carried to the cashier's cage by a Security Department member. MICS 542.12(c)(16); TSC App. A:17(7)(a)
- H. The credit slip shall be signed by at least the following individuals (as an indication that each has counted the items transferred): 542.12(c)(17); TSC App. A:17(5)
 - 1. Cashier who received the items transferred from the pit and prepared the credit slip;
 - 2. Security Department member who carried the items transferred from the pit to the cage and returned to the pit with the credit slip;
 - 3. Dealer who had custody of the items prior to transfer to the cage; and
 - 4. Gaming facility supervisor who supervised the credit transaction.
- I. The credit slip shall be inserted with the credit request duplicate in the drop box by the dealer. MICS 542.12(c)(18)
- J. Chips, tokens, or other monetary equivalents shall be deposited on or removed from gaming tables only when accompanied by the appropriate fill/credit slip. MICS 542.12(c)(19)

7.8 Table Games Computer Generated Documentation Standards

- A. A computerized system may replace the manual fill or Credit process TSC App. A:17(9)
 - 1. The system is approved by the Tribal Gaming Agency prior to use after confirming the system meets the standards of control set out in the manual system
 - 2. The system provides for adequate separation of duties within the system

through passwords or other security features

3. If at any time the computerized system fails, the manual process will be followed until the computerized system returns to full capabilities
- B. 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.). MICS 542.12(e)(1)
 - C. This documentation shall be restricted to authorized personnel. MICS 542.12(e)(2)
 - D. The documentation shall include, at a minimum, system exception information (e.g., appropriate system parameter information, corrections, voids, etc.). MICS 542.12(e)(3)(i)

- E. The electronic system must include a personnel access listing, which includes, at a minimum: MICS 542.12(e)(3)(ii)
 - 1. Employee name;
 - 2. Employee identification number; and
 - 3. Listing of functions employees can perform or equivalent means of identifying the same.

7.9 Playing Cards and Dice Standards

- A. Playing cards and dice not yet issued to the pit shall be physically controlled by the Security Department and maintained in a secure location to prevent unauthorized access and reduce the possibility of tampering. MICS 542.12(f)(1); TSC App. A:6(3)(a)(iv)
- B. Used cards and dice, when removed from play, shall be “marked,” “scored,” or “cancelled” to prevent unauthorized access and reduce the possibility of tampering. MICS 542.12(f)(3)
- C. The Security Department shall physically control and maintain used playing cards and dice in a secure location until destroyed in a timely manner not to exceed seven days. However, this standard shall not apply where playing cards or dice are retained for an investigation. MICS 542.12(f)(3)
- D. Card control logs shall be maintained that document when cards and dice are received on site, distributed to and returned from tables, or removed from play by the gaming operation, and destroyed. MICS 542.12(f)(4)
- E. If a gaming operation uses plastic cards (not plastic-coated cards), the cards may be used for up to three (3) months if the plastic cards are routinely inspected, and washed or cleaned in a manner and time frame approved by TGA. MICS 542.12(g)

7.10 Analysis of Table Game Performance Standards MICS 542.12(i); TSC App. A:4(4)(a)

- A. Records shall be maintained, by day and shift, indicating any single-deck blackjack games that were dealt for an entire shift.
- B. 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.
- C. This information shall be presented to and reviewed by management independent of the pit department on at least a monthly basis.
 - 1. Such management shall investigate any unusual fluctuations in hold percentage with pit supervisory personnel.
 - 2. The results of such investigations shall be documented, maintained for inspection, and provided to TGA upon request.

Chapter 8 – Electronic Gaming System Minimum Internal Control Standards

8 System Overview

The Electronic Gaming System (EGS) consists of both Class II and Class III gaming systems. Gaming Machine also consists of both Class II and Class III for the purposes of this control. The Tribal Lottery System (TLS) is a class III system with terminals referred to as Player Terminals. The bingo-based gaming system (BGS) is Class II with video terminals referred to as Electronic Gaming Machines (EGM) for the purposes of this control.

8.1 EGS Jackpot Standards

- A. Jackpot Payouts and Accumulated Credit Payouts Standards for EGM/Player Terminal for jackpot payouts, documentation shall include the following information:
 - 1. Date and time; (MICS 542.13(d)(i))
 - 2. Machine number; (MICS 542.13(d)(ii))
 - 3. Dollar amount of cash payout (both alpha and numeric) or description of personal property awarded, including fair market value. Alpha is optional if another unalterable method is used for evidencing the amount of the payout; (MICS 542.13(d)(iii))
 - 4. Game outcome (including reel symbols, card values, suits, etc.) for jackpot payouts. Game outcome is not required if a computerized jackpot/fill system is used; (MICS 542.13(d)(iv))
 - 5. Signatures of at least two employees verifying and witnessing the payout; (MICS 542.13(d)(vi))
 - 6. Preprinted or concurrently printed sequential number. (MICS 542.13(d)(v))
- B. Surveillance is notified prior to initiation of payout procedures for jackpot awards equal to or greater than \$10,000
- C. Jackpot payouts over \$25,000 shall require the signature and verification of a supervisory or management employee independent of the Electronic Gaming Department (in addition to the two signatures required in paragraph (d)(1)(vi) of this section). Alternatively, if an on-line accounting system is utilized, only two signatures are required: one employee and one supervisory or management employee independent of the Electronic Gaming Department. This predetermined amount shall be authorized by management (as approved by the Tribal gaming regulatory authority), documented, and maintained. (MICS 542.(d)(vi)(A))
- D. Computerized jackpot systems shall be restricted so as to prevent unauthorized access and fraudulent payouts by one individual. (MICS 542.13(d)(3))
- E. Payout forms shall be controlled and routed in a manner that precludes any one individual from producing a fraudulent payout and misappropriating the funds by forging signatures or by altering the amount paid out. (MICS 542.13(d)(4))

8.2 EGS Funds Standards

- A. The Gaming Machine cage and change banks, which are active during the shift, shall be counted down and reconciled each shift utilizing a count sheet that documents funds by denomination. (MICS 542.13(f)(1))

8.3 EGM/Player Terminal Software Media Standards

- A. At least annually, procedures shall be performed to insure the integrity of a sample of game software media by personnel independent of the gaming operation or the machines being tested. (MICS 542.13(g)(1))
- B. Game software media control standards.
 - 1. Procedures shall be developed and implemented for the following:
- C. Removal of game software media, from devices, for verification or signature; (MICS 542.13(g)(2)(i))
 - a. Receipt and destruction of game software media; (MICS 542.13(g)(2)(iv)) and
 - b. Securing the game software media, from unrestricted access. (MICS 542.13(g)(2)(v))
 - c. Records, which document the above game software media procedures, shall include the following information:
 - a. Date; (MICS 542.13(g)(5)(i))
 - b. Machine number (source and destination); (MICS 542.13(g)(5)(ii))
 - c. Manufacturer; (MICS 542.13(g)(5)(iii))
 - d. Program number; (MICS 542.13(g)(5)(iv))
 - e. Personnel involved; (MICS 542.13(g)(5)(v))
 - f. Disposition of any permanently removed game software media; (MICS 542.13(g)(5)(vii))
 - g. Approved testing lab approval numbers, if available. (MICS 542.13(g)(5)(ix))
 - d. The master game program number, par percentage, and the pay table shall be verified to the par sheet when initially received from the manufacturer. (MICS 542.13(g)(3))
 - e. EGM/Player Terminals shall have the circuit boards locked and the key(s) will be controlled by TGA. The lock shall necessitate the presence of an individual independent of the electronic game department to access the device game program game software media.(MICS 542.13(g)(4))
- D. Game software media, 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 software media. (MICS 542.13(g)(6))

8.4 EGS Player Tracking

- A. Systems shall be permissible that allow player tracking, maintenance tracking, and other gaming management or marketing functions. These systems shall not interfere with, or in any way affect, the outcome of any Tribal Lottery Game or the cashless accounting system. Systems shall be permissible that allow progressive prize management with the certification of the Gaming Test Laboratory and approval of the SGA. (TSC X2 8.3)

8.5 EGS Theoretical and Actual Hold Percentage Evaluation Standards

- A. Accurate and current theoretical hold worksheets shall be maintained for each Gaming Machine. (MICS 542.13(h)(1))
- B. Records shall be maintained for each machine which indicate the date the machine was placed into service, the date the machine was removed from operation, the date the machine was placed back into operation, and any changes in machine numbers and designations. (MICS 542.13(h)(7))
- C. All of the Gaming Machines shall contain functioning meters which shall record credit-in. (MICS 542.13(h)(8))
- D. All Gaming Machines with bill/ticket acceptors shall contain functioning ticket-in meters which record the value amounts or number of bills/tickets accepted. (MICS 542.13(h)(9))
- E. Gaming Machine in-meter readings shall be recorded at least weekly immediately prior to or subsequent to a Gaming Machine drop. However, 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. (MICS 542.13(h)(10))
- F. The employee who records the in-meter reading shall either be independent of the count team or shall be assigned on a rotating basis, unless the in-meter readings are randomly verified quarterly for all Gaming Machines and currency acceptors by someone other than the regular in-meter reader. (MICS 542.13(h)(11))
- G. Upon receipt of the meter reading summary, the accounting department shall review all meter readings for reasonableness using pre-established parameters. (MICS 542.13(h)(12))
- H. Prior to final preparation of statistical reports, meter readings that do not appear reasonable shall be reviewed with Electronic Gaming Department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected. (MICS 542.13(h)(13))
- I. A report shall be produced at least monthly showing month-to-date, year-to-date, and if practicable, life-to-date actual hold percentage computations for individual machines and a comparison to each machine's theoretical hold percentage previously discussed. (MICS 542.13(h)(14))
- J. Each change to a Gaming Machine's theoretical hold percentage, including progressive percentage contributions, shall result in that machine being treated as a new machine in the statistical reports (i.e., not commingling various hold percentages). (MICS 542.13(h)(15))
- K. If promotional payouts or awards are included on the Gaming Machine statistical reports, it shall be in a manner that prevents distorting the actual hold percentages of the affected machines. (MICS 542.13(h)(16))
- L. The statistical reports shall be reviewed by both Electronic Gaming Department management and management employees independent of the Electronic Gaming Department on at least a monthly basis. (MICS 542.13(h)(17))
- M. those machines that have experienced at least 100,000 wagering transactions, Large variances (three percent (3%) recommended) between theoretical hold and actual hold shall be investigated and resolved by a department independent of the Electronic Gaming Department with the findings documented and provided to the TGA upon request in a timely manner. (MICS 542.13(h)(18))
- N. TGA will be notified and follow-up shall be performed for any one machine having an

unresolved variance between actual cash drop and the report information in excess of an amount that is both more than \$25 and at least three percent (3%) of the actual cash drop. The follow-up performed and results of the investigation shall be documented and maintained for inspection. (MICS 542.13(m)(5)(7))

- O. Maintenance of the computerized Gaming Machine monitoring system data files (if applicable) shall be performed by a department independent of the Electronic Gaming Department. Alternatively, maintenance may be performed by gaming machine supervisory employees if sufficient documentation is generated and it is randomly verified on a monthly basis by employees independent of the Electronic Gaming Department. (MICS 542.13(h)(19))
- P. Updates to the computerized Gaming Machine monitoring system (if applicable) to reflect additions, deletions, or movements of Gaming Machines shall be made at least weekly prior to in- meter readings. (MICS 542.13(h)(20))

8.6 In-house Progressive EGS Standards

- A. A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies. (MICS 542.13(k)(1)) At least once a month, each gaming operation shall record the amount shown on each progressive jackpot meter at the gaming operation except for those jackpots that can be paid directly from the machine; (MICS 542.13(k)(2))
- B. 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 gaming operation shall record the jackpot payout number on the sheet or have the number reasonably available; and (MICS 542.13(k)(3))
- C. Each gaming operation shall record the base amount of each progressive jackpot the gaming operation offers. (MICS 542.13(k)(4))
- D. The TGA 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. (MICS 542.13(k)(5))

8.8 EGM Wide Area Progressive Standards

- A. A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies. (MICS 542.13(l)(1))
- B. As applicable to participating gaming operations, the wide area progressive Gaming Machine system shall be adequately restricted to prevent unauthorized access. (MICS 542.13(l)(2))
- C. The TGA shall approve procedures for the wide area progressive system that: (MICS 542.13(l)(3))
 - 1. Reconcile meters and jackpot payouts;
 - 2. Collect/drop Gaming Machine funds;
 - 3. Verify jackpot, payment, and billing to gaming operations on pro-rata basis;
 - 4. System maintenance;
 - 5. System accuracy; and
 - 6. System security.

8.9 EGS Cash-Out Ticket Standards

For EGS machines that accept currency (or tickets) and issue cash-out tickets, the following standards shall apply:

- A. In addition to the applicable portions of Electronic Game Accounting/Auditing Procedures Standards, on a quarterly basis, the gaming operation shall foot all jackpot cash-out tickets and trace totals to those produced by the system.(MICS 542.13(n)(1)
- B. The customer may request a cash-out ticket from the EGM/Player Terminal that reflects all remaining credits. The cash-out ticket shall be printed at the EGM/Player Terminal by an internal document printer. (MICS 542.13(n)(2)
- C. The customer shall redeem the cash-out ticket at a cashier's cage or redemption kiosk. (MICS 542.13(n)(3) Once presented for redemption, the cashier shall:
 - 1. Scan the bar code via an optical reader or its equivalent; or(MICS 542.13(n)(4)(i)
 - 2. Input the cash-out ticket validation number into the computer. (MICS 542.13(n)(4)(ii)
- D. Alternatively, if operation utilizes a remote computer validation system, operation as approved by TGA, shall develop alternate standards for the maximum amount that can be redeemed, which shall not exceed \$2,999.99 per cash-out transaction. (MICS 542.13(n)(3)
- E. The information from the cash-out ticket presented shall be transmitted to the host computer. The host computer shall verify the authenticity of the cash-out ticket and communicate directly to the cashier cage terminal. (MICS 542.13(n)(5)
- F. If valid, the cashier pays the customer the appropriate amount and the cash-out ticket is electronically noted "paid" in the system. The "paid" cash-out ticket shall remain in the cashier's bank for reconciliation purposes. (MICS 542.13(n)(6)
- G. If invalid, the host computer shall notify the cashier that one of the following conditions exists: (MICS 542.13(n)(7)
 - 1. The serial number cannot be found on file (stale date, forgery, etc.);
 - 2. The cash-out ticket has already been paid; or
 - 3. The amount of the cash-out ticket differs from the amount on file.
- H. If invalid, the cashier shall refuse payment to the customer and notify a supervisor of the invalid condition. The supervisor shall resolve the dispute. (MICS 542.13(n)(7)
- I. If the host validation system temporarily goes down, cashiers may redeem cash-out tickets after recording the following: (MICS 542.13(n)(8)
 - 1. Serial number of the cash-out ticket;
 - 2. Date and time;
 - 3. Dollar amount;
 - 4. Issuing EGM/Player Terminal number;
 - 5. Mark the ticket as "paid"; and
 - 6. Ticket shall remain in cashier's bank for reconciliation purposes.
- J. Such cash-out tickets redeemed shall be validated as expeditiously as possible when the cashless electronic game system is restored. (MICS 542.13(n)(9)
- K. The operation shall develop and implement procedures to control cash-out ticket paper which shall include procedures which: (MICS 542.13(n)(10)
 - 1. Mitigate the risk of counterfeiting of cash-out ticket paper;

2. Adequately controls the inventory of the cash-out ticket paper; and
 3. Provide for the destruction of all unused cash-out ticket paper.
- L. If the host validation system is down for more than one hour, the gaming operation shall promptly notify TGA. (MICS 542.13(n)(11))

8.10 EGS Kiosks

- A. Kiosks shall have reports that properly document all transactions, as well as dedicated video surveillance, to protect the integrity of the cashless system used. Cash boxes shall be designed so their contents are protected from unauthorized access, in accordance with Appendix A drop box and transportation standards and shall be uniquely labeled for the purpose of audit and security. (TSC X2 8.4)

8.11 Description of Tribal Lottery System (TLS) General Description (TSC X2 3.1):

- A. The Tribal Lottery System game known as the Electronic Scratch Ticket Game consists of a finite number of Electronic Scratch Tickets, a certain number of which, if drawn, entitle a player to prize awards at various levels. The scratch tickets are designed from a template in conformity with this Appendix and are created in Game Sets on a Manufacturing Computer from which Scratch Tickets are randomly selected and placed into Scratch Ticket Subsets. Each Game Set has a predetermined number of winners and values and is designed so as to assure players of an at least 75% payback of the amounts paid in the aggregate for all tickets in the Set. As a Game Set's tickets are placed into Subsets, the pool of tickets available from that Game Set for placement into Subsets diminishes, until each ticket in the Game Set has been placed into a Subset. (TSC X2 3.1.1)
- B. Scratch Ticket Subsets are transmitted to the Central Computer, where they are stored until dispensed electronically on demand to Player Terminals. Scratch Tickets are electronically dispensed from the Central Computer in the order within each Subset in which the tickets were received. Players compete against each other to draw winning tickets. As Subsets are used they are replaced by additional Subsets which have been created and delivered to the Central Computer in the same manner, until the Game Set has been depleted, or pulled from play, ending that particular game. Different games based on different Game Sets may be offered simultaneously through the Central Computer. (TSC X2 3.1.2)
- C. A player initiates participation in an Electronic Scratch Ticket game at a Player Terminal, using Game Play Credits purchased on the Player Terminal through the insertion of cash, or through the Cashless Transaction System. The monitor displays one or more of the Electronic Scratch Ticket games that are offered by the system, as well as other information such as graphics, game play and outcome information, and entertainment effects, subject to the limitations in Sections 5.2.2 and 5.2.3. The player may choose a particular game and reveal the outcome, by touching the screen, pressing a button once or performing some other form of interaction with the Player Terminal. (TSC X2 3.1.3)
1. Following or as part of the player's selection of a game or games, the player uses Game Play Credits displayed on the Player Terminal to purchase one or more Electronic Scratch Tickets. The pricing of tickets is governed by the provisions of Section 3.2.1. Wagers are deducted from the Game Play Credits displayed on the Player Terminal. (TSC X2 3.1.4)
 2. Prize structure, ticket purchase and selection, and wager information is displayed or available on the Player Terminal with respect to any game which is being played through that Terminal. (TSC X2 3.1.5)
 3. After the player purchases an Electronic Scratch Ticket the outcome associated with that ticket is shown on the Player Terminal. Any prizes won are displayed on the

Player Terminal and may be in the form of Game Play Credits, the right to receive merchandise, or other valuable property. (TSC X2 3.1.6)

4. Game Play Credits earned as prizes remain displayed and available for use in further play from that Terminal. Game Play Credits also may be electronically transferred to a) a player's account in the Central Accounting System, b) a ticket or receipt printed by the Player Terminal, or c) a "smart" card or similar instrument. Once transferred, Game Play Credits may be a) used for further play on another Terminal or b) redeemed for cash or cash equivalents through a cashier or other separate redemption system. Merchandise or other property won is collected in accordance with the rules of the game. (TSC X2 3.1.7)

8.12 Ticket Lottery System (TLS) TLS Cashless Transaction Security, Reporting and Storage Requirements

1. The following requirements shall be met in connection with any Cashless Transaction System: (TSC X2 8.1)
2. All player information must be stored on at least two separate non-volatile media; (TSC X2 8.1.1)
3. An audit file must be kept of all player financial transactions. This file must be stored in at least two separate non-volatile media, and be accessible for purposes of audit and dispute resolution to authorized individuals; this file must be available on-line for a minimum of 30 days, after which it must be available off line for a minimum of 180 days; (TSC X2 8.1.2)
4. Physical and operational controls must be used to protect player information from tampering or unauthorized access; (TSC X2 8.1.3)
5. Passwords or personal identification numbers (PINs), if used, must be protected from unauthorized access; (TSC X2 8.1.4)
6. All player information shall be accurately recorded and such recording protected by the system; (TSC X2 8.1.6)
7. Any card or other tangible instrument issued to a player for the purpose of using the Cashless Transaction System shall bear on its face a control or inventory number unique to that instrument; (TSC X2 8.1.7)
8. Encoded bearer instruments printed or magnetic may include coupons and other items distributed or sold for game play, promotional, advertising or other purposes, but may not include cash. Such instruments must be in electronically readable form in addition to having unique identification information printed on the instrument face. The daily and monthly reporting must include with respect to such instruments:
 - a. Cash converted to value in the cashless system
 - b. Outstanding unredeemed balance:
 - c. Value in the cashless system converted to cash;
 - d. Amount wagered; and
 - e. Amount won. (TSC X2 8.1.8)
9. Redemption periods, if any, shall be posted or otherwise disclosed to all players. (TSC X2 8.1.9)
10. Vouchers must bear on the face, in addition to the unique serial number, the following:
 - a. Time/Date printed;
 - b. Unique identification from which it was printed; and
 - c. Value of voucher. (TSC X2 8.1.10)

8.13 TLS Game Set and Subset Requirements (TSC X2 3.2) Each Game Set shall meet the following minimum requirements:

- A. Each Game Set shall be made up of a finite number of Electronic Scratch Tickets;
- B. All Scratch Tickets in a particular Game Set shall be of the same purchase price, which shall not exceed \$5.00, with the exception that up to 15 percent of the Player Terminals in operation may have purchase prices of up to \$20.00 per Ticket. A single Ticket may offer an opportunity to enter another Game Set;
- C. The payout percentage for the entire Game Set shall be no less than 75% of the total purchase price of all tickets in the set combined;
- D. Each Game Set shall be assigned a unique serial number; and
- E. Each ticket shall have a specific outcome and prize level associated with it. (TSC X2 3.2.1)

8.14 Game Set Verification Process. Prior to commencement of play, the initial Game Set shall be verified as to the total number of tickets in the set and the number of winners at each prize level, including the amounts of such prizes, and the number of non-winners. The verification standards which the Game Set must meet are those set forth in Section 3.3. (TSC X2 3.2.2)

8.15 Transmission of Subsets to Central Computer. Following verification of the Game Set, the Manufacturing Computer shall create ordered Scratch Ticket Subsets on demand from the Central Computer and transmit the ordered Subsets to it. (TSC X2 3.2.3)

8.16 Subset Requirements. Each Electronic Scratch Ticket Game Subset shall meet the following minimum requirements:

- A. Within a given Game Set, each Subset shall be the same size and comprised of no less than 5,000, and no more than 10,000 Electronic Scratch Tickets, provided that in order to complete the distribution of all tickets in a Game Set, the final Subset derived from the Set may have less than the number of tickets in any other Subset and be less than 5,000;
- B. Each Subset shall be individually and uniquely identified by the Game Set serial number and a unique serial number for each Subset assigned in the order in which the Subsets are created;
- C. Once an Electronic Scratch Ticket has been dispensed to a Player Terminal from a Subset, it cannot be dispensed again. (TSC X2 3.2.4)

8.17 Completion of Game.

- A. A Scratch Ticket Game is deemed to be completed only when all of the Electronic Scratch Tickets in a Game Set have been dispensed or the Game Set has been taken out of play. If any Game Set is withdrawn from play before completion of the Game, the Tribe shall ensure that at least 75% of the revenues received from sales of Electronic Scratch Tickets in that Game have been, or in future Electronic Scratch Ticket Games will be, awarded to players. (TSC X2 3.2.5)

8.18 Data Required Prior to Commencement of an Electronic Scratch Ticket Game. The following data shall be available to the TGA and SGA prior to the commencement of an Electronic Scratch Ticket Game and shall be maintained and be viewable both electronically and if requested, by printed report, upon demand: (TSC X2 3.3)

- A. A unique identifying Game Set serial number; (TSC X2 3.3.1)

- B. A description of the Game Set theme sufficient to categorize the Game Set relative to other Game Sets; (TSC X2 3.3.2)
- C. The number of total Scratch Tickets in the Game Set; (TSC X2 3.3.3)
- D. The number of Scratch Ticket Subsets to be created from the Game Set, and the number of tickets in each Set; (TSC X2 3.3.4)
- E. The payout percentage of the entire Game Set; (TSC X2 3.3.5)
- F. The payout table for the Game Set and the number of Scratch Tickets at each level of the payout table; (TSC X2 3.3.6)
- G. The purchase price per ticket assigned to the Game Set; (TSC X2 3.3.7)
- H. Such further information as the SGA may reasonably require to assure the integrity and accuracy of the foregoing information. (TSC X2 3.3.8)

8.19 Data Required to be Available Following the Completion of a Scratch Ticket Game. Following the completion of an Electronic Scratch Ticket Game (i.e., upon the sale of all tickets in a Game Set or the withdrawal of the Set from play), the following data shall be available to the TGA and SGA and shall be maintained and viewable both electronically and if requested, by printed report, upon demand: (TSC X2 3.4)

- A. The Game Set and Game Subsets serial numbers; (TSC X2 3.4.1)
- B. The total number of Electronic Scratch Tickets unsold, if the game is removed from play; (TSC X2 3.4.2)
- C. The total number of Electronic Scratch Tickets purchased; (TSC X2 3.4.3)
- D. The time and date that each Subset was transmitted to the Central Computer; (TSC X2 3.4.4)
- E. The time and date that the game was completed or removed from play; (TSC X2 3.4.5)
- F. The final payout percentage of the game; and (TSC X2 3.4.6)
- G. Price per Ticket. (TSC X2 3.4.7)

8.20 Software Auditing Tool to be Made Available. For auditing Game Sets and Subsets that have been archived, any Tribal Lottery System shall include and have available for the SGA and the TGA a secure software tool which provides the same data as set forth in Section 3.3 and 3.4, provided that such tool shall be used only during authorized audits of Tribal Lottery System games and operations, or in cases of player disputes, and shall not be used for any other purpose without the consent of the TGA and the SGA. (TSC X2 3.5)

8.21 No Audit of Set While in Play; Dispute Process

- A. No Audit of Set While in Play In order to provide maximum game integrity, no audit or other determination of the status of any Game Set or any Subset, including but not limited to a determination of the prizes won or prizes remaining to be won, shall be conducted by anyone, including TGA and SGA personnel, while a Subset is in play without causing termination of the entire Game Set from which the Subset was derived as provided in Section 3.6.3. (TSC X2 3.6.1)
- B. Dispute Resolution: Impact on Game Set Play. In the event of a dispute by a player that cannot be resolved by ordinary means by Gaming Facility personnel as to the outcome, prize, wager

- made, or any other aspect of the player's participation in a Game Set being played, all relevant data shall be immediately collected, including but not limited to all meter readings, memory records, surveillance recordings, and any other reports or information regarding play at the Terminal for the play in dispute. Following the collection of all relevant data, the TGA shall be notified and requested to make an evaluation of whether or not the dispute involves the integrity of the hardware or software being used and to try and resolve the dispute. A report of all disputes shall be maintained by the TGA. If the dispute is not resolved within 72 hours from the time of the complaint, the TGA shall immediately forward a report to the SGA detailing the nature of the dispute. In the event the dispute is resolved, the TGA is not obligated to report to the SGA, but shall make TGA reports available for review. (TSC X2 3.6.2)
- C. Termination of Game Set. Protection of game integrity, even if it requires the early withdrawal of a Game Set from play, shall be the primary goal of this Appendix. If resolution of a patron dispute requires access to data or records stored on any part of a system other than the Player Terminal involved in the dispute, and such access can only be accomplished through a means by which data would be revealed that could materially assist anyone in determining the likelihood of a particular ticket being drawn, other than information available to all patrons, the Game Set shall be terminated prior to accessing such data or records. (TSC X2 3.6.3)
- D. TGA/SGA Disputes. In the event there is a dispute between the TGA and SGA at any point in the above process, it shall be resolved in accordance with the dispute resolution process for such issues set forth in the Compact. (TSC X2 3.6.4)

8.22 Manufacturing Computer (TSC X2 3.7)

- 1) Security from Alteration, Tampering, or Unauthorized Access. The Manufacturing Computer shall provide a physical and electronic means, by use of a password or other method approved by the TGA and SGA, for securing the Game Set against alteration, tampering, or unauthorized access. The Manufacturing Computer shall provide a means for terminating the Game Set if unopened ticket information from an operating Game Set or Subset has been accessed except as permitted in this Appendix. The Gaming Test Laboratory shall certify that such security system, and a means for monitoring its use in accordance with this Appendix, is included in the system before it may be authorized for use. Security systems and monitoring may be required for any component that has electronic access to this system that may violate the integrity and security of the manufacturing computer. (TSC X2 3.7.1)
- 2) Primary Purpose: Separation. The Manufacturing Computer shall be dedicated primarily to those Tribal Electronic Scratch Ticket gaming system functions related to the creation of Scratch Ticket Game Sets and the creation, randomization, and transmittal to the Central Computer of Scratch Ticket Subsets. Notwithstanding the foregoing, the Manufacturing Computer may also be used for other computer functions in the Tribal Lottery System or Electronic Accounting System if such use will not affect the integrity or outcome of any game. (TSC X2 3.7.2)
- 3) Storage Medium; Backup. The Manufacturing Computer shall have a medium for securely storing Electronic Scratch Ticket Game Sets and Subsets on the Manufacturing Computer which shall be mirrored on line by a backup medium within the same cabinet or enclosure. In addition, duplicates of the Sets and Subsets, as created and stored on the Manufacturing Computer, shall be stored in a secure enclosure in the Gaming Facility separate from the Manufacturing Computer. All storage shall be through an error checking, nonvolatile physical medium, so that should the primary storage medium fail, there will be no critical data loss. (TSC X2 3.7.3)

- 4) Randomization. The Manufacturing Computer shall utilize randomizing procedures in the creation of the Subsets. The randomizing procedures shall be in accordance with Section 6 of this Appendix. (TSC X2 3.7.4)

8.23 Central Computer Used in Connection with Electronic Scratch Ticket Game. The following requirements apply to any Central Computer used in connection with an Electronic Scratch Ticket Game. (TSC X2 3.8)

- A. Dispensing of Tickets. The Central Computer shall dispense, upon request from a Player Terminal, Electronic Scratch Tickets. (TSC X2 3.8.1)
- B. Order of Scratch Tickets. The Central Computer shall maintain Electronic Scratch Ticket Subsets in the order received from the Manufacturing Computer, and transmit them in that order to Player Terminals on demand, provided that not less than two (2) nor more than five (5) Subsets per Game Set shall be dispensed in accordance with a predetermined order for rotating the Subsets. Subsets from more than one Game Set may be stored on the Central Computer and made available for play at the same time. (TSC X2 3.8.2)
- C. Storage Medium; Backup. The Central Computer shall have a medium for storing Electronic Scratch Ticket Game Subsets and reflecting their current status of play, which shall be mirrored on line by a backup medium within the same cabinet or enclosure. All storage shall be through an error checking, nonvolatile physical medium, so that should the primary storage medium fail, there will be no critical data loss. (TSC X2 3.8.3)
- D. No Randomization Capability. The Central Computer shall have no randomization capability associated with its use in an Electronic Scratch Ticket game. (TSC X2 3.8.4)

8.24 Data Available for Inspection. The following data is required to be available for inspection in compliance with Section 7.1.9 for any Player Terminal or Game Set: (TSC X2 3.10)

- A. All Game Set serial numbers, indicating the date and time the Game Set was put in play, pulled from play, or completed. (TSC X2 3.10.1)
- B. By Game Set serial numbers, the Player Terminal numbers assigned, and the dates and times of assignment to the Player Terminals. (TSC X2 3.10.2)

8.25 Player Terminals. All Player Terminals shall conform at a minimum to the requirements of this Section.

8.26 Use as a Stand-Alone Gambling Device Prohibited. No Player Terminal shall be capable of being used as a stand-alone unit for the purposes of engaging in any gambling game, including but not limited to the lottery games described in this Compact, or in any other way prohibited in this Appendix. (TSC X2 5.1)

8.27 Features. Player Terminals shall include the following features:

- A. Operation either through the Cashless Transaction System, or through means for accepting cash (coins, tokens or paper currency) for conversion into Game Play Credits, which can then activate participation in the game, provided the insertion of cash will not alone activate the game and such use of cash is in accordance with section 5.15; (TSC X2 5.2.1)
- B. One or more of the following: A video monitor, electro-mechanical display, printer, graphics and signage, provided that slot machine-type spinning reel mechanisms are prohibited in mechanical form; and (TSC X2 5.2.2)

- C. One or more of the following: electronic buttons, touch screen capability, and a mechanical, electro-mechanical or electronic means of activating the game and providing player input, including a means for making player selections and choices in games, provided that slot machine type handles are prohibited. (TSC X2 5.2.3)

8.28 Non-Volatile Backup Memory Required. A non volatile backup memory or its equivalent shall be maintained in a secure compartment on each Player Terminal for the purpose of storing and preserving a redundant set of critical data which has been error checked in accordance with this Appendix, and which data shall include, at a minimum, the following Player Terminal information: (TSC X2 5.3)

A. Electronic Meters required by this Control; (TSC X2 5.3.1)

1. Recall of all wagers and other information associated with the last ten (10) Electronic Scratch Ticket plays and the last ten (10) On-line Lottery Games played; (TSC X2 5.3.2)
2. Error conditions that may have occurred on the Player Terminal; and (TSC X2 5.3.3)
3. Recall of the last twenty five (25) cash or cash equivalent deposits. (TSC X2 5.3.4)

8.29 On/Off Switch. An on/off switch that controls the electrical current that supplies power to the Player Terminal must be located in a secure place that is readily accessible within the interior of the Player Terminal.

8.30 Discharge/Interference. The operation of each Player Terminal must not be adversely compromised or affected by static discharge, liquid spills, or electromagnetic interference. (TSC X2 5.5)

8.31 Accounting Meters. A Player Terminal must have electronic accounting meters which have tally totals to a minimum of eight (8) digits and be capable of rolling over when the maximum value of at least 99,999,999 is reached. The Player Terminal must provide a means for on-demand display of the electronic meters via a key switch or other secure method on the exterior of the machine. Electronic meters on each Player Terminal for each of the following data categories for Electronic Scratch Ticket games and On-line Lottery Games are required in compliance with Section 7.1.9: (TSC X2 5.6)

- A. Credits, or equivalent monetary units, wagered on a cumulative basis on that Terminal; (TSC X2 5.6.1)
- B. Credits, or equivalent monetary units, won for the Player Terminal; (TSC X2 5.6.2)
- C. For Scratch Ticket games, the number of Scratch Tickets purchased on the Terminal; and (TSC X2 5.6.3)
- D. For On-line Lottery games, the number of On-line Lottery wagers made on that Terminal. (TSC X2 5.6.4)

8.32 No Automatic Clearing of Accounting Meters; Reading and Resetting Meters. Under no circumstances shall the Player Terminal electronic accounting meters be capable of being automatically reset or cleared, whether due to an error in any aspect of its or a game's operation or otherwise. All meter readings must be recorded and dated in the presence of a TGA inspector both before and after an electronic accounting meter is cleared. (TSC X2 5.7)

8.33 Display of Information. At a minimum, each Player Terminal shall have the following game information available for display on the video screen and/or displayed on the Player Terminal itself, in a location conspicuous to the player: (TSC X2 5.8)

- A. The rules of the game being played; (TSC X2 5.8.1)
- B. The maximum and minimum wagers and the amount of credits, cash equivalents, or additional game play opportunities, which may be won for each Electronic Scratch Ticket and On-line Lottery Game offered through that Terminal, including the current values of any progressive prizes available; (TSC X2 5.8.2)
- C. The player's credit balance; (TSC X2 5.8.3)
- D. The outcome of the Electronic Scratch Ticket(s) then being played; and (TSC X2 5.8.4)
- E. Any prize won on the Electronic Scratch Ticket(s) then being played. (TSC X2 5.8.5)

8.34 Protection of Displayed Information. The video screen or other means for displaying game rules, outcomes and other game information shall be kept under a glass or other transparent substance which places a barrier between the player and the actual surface of the display. At no time may stickers or other removable media be placed on the Player Terminal's face for purposes of displaying rules or payouts. (TSC X2 5.9)

8.35 Hardware Switches Prohibited. No hardware switches may be installed on a Player Terminal or any associated equipment which may affect the outcome or pay out of any game for which the Player Terminal is used. Switches may be installed to control the ergonomics of the Player Terminal. (TSC X2 5.10)

8.36 Door Access Logging. The Player Terminal shall record the date and time of any opening of cabinet door(s); provided, that this information need not be retained on the Player Terminal if it is communicated to another component of the system. This information shall be retrievable in report form. (TSC X2 5.16)

8.37 Networking Requirements. The use of firewalls and other system protections as approved by TGA and SGA are required to protect the integrity of the Tribal Lottery System and player accounts and: (TSC X2 5.11)

- A. Where the Tribe's Tribal Lottery System or components are linked with one another in a local network for progressive jackpot, function sharing, aggregate prizes or other purposes, communication protocols must be used which ensure that erroneous data or signals will not adversely affect the operations of any such system or components. No class III game or gaming system in which any part or component is located outside the Tribe's gaming facilities shall be deemed approved as part of the approval of this Appendix. Any proposal for such game or gaming system, including the proposed rules, manner of regulation, and manner of play, monitoring and/or maintenance of the system, shall require submission to, and approval by, the TGA and SGA. (TSC X2 5.11.1)
- B. Dedicated and protected network connections prohibiting unauthorized access, approved by SGA and TGA, may allow two or more of the Tribe's Tribal Lottery Systems to share player information. Game tickets and other information prohibited from being viewed, as outlined in other sections of this Appendix, shall not be available or transmitted between the Tribe's connected Tribal Lottery Systems or facilities. Communications between the Tribe's facilities will require the use of approved firewalls that are configured and operated to protect the Tribal Lottery System and player information. Computer systems linked between the Tribe's facilities may not be used to link progressive jackpots, except in Joined Facilities. (TSC X2 5.11.2)

8.38 Prohibited Software Functions. Player Terminals shall not have software or hardware that

determines the outcome of any Electronic Scratch Ticket Game. Nothing herein is intended to prohibit the Player Terminal from creating the appropriate Scratch Ticket and On-line Game graphics and animation to correspond to, display or represent, in an entertaining manner, the outcome. In addition, Player Terminals shall not have any software that: (TSC X2 5.12)

- A. Determines which Scratch Ticket outcome from within the Scratch Ticket Subset is transmitted to the Player Terminal; or (TSC X2 5.12.1)
- B. Alters the amount of the payout of the Electronic Scratch Ticket as received from the Central Computer. (TSC X2 5.12.2)

8.39 Quick-Pick Function. Nothing herein shall prohibit the use of a quick pick function on the Player Terminal in conjunction with the playing of the On-line Lottery Game. (TSC X2 5.13)

8.40 Wagers; Displaying Electronic Scratch Ticket Outcomes. Players shall make wagers using a Player Terminal to purchase Electronic Scratch Tickets. Following a purchase, the Electronic Scratch Ticket shall be displayed on the Terminal's video screen for the purpose of revealing the outcome of the selected ticket. (TSC X2 5.14)

8.41 Security Requirements. The following requirements apply to all components of the Tribal Lottery System, including the Manufacturing Computer, the Central Computer, the Electronic Accounting System and Player Terminals. (TSC X2 9)

8.42 Seperation. The Manufacturing Computer, Central Computer, and Player Terminals in each Tribal Lottery System shall be physically and operationally independent from one another except as specified otherwise in this Appendix, such as for communications, storage and security monitoring, including the routing of communications among system components, provided such routing does not affect the integrity of the communications or the outcome of any game. All Tribal Lottery System cables shall be secured against unauthorized access. (TSC X2 9.1)

- A. Live network jacks shall be locked to prevent someone from removing the legitimate connection and plugging in an unauthorized device.
- B. Network jacks and cables that are not being utilized will either be locked or physically disconnected from the network so they are no longer active.

8.43 Security. The Manufacturing Computer and Central Computer must be in a locked, secure enclosure with both camera coverage and key controls in place. Routers, switches, hubs, or other network access points, to include management terminals and terminals not separated from the Tribal Lottery System by firewalls approved by the WSGC and TGA, must also be in a locked, secure enclosure with both camera coverage and key controls in place. Access to Manufacturing Computers and Central Computers shall be logged by the system to include the date and time of access and available to WSGC and TGA upon request. (TSC X2 9.2)

- A. The TLS remote workstation Central Processing Unit shall at a minimum be enclosed in a locked and monitored cabinet. Keys to the cabinet shall be maintained in accordance with the approved Tribal Operations Internal Controls.
- B. Remote workstations shall prevent access to the network or application based tools that allow access to restricted gaming information. In addition, any account information access must follow approved internal controls.

8.44 Secure Connections; DES or Equivalent Data Encryption. Connections between all components of

the Tribal Lottery System shall only be through the use of secure communication protocols which are designed to prevent unauthorized access or tampering, employing Data Encryption Standards (DES) or equivalent encryption with changeable seeds or algorithms. (TSC X2 9.3)

8.45 Surge Protection; Uninterrupted Power System (UPS). Each component of the Tribal Lottery System shall at all times be connected to a device which provides surge protection on any line that feeds it and, with the exception of Player Terminals, shall be connected to a temporary power source, such as a UPS, to provide means for an orderly shutdown of the computer in the event of a main power system failure. (TSC X2 9.4)

8.46 Identification Plates. A non-removable plate shall be affixed to the exterior of each Player Terminal which shall have written upon it the Terminal's serial number and model number of the component and name of the manufacturer. Other audit numbers may be required to be affixed to provide a means of identifying individual Terminals for correlation to required reports. (TSC X2 9.5)

8.47 Locked Areas. . The Manufacturing and Central Computers shall at a minimum be enclosed in a locked and monitored cabinet. Access shall be through the use of access controls provided in Section 9.7. The Player Terminal shall have at a minimum the following separately locked areas, which shall be the only means of accessing any non-public part of the Terminal: (a) a locked and monitored cabinet door; (b) a locked microprocessor compartment; (c) a locked outer cash box door; and (d) a locked drop cash box door. (TSC X2 9.6)

8.48 Access Control Standards. Keys which provide access to any locked compartment, component or area of a Tribal Lottery System, as well as passwords, keycards, or PIN numbers used to access the Tribal Lottery System, shall be maintained and used in accordance with the access control standards enacted in the Tribe's statement of minimum internal controls. (TSC X2 9.7)

A. Each employee accessing the Tribal Lottery System software except for Player Terminals and unattended Kiosks by means of a password, keycard, or PIN number, including vendor representatives, must have a user name or user number unique to that individual, and the Tribal Lottery System must log the date and time of access. These access logs must be readily available for audit by TGA and WSGC. (TSC X2 9.7.1)

8.49 MEAL Cards. For all entries into the locked areas of the Manufacturing Computer, Central Computer, unattended Kiosks, or any Player Terminal, a written record must be made on a machine entry authorization log (MEAL) indicating at least the following: the time, date, and purpose of entering said locked area(s), and the name and employee number (or other personal identification specific to such person) of the person doing so. (TSC X2 9.8)

8.50 Access Control. In addition to maintenance of MEAL cards, the Manufacturing and Central Computers shall record and generate a report on any access including date, time of access, person (by employee number) accessing the computer, and the reason for access. (TSC X2 9.9)

8.51 Cameras. For purposes of this section, all components of the Tribal Lottery System, except wiring, cables, and conduit in which they are located, shall have the ability to be effectively and clandestinely monitored and recorded by means of a closed circuit television system or digital surveillance system in accordance with Appendix A and as authorized by TGA and SGA, in compliance with the requirements of the Compact. (TSC X2 9.10)

- A. Overhead camera coverage should be sufficient to identify the individual(s) accessing remote workstations. The coverage should not include the keyboard so sensitive passwords cannot be viewed and recorded. Coverage should be recorded real-time, full screen, and on dedicated VCR's or digital recorders.

8.52 Verification Data and Functions. In addition to its functions in operating a connection with the Electronic Scratch Ticket and On-line Lottery Games, the Central Computer may be used to record the data used to verify game play and to configure and perform security checks on Player Terminals, provided such functions do not affect the security, integrity or outcome of such games. (TSC X2 9.11)

- A. The TLS Manufacturing Computer shall provide a physical and electronic means, by use of a password or other method approved by the TGA and State Gaming Agency, for securing the Game Set against alteration, tampering, or unauthorized access. (TSC X2 9.7.1)

8.53 EGM/Player Terminal Requirements

- A. Controls must be established, and procedures implemented to safeguard the integrity of the Electronic Gaming Machines and Player Terminals during installations, operations, modifications, removal and retirements. Such procedures must include the following: (MICS 543.8(g))
 - 1. Shipping and receiving (MICS 543.8(g)(1))
 - a. A communication procedure must be established between the supplier, the gaming operation, and TGA 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 TGA by the gaming operation;
 - ii. Certification in accordance with 25 CFR part 547;
 - iii. Notification from the supplier to the TGA, or the gaming operation as approved by the TGA, 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 the gaming system components for maintenance and replacement.
 - c. Gaming system components must be shipped in a secure manner to deter unauthorized access.
 - d. TGA, or its designee, must receive all the gaming system components and game play software packages, and verify the contents against the shipping notification.
 - 2. Security and access control methods. (MICS 543.8(g)(2))
 - a. Physical and operational controls must be established to restrict access to the gaming system components and protect player information from tampering

- or unauthorized access.
3. Recordkeeping and audit processes. (MICS 543.8(g)(3)
 - 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.
 4. System software signature verification. (MICS 543.8(g)(4)
 - a. Procedures must be implemented for system software verifications. These procedures must include comparing signatures to the signatures provided in the independent test laboratory letter for that software version and/or the WSGC website.
 - b. An agent independent of 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. Such audits must be documented.
 5. Installation testing. (MICS 543.8(g)(5)
 - 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 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. (MICS 543.8(g)(6)

- a. The operation must ensure that all game rules and disclaimers are displayed at all times or made readily available to the player upon request,
 - b. TGA must verify that all game rules and disclaimers are displayed at all times or made readily available to the player upon request.
7. TGA approval of all technologic aids before they are offered for play. (MICS 543.8(g)(7)
 8. All the gaming equipment must comply with 25 CFR part 547, Minimum Technical Standards for Gaming Equipment and also the Tribal-State Compact for the Class III gaming; and(MICS 543.8(g)(8)
 9. In the event of a dispute by a player that cannot be resolved by ordinary means by Gaming Facility personnel as to the outcome, prize, wager made, or any other aspect of the player's participation in a Game Set being played, all relevant data shall be immediately collected, including but not limited to all meter readings, memory records, surveillance recordings, and any other reports or information regarding play at the Terminal for the play in dispute. Following the collection of all relevant data, the TGA shall be notified and requested to make an evaluation of whether or not the dispute involves the integrity of the hardware or software being used and to try and resolve the dispute. A report of all disputes shall be maintained by the TGA. If the dispute is not resolved within 72 hours from the time of the complaint, the TGA shall immediately forward a report to the SGA detailing the nature of the dispute. In the event the dispute is resolved, the TGA is not obligated to report to the SGA but shall make TGA reports available for review. (MICS 543.8(g)(9)
 10. Malfunctions. Procedures must be implemented to investigate, document and resolve malfunctions. Such procedures must address the following: (MICS 543.8(h)(1)
 - a. Determination of the event causing the malfunction
 - b. Review of relevant records, game recall, reports, logs, surveillance records;
 - c. Repair or replacement of the gaming component;
 - d. Verification of the integrity of the gaming component before restoring it to operation; and
 11. Removal, retirement and/or destruction. Procedures must be implemented to retire or remove any or all associated components of a gaming system from operation. Procedures must include the following(543.8(h)(2)
 - 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.
- 12. Where TGA authorizes destruction of any gaming system components, procedures must be developed to destroy such components. Such procedures must include the following:
 - a. Methods of destruction;
 - b. Witness or surveillance of destruction;
 - c. Documentation of all components destroyed; and
 - d. Signatures of agent(s) destroying components attesting to destruction.

8.54 EGS Audit and Accounting Standards.

- A. When cash is used, the following procedures shall be performed by accounting/auditing employees who are independent of the transactions being reviewed: (TSC X2 5.15)
- B. For each drop period, accounting/auditing employees shall compare the report information required in Section 7.1.10 (a) to the total cash acceptor drop amount for the period. Discrepancies shall be resolved before the generation/distribution of any statistical reports. (TSC X2 5.15.1)
- C. TGA will be notified and follow-up shall be performed for any one machine having an unresolved variance between actual cash drop and the report information required in Tribal State Compact Appendix X2 7.1.10 (a) in excess of an amount that is both more than \$25 and at least three percent (3%) of the actual cash drop. The follow-up performed and results of the investigation shall be documented and maintained for inspection. (TSC X2 5.15.2)
- D. At least annually, accounting/auditing and TGA personnel shall randomly verify that EPROM or other equivalent game software media changes are properly reflected in the analysis reports. (TSC X2 5.15.3)
- E. Accounting/auditing employees shall review exception reports on a daily basis for propriety of transactions and unusual occurrences. TGA will be notified in writing of any unexplained or suspicious transactions or unusual occurrences. (TSC X2 5.15.4)
- F. All auditing procedures and any follow-up performed shall be documented and maintained for inspection. (TSC X2 5.15.5)

Cash shall be removed from the Player Terminal in accordance with Tribal State Compact Appendix A drop box and transportation standards for secure and verifiable handling of cash receipts from electronic games. (TSC X2 5.15.6)Chapter 9 – Complimentary Services & Items Minimum Internal Control Standards

Chapter 9 – Complimentary Services & Items Minimum Internal Control Standards

9.1 Supervision

- A. Supervision must be provided as required for approval of complimentary services by an agent(s) with authority greater than those being supervised. MICS 543.13(a)

9.2 Complimentary Services or Items

- A. Controls shall be established and procedures implemented for complimentary services or items that address the following: MICS 543.13(b)
 - 1. Agents authorized to approve the issuance of complimentary services or items, including levels of authorization, as approved by TGA;
 - 2. Limits and conditions on the approval and issuance of complimentary services or items, as approved by TGA;
 - 3. Making and documenting changes to conditions or limits on the approval and issuance of complimentary services or items, as approved by TGA;
 - 4. Documenting and recording the authorization, issuance, and redemption of complimentary services or items, including cash and non-cash gifts;
 - a. 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 TGA:
 - i. Name of patron who received the complimentary service or item;
 - ii. Name(s) of issuer(s) of the complimentary service or item;
 - iii. The actual cash value of the complimentary service or item;
 - iv. The type of complimentary service or item (i.e., food, beverage); and
 - v. Date the complimentary service or item was issued.

9.3 Complimentary Services and Items Records

- A. Complimentary services and items records must be summarized and reviewed for proper authorization and compliance with established authorization thresholds. MICS 543.13(c)
 - 1. A detailed reporting of complimentary services or items equal to or exceeding \$100 or an amount established by the Tribal gaming operation, which shall not be greater than \$100 must be prepared at least monthly.
 - 2. The detailed report must be forwarded to management for review.

9.4 Variances

- A. Any variance in excess of \$25.00 shall be reviewed to determine the cause. Any such review must be documented. MICS 543.13(d)

Chapter 10 – Cage, Vault, Kiosk, Cash, and Cash Equivalents Minimum Internal Control Standards

10.1 Supervision

- A. Supervision must be provided as required for cage, vault, kiosk, and other operations using cash or cash equivalents by an agent(s) with authority greater than those being supervised. MICS 543.18(a)

10.2 Check cashing MICS 543.18(b)

- A. If checks are cashed at the cage, the controls must provide for security and integrity. For each check cashing transaction, the agent(s) conducting the transaction must:
 - 1. Verify the patron's identity;
 - 2. Examine the check to ensure it includes the patron's name, current address, and signature;
 - 3. For personal checks, verify the patron's check cashing authority and record the source and results in accordance with management policy; however
 - 4. If a check guarantee service is used to guarantee the transaction and the procedures required by the check guarantee service are followed, then the above requirements do not apply.
- B. When traveler's checks or other guaranteed drafts, such as cashier's checks, are presented, the cashier must comply with the examination and documentation procedures as required by the issuer.
- C. If a third party check cashing or guarantee service is used, the examination and documentation procedures required by the service provider apply, unless otherwise provided by tribal law or regulation.

10.3 Cage and Vault Accountability MICS 543.18(c)

- A. All transactions that flow through the cage must be summarized for each work shift of the cage and must be supported by documentation.
- B. Increases and decreases to the total cage inventory must be verified, supported by documentation, and recorded. Documentation must include the date and shift, the purpose of the increase/decrease, the agent(s) completing the transaction, and the person or department receiving the cage funds (for decreases only). Unverified transfers of cash and/or cash equivalents are prohibited. (MICS 542.14(d)(2))
- C. The cage and vault inventories (including coin rooms) must be counted independently by at least two agents, attested to by signature, and recorded in ink or other permanent form at the end of each shift during which the activity took place. These agents must make individual counts to compare for accuracy and maintain individual accountability. All variances must be documented and investigated.
- D. The gaming operation must establish and comply with a minimum bankroll formula 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 patrons as they are incurred. Minimum bankroll calculations shall be completed at least annually.

10.4 Kiosks MICS 543.18(d)

- A. 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.
- B. 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.
- C. 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.
- D. Kiosks shall have dedicated video surveillance through the use of a fixed camera or dedicated PTZ. Coverage will be recorded in real-time, full screen, and on dedicated digital recorders. TSC App. X2:8.4
- E. The gaming operation, subject to the approval of TGA, 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.
- E. With regard to cashless systems, the gaming operation, subject to the approval of TGA, must develop and implement procedures to ensure that communications between the kiosk and system are secure and functioning.
- F. 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):
 - 1. Starting balance dollar amount per financial instrument;
 - 2. Starting balance number of items per financial instrument;
 - 3. Dollar amount per financial instrument issued;
 - 4. Number of items per financial instrument issued;
 - 5. Dollar amount per financial instrument issued;
 - 6. Number of items per financial instrument redeemed;
 - 7. Dollar amount per financial instrument increases;
 - 8. Number of items per financial instrument increases;
 - 9. Dollar amount per financial instrument decreases;
 - 10. Number of items per financial instrument decreases;
 - 11. Ending balance dollar amount per financial instrument; and
 - 12. Ending balance number of items per financial instrument.

10.5 Promotional Payments, Drawings, and Giveaway Programs MICS 543.18(f)

- A. The following procedures must apply to any payment resulting from a promotional payment, drawing, or giveaway program disbursed by the cage department or any other department. This section does not apply to payouts for card game promotional pots and/or pools.
- B. All payments must be documented to support the cage accountability.
- C. Payments above \$500 must be documented at the time of the payment, and documentation must include the following:
 - 1. Date and time;
 - 2. Dollar amount of payment or description of personal property;

3. Reason for payment; and
4. Patron's name and confirmation that identity was verified (drawings only).
5. Signature(s) of at least two agents verifying, authorizing, and completing the promotional payment with the patron. For computerized systems that validate and print the dollar amount of the payment on a computer generated form, only one signature is required.

10.6 Chip(s) MICS 543.18(g)

- A. Controls must be established and procedures implemented to ensure accountability of chip inventory. Such controls must include, but are not limited to, the following:
 1. Purchase;
 2. Receipt;
 3. Inventory;
 4. Storage; and
 5. Destruction.

10.7 Vouchers MICS 543.18(h)

- A. Controls must be established and procedures implemented to:
 1. Verify the authenticity of each voucher redeemed.
 2. If the voucher is valid, verify that the patron is paid the appropriate amount.
 3. Document the payment of a claim on a voucher that is not physically available or a voucher that cannot be validated such as a mutilated, expired, lost, or stolen voucher.
 4. Retain payment documentation for reconciliation purposes.
 5. For manual payment of a voucher of \$500 or more, require a supervisory employee to verify the validity of the voucher prior to payment.
- B. Vouchers paid during a period while the voucher system is temporarily out of operation must be marked "paid" by the cashier.
- C. 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.
- D. Paid vouchers must be maintained in the cashier's accountability for reconciliation purposes.
- E. Unredeemed vouchers can only be voided in the voucher system by supervisory employees. The accounting department will maintain the voided voucher, if available.

10.8 Cage and Vault Access

- A. Controls must be established and procedures implemented to: MICS 543.18(i)
 1. Restrict physical access to the cage to cage agents, designated staff, and other authorized persons; and
 2. Limit transportation of extraneous items such as personal belongings, tool boxes, beverage containers, etc., into and out of the cage.
 3. As part of the Gaming Operation there shall be on or immediately adjacent to the gaming floor a physical structure known as the Cashier's Cage to house the cashiers and to serve as the central location for the following (TSC App A:7(1)):

- a. The custody of the cage inventory comprising currency, coin, patron checks, gaming chips, forms, documents and records normally associated with the operation of a cage.
 - b. The approval of patron checks for the purpose of gaming in conformity with these standards
 - c. The receipt, distribution, and redemption of gaming chips in conformity with these standards

4. Cashiers functions will be, but are not limited to the following (TSC App A:8(2)):
 - a. Receive currency, coin, checks, gaming chips, vouchers, or Cash Equivalents from patrons for gaming chip consolidations, total or partial redemptions or substitutions
 - b. Receive documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashier's cage
 - c. Process fills and Credits by exchanging chips, currency, coin and paperwork as authorized in these standards
 - d. Receive currency and coin from count rooms and kiosks
 - e. Prepare the overall cage reconciliation and accounting records
 - f. Perform such other functions as necessary to ensure proper accountability consistent with these standards
 - g. Such other functions normally associated with the operation of a cage.

5. Each cage will be designed and constructed to provide maximum security including, at a minimum, the following (TSC App A:7(4)):
 - a. An enclosed structure except for openings through which items such as gaming chips, checks, cash, records, and documents can be passed to service the public and gaming stations
 - b. Manually triggered silent alarm systems connected directly to the monitoring rooms of the Surveillance System
 - c. Access will be through a locked door
 - d. The system shall have Surveillance System coverage which will be monitored by the surveillance department

6. The Tribal Gaming Operation will place on file with the Tribal Gaming Agency the names of all persons authorized to enter the cage, those who possess the combination or the Keys or who control the mechanism to open the locks securing the entrance to the cage, and those who possess the ability to operate the alarm system. TSC App. A:7(5)

10.9 Collection/Recording Checks Returned after Deposit TSC App. A:13

- A. All dishonored checks returned by a bank ("returned checks") after deposit shall be returned directly to, and controlled by accounting department employees.
- B. No person other than one employed within the accounting department may engage in efforts to collect returned checks except that a collection company or an attorney-at-law representing the tribal gaming operation may bring action for such collection. Any verbal or written communication with patrons regarding collection efforts, shall be documented in the collection section.
- C. Continuous records of all returned checks shall be maintained by accounting department employees. Such records shall include, at a minimum, the following:
 - 1. The date of the check;
 - 2. The name and address of the drawer of the check;
 - 3. The amount of the check;
 - 4. The date(s) the check was dishonored;
 - 5. The date(s) and amount(s) of any collections received on the check after being returned by a bank.
 - 6. The date and any amount written-off as uncollectible.
- D. A check dishonored by a bank may be immediately re-deposited if there is sufficient reason to believe the check will be honored the second time.
- E. If a check is dishonored a second time, the name of the person who submitted the check shall be kept in a log, and available to the cashier. Such person shall be prohibited from submitting a future check until the amount owed is paid in full.
- F. Any checks processed through an outside check guarantee company will not be subject to the provisions of (A) through (E) above unless the Tribal Gaming Operation chooses not to use their guarantee service to pre-approve a particular check.

10.10 Variances

- B. The operation must establish, as approved by TGA, the threshold level at which a variance must be reviewed to determine the cause. This threshold must not exceed \$50.00. Any such review must be documented. MICS 543.18(j)

Chapter 11 – Information Technology & Data Minimum Internal Control Standards

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 the gaming systems, accounting, surveillance, essential phone system, and door access and warning systems. 543.20(b)

11.1 Supervision 543.20(a)

- A. 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.
- B. The supervisory agent must be independent of the operation of the EGM.
- C. Controls must ensure that duties are adequately segregated and monitored to detect procedural errors and to prevent the concealment of fraud.
- D. Information technology agents having access to the gaming systems may not have signatory authority over financial instruments and payout forms and must be independent of and restricted from access to:
 - 1. Financial instruments;
 - 2. Accounting, audit, and ledger entries; and
 - 3. Payout forms.

11.2 Controls

- A. Controls must be established and procedures implemented to ensure adequate: MICS 543.20(c)
 - 1. Control of physical and logical access to the information technology environment, including accounting, voucher, cashless and player tracking systems, among others used in conjunction with electronic gaming;
 - 2. Physical and logical protection of storage media and its contents, including recovery procedures;
 - 3. Access credential control methods;
 - 4. Record keeping and audit processes; and
 - 5. Departmental independence, including, but not limited to, means to restrict agents that have access to information technology from having access to financial instruments.

11.3 Physical Security 543.20(d)

- A. The information technology environment and infrastructure must be maintained in a secured physical location such that access is restricted to authorized agents only.
- B. Access devices to the systems' secured physical location, such as keys, cards, or fobs, must be controlled by an independent agent.
- C. Access to the systems' secured physical location must be restricted to agents in accordance with established policies and procedures, which must include maintaining and updating a record of agents granted access privileges.

- D. Network Communication Equipment must be physically secured from unauthorized access.

11.4 Logical Security 543.20(e)

- A. Controls must be established and procedures implemented to protect all systems and to ensure that access to the following is restricted and secured:
 - 1. Systems' software and application programs;
 - 2. Data associated with electronic gaming; and
 - 3. Communications facilities, systems, and information transmissions associated with the gaming systems.
- B. Unused services and non-essential ports must be disabled whenever possible.
- C. Procedures must be implemented to ensure that all activity performed on systems is restricted and secured from unauthorized access, and logged.
- D. Communications to and from systems via Network Communication Equipment must be logically secured from unauthorized access.

11.5 User Controls 543.20(f)

- A. Systems, including application software, must be secured with passwords or other means for authorizing access.
- B. Management personnel or agents independent of the department being controlled must assign and control access to system functions.
- C. Access credentials such as passwords, PINs, or cards must be controlled as follows:
 - 1. Each user must have his or her own individual access credential;
 - 2. Access credentials must be changed at an established interval approved by TGA; and
 - 3. Access credential records must be maintained either manually or by systems that automatically record access changes and force access credential changes, including the following information for each user:
 - i. User's name;
 - ii. Date the user was given access and/or password change; and
 - iii. Description of the access rights assigned to user.
- D. Lost or compromised access credentials must be deactivated, secured or destroyed within an established time period approved by TGA.
- E. Access credentials of terminated users must be deactivated within an established time period approved by the TGA.
- F. Only authorized agents may have access to inactive or closed accounts of other users, such as player tracking accounts and terminated user accounts.

11.6 Personnel Access Listing Standards TSC App. A:7(5); X2:9.7

- A. A personnel access listing for the Player Account Server and all computerized gaming systems shall be maintained which includes at a minimum:
 - 1. Employee name;
 - 2. Employee identification number (or equivalent); and
 - 3. Listing of functions each employee can perform or equivalent means of identifying this information.

11.7 Installations and/or Modifications 543.20(g)

- A. Only TGA authorized or approved systems and modifications may be installed.
- B. Records must be kept of all new installations and/or modifications to the gaming systems. These records must include, at a minimum:
 - 1. The date of the installation or modification;
 - 2. The nature of the installation or change such as new software, server repair, significant configuration modifications;
 - 3. Evidence of verification that the installation or the modifications are approved; and
 - 4. The identity of the agent(s) performing the installation/modification.
- C. Documentation must be maintained, such as manuals and user guides, describing the systems in use and the operation, including hardware.

11.8 Remote Access 543.20(h)

- A. Except for Tribal Lottery and Surveillance systems, Agents may be granted remote access for system support, provided that each access session is documented and maintained at the place of authorization. The documentation must include:
 - 1. Name of agent authorizing the access;
 - 2. Name of agent accessing the system;
 - 3. Verification of the agent's authorization;
 - 4. Reason for remote access;
 - 5. Description of work to be performed;
 - 6. Date and time of start of end-user remote access session; and
 - 7. Date and time of conclusion of end-user remote access session.
- B. If authorized by Tribal-State Compact (TSC) Memorandums of Understanding (MOU), remote access for the Tribal Lottery Systems and Surveillance System will be permitted according to the precise conditions of the agreement. Remote access to these systems is not permitted until TSC MOU's for this purpose are agreed to, and TGA has approved procedures developed by TGO to meet the conditions of each agreement.
- C. All remote access must be performed via a secured method as authorized by CTGC.
- D. Remote access to the Tribal Lottery System shall only be authorized in accordance with an approved MOU between the Cowlitz Tribe and the State of Washington.

11.9 Incident Monitoring and Reporting 543.20(i)

- A. Procedures must be implemented for responding to, monitoring, investigating, resolving, documenting, and reporting security incidents associated with information technology systems.
- B. All security incidents must be responded to within 72 hours and formally documented within fourteen (14) days .
- C. A report shall be created within 30 days of the security incident. Such report(s) shall be distributed to the IT Director, Compliance Officer and CTGC. The Compliance Department shall report any items required by Title 31 to FinCEN.

11.10 Data Backups 543.20(j)

- A. Controls, as approved by TGA must include adequate backup, including, but not limited to, the following:
 - 1. Daily data backup of critical information technology systems;
 - 2. Data backup of critical programs or the ability to reinstall the exact programs as needed;
 - 3. Secured storage of all backup data files and programs, or other adequate protection;
 - 4. Mirrored or redundant data source; and
 - 5. Redundant and/or backup hardware.
- B. Controls, as approved by TGA must include recovery procedures, including, but not limited to, the following:
 - 1. Data backup restoration;
 - 2. Program restoration; and
 - 3. Redundant or backup hardware restoration.
- C. Recovery procedures must be tested on a sample basis at specified intervals at least annually. Results must be documented.
- D. 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.

11.11 Software Downloads 543.20(k)

- A. Downloads, either automatic or manual, must be performed in accordance with 25 CFR 547.12.

11.12 Verifying Downloads 543.20(l)

- A. Following download of any gaming system software, the gaming system must verify the downloaded software using a software signature verification method. Using any method it deems appropriate, TGA must confirm the verification.

Chapter 12 – Surveillance Minimum Internal Control Standards

12.1 Supervision

- A. Supervision must be provided as required for surveillance by an agent(s) with authority greater than those being supervised. MICS 543.21(a)

12.2 Surveillance Equipment and Control Room(s) MICS 543.21(b)

- A. Controls must be established and procedures implemented that include the following:
 1. The surveillance system must be maintained and operated from a staffed surveillance operation room(s).
 2. The surveillance operation room(s) must be secured to prevent unauthorized entry.
 3. Entrances to the Surveillance System monitoring room(s) shall not be visible from the Gaming Facility area.
 4. Access to the surveillance operation room(s) must be limited to surveillance agents, agents of the Tribal Gaming Agency, State Gaming Agency, and those specifically authorized by TGA.
 5. Surveillance operation room(s) access logs must be maintained.
 6. Surveillance operation room equipment must have total override capability over all other satellite surveillance equipment.
 7. Power loss to the surveillance system:
 - a. In the event of power loss to the surveillance system, an auxiliary or backup power source must be available and capable of providing immediate restoration of power to the surveillance system to ensure that surveillance agents can observe all areas covered by dedicated cameras.
 8. The surveillance system must record an accurate date and time stamp on recorded events. The displayed date and time must not significantly obstruct the recorded view.
 9. All surveillance agents must be trained in the use of the equipment, games, and house rules.
 10. Each camera required by the standards in this section must be installed in a manner that will prevent it from being readily obstructed, tampered with, or disabled.
 11. The surveillance system must:
 - a. Have the capability to display all camera views on a monitor;
 - b. Include sufficient numbers of recording devices to record the views of all cameras required by this section;
 - c. Record all camera views required by this section;

- d. Include sufficient numbers of monitors to simultaneously display gaming and count room activities;
 - e. Have light sensitive cameras with zoom, scan and tilt capabilities to effectively and clandestinely monitor in detail and from various vantage point the following: App A:21(2)(a)
 - i. The Gaming activities conducted in the Gaming Facility;
 - ii. The operations conducted at the cashier's cage and keno cage;
 - iii. The entire count process and any other activities conducted in the count room and the storage cabinets or trolleys used to store Drop Boxes;
 - iv. The movement of cash, gaming chips, and Drop Boxes in the establishment; and
 - v. The entrances and exits to the Gaming Facility and the count rooms.
 - vi. Such other areas as the Tribal Gaming Agency designates.
 - f. Digital images record and playback images with sufficient magnification and clarity that shows fluid motion and allows the viewer to clearly distinguish the value of currency, coins, gaming chips, playing cards, and outcome of the game and effectively monitor in detail all areas in the gaming facility where Class III gaming is conducted, including but not limited to table games; TLS; poker; keno stations; cages; count rooms; information technology department; and all gaming activity conducted by gaming employees, patrons or players; AAR-2017-01
 - g. Be capable of audio recording the entire count process and any other activities in the count room; TSC App. A:2(d)
 - h. Be equipped with an alarm that notifies the operator in the event of an equipment malfunction. Additionally, a periodic inspection of the surveillance systems must be conducted. When a malfunction of the surveillance system is discovered, the malfunction and necessary repairs must be documented, and repairs initiated within seventy- two (72) hours. If a dedicated camera malfunctions, alternative security procedures, such as additional supervisory or security agents, must be implemented immediately; and MICS 543.21(b)(11)
 - i. Be password protected with only system administrator user rights having the password to disable the erase and reformat functions.
12. Adequate lighting shall be present in all areas, including the gaming floor, where Surveillance System coverage is required.
13. Digital surveillance suppliers may have periodic access to perform routing

upgrades and maintenance under the following conditions:

- a. TGA must approve the remote access prior to it occurring;
- b. A log must be kept of the remote access to include who is accessing, time length of the remote access connection, and the address of the remote connection.
- c. All supplier representatives remotely accessing the Surveillance System must be licensed by the Tribe and Certified by the State Gaming Agency.
- d. At no time will the supplier representatives have access to manipulate or change live or recorded camera coverage.

12.3 Progressive Prize Meters Surveillance Standards

- A. Surveillance of the progressive prize meters for the gaming systems at the following thresholds:
 1. Wide area progressives for Class II gaming with a reset amount of \$1 million; and
 2. In-house progressives with a reset amount of \$250,000.
- B. Except as otherwise provided in paragraph (A)(1) of this section, gaming machines offering a payout of more than \$250,000 shall be monitored and recorded by a dedicated camera(s) to provide coverage of:
 1. All customers and employees at the gaming machine, and
 2. The face of the gaming machine, with sufficient clarity to identify the payout line(s) of the gaming machine.
- C. Progressive table games with a progressive jackpot of \$25,000 or more shall be monitored and recorded by dedicated cameras that provide coverage of:
 1. The table surface, sufficient that the card values and card suits can be clearly identified;
 2. An overall view of the entire table with sufficient clarity to identify customers and dealer; and
 3. A view of the progressive meter jackpot amount. If several tables are linked to the same progressive jackpot meter, only one meter need be recorded.

12.4 Other Compact Minimum Requirement

- A. Minimum surveillance coverage including, but not limited to the following: TSC App. A:6(3)(vi)
 1. The detection of cheating, theft, embezzlement, and other illegal activities in the gaming facility, count rooms, and cashier's cage;
 2. The video taping of illegal and unusual activities monitored;
 3. The notification of appropriate gaming facility supervisors, and TGA upon the

detection and taping of cheating, theft, embezzlement, or other illegal activities;

- B. No present or former surveillance department employee shall be employed in any other capacity in the tribal gaming operation unless the Tribal Gaming Agency, upon petition approves such employment in a particular capacity upon a finding that: TSC App. A:6(3)(vii)
 - 1. (i) one year has passed since the former surveillance department employee worked in the surveillance department; and
 - 2. (ii) surveillance and security systems will not be jeopardized or compromised by the proposed employment of the former surveillance department employee in the capacity proposed; and
 - 3. (iii) errors, irregularities, or illegal acts cannot be perpetrated and concealed by the former surveillance department employee's knowledge of the surveillance system in the capacity in which the former surveillance department employee will be employed.

12.5 Card Games/Table Games Surveillance Standards MICS 543.21(c)(3)

- A. Except for tournaments, a dedicated camera(s) with sufficient clarity must be used to provide:
 - 1. An overview of the activities on each table surface, including card faces and cash and/or cash equivalents;
 - 2. An overview of table/card game activities, including patrons and dealers; and
 - 3. An unobstructed view of all posted progressive pool amounts
- B. For 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.

12.6 Cage and Vault Surveillance Standards MICS 543.21(c)(4)

- A. The surveillance system must monitor and record a general overview of activities occurring in each cage and vault area with sufficient clarity to identify individuals within the cage and patrons and staff members at the counter areas and to confirm the amount of each cash transaction;
- B. Each cashier station must be equipped with one (1) dedicated overhead camera covering the transaction area; and
- C. 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.

12.7 Kiosk TSC App.X2:8.4; MICS 543.21(c)(6)

- A. 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.

12.8 Count Rooms Surveillance Standards MICS 543.21(c)(5); TSC App. A:6(3)(b)(iii)

- A. The surveillance system must monitor and record with sufficient clarity a general overview of all areas where cash or cash equivalents may be stored or counted; and
- B. The surveillance system must provide coverage of count equipment with sufficient clarity to view any attempted manipulation of the recorded data; and
- C. Audio capability in the count rooms.

12.9 Recording Retention MICS 543.21(e)

- A. Controls must be established and procedures implemented that include the following:
 - 1. All recordings required by this section must be retained for a minimum of seven (7) days; and
 - 2. Upon request of TGA or the State Gaming Agency, thirty (30) days, or for such longer period as may be required.
 - 3. Suspected crimes, suspicious activity, or detentions by security agents discovered within the initial retention period must be copied and retained for a time period, not less than 1 year.

12.10 Logs MICS 543.21(f)

- A. Logs must be maintained and demonstrate the following:
 - 1. Compliance with the storage, identification, and retention standards required in this section;
 - 2. Each malfunction and repair of the surveillance system as defined in this section; and
 - 3. Activities performed by surveillance agents as required by the controls in this section.
- B. The surveillance logs shall include, at a minimum, the following:
 - 1. Date and time of surveillance;
 - 2. Person initiating surveillance;
 - 3. Reason for surveillance;
 - 4. Time of termination of surveillance;
 - 5. Summary of the results of the surveillance;
 - 6. A record of any equipment or camera malfunctions

Chapter 13 – Drop & Count Minimum Internal Control Standards

13.1 Supervision MICS 543.17(a)

- A. Supervision must be provided for drop and count as needed by an agent(s) with authority greater than those being supervised.

13.2 Drop Boxes, Transportation to and from Gaming Station and Storage in the Count Room

TSC App. A:10

- A. All Drop Boxes removed from the gaming stations, player terminals, or kiosks will be transported, at a minimum, by one Security Department Member and one employee of the Tribal Gaming Operation directly to, and secured in, the count room.
- B. All Drop Boxes, not attached to a gaming station, will be stored in the count room in an enclosed storage cabinet or trolley and secured in such cabinet or trolley by a separately keyed, double locking system. The Key to one lock will be maintained and controlled by the security department and the Key to the second lock will be maintained and controlled by the Tribal Gaming Agency Inspector.
 - a. Alternatively, empty emergency drop cans may be stored in accordance to 6-AAR-2017-04 provided the gaming operation establishes a system of internal controls as approved by the Tribal Gaming Agency.
- C. Drop Boxes, when not in use during a shift may be stored on the gaming stations provided that there is adequate security. If adequate security is not provided during this time, the Drop Boxes will be stored in the count room in an enclosed storage cabinet or trolley as required in paragraph B.

13.3 Count Room Characteristics TSC App. A:18

- A. As part of the gaming operation, there shall be a room specifically designated for counting the contents of drop boxes which shall be known as the count room.
- B. The count room shall be designed and constructed to provide maximum security for the materials housed therein and for the activities conducted therein, to include at a minimum, the following:
 - 1. A door equipped with two separate locks securing the interior of the count room. The keys to which shall be different from any other Keys. One key shall be maintained, controlled and accessible by the security department in a secure area, and the other key maintained and controlled by a different gaming department or TGA;
 - 2. The security department shall establish a sign out procedure for all keys removed from the security department; and
 - 3. An alarm device connected to the entrance of the count room in such a manner as to cause a signal to the monitors of the surveillance system whenever the door to the count room is opened.
- C. Located within the count room shall be:
 - 1. A table constructed of clear glass or similar material for the emptying, counting and recording of the contents of the drop boxes which shall be known as the "Count Table";
 - 2. Surveillance cameras and microphones wired to monitoring rooms capable of, but not limited to the following: TSC App. A:21(2)(iii)

- a. Effective, detailed video and audio monitoring and recording of the entire count process and any other activities in the count room;
- b. Effective, detailed video-monitoring of the count room, including storage cabinets or trolleys used to store drop boxes.

13.4 Count Room Access MICS 543.17(b)

- A. 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. The Count room access list shall be submitted to TGA for approval.
 - a. The approved Count room access list shall be posted in clear view near the entrance of the Count room.
 2. Count team agents may not exit or enter the count room during the count except for emergencies or scheduled breaks. All count room team agents shall observe the same scheduled breaks.
 3. TGA may elect to have an Inspector present during the count.
 4. Surveillance must be notified immediately prior to the commencement of the count and whenever count room agents exit or enter the count room during the count.
 5. The count team policy, at a minimum, must address the transportation of extraneous items such as personal belongings, toolboxes, beverage containers, etc., into or out of the count room.

13.5 Count Team MICS 542.41(c)

- A. Controls must be established and procedures implemented to ensure security of the count and the count room to prevent unauthorized access, misappropriation of funds, forgery, theft, or fraud. Such controls must include the following:
 1. All counts must be performed by at least three agents.
 2. At no time during the count can there be fewer than three count team agents in the count room until the drop proceeds have been accepted into cage/vault accountability.
 3. Count team agents must be rotated on a routine basis such that the count team is not consistently the same three agents more than four days per week. This standard does not apply to gaming operations that utilize a count team of more than three agents.
 4. Functions performed by count team agents must be rotated on a routine basis.
 5. Count team agents must be independent of the department being counted. A cage/vault agent may be used if they are not the sole recorder of the count and do not participate in the transfer of drop proceeds to the cage/vault. An accounting agent may be used if there is an independent audit of all count documentation.

13.6 Card & Table Games Drop Standards 543.17(d)

- A. Controls must be established and procedures implemented to ensure security of the drop process. Such controls must include the following:
 1. Surveillance must be notified when the drop is to begin so that surveillance may monitor the activities.

2. At least two agents must be involved in the removal of the drop box, at least one of whom is independent of the card/table games department. At least one of whom is a member of the Security Department (TSC App. A:10(1)).
3. Once the drop is started, it must continue until finished.
4. All drop boxes may be removed only at the time previously designated by the gaming operation and reported to the TGA. If an emergency drop is required, surveillance must be notified before the drop is conducted and the TGA must be present for transport in accordance with 6-AAR-2017-05.
5. At the end of each shift:
 - a. All locked card/table game drop boxes must be removed from the tables by an agent independent of the card/table game shift being dropped;
 - b. For any tables opened during the shift, a separate drop box must be placed on each table, or a gaming operation may utilize a single drop box with separate openings and compartments for each shift; and
 - c. Card/Table game drop boxes must be transported directly to the count room by a minimum of two agents, at least one of whom is independent of the card/table game shift being dropped, until the count takes place and at least one of whom is a member of the Security Department (TSC App. A:10(1)).
6. All tables that were not open during a shift and therefore not part of the drop must be documented.
7. All card/table game drop boxes must be posted with a number corresponding to a permanent number on the gaming table and marked to indicate game, table number, and shift, except that emergency drop boxes may be maintained without such number or marking, provided the word "emergency" is permanently imprinted or impressed thereon and, when put into use, are temporarily marked with the number of the gaming station and identification of the game and shift.
8. One separate lock securing the contents placed into the drop box, the key to which shall be different from any other key (TSC App. A:9(2)(a)).
9. A separate lock securing the drop box to the gaming stations, the key to which shall be different from the key to the lock securing the contents of the drop box (TSC App. A:9(2)(b)).
10. The key utilized to unlock the drop boxes from the gaming stations shall be maintained and controlled by the security department (TSC App. A:9(3)).
11. The key to the lock securing the contents of the drop boxes shall be maintained and controlled by TGA (TSC App. A:9(4)).

13.7 EGM Drop Standards MICS 542.41(e)

- A. Surveillance must be notified when the drop is to begin so that surveillance may monitor the activities.
 - B. At least two agents must be involved in the removal of EGM drop boxes, at least one of whom is independent of the player interface department.
12. All drop boxes may be removed only at the time previously designated by the gaming operation and reported to the TGA. If an emergency drop is required, surveillance must be notified before the drop is conducted and the TGA present for transport in accordance with 6-AAR-2017-05.

- C. .
- D. The drop boxes must be removed by an agent independent of the Slot Department, then transported directly to the count room or other equivalently secure area with comparable controls and locked in a secure manner until the count takes place.
 - 1. Security must be provided for the drop boxes removed from player terminals and awaiting transport to the count room.
 - 2. Transportation of drop boxes must be performed by a minimum of two agents, at least one of whom is independent of the Slot Department and one of whom must be a member of the Security Department.
- E. All drop boxes must be posted with a number corresponding to a permanent number on the player terminal.
 - 1. In the event “smart cans” are used, the gaming station number will be maintained on a chip located in each individual drop can. The chip will track the gaming station, player terminal or kiosk number and may be cleared and reset as approved by the Tribal Gaming Agency. (TSC App. A:9(2)(d)(iii))

13.8 Count Standards MICS 543.17(g)

- A. Access to stored, full drop boxes must be restricted to:
 - 1. Authorized members of the drop and count teams; and
 - 2. In an emergency, authorized persons for the resolution of a problem.
- B. The count must be performed in the count room.
- C. The TGO will, at a minimum count the contents of Drop Boxes once each gaming day.
- D. Access to the count room during the count must be restricted to members of the drop and count teams, with the exception of authorized Inspectors, supervisors for resolution of problems, and authorized maintenance personnel.
- E. If counts from various revenue centers occur simultaneously in the count room, procedures must be in effect to prevent the commingling of funds from different revenue centers.
- F. Count equipment and systems must be tested, with the results documented, at minimum before the first count begins to ensure the accuracy of the equipment.
- G. The drop boxes must be individually emptied and counted so as to prevent the commingling of funds between boxes until the count of the box has been recorded.
 - 1. The count of each box must be recorded in ink or other permanent form of recordation.
 - 2. Coupons or other promotional items not included in gross revenue must be recorded on a supplemental document by either the count team members or accounting personnel. All single-use coupons must be cancelled daily by an authorized agent to prevent improper recirculation.
 - 3. If a currency counter interface is used:
 - a. It must be restricted to prevent unauthorized access; and
 - b. The currency drop figures must be transferred via direct communications line or computer storage media to the accounting department.

- H. Procedures and requirements for conducting the count shall be the following: TSC App. A:19(6)
1. As each Drop Box is placed on a count table, one count team member shall announce, in a tone of voice to be recorded by the audio recording device, the game, station number, and shift marked thereon or as displayed by the barcode scanner or “smart can” reader;
 2. The contents of each Drop Box shall be emptied and counted separately, and at all times be conducted in full view of the Surveillance System cameras located in the count room;
 3. Immediately after the contents of a Drop Box are emptied, the inside of the Drop Box shall be held up to the full view of a Surveillance System camera, and shall be shown to at least one other count team member to confirm that all contents of the Drop Box have been removed, after which the Drop Box shall be locked and placed in the storage area for Drop Boxes;
 4. The contents of each Drop Box shall be segregated by a count team member or currency counter into separate stacks by coin and currency and by type of form, record or document;
 5. Each denomination of coin and currency shall be counted twice by the count team members manually or using currency counters in full view of the Surveillance System cameras, and such count shall be observed and the accuracy confirmed orally or in writing, by at least two separate count team members. When using a currency counter and the two counts do not agree, the monies will be pulled and be re-processed. If the counts from the second attempt do not agree or the currency counter malfunctions, the currency will be counted manually;
 6. As the contents of each Drop Box is counted for gaming stations, one count team member shall record or verify on a Master Game Report, by game, station number, and shift, the following information:
 - a. The total amount of currency and coin counted;
 - b. The amount of the Opener;
 - c. The amount of the Closer;
 - d. The serial number and amount of each Fill;
 - e. The total amount of all Fills;
 - f. The serial number and amount of each Credit;
 - g. The total amount of all Credits; and
 - h. The win or loss
 - i. Such additional information as may be required on the Master Game Report by TGO
 7. As the contents of each Drop Box are counted for a player terminal or kiosk, one count team member shall record the box number and the total amount of currency counted. The Tribal Lottery System counts will be compared to the system reports. The count team must not have access to amount-in or bill-in meter amounts until after the count is completed and the drop proceeds are accepted into the cage/vault accountability.
 8. Notwithstanding the requirements of sub-paragraphs 6 and 7, if the Tribal Gaming Operation's system of accounting and internal controls provides for the recording

on the Master Game Report of fills, Credits, and station inventory slips by Cage Cashiers prior to the commencement of the count, a count team member shall compare for agreement the serial numbers and totals of the amounts recorded thereon to the fills, Credits, and station inventory slips removed from the Drop Boxes;

9. Notwithstanding the requirements of sub-paragraphs 6 and 7, if the Tribal Gaming Operation's system of accounting and internal controls provides for the count team functions to be comprised only of counting and recording currency, coin, and Credits; Accounting Department employees shall perform all other counting, recording and comparing duties herein;
 10. After completion and verification of the Master Game Report, each count team member shall sign the report attesting to the accuracy of the information recorded thereon;
 11. At no time after the Inspector has signed the Master Game Report shall any change be made to it without prior written approval of the Tribal Gaming Agency.
- I. If currency counters are utilized, a count team member must observe the loading and unloading of all currency at the currency counter, including rejected currency. MICS 543.17(g)(9)
 - J. Two counts of the currency rejected by the currency counter must be recorded per table, as well as in total. Posting rejected currency to a nonexistent table is prohibited. MICS 543.17(g)(10)
 - K. A final verification of the total drop proceeds must be performed by at least two agents, one of whom is a supervisory count team member, and one a count team agent. MICS 543.17(g)(15)(i-iii)
 1. Final verification must include a comparison of currency counted totals against the currency counter/system report, if any counter/system is used.
 2. Any unresolved variances must be documented, and the documentation must remain part of the final count record forwarded to accounting.
 3. 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.
 4. Procedures and requirements at the conclusion of the count shall be the following: TSC App. A:7
 - a. All cash removed from each Drop Box after the initial count shall be presented in the count room by a count team member to a cashier who, prior to having access to the information recorded on the Master Game Report and in the presence of the count team and the Inspector, shall recount, either manually or mechanically, the cash received, after which the Inspector shall sign the report evidencing his or her presence during the count and the fact that both the cashier and count team have agreed on the total amount of cash counted;
 - b. The top copy of the Master Game Report, after signing, and the requests for fills, the fills, the requests for Credits, the Credits, and the station inventory slips removed from Drop Boxes shall be transported directly to the Accounting Department and shall not be available to any cashier's cage personnel;
 - c. A duplicate of the Master Game Report, but no other document referred

to in this standard whatsoever, shall be retained by the Inspector.

- d. If the Tribal Gaming Operation's system of accounting and internal controls does not provide for the forwarding from the cashier's cage of the duplicate of the fills, Credits, Request for Credits, Request for Fills, such documents recorded or to be recorded on the Master Game Report shall be transported from the count room directly to the Accounting Department.
 - e. Only required personnel shall be present in the count room during the buy process (ie; count team, cage cashier, CTGC).
- L. The originals and copies of the Master Game Report, Request for Fills, Fills, Request for Credits, Credits and station inventory slips shall on a daily basis, in the Accounting Department be: TSC App. A:8
- 1. Compared for agreement with each other, on a test basis, by persons with no recording responsibilities and, if applicable, to triplicates or stored data;
 - 2. Reviewed for the appropriate number and propriety of signatures on a test basis;
 - 3. Accounted for by series numbers, if applicable;
 - 4. Tested for proper calculation, summarization, and recording;
 - 5. Subsequently recorded; and
 - 6. Maintained and controlled by the Accounting Department.

13.9 Kiosk

- A. Collecting currency cassettes and financial instrument storage components from kiosk. Controls must be established and procedures implemented to ensure that currency cassettes and financial instrument storage components are securely removed from kiosks. These controls shall include Controlled Keys as outlined in 13.10 below. Such controls must include the following: MICS 543.17(h)
- 1. Surveillance must be notified prior to and monitor the cash boxes, coin hoppers, and/or currency cassettes being accessed in a kiosk.
 - 2. At least two agents must be involved in the collection of currency cassettes, coin hoppers and/or cash boxes from kiosks and at least one agent should be independent of kiosk accountability.
 - 3. Currency cassettes, coin hoppers, and cash boxes must be secured in a manner that restricts access to only authorized agents.
 - 4. Redeemed vouchers collected from the kiosk must be secured and delivered to the appropriate department (cage 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. MICS 543.17(i)
 - a. Access to stored full kiosk cash boxes, coin hoppers and currency cassettes must be restricted to:
 - i. Authorized agents; and
 - ii. In an emergency, authorized persons for the resolution of a problem as outlined in the system of internal controls.
 - b. The kiosk count must be performed in a secure area, such as the cage or

count room.

- c. 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.
 - d. The kiosk cash boxes, coin hoppers, and currency cassettes must be individually emptied and counted so as to prevent the commingling of funds between kiosks until the count of the kiosks contents has been recorded.
 - i. The count of must be recorded in ink or other permanent form of recordation.
 - ii. 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.
 - e. 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.
6. Controls must be established and procedures implemented to safeguard the use, access, and security of keys for kiosks.

13.10 Controlled Keys MICS 542.41(n)

- A. Controls must be established and procedures implemented to safeguard the use, access, and security of keys in accordance with the following:
 1. Each of the following requires a separate and unique key lock or alternative secure access method:
 - a. Drop cabinet;
 - b. Drop box release;
 - c. Drop box content; and
 - d. Storage racks and carts.
 2. Access to and return of keys or equivalents must be documented with the date, time, and signature or other unique identifier of the agent accessing or returning the key(s).
 - a. At least three (3) agents are required to be present to access and return keys.
 - b. At least three (two for card game drop box keys in operations with three tables or fewer) agents are required to be present at the time count room and other count keys are issued for the count.
 3. 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.
 4. 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. While performing the drop, the Drop Team shall not be in possession of both release keys, and content keys.

- a. In the event Security acts as the drop team, the key administrator/custodian shall be precluded from access to the drop box release keys while a drop is conducted.
5. 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.
6. Other than the count team, only agents authorized to remove drop boxes are allowed access to drop box release keys.
7. Any use of keys at times other than the scheduled drop and count must be properly authorized and documented.
8. Emergency manual keys, such as an override key, for computerized, electronic, and alternative key systems must be maintained in accordance with the following:
 - a. Access to the emergency manual key(s) used to access the box containing the player terminal drop and count keys requires the involvement of at least three agents with two agents from separate departments, including management. The date, time, and reason for access, must be documented with the signatures of all participating persons signing out/in the emergency manual key(s);
 - b. The custody of the emergency manual keys requires the presence of two agents from separate departments from the time of their issuance until the time of their return; and
 - c. Routine physical maintenance that requires access to the emergency manual key(s), and does not involve accessing the player interface drop and count keys, only requires the presence of two agents from separate departments. The date, time, and reason for access must be documented with the signatures of all participating agents signing out/in the emergency manual key(s).

13.11 Variance

- A. The operation must establish, as approved by the TGA, a threshold level at which variance must be reviewed to determine the cause. Any such review must be documented. MICS 543.17(k)

Chapter 14 – Audit & Accounting Minimum Internal Control Standards

14.1 Conflicts of standards MICS 543.23(a)

- A. 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 TICS and the incorporated external standards, the external standards prevail.

14.2 Signatures TSC App. A:20(1)

- A. Signatures shall:
 1. Be, at a minimum, the signer's first initial and last name;
 2. Include his or her certificate or permit number; and
 3. Signify the signer has prepared forms, and documents, and/or authorized to a sufficient extent to attest to the accuracy of the information recorded thereon, in conformity with these standards and the TGO SICS.

14.3 Accounting 543.23(b)

- A. Controls must be established and procedures implemented to safeguard assets and ensure each gaming operation:
 1. Prepares accurate, complete, legible, and permanent records of all transactions pertaining to gaming revenue and activities for operational accountability.
 2. Prepares general accounting records on a double-entry system of accounting, maintaining detailed, supporting, subsidiary records, and performs the following activities:
 - a. Record gaming activity transactions in an accounting system to identify and track all revenues, expenses, assets, liabilities, and equity;
 - b. returned checks
 - c. Record journal entries prepared by the gaming operation and by any independent accountants used;
 - d. Prepare income statements and balance sheets;
 - e. Prepare appropriate subsidiary ledgers to support the balance sheet;
 - f. Prepare, review, and maintain accurate financial statements;
 - g. Prepare transactions in accordance with the appropriate authorization, as provided by management;
 - h. Record transactions to facilitate proper recording of gaming revenue and fees, and to maintain accountability of assets;
 - i. Compare recorded accountability for assets to actual assets at periodic intervals, and take appropriate action with respect to any variances;
 - j. Segregate functions, duties, and responsibilities;
 - k. Prepare minimum bankroll calculations; and

1. Maintain and preserve all financial records and relevant supporting documentation.

14.4 Internal Audit 543.23(c)

- A. Internal auditor(s) perform audits of each department of a gaming operation, at least annually, to review compliance with the TICS, SICS, and the Tribal State Compact which include at least the following areas:
 1. Bingo, including supervision, bingo cards, bingo card sales, draw, prize payout; cash and equivalent controls, technologic aids to the play of bingo, operations, vouchers, and revenue audit procedures;
 2. Card games, including supervision, exchange or transfers, playing cards, skill funds, reconciliation of card room bank, posted rules, and promotional progressive pots and pools;
 3. Gaming promotions and player tracking procedures, including supervision, gaming promotion rules and player tracking systems;
 4. Complimentary services or items, including procedures for issuing, authorizing, redeeming, and reporting complimentary service items;
 5. Drop and count standards, including supervision, count room access, count team, card game drop standards, player interface and financial instrument drop standards, card game count standards, player interface financial instrument count standards, and controlled keys;
 6. Cage, vault, cash and cash equivalent procedures, including supervision, cash and cash equivalents, personal checks, cashier's checks, traveler's checks, payroll checks, and counter checks, cage and vault accountability, kiosks, patron deposited funds, promotional payouts, drawings, and giveaway programs, chip and token standards, and cage and vault access;
 7. Information technology, including supervision, gaming systems' logical and physical controls, independence, physical security, logical security, user controls, installations and/or modifications, remote access, incident monitoring and reporting, data back-ups, software downloads, and verifying downloads; and
 8. Accounting standards, including accounting records, maintenance and preservation of financial records and relevant supporting documentation.
- B. Internal auditor(s) are independent of gaming operations with respect to the departments subject to audit.
- C. Internal auditor(s) report directly to the Tribe, or other entity designated by the Tribe.
- D. Documentation such as checklists, programs, reports, etc. is prepared to evidence all internal audit work and follow-up performed as it relates to the requirements in this section, including all instances of noncompliance.
- E. Audit reports are maintained and made available to the NIGC upon request and must include the following information:
 1. Audit objectives;
 2. Audit procedures and scope;
 3. Findings and conclusions;
 4. Recommendations, if applicable; and
 5. Management's response.

- F. All material exceptions identified by internal audit work are investigated and resolved and the results are documented.
- G. Internal audit findings are reported to management, responded to by management stating corrective measures to be taken, and included in the report delivered to management, the Tribe, TGA, audit committee, or other entity designated by the Tribe for corrective action.
- H. Follow-up observations and examinations is performed to verify that corrective action has been taken regarding all instances of non-compliance. The verification is performed within six (6) months following the date of notification of non-compliance.

14.5 Annual Requirements 542.23(d)

- A. Agreed upon procedures. A CPA must be engaged to perform an independent assessment to verify whether the gaming operation is in compliance with the MICS, and/or the TICS or SICS if they provide at least the same level of controls as the MICS. The independent 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.
- B. The TGO must submit two copies of the agreed-upon procedures report to TGA, WSGC, and NIGC within 120 days of the gaming operation's fiscal year end in conjunction with the submission of the annual financial audit report required pursuant to TSC and 25 CFR part 571.
- C. Review of internal audit
 - 1. The CPA must determine compliance by the gaming operation with the internal audit requirements in this section 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.
- D. Report format. The SSAEs are applicable to agreed-upon procedures engagements required in this part. All noted instances of noncompliance with the MICS and/or the TICS or SICS, if they provide the same level of controls as the MICS, must be documented in the report with a narrative description, the number of exceptions and sample size tested.

Chapter 15 – Auditing Revenue Minimum Internal Control Standards

15.1 Supervision 543.24(a)

- A. Supervision must be provided as required for operations by an agent(s) with authority greater than those being supervised.

15.2 Independence 543.24(b)

- A. Audits must be performed by agent(s) independent of the transactions being audited.

15.3 Documentation 543.24(c)

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

15.4 Controls

A. Bingo 543.24(d)(1)

1. 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.
2. Daily, reconcile supporting records and documents to summarized paperwork or electronic records (e.g. total sales and payouts per shift and/or day).
3. 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 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.
4. At least monthly, review statistical reports for any deviations from the mathematical expectations exceeding a threshold established by the TGA. Investigate and document any deviations compared to the mathematical expectations required to be submitted per §547.4.
5. 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.

B. Card games 543.24(d)(3)

1. Daily, 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 and adjustments.
2. At least monthly, review all payouts for the promotional progressive pots, pools, or other promotions to verify payout accuracy and proper accounting treatment and that they are conducted in accordance with conditions provided to the patrons.
3. 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.

- C. Gaming promotions and player tracking 543.24(d)(4)
1. At least monthly, review promotional payments, drawings, and giveaway programs to verify payout accuracy and proper accounting treatment in accordance with the rules provided to patrons.
 2. At least monthly, for computerized player tracking systems, perform the following procedures:
 - a. Review authorization documentation for all manual point additions/deletions for propriety;
 - b. Review exception reports, including transfers between accounts; and
 - c. Review documentation related to access to inactive and closed accounts.
 3. At least annually, all computerized player tracking systems must be reviewed by agent(s) independent of the individuals that set up or make changes to the system parameters. The review must be performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization Document and maintain the test results.
- D. Complimentary services or items. 543.24(d)(5)
1. At least monthly, review the complimentary services and items report for proper authorization and compliance with established authorization thresholds. These reports must be made available to those entities authorized by TGA or by tribal law or ordinance.
- E. Drop and count 543.24(d)(8)
1. At least quarterly, unannounced currency counter and currency counter interface (if applicable) tests must be performed, and 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 TGA. The result of these tests must be documented and signed by the agent(s) performing the test.
 2. At least quarterly, unannounced weigh scale and weigh scale interface (if applicable) tests must be performed, and the test results documented and maintained. This test may be performed by internal audit or the TGA. The result of these tests must be documented and signed by the agent(s) performing the test.
 3. For computerized key security systems controlling access to drop and count keys, perform the following procedures:
 - a. At least quarterly, review the report generated by the computerized key security system indicating the transactions performed by the individual(s) that adds, deletes, and changes users' access within the system (i.e., system administrator). Determine whether the transactions completed by the system administrator provide adequate control over the access to the drop and count keys. Also, determine whether any drop and count key(s) removed or returned to the key cabinet by the system administrator was properly authorized;
 - b. At least quarterly, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual drop and count key removals or key returns occurred; and
 - c. At least quarterly, review a sample of users that are assigned access to

the drop and count keys to determine that their access to the assigned keys is appropriate relative to their job position.

4. At least quarterly, an inventory of all controlled keys must be performed and reconciled to records of keys made, issued, and destroyed. Investigations must be performed for all keys unaccounted for, and the investigation documented.

F. Cage, vault, cash, and cash equivalents 543.24(d)(8)

1. At least monthly, the cage accountability must be reconciled to the general ledger.
2. At least monthly, trace the amount of cage deposits to the amounts indicated in the bank statements.
3. Twice annually, a count must 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. Count all chips and tokens by denomination and type. Count individual straps, bags, and imprest banks on a sample basis. Reconcile all amounts counted to the amounts recorded on the corresponding accountability forms to ensure that 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 must be completed within the same gaming day for all areas.
 - a. Counts must 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 that the proper dollar amount has been recorded.
5. At 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. At least monthly, review a sample of returned checks to determine that the required information was recorded by cage agent(s) when the check was cashed.
7. At least monthly, review exception reports for all computerized cage systems for propriety of transactions and unusual occurrences. The review must include, but is not limited to, voided authorizations. All noted improper transactions or unusual occurrences identified must be investigated and the results documented.
8. Daily, 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.

G. Electronic Gaming Machine 542.13(m)

1. Electronic game accounting/auditing procedures shall be performed by employees who are independent of the transactions being reviewed
2. Procedures shall be performed at least monthly to verify that the Player Account Server is transmitting and receiving data properly and to verify the continuing accuracy of the ticket-in meter readings as recorded in the statistical reports.

3. For each drop period, accounting/auditing personnel shall compare the bill-in meter reading to the actual drop amount. Discrepancies should be resolved prior to generation/distribution of statistical reports
4. Follow-up shall be performed for any one machine having an unresolved variance between actual drop and bill-in meter reading in excess of 3%. The follow-up performed and results of the investigation shall be documented and maintained.
5. At least weekly, accounting/auditing employees shall compare the bill-in meter reading to the total currency acceptor drop amount for the week. Discrepancies shall be resolved prior to the generation/distribution of electronic game statistical reports.
6. TGA shall be immediately notified of the existence of any unresolved variance.
7. The follow-up performed and results of the investigation shall be documented and maintained for inspection by TGA.
8. At least annually, accounting/auditing personnel shall randomly verify that EPROM or other equivalent game software media changes are properly reflected in the gaming machine analysis reports.
9. Accounting/auditing employees shall review exception reports for all computerized electronic game systems on a daily basis for propriety of transactions and unusual occurrences.
10. All electronic game auditing procedures and any follow-up performed shall be documented and maintained for inspection.

H. Table Games 542.12(j)

1. The accounting and auditing procedures shall be performed by personnel who are independent of the transactions being audited/accounted for.
2. If a table game has the capability to determine drop, the dollar amount of the drop shall be reconciled to the actual drop by shift.
3. Accounting/auditing employees shall review exception reports for all computerized table games systems at least monthly for propriety of transactions and unusual occurrences.
4. All noted improper transactions or unusual occurrences shall be investigated with the results documented.
5. Evidence of table games auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to TGA upon request.
6. 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.

Chapter 16 - Progressive Jackpot Standards

16.1 Defining Progressive Jackpot also known as "player-supported jackpot."

- A.** "Player-supported jackpot" (PSJ) means a separate contest of chance directly related to the play or outcome of an authorized Table Game, Tribal Lottery System, or Electronic Bingo game.
 - 1.** In PSJs, operations:
 - a.** Collect funds from the players' wagers (the pot) for a separate prize; and
 - b.** Act only as the custodian of the PSJ funds, including any interest earned on this money; and
 - c.** Maintain no legal right to the funds, except for administrative fees; and
 - d.** Must strictly account for all funds.

16.2 Getting approval for player-supported jackpots

- A.** To get a PSJ approved, operations must make a written request, including, at least:
 - 1.** For Table Games, a detailed description of the game associated with the PSJ; and
 - 2.** All internal control procedures associated with the PSJ and accounting for funds and prizes; and
 - 3.** The name of the prize fund custodian.
- B.** Operations must get Tribal Gaming Agency written approval before making any changes to the PSJ.

16.3 Naming a prize fund custodian for a player-supported jackpot

- A.** Operations must identify the prize fund custodian by position who is responsible and accountable for safeguarding player-supported jackpot funds, and for disbursing funds to winners.

16.4 Posting rules for a player-supported jackpot

- A.** Operations must provide a pamphlet or prominently post a sign stating:
 - 1.** How they will distribute player supported jackpot (PSJ) money if they discontinue the PSJ or stop operating the game; and
 - 2.** Conditions under which prizes may be won; and
 - 3.** Prize amount; and
 - 4.** Cost to participate; and
 - 5.** Administrative fees; and
 - 6.** Any other conditions which may affect the outcome of the game.

16.5 Seeding a player-supported jackpot

- A.** Operations may:
 - 1.** Seed a PSJ and replenish the PSJ when depleted; and
 - 2.** Recover seed money.

16.6 Collecting funds for a player-supported jackpot

- A.** Operations may collect funds from the pot for each player-supported jackpot.

1. Operations must keep these funds separate from all other fees.
- 16.7 Collecting an administrative fee on the player-supported jackpot**
- A. Operations may collect an administrative fee of up to ten percent of the funds collected for a player supported jackpot (PSJ). Operations must deduct no other expenses from the PSJ account.
- 16.8 Accounting for player-supported jackpot funds.**
- A. Operations must:
 1. Maintain a separate accounting fund for holding player-supported jackpot (PSJ) funds; and
 2. Deposit only funds from PSJs into the account; and
 3. Identify all deposits or transfers of PSJ funds by the type of PSJ fund and date of collection; and
 4. Transfer the amount from the PSJ account to the cage or general account before the end of the month if PSJ prizes are paid from the cage or general account. The licensee must keep the transfer information as part of the written records; and
 5. Reconcile the account balance in the progressive meters to the PSJ prize balance on the PSJ prize fund accrual record each month. "Reconcile" means the licensee operation must compare the two balances, resolve any differences, and document the comparison and the differences in writing. Operations must keep the reconciliation as part of their records.
 6. Any unresolved variances shall be reported to the Tribal Gaming Agency with seven (7) days.
- 16.9 Paying out prizes on a player-supported jackpot.**
- A. Operations must award all player-supported jackpot funds as prizes; and
 - B. Prizes of five thousand dollars or less may be paid in cash or chips; and
 - C. Prizes not awarded at the time of PSJ win must be paid within twenty-four hours with a check that provides a duplicate copy; and
 - D. Operations must maintain a record of all prizes paid.
- 16.10 Removing a player-supported jackpot from play.**
- A. If Operations discontinue a PSJ, they must distribute the balance, less any seed money, to players within thirty days by offering an approved promotion or tournament of the same game played to fund the PSJ.
- 16.11 Resolving disputes over player-supported jackpots.**
- A. (1) If a dispute arises involving the outcome of a player-supported jackpot (PSJ), Operations must:
 1. Preserve the video recording and all records for the game where the dispute occurred; and
 2. Document all information about the dispute, including:
 - a. The names, addresses, and phone numbers of all players, staff, and any witnesses involved; and
 - b. The amount of the advertised PSJ; and

c. A full description of the circumstances surrounding the dispute; and

3. Notify the Tribal Gaming Agency immediately of any unresolved player disputes.

B. The Tribal Gaming Agency will investigate complaints involving PSJ disputes and may issue a written decision which is final.

C. Operation must not award or advertise the prize amount which is in dispute until it is resolved.

17.1 Reports of Transactions in Currency §1021.310

- A. A report of each transaction in currency involving either cash-in or cash-out of more than \$10,000 must be filed with FinCEN.
- B. Multiple currency transactions are treated as a single transaction if the gaming operation has knowledge that the multiple currency transactions are by or on behalf of any person and result in either cash-in or cash-out totaling more than \$10,000 during any gaming day.
 - 1. Knowledge is deemed to exist if any manager, director, or employee of the gaming operations, acting within the scope of his or her employment, has knowledge that such multiple currency transactions have occurred.
 - 2. Knowledge also includes that obtained from examining information recorded on books, records, logs, magnetic disk/tape/machine-readable media, and information maintained by the gaming operations pursuant to any law or regulation or within the ordinary course of its business, and which contain information that such multiple currency transactions have occurred.

17.2 Reports of Suspicious Transactions §1021.320

- A. A report of any suspicious transaction relevant to a possible violation of law or regulation must be filed with FinCEN. This includes any suspicious transaction that is believed relevant to the possible violation of any law or regulation but whose reporting is not required because of its dollar amount.
- B. A transaction is suspicious if it is conducted or attempted by, at, or through a gaming operation and involves aggregates at least \$5,000 in funds or other assets, and the gaming operation knows, suspects, or has reason to suspect that the transaction (or a pattern of transactions of which the transaction is a part):
 - 1. Involves funds derived from illegal activity or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity (including, without limitation, the ownership, nature, source, location, or control of such funds or assets) as part of a plan to violate or evade any federal law or regulation or to avoid any transaction reporting requirement under federal law or regulation;
 - 2. Is designed, whether through structuring or any other means, to evade any requirements any regulations promulgated under the Bank Secrecy Act; or
 - 3. Has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and the gaming operation knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction.
- C. Reports of suspicious activity (Suspicious Activity Reports by Casinos, a.k.a. SARC's) are to be filed with FinCEN no later than 30 calendar days after the date of the initial detection of facts that may constitute a basis for possible violation of law or regulation. If no suspect is identified on the date of such initial detection, a delay of an additional 30 calendar days is permitted. In no case shall reporting be delayed by more than 60 calendar days after the initial detection. In situations involving violations that require immediate attention, such as ongoing money laundering schemes, the gaming operation shall immediately notify by telephone an appropriate law enforcement authority in addition to filing the SARC.

- D. The gaming operation shall maintain a copy of any SARC filed and the original or business record equivalent of any supporting documentation for a period of five years from the date of filing the SARC. Supporting documentation shall be identified as such and maintained by the gaming operation and shall be deemed to have been filed with the SARC.
- E. The gaming operation shall make all supporting documentation available to FinCEN and any other appropriate law enforcement agencies or federal, state, local, or tribal gaming regulators upon request.
- F. No director, employee, or agent of the gaming operation who has reported a suspicious transaction may notify any person involved in the transaction that the transaction has been reported. Any subpoena or request to disclose a SARC or the information contained in a SARC, other than by FinCEN or another appropriate law enforcement or regulatory agency, shall be declined to include any information that a SARC has been prepared or filed. FinCEN shall be informed of any such request and the response given to such a request.

17.3 Filing of Reports §1021.311

- A. Reports of Transactions in Currency shall be filed within 15 days following the day on which the reportable transaction occurred.
- B. A copy of each report filed shall be retained for a period of five years from the date of the report.
- C. All reports required to be filed shall be filed with the Commissioner of Internal Revenue, unless otherwise specified.
- D. Reports required shall be filed on forms prescribed by the Secretary of the Treasury. All information called for in such forms shall be furnished.
- E. Forms to be used in making the reports required may be obtained from the Internal Revenue Service.

17.4 Identification Required §1021.312

- A. Before concluding any transaction with respect to which a report is required, the name and address of the individual presenting a transaction shall be verified and recorded. Also recorded shall be the identity, account number, and the social security or taxpayer identification number, if any, of any person on whose behalf such transaction is to be effected.
- B. Verification of the identity of an individual who indicates that he or she is an alien or is not a resident of the United States must be made by passport, alien identification card, or other official document evidencing nationality or residence (e.g., a Provincial driver's license with indication of home address).
- C. Verification of identity in any other case shall be made by examination of a document that is normally acceptable as a means of identification e.g., a driver's license.
- D. In each instance, the specific identifying information (i.e., the driver's license number, passport number, etc.) used in verifying the identity of the customer shall be recorded on the report. Mere notation of "known customer" or "player tracking info on file" on the report is prohibited.

17.5 Records to be Made and Retained §1021.400-410

Each gaming operation shall retain either the original or a microfilm or other copy or reproduction of each of the following:

- A. All records, documents, or manuals required to be maintained by regulations of NIGC, WSGC, or TGA.
- B. All records that are prepared or used by a gaming operation to monitor a customer's gaming activity.
- C. A separate record containing a list of each transaction between the gaming operation and its customers involving any monetary instruments having a face value of \$3,000 or more. Applicable transactions will be placed on the list in the chronological order in which they occur. This list will contain:
 - 1. The time, date, and amount of the transaction;
 - 2. The name and permanent address of the customer;
 - 3. The type of instrument;
 - 4. The name of the drawee or issuer of the instrument;
 - 5. All reference numbers of the instrument; and
 - 6. The name and license number of the gaming operation employee who conducted the transaction.
- D. A copy of the Compliance Program described below. §1021.210(b)

17.6 Nature of Records and Retention Period §1010.410

- A. Wherever it is required that there be retained either the original or a microfilm or other copy or reproduction of a monetary instrument, there shall be retained a copy of both front and back of each such instrument or document, except that no copy need be retained of the back of any instrument or document which is entirely blank or which contains only standardized printed information, a copy of which is on file.
- B. All records that are required to be retained shall be retained for a period of five years.
- C. All such records shall be filed or stored in such a way as to be accessible within a reasonable period of time, taking into consideration the nature of the records, and the amount of time expired since the record was made.

17.7 Structuring Transactions §1010.314

- A. No person shall for the purpose of evading the reporting requirements of these regulations with respect to each such transaction:
 - 1. Cause or attempt to cause the gaming operation to fail to file a report required under Title 31.
 - 2. Cause or attempt to cause a gaming operation to file a report required under Title 31 that contains a material omission or misstatement of fact; or
 - 3. Structure or assist in structuring, or attempt to structure or assist in structuring, in any manner, any transaction for the purpose of evading the reporting requirements of Title 31.

17.8 Compliance Program §1021.210(b)

- A. Each gaming operation shall develop and implement a written program reasonably designed to assure and monitor compliance with the requirements of Title 31.
- B. At a minimum, each compliance program shall provide for:
 - 1. A system of internal controls to assure ongoing compliance;
 - 2. Annual internal and/or external independent testing of compliance, including,

without limitation, an annual statement whether internal controls and procedures are working effectively to detect and report suspicious transactions of \$5,000 or more, and currency transaction of more than \$10,000, to the proper authorities, as required by Title 31, and to comply with the record keeping and compliance program standards of this part.

3. Training of gaming operations personnel, including training in the identification of unusual or suspicious transactions
4. An individual or individuals to assure day-to-day compliance;
5. Procedures for using all available information to determine:
 - a. When required, the name, address, social security number, and other information and verification of the same, of a person;
 - b. The occurrence of any transactions or patterns of transactions required to be reported including, without limitation, any transactions or patterns of transactions indicated by accounts or records maintained by the gaming operation to record or monitor customer activity.
 - c. Whether any record as described must be made and retained; and
6. For gaming operations that have automated data processing systems, the use of automated programs to aid in assuring compliance.

Chapter 18 - Keno Minimum Internal Control Standards

18.1 Keno Definitions

- A. "Ball draw equipment" means any mechanical device, apparatus, or equipment which facilitates the random selection of numbered Keno balls.
- B. "Game Grid" means the consecutively numbered field from one (1) to eighty (80) numbers on which Winning Numbers and Winning Plays are designated.
- C. "Informational Materials" means printed materials explaining rules of play; prizes; deadlines for redeeming prizes; and rules concerning splitting of prizes when necessary.
- D. "Inside Ticket" means a form on which the players indicate their selections, which may include a request for a Quick Pick Selection to be issued through the use of a Quick Pick Device.
- E. "Keno" means a numbers game where players choose from one to ten numbers out of a pool of eighty and winners are determined by correctly matching selected numbers to twenty randomly selected numbers.
- F. "Keno Manager" means the person responsible for controlling Keno department operations, who safeguards Keno assets and ensures compliance with applicable laws and regulations. Shares the duty of approving payouts of \$4,000.00 or more with the Casino Shift Manager.
- G. "Keno Runner" means any person authorized by the Tribal Gaming Agency to accept completed Inside Tickets, and the prizes thereof, and to return Outside Tickets and prizes won, acting as an agent of the player.
- H. "Keno Shift Manager" means the person responsible for all Keno department operations during his or her assigned shift.
- I. "Keno Shift Supervisor" means the person who in the absence of the Keno Shift Manager is responsible for all Keno department operations during his or her assigned shift.
- J. "Keno System" means the collection of hardware and software components which facilitate the play, reporting, and security of the Keno game. The System includes: number selection devices, databases, servers, networking devices, management terminals, kiosks, and other components used as integral parts of the Keno game
- K. "Keno Writer" means a person who operates the Random Number Generator authorized by the Tribal Gaming Agency to select Winning Numbers for each game, and is also authorized by the Tribal Gaming Agency to validate completed Inside Tickets, verify and accept the authorized price thereof, issue Outside and Quick Pick Tickets, and make payments for winning Outside Tickets.
- L. "Kiosk" means an employee staffed computer or device, where Keno tickets may be purchased or redeemed.
- M. "Number" or "Spot" means any of the numbers on the Game Grid.
- N. "Outside Ticket" means the computer generated and printed form which indicates the numbers selected and conditions of the wager made by a player on an Inside Ticket, which may be a Quick Pick Selection.
- O. "Play" means a selection of one or more groups of up to twenty (20) numbers in one (1) to twenty-six (26) groups. No Play or wager shall be deemed made until an Outside Ticket has

been issued by a Keno Writer in receipt for an Inside Ticket and the prices of Plays indicated thereon.

- P. "Promotional Prize" means a prize established by management and approved by the Tribal Gaming Agency for promotional purposes, and which deviates from the Standard Prize.
- Q. "Quick Pick Device" means a Random Number Generator authorized by the Tribal Gaming Agency for making Quick Pick Selections.
- R. "Quick Pick Selection" means any Play made through the use of a Quick Pick Device.
- S. "Quick Pick Ticket" means the form of an Outside Ticket designated by the Tribal Gaming Agency issued through the use of a Quick Pick Device.
- T. "Rabbit Ears" means a device, generally V-shaped, that is attached to the Keno blower and holds the numbered balls selected during a Keno game so that the numbers are visible to players and employees.
- U. "Random number generator" means a hardware or software component which randomly generates Keno numbers.
- V. "Standard Prize" means the standard prizes established by management and approved by the Tribal Gaming Agency for matching a required quantity of player or quick pick selected numbers with Winning Numbers in any given game.
- W. "Ticket" means a physical ticket issued to a player which includes applicable game play and wagering information.
- X. "Transaction log" means a record of the information printed on each ticket which is either recorded electronically by the system or printed out physically.
- Y. "Win" means prizes paid.
- Z. "Winning Numbers" means the twenty (20) numbers, from one (1) to eighty (80), which are randomly selected for each game.
- AA. "Winning Plays" means those combinations of numbers entitled to Standard Prizes or Promotional Prizes.
- BB. "Write" means gross revenue from Keno ticket sales.
- CC. "Writer" means Keno employee who staffs a Kiosk.
- DD. "Way" means a "Play" when more than one "Play" is made on the same "Inside Ticket".

18.2 Rules of Play

- A. Twenty (20) numbers are randomly drawn by the house for each game. The game is played by matching players' numbers with those drawn by the house. Predetermined prizes are awarded based on how many matching numbers are drawn.
- B. Players make Plays by directly marking their selections on an Inside Ticket, requesting a Quick Pick Selection or by requesting the replay of an Outside Ticket from a previous game.
- C. The player's Inside Ticket must be validated by a Keno Writer and paid for before it is placed in play. No Play shall be deemed made until an Outside Ticket verifying the validity of and receipt of the authorized price for the Inside Ticket has been issued by a Keno Writer. No Play may be validated after a Keno Writer declares the game closed. All games shall be closed at least five (5) seconds before the Winning Numbers are selected.

- D. The game is played when and where the Outside Tickets are validated by a Keno Writer, and shall be deemed completed when a Keno Writer selects the twentieth (20) Winning Number. All selections of Winning Numbers by a Keno Writer shall be conducted in full view of the public. All numbers selected will be prominently displayed immediately upon selection.
- E. A Winning Play is achieved when the Play results in a quantity of player or Quick Pick selected Numbers matching Winning Numbers which have been drawn for that game. Management shall publish in the Informational Materials a Standard Prize schedule, and any Promotional Prizes to be offered, as approved by the Tribal Gaming Agency.
- F. After selection of the twentieth (20) Winning Number, the Keno Shift Manager or Keno Shift Supervisor will verify the numbers drawn for the game and authorize payment of prizes due in connection therewith. The Keno Manager or Casino Shift Manager will personally authorize payments of all prizes of \$4,000.00 and over. Unless otherwise specified by the Tribal Gaming Agency prior to the game, winning Outside Tickets which are not submitted for verification within five (5) games of the last game number shown on the Outside Ticket shall be void, and any prize to which the holder of such Outside Ticket would have been entitled shall be forfeited.
- G. Any player who claims to have won a prize must present a validated Outside Ticket to a Keno Writer. In addition, the claimant may be required to complete a claim form and submit it prior to validation and payment. The apparent winning Outside Ticket must be presented in person, or through the services of a Keno Runner acting as the player's agent. In addition, a player may be required to complete any applicable tax forms prior to receiving payment, which may be subject to the deduction of withholding taxes.
- H. A Keno Writer will promptly present the prize to the claimant in payment of the amount due, less any withholding required, or will notify the claimant that the Outside Ticket is not a Winning Play, is not entitled to a prize, and that the claim is denied. Non-winning Outside Tickets may be retained by management, and not returned to the claimant.

18.3 Tickets

- A. Players select the numbers they wish to play on the form provided (Inside Ticket) and purchase a ticket from a kiosk (Outside Ticket).
- B. The Outside Ticket includes the numbers selected, date, game number, conditioning, ticket sequence number and the kiosk number.
- C. Matching information from the ticket is written concurrently to the Transaction log.
- D. When it is necessary to void a ticket, the void information is input into the system which documents the appropriate information pertaining to the voided wager (e.g., void slip is issued or equivalent documentation is generated).
- E. Physical and operational controls should prevent the writing and voiding of tickets after a game has been closed and after the number selection process has begun.
- F. Copies of all Keno tickets shall be maintained for at least 7 days.

18.4 Price of Play

The price of each Play shall be established by management and approved by the Tribal Gaming Agency. The total cost for purchasing an Outside Ticket shall equal the sum of prices for all Plays designated on the Inside Ticket. Management may, but shall not be required to, offer special prices for Promotional Plays and Ways, as approved by the Tribal Gaming Agency.

18.5 Prizes

- A. The prize amounts to be paid to each player who selects a winning combination of numbers shall be determined by management as approved by the Tribal Gaming Agency, and the prize structure may vary from time to time. There shall be a basic or Standard Prize schedule. From time to time, management as approved by the Tribal Gaming Agency may create Promotional Prize structures. Payment of all prizes will be in compliance with the requirements of Section 2 above.
- B. A Winning Play shall only be entitled to the greatest available prize for such Play. Lesser included Winning Plays within such Play shall not be awarded prizes.
- C. In determining Standard and Promotional Prizes, management as approved by the Tribal Gaming Agency may declare, in advance of any game, that multiple winners for identical Winning Plays shall split the prizes for such Plays. In such cases, the condition that such prizes will be split shall be printed on the Inside Tickets for such games and in any Informational Materials distributed to players in connection therewith.
- D. Prize schedules will be posted in a conspicuous location, in the vicinity of the place where a Keno Writer selects the Winning Numbers, and shall be available through the Informational Materials which shall be made available to players upon request before any game is played.

18.6 Drawings of Winning Numbers

- A. Drawings of Winning Numbers will be conducted in the location and at the times designated by management as approved by the Tribal Gaming Agency. Management as approved by the Tribal Gaming Agency may change the drawing schedule or cancel drawings at any time. Winning Numbers are not official until verified by the Keno Shift Manager or Keno Shift Supervisor.
- B. The Tribal Gaming Agency shall approve the type of equipment to be used, shall establish procedures for its operation and security, and shall establish the procedures for randomly selecting the Winning Numbers for each game.
 - 1. The selected numbers using Ball Drop Equipment shall be immediately entered in the System by Keno personnel or other method approved by TGA and SGA, which documents on a draw ticket the date, game number, the time the game was closed, and the numbers drawn.
 - 2. Alternatively, when a Random Number Generator is used, it will be linked to the System and will directly record the Numbers selected into the System. The Random Number Generators used shall be periodically tested to assure proper operation, security, and lack of tampering or fraud.

3. Physical and operational controls shall prevent the modification of the numbers drawn for each game.
- C. The Keno Shift Manager or Keno Shift-Supervisor shall delay payment of all prizes in connection with any game for which any evidence exists or there are grounds for suspicion that tampering or fraud has occurred. In such instances, payment of prizes shall only be made after an authorized agent of the Tribal Gaming Agency completes an investigation. If the drawing cannot be verified as being free from fraud or tampering, no prizes will be awarded and another drawing may be conducted in its place to determine the Winning Numbers for the questioned game.

18.7 Verification Requirements and Controls

- A. To be verified as a valid winning Outside Ticket, all of the following conditions must be met:
1. All payouts shall be supported by the customer copy of the winning ticket (Outside Ticket) and the payout amount is indicated on the customer ticket or a payment slip is issued.
 2. The Outside Ticket shall be intact, contain all printing in its entirety, be legible, and correspond to the serial number or other verifying identification issued by the Keno Writer before the game began.
 3. The Outside Ticket shall not be mutilated, altered, or tampered with in any manner, and shall not be counterfeit or a facsimile of another winning Outside Ticket.
 4. The Outside Ticket shall be validated by a Keno Writer, in an authorized manner. The System shall prevent payment on tickets previously presented for payment, unclaimed Winning Tickets (sleepers) after a specified period of time, voided Tickets, and Tickets which have not been issued yet.
 5. The Outside Ticket shall pass all other confidential security checks of management or the Tribal Gaming Agency.
 6. Larger Prize Report. A report will be required for all prizes that exceed the threshold that triggers additional procedures to be followed for the purposes of compliance with federal tax reporting requirements. At a minimum, on a daily and monthly basis, the report shall provide the date and time won and the amount of all prizes
- B. Any Outside Ticket failing any verification requirement listed above is invalid, not eligible for a prize, and not subject to any refund.
- C. Management, as approved by the Tribal Gaming Agency may, at its option, replace an invalid Outside Ticket with another Outside Ticket of equivalent value for a future drawing of the game. Management as approved by the Tribal Gaming Agency may, at its option, pay the prize for an Outside Ticket that is partially mutilated or is not intact if the Outside Ticket can still be validated by other means.

- D. In the event an Outside Ticket is issued in error or is defective, the only responsibility or liability of management or the Tribe shall be the replacement of the erroneous or defective Outside Ticket with another Outside Ticket of equivalent value for a future drawing.
- E. The play of Keno will be subject to the same type of internal controls, including periodic audits and documentation to create a paper trail, as is established by the Tribal Gaming Agency for other Class III Gaming.

18.8 Reports

- A. Records shall be maintained which include Win and Write by individual writer for each shift.
- B. Records shall be maintained which include Win, Write, and Win-to-Write hold percentage for:
 - 1. Each shift;
 - 2. Each day;
 - 3. Month-to-date;
 - 4. Year-to-date.
- C. The system shall provide at a minimum the following reports:
 - 1. Ticket information.
 - 2. Payout information.
 - 3. Game information including game number, ball draw, date, and time.
 - 4. System exception reports, including:
 - a. Voids.
 - b. Late pays.
 - c. Appropriate system parameter information.

18.9 System Security Standards

- A. Physical and operational controls must be in place to ensure access to Keno System and its components are restricted to authorized users and shall prevent the modification of game information.
- B. Back-up Keno ball inventories shall be secured in a manner to prevent unauthorized access. Controls must be established for inspecting new Keno balls put into play as well as for those in use.
- C. Each authorized user must have a user name or number unique to that individual and must access the Keno System software by means of a password, keycard, PIN number, or other unique identifier. The System must log the date and time of each access. These access logs must be available for audit by TGA and SGA.
- D. Except for kiosks, all main System components including servers and networking equipment shall at a minimum be enclosed in a locked and monitored cabinet. Access shall be through the use of access controls defined in E below.

- E. Keys which provide access to any locked compartment, component or area of the Keno System, as well as passwords, keycards, or PIN numbers used to access Keno System components, shall be maintained and used in accordance with the access control standards as agreed to by TGA and SGA.
- F. Networking Standards
 - 1. All Keno System components shall be hardwired within a dedicated network and located within the gaming facility.
 - 2. Communications between all components of the Keno System must be encrypted utilizing a minimum of Data Encryption Standards (DES) or equivalent encryption.

18.10 Testing and Approval Standards

- A. No Keno System may be offered for Play unless it has received approval by the Tribal Gaming Agency (TGA) and the State Gaming Agency (SGA). Any modification of a hardware or software component approved under this section must be similarly approved.
- B. Any proposal for a system or system component not authorized in these standards shall include a description of the system or component, the proposed manner of regulation, monitoring and/or maintenance of the system, and shall require submission to, and approval by, the TGA and SGA.
- C. At the request of TGA or SGA the manufacturer may be required to transport a working model of the Keno System to a location designated by the TGA or SGA for testing, examination or analysis. Neither the SGA nor the TGA shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the components of the Keno System. If requested by the TGA or SGA, the manufacturer may be required to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination and analysis. For purpose of continued monitoring, the TGA or SGA may retain working models of any Keno System or component after approval for as long as the equipment is in play in the state.