



Port Gamble S'Klallam Tribal Gaming Agency

7989 Salish Lane NE, Kingston, WA 98346

Phone (360) 297-0070, Ext. 118

Fax (360) 297-1291

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Attn: Regulatory Review
National Indian Gaming Commission
1441 L Street, NW, Suite 9100
Washington, DC 20005.

On 3/20/2012, the National Indian Gaming Commission requested comments regarding the Part 543 and Part 547 discussion drafts. The following response was developed by the Port Gamble S'Klallam Tribal Gaming Agency to address the specific questions posed by the NIGC.

- I. Does your Tribe/tribal gaming regulatory body (TGRA)/tribal operation(s) already perform these functions or utilize the standards suggested in these drafts? If so, which sections? If not, which sections?*

The gaming operation/TGRA already performs these functions or utilizes the standards suggested in these drafts with the exception of the following sections:

- §543.7(c)(1) and §543.7(c)(3)
- §543.7(d)(2)(iv)(D)
- §543.7(f)(1)(ii)
- §543.12(b)
- §543.17(b)(3)
- §543.17(c)(4)
- §543.17(f)(6)(iii) and 543.17(g)(8)(ii)
- §543.17(f)(8) and 543.17(g)(10)
- §543.20(f)(2)
- §543.20(j)
- §543.24(c)(5)(ii)(B-C)
- §543.24(c)(9)(i)
- §543.24(c)(10)(iii)

Each of these standards will be addressed by modifying the existing system of internal control and implementing procedures that meet or exceed the level of control specified.

II. *Which sections of these drafts are satisfactory to your Tribe/TGRA/tribal operations?*

- Unless specified in Section III below, all other sections of these drafts are satisfactory to the TGRA.

III. *From your Tribe's perspective, to what sections of the drafts do you suggest improvement? Specific language is welcome.*

- §543.17(e)(3) states that “all financial instrument storage components may be removed only at the time previously designated by the gaming operation and reported to the TGRA, except for emergency drops”. The wording of this standard makes it sound as if emergency drops are exempt from reporting to TGRA. All removals of financial instrument storage components should require notification to the TGRA.
- §543.17(f)(6)(iv)(B)(13) states that “a final verification of the total drop proceeds, before transfer to cage/vault, must be performed by at least two agents, one of whom is a supervisory count team member, and one a count team agent”. There may not be a supervisory count team member designated within the organizational structure. In these instances, a supervisor from the department receiving the drop proceeds should be sufficient to perform the final verification.
- §547.8(a)(2)(ii), §547.8(d)(2), and §547(d)(4)(vi)(E) was changed to remove the requirement for the player interface to have the ability to display entertaining displays of prior game results. There have been several instances in which vendors have submitted product revocation notices for entertaining displays that do not coincide with actual game outcome. In these instances, having the ability to display the last game played including the entertaining display is a beneficial tool when resolving a customer dispute.
- §547.12(2) was changed to remove the requirement for downloads of software, games, prize schedules, or other download packages to be conducted only as authorized by the TGRA. As the primary regulators, it is critical that all changes or downloads to the class II gaming systems require notification to the TGRA, and are implemented in accordance with TGRA standards.

IV. *These drafts are intended to be “minimum,” at various points deferring to TRGAs to establish controls that meet or exceed the suggested draft standards. Is your Tribe or TGRA prepared to meet these standards?*

- Our TGRA utilizes the NIGC Minimum Internal Control Standards and the Washington State Compact in order to establish a baseline for compliance. A comprehensive system of internal control has been established to coincide with current gaming regulations and provide internal controls that exceed

those standards. With this model we will be prepared to meet any changes that are made to the current standards by revising our current system of internal control as necessary.

V. *Will your tribal operations be affected by Part 547 Section 5.a Grandfathered Gaming Systems, and Part 547 Section 5.b Grandfathered Provisions? If so, how and what number of machines would be affected?*

- Our tribal gaming operation currently has 7 active machines that were placed in service prior to November 10, 2008. Therefore, the Grandfathered Provisions as outlined in Part 547.5.a and Part 547.5.b will continue to affect the operation. However, the proposed revisions to the Grandfathered Gaming Systems standards will not require substantive changes to the regulation/compliance of these machines.

VI. *Other suggestions and comments.*

Sincerely,

Linda Helm
Executive Director, Port Gamble S'Klallam Tribal Gaming Commission