

§542. 50 What are the minimum internal control standards for Revenue Audit?

(a) *Pull tabs.* (1) At the end of each month, a person or persons independent of pull tab sales and inventory control shall verify the accuracy of the ending balance in the pull tab control by reconciling the pull tabs on hand.

(2) At least monthly, a comparison for reasonableness shall be made of the amount of pull tabs sold from the pull tab control log to the amount of revenue recognized.

(3) Personnel independent of pull tab operations shall verify the amount of winning pull tabs redeemed each day.

(4) If the gaming operation utilizes electronic equipment in connection with the play of pull tabs, then the following standards shall also apply.

Comment (July): Gaming operations utilizing electronic equipment in connection with the play of pull tabs should be exempt from (4).

Response: Disagree. The changes made to (4) address concerns about applicability to electronic equipment.

(i) If the electronic equipment contains a bill acceptor, then §542.21(e) and (f), §542.31(e) and (f), or §542.41(e) and (f) (as applicable) shall apply.

(ii) If the electronic equipment uses a bar code or microchip reader, the reader shall be tested periodically to determine that it is correctly reading the bar code or microchip.

(iii) If the electronic equipment returns a voucher or a payment slip to the player, then §542.13(n) (as applicable) shall apply.

(iv) If the electronic equipment utilizes **patron customer** account access cards for activation of play, then §542.13(o) (as applicable) shall apply.

Justification The term customer is more frequently used in Part 542 whereas the term patron is more frequently used in Part 543.

(b) *Card Games.*

Comment (December): Replace “accounting/auditing” with “revenue audit” throughout subsection (b) to clearly differentiate from the TGRA audit function.

Response: Disagree. With the exception of the compliance section of the MICS, no standards apply to the TGRA.

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

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

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

Comment (December): The NIGC is prescribing procedures to be used by the gaming operation and not standards. Revise item (3) as follows: “The gaming operation shall establish, subject to TGRA approval, procedures for the performance by accounting/audit personnel each day that address the following: (i) reconciliation of the drop to the applicable accountability documents; (ii) investigation and documentation of variances; (iii) recalculation of card game proceeds; (iv) verification of card game proceeds on the master game sheet; (v) audit of the master game sheet daily for completeness and correctness.”

Comment (December): Strike “procedures”.

Comment (December): Consolidate paragraphs (i) and (ii) in above comment.

Response: Disagree

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

(ii) Recalculate card game proceeds (all funds received by the gaming operation as compensation for conducting the game) in total and by shift. For computerized master games sheets that total the count proceeds from each box, accounting personnel are to recalculate rake in total and by shift for at least one day each month rather than daily.

(iii) Verify that the correct total of card game proceeds is recorded in the accounting records.

(iv) Examine the master game sheet for propriety of signatures.

Comment (December): Strike (iv), duplicates Drop and Count standard.

Comment (December): Standard does not include other auditing procedures such as verifying proper correction of errors.

Comment (December): Replace “master game sheet” with “appropriate accountability document” in paragraph (b) (3) and all sub-paragraphs.

Response: Disagree that this section needs to reiterate the controls specific to making corrections on the drop report (manual or computerized). Agree regarding the reference to master game sheet and striking (iv).

Revised proposal as a result of December comments:

(3) The following procedures shall be performed by accounting/audit personnel using the appropriate accountability document prepared by the count team members for each day:

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

(ii) Recalculate card game proceeds (all funds received by the gaming operation as compensation for conducting the game) in total and by shift. For computerized

master games sheets that total the count proceeds from each box, accounting personnel are to recalculate rake in total and by shift for at least one day each month, rather than daily.

Comment (January): Remove “, rather than daily”.

Response: Agree.

Revised proposal as a result of January comment:

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

(iii) Verify that the correct total of card game proceeds is recorded in the accounting records.

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

Comment (December): First, the accounting personnel review transactions on a daily basis; Second, this appears to be a function regularly done by compliance personnel, and we see no reason for the establishment of a procedure for the accounting department to audit their own work. The TGRA should determine how often these types of activities are audited, on what basis the audit should occur, and what additional specific standards should apply.

Comment (December): Replace “Monthly” with “At least monthly”.

Response: Disagree that the standard necessarily requires accounting to audit its own work. The accounting data originating from the gaming floor is audited daily by revenue audit; however, the revenue audit function is generally defined as the verification that the financial data is reliable and valid. Data is considered to be valid if it is mechanically sound, e.g. adds up properly. Data is considered to be reliable if it is effective in capturing the activity – is what it is represented to be.

Several standards in the MICS require accounting/auditing personnel to review data or work product of data captured to confirm that it is appropriate. The control in question merely requires that the entries to the G/L booking promo payouts were recorded correctly. Noteworthy to this control is the fact that such transactions may require different accounting treatment. For example, a pool payout reduces a liability but a contest payout will typically affect an operating expense.

Agree regarding the reference to at least monthly.

Revised proposal as a result of December comments:

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

(5) Monthly, accounting/audit personnel shall perform procedures to ensure that payouts for the promotional progressive pots, pools, or other promotions are conducted in accordance with conditions provided to the customers.

Comment (December): Replace “Monthly” with “At least monthly”.

Response: Agree.

Revised proposal as a result of December comments:

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

(6) Daily, accounting/audit personnel shall reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

(7) For all contests, tournaments, promotional payouts (including payouts from computerized player tracking activity), drawings, and giveaway programs the following documentation shall be maintained:

(i) A copy of the information provided to customers describing the contest, tournament, promotional payout, drawing, and giveaway program (e.g., brochures, fliers);

(ii) Effective dates; and

(iii) Accounting treatment, including general ledger accounts, if applicable.

Comment (December): Redundant to new §542.9 (h).

Response: Agree, (b) (7) and (i) – (iii) struck.

Revised proposal as a result of December comment:

~~(7) For all contests, tournaments, promotional payouts (including payouts from computerized player tracking activity), drawings, and giveaway programs the following documentation shall be maintained:~~

~~(i) A copy of the information provided to customers describing the contest, tournament, promotional payout, drawing, and giveaway program (e.g., brochures, fliers);~~

~~(ii) Effective dates; and~~

~~(iii) Accounting treatment, including general ledger accounts, if applicable.~~

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

Comment (December): Redundant to new §542.9 (h).

Response: Agree. (b) (8) struck. Note:

Revised proposal as a result of December comment:

~~**(8) When payment is made to the winners of a contest/tournament, accounting/audit personnel shall reconcile the contest/tournament entry fees collected to the actual contest/tournament payouts made. This reconciliation is to determine whether, based on the entry fees collected, the payouts made and the amounts withheld by the gaming establishment, if applicable, were distributed in accordance with the contest/tournament rules.**~~

(9) For computerized player tracking systems, an accounting/audit employee shall perform the following procedures for at least one day per quarter:

(i) Review all point addition/deletion authorization documentation, other than for point additions/deletions made through an automated process related to actual card game play, for propriety.

(ii) Review exception reports including transfers between accounts.

(iii) Review documentation related to access to inactive and closed accounts.

Comment (December): Redundant to new §542.9 (i).

Response: Agree, (b) (9) and (i) – (iii) struck.

Revised proposal as a result of December comments:

~~**(9) For computerized player tracking systems, an accounting/audit employee shall perform the following procedures for at least one day per quarter:**~~

~~**(i) Review all point addition/deletion authorization documentation, other than for point additions/deletions made through an automated process related to actual card game play, for propriety.**~~

~~(ii) Review exception reports including transfers between accounts.~~

~~(iii) Review documentation related to access to inactive and closed accounts.~~

~~(10) At least annually, the computerized card games player tracking system (in-house developed and purchased systems) shall be reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., verify the accuracy of the awarding of points based on the dollar amount wagered). The system shall also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., simulate activity to verify the accuracy of the amount of points awarded). The test results shall be documented and maintained.~~

Comment (December): Standard is misplaced, should be in the IT section.

Response: Agree. (b) (10) struck. Note: (b) (11) then becomes (b) (7).

Revised proposal as a result of December comment:

~~(10) At least annually, the computerized card games player tracking system (in-house developed and purchased systems) shall be reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., verify the accuracy of the awarding of points based on the dollar amount wagered). The system shall also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., simulate activity to~~

~~verify the accuracy of the amount of points awarded). The test results shall be documented and maintained.~~

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

Justification: The MICS are currently silent on accounting/audit standards for card games and promotional pots and pools, contests and tournaments, and computerized player tracking systems for card games. Experience has demonstrated that standards are needed to ensure effective accounting for the activities and revenues. The proposed standards are intended to address this need.

(c) *Keno.* (1) The keno audit function shall be independent of the keno department.

(2) At least annually, keno audit shall foot **(add up)** the write on the restricted copy of the keno transaction report for a minimum of one shift and compare the total to the total as documented by the computer.

(3) For at least one shift every other month, keno audit shall perform the following:

(i) Foot the customer copy of the payouts and trace the total to the payout report; and

(ii) Regrade at least 1% of the winning tickets using the payout schedule and draw ticket.

(4) Keno audit shall perform the following:

(i) For a minimum of five games per week, compare the video recording and/or digital record of the rabbit ears or wheel to the computer transaction summary. **For rabbit ear systems that directly interface with the keno computer system, compare the recording of the rabbit ears to the keno transaction report for a minimum of ten games per month. When manual ball draw results changes are made to the direct interface, all changes shall be audited and compared to the rabbit ear recordings;**

Comment (December): Recommend adding “or wheel” following “rabbit ears” where it does not currently appear.

Comment (December): Recommend adding “manual overrides” to clarify “changes” and rewording the rest of the second sentence to clarify meaning.

Response: Agree. Revised accordingly.

Proposed revision as a result of December comments:

(i) For a minimum of five games per week, compare the video recording and/or digital record of the rabbit ears or wheel to the computer transaction summary. **For rabbit ear or wheel systems that directly interface with the keno computer system, compare the recording of the rabbit ears or wheel to the keno transaction report for a minimum of ten games per month. When manual changes (manual overrides) are made to the direct interface ball draw results, all changes shall be audited and compared to the rabbit ear or wheel recordings;**

(ii) Compare net cash proceeds to the audited win/loss by shift and investigate any large cash overages or shortages (i.e., in excess of \$25.00);

(iii) Review and regrade all winning tickets greater than or equal to \$1,500, including all forms that document that proper authorizations and verifications were obtained and performed. **Trace customer copies to the computer payout report;**

Comment (December): Recommend replacing “trace” with “compare”.

Response: Agree. Revised accordingly.

Proposed revision as a result of December comment:

(iii) Review and regrade all winning tickets greater than or equal to \$1,500, including all forms that document that proper authorizations and verifications were obtained and performed. **Compare customer copies to the computer payout report;**

(iv) Review the documentation for payout adjustments made outside the computer and investigate large and frequent payments;

~~(v) Review personnel access listing for inappropriate functions an employee can perform;~~

(v) Review system exception information on a daily basis for propriety of transactions and unusual occurrences including ~~changes to the personnel access listing~~, but not limited to, void authorizations, late pays, and parameter alterations;

(vi) If a random number generator is used, then at least weekly review the numerical frequency distribution for potential patterns, including missing numbers, during the previous four-week period; ~~and~~

Comment (December): Review of numerical frequency distribution on a weekly basis is excessive. Recommend changing to monthly and deleting “during the previous four week period”.

Response: Agree. Revised accordingly

Proposed revision as a result of December comment:

(vi) If a random number generator is used, then at least ~~weekly~~ monthly review the numerical frequency distribution for potential patterns, including missing numbers and

(vii) If a rabbit ear system is used and the keno computer system generates a drawn number frequency report, then at least weekly the numerical frequency distribution shall be reviewed for potential patterns, including missing numbers, during the previous four-week period;

Comment (December): Recommend adding “or wheel” following “rabbit ears”.

Comment (December): Review of numerical frequency distribution on a weekly basis is excessive. Recommend changing to monthly.

Comment (December): Recommend changing “generates” to “is capable of generating”.

Response: Agree. Revised accordingly

Proposed revision as a result of December comments:

(vii) If a rabbit ear or wheel system is used and the keno computer system is capable of generating a drawn number frequency report, then at least monthly the numerical frequency distribution shall be reviewed for potential patterns, including missing numbers;

(viii) Accounting/audit personnel shall review all not-in-computer voids for void designation and proper supervisory approval; and

(ix) Investigate and document results of all noted improper transactions or unusual occurrences.

(5) When the keno game is operated by one person:

(i) The customer copies of all winning tickets in excess of ~~\$100~~ **\$500** and at least ~~5%~~ **10** **winning tickets less than or equal to \$500** ~~of all other winning tickets~~ shall be regraded and traced to the computer payout report;

(ii) The video recording and/or digital record of rabbit ears or wheel shall be randomly compared to the computer game information report for at least ~~10%~~ **10** of the games during the shift. **This procedure does not apply to rabbit ear systems that are directly interfaced to the keno computer system unless a ball draw results change is made manually;** and

Comment (December): Recommend adding “or wheel” following “rabbit ears”.

Response: Agree. Revised accordingly

Proposed revision as a result of December comment:

(ii) The video recording and/or digital record of rabbit ears or wheel shall be randomly compared to the computer game information report for at least ~~10%~~ 10 of the games during the shift. **This procedure does not apply to rabbit ear or wheel systems that are directly interfaced to the keno computer system unless a ball draw results change is made manually;** and

~~(iii) Keno audit personnel shall review winning tickets for proper authorization pursuant to paragraph (e) (6) of this section.~~

(6) In the event any person performs the writer and deskman functions on the same shift, the procedures described in paragraphs ~~(j)~~(c)(5)(i) and (ii) of this section (using the sample sizes indicated) shall be performed on tickets written by that person.

Comment (December): “Deskman” is an out-dated term. Such a position no longer is relevant to current-day keno. Recommend deleting (6).

Response: Agree. Modified accordingly (subsequent sub-sections renumbered accordingly.)

Proposed revision as a result of December comment:

~~(6) In the event any person performs the writer and deskman functions on the same shift, the procedures described in paragraphs (j)(m)(5)(i) and (ii) of this section (using the sample sizes indicated) shall be performed on tickets written by that person.~~

~~(6)~~(7) Documentation (e.g., a log, checklist, etc.) that evidences the performance of all keno audit procedures shall be maintained.

~~(7)~~ (8) A manager independent of the keno department shall review keno audit exceptions, and perform and document investigations into unresolved exceptions. These

investigations shall be documented, maintained for inspection, and provided to the Tribal gaming regulatory authority upon request.

~~(8) (9)~~ When a multi-game ticket is part of the sample in paragraphs ~~(j) (c)~~ (3) (ii), ~~(j) (c)~~ (5) (i) and ~~(j) (c)~~ (6) of this section, the procedures may be performed for ten (10) games or ten percent (10%) of the games won, whichever is greater.

Comment (December): (c) (6) has been recommended for deletion. Therefore, reference to (c) (6) should be deleted as well.

Response: Agree. Revised accordingly.

Proposed revision as a result of December comment:

~~(8) (9)~~ When a multi-game ticket is part of the sample in paragraphs ~~(j) (c)~~ (3) (ii) **and** ~~(j) (c)~~ (5) (i) **and** ~~(j) (c)~~ (6) of this section, the procedures may be performed for ten (10) games or ten percent (10%) of the games won, whichever is greater.

~~(1) **Access.** Access to the computer system shall be adequately restricted (i.e., passwords are changed at least quarterly, access to computer hardware is physically restricted, etc.).~~

Justification: Revision is intended to recognize the benefit of keno computerized systems that interface with the gaming operation's accounting programs, to strike certain standards that are already addressed in the IT section and to update selected auditing requirements.

(d) *Parimutuel.* A gaming operation shall perform the following accounting and auditing functions:

(1) The pari-mutuel audit shall be conducted by personnel independent of the pari-mutuel operation.

(2) Documentation shall be maintained evidencing the performance of all pari-mutuel accounting and auditing procedures.

(3) An accounting/audit employee shall review ~~handle, commission, and breakage for each day's play and recalculate the net amount due to or from the systems operator on a weekly basis~~ the daily reconciliation report, compare the sales and paid amounts on the report to the amounts on the daily recap report produced by the pari-mutuel computer system, and recalculate the net amount due to or from the hub. An accounting/audit employee shall reconcile the net amount due to or from the hub with the bank account information regarding transfers to/from the hub at least on a monthly basis.

Justification: Proposed revision is intended to clarify the daily auditing of the reconciliation report and verification of amount due to the hub.

(4) The accounting employee shall verify actual cash/cash equivalents turned in to the ~~system's summary report for each cashier's drawer (Beginning balance, (+) fills (draws), (+) net write (sold less voids), (-) payouts (net of IRS withholding), (-) cashbacks (pays), (=) cash turn-in)~~ total cash turn-in amount on the daily teller balance report. Cash turn-in is computed as follows: beginning cash balance (+) net write (+) wagering account deposits (-) payouts net of IRS withholding (-) wagering account withdrawals (-) payouts for tickets voided (cancelled) (+) funds added to station (draw) (-) funds removed from station (return) (=) cash turn-in (computed on hand).

Justification: Proposed revision is intended to clarify the auditing procedure for verifying cash turn-in and to revise the cash turn-in computation to recognize the impact of wagering account transactions.

Comment: (March): To improve readability, recommend replacing the arithmetic symbols with the words “plus”, “minus” and “equals”.

Response: Agree. Modified accordingly.

Proposed revision as a result of March comment:

(4) The accounting employee shall verify actual cash/cash equivalents turned in to the ~~system's summary report for each cashier's drawer (Beginning balance, (+) fills (draws), (+) net write (sold less voids), (-) payouts (net of IRS withholding), (-) cashbacks (pays), (=) cash turn-in)~~ total cash turn-in amount on the daily teller balance report. Cash turn-in is computed as follows: beginning cash balance plus net write plus wagering account deposits minus payouts net of IRS withholding minus wagering account withdrawals minus payouts for tickets voided (cancelled) plus funds added to station (also known as draw) minus funds removed from station (also known as return) equals cash turn-in (computed on hand).

(5) For one race per day, accounting/audit personnel shall

(i) Verify commissions per the daily reconciliation report by recalculating race commissions.

(ii) Verify daily transfers due to/from the hub by recalculating the deposits. The deposit amount is computed as follows: Net sales (+) negative breakage (-) commissions (-) positive breakage (-) paid and unpaid winning wagers (accrual payouts) (=) deposit.

Justification: Proposed revision is intended to add the requirement that accounting/auditing personnel verify commissions due to hub and transfers to/from the hub by reconciling the deposit for at least one race per day.

Comment: (March): To improve readability, recommend replacing the arithmetic symbols with the words “plus”, “minus” and “equals”.

Response: Agree. Modified accordingly.

Proposed revision as a result of March comment:

(ii) Verify daily transfers due to/from the hub by recalculating the deposits. The deposit amount is computed as follows: Net sales plus negative breakage minus commissions minus positive breakage minus paid and unpaid winning wagers (accrual payouts) equals deposit.

(6) From the weekly hub track fee report, accounting/audit personnel shall produce a pari-mutuel track fee report that lists, for each week and for the month, for each track and for all tracks in total, the track fees and adjustments.

Comment (March): This is something the provider should do. It is our understanding that gaming operations do not pay track fees, the provider does.

Response: We will add the words “if applicable” recognizing that the responsibility for paying track fees could vary by gaming operation,

Proposed revision as a result of March comment:

(6) From the weekly hub track fee report, accounting/audit personnel shall produce a pari-mutuel track fee report that lists, for each week and for the month, for each track and for all tracks in total, the track fees and adjustments, if applicable.

(7) Accounting/audit personnel shall trace the track fees and track fee adjustments to the monthly invoices received from the hub, if applicable.

Justification: Proposed revisions are intended to identify necessary auditing procedures to be performed by accounting/audit personnel to proof hub monthly invoices.

~~**(8) (5) An accounting employee shall produce a gross revenue recap report to calculate gross revenue for each day's play and for a month to date basis, including the following totals:**~~

~~(i) Commission;~~

~~(ii) Positive breakage;~~

~~(iii) Negative breakage;~~

(iv) Track/event fees;

(v) Track/event fee rebates; and

(vi) Purged tickets.

~~(6) All winning tickets and vouchers shall be physically removed from the SAM's for each day's play.~~

Justification: Proposed revision is deleting the standard since the control is now addressed in another section.

~~(7) In the event a SAM does not balance for a day's play, the auditor shall perform the following procedures:~~

~~(i) Foot the winning tickets and vouchers deposited and trace to the totals of SAM activity produced by the system;~~

~~(ii) Foot the listing of cashed vouchers and trace to the totals produced by the system;~~

~~(iii) Review all exceptions for propriety of transactions and unusual occurrences;~~

~~(iv) Review all voids for propriety;~~

~~(v) Verify the results as produced by the system to the results provided by an independent source;~~

~~(vi) Regrade 1% of paid (cashed) tickets to ensure accuracy and propriety; and~~

~~(vii) When applicable, reconcile the totals of future tickets written to the totals produced by the system for both earned and unearned take, and review the reports to ascertain that future wagers are properly included on the day of the event.~~

Justification: Proposed revision is deleting the existing standard because the scope of investigations into variances may vary from one occurrence to another based on the facts associated therewith. Stipulating that certain procedures be followed in all cases is not considered to be efficient or warranted.

~~(8) At least annually, the auditor shall foot the wagers for one day and trace to the total produced by the system.~~

~~(9) At least one day per quarter, the auditor shall recalculate and verify the change in the unpaid winners to the total purged tickets.~~

Justification: Proposed revision is deleting the above auditing standards, which are being replaced by more comprehensive auditing procedures at below subsections (12) and (13).

(9) At least once a quarter, for each SAM, account/auditing personnel shall foot (add) the tickets and the vouchers redeemed for a week and trace the totals to the totals recorded in the pari-mutuel computer system and the related accountability document. Testing performance shall be performed and the results of investigations into all variances shall be documented by SAM.

Comment (March): Recommend deleting “by SAM” at the end of the last sentence as standard already specifies “for each SAM”.

Response: Agree. Modified accordingly.

Proposed revision as a result of March comment:

(9) At least once a quarter, for each SAM, account/auditing personnel shall foot (add) the tickets and the vouchers redeemed for a week and trace the totals to the totals recorded in the pari-mutuel computer system and the related accountability document. Testing performance shall be performed and the results of investigations into all variances shall be documented.

(10) Daily, accounting/audit personnel, for payouts made without pari-mutuel computer system authorization at the time of payment, shall:

(i) Trace all payouts to the pari-mutuel computer system transaction report or the purged tickets report to verify authenticity of the initial wager.

(ii) For payouts subsequently entered into the pari-mutuel computer system by pari-mutuel department personnel, compare the manual payout amount to the pari-mutuel computer system amount.

(iii) For payouts not entered into the pari-mutuel computer system by pari-mutuel department personnel, enter the payout into the pari-mutuel computer system and compare the manual payout amount to the pari-mutuel computer system amount.

If the system is inoperative, manually re-grade the ticket to ensure the proper payout amount was made.

(iv) Appeasement payments (e.g., non-winning ticket payouts resulting from a customer compliant or employee error) are not deductible from gross revenue.

Justification: Proposed revision is intended to establish the minimum controls governing the auditing of payouts for which the computer system was unable to authorize payment.

(11) Accounting/audit personnel shall perform the following procedures for each day, unless indicated otherwise:

(i) Review all system exception reports for propriety of transactions and unusual occurrences including, but not limited to, void (cancel) authorizations and manually paid tickets.

(ii) All noted improper transactions or unusual occurrences noted during the review of exception reports shall be investigated with the results documented.

Justification: Proposed revision is intended to establish the requirement that account/auditing personnel review the pari-mutuel computer system's exception reports.

(iii) For all voided (cancelled) tickets, accounting/auditing personnel shall perform the following:

(A) The pari-mutuel computer system reports which display voided (cancelled) ticket information shall be examined to verify that tickets were properly voided (cancelled) in the computer system.

(B) The voided (cancelled) tickets shall be examined for a void designation and proper signatures, and for not-in-computer voids (cancels), the date and time stamp on the ticket for the time of the void (cancellation).

(C) For a pari-mutuel computer system that prints void (cancelled) tickets, verify that a “void (cancelled) ticket” is attached to the original ticket.

Justification: Proposed revision is intended to establish the minimum auditing requirements specific to voided (cancelled) tickets.

(iv) For at least one day per week, for at least one race, verify all the race results as produced by the pari-mutuel computer system to the results provided by the wire service.

Justification: Proposed revision is intended to establish an auditing procedure to confirm the reliability of the race results entered into the pari-mutuel computer system.

(v) For at least one day per week, re-grade at least 10 paid (cash) tickets to ensure accuracy and propriety.

(vi) Daily, select a random sample of at least 5 paid transactions from the pari-mutuel computer system cashed tickets report and trace the transactions to the customer’s copy of the paid ticket.

Justification: Proposed revision is intended to identify minimum auditing procedures specific to the verification of payout transactions.

(12) Annually, for at least one day, accounting/audit personnel shall perform the following for at least one writer/cashier station:

Comment (March): “Annually, for at least one day is not clear.” Please clarify.

Response: Agree that wording is not clear. Standard means that on a yearly basis, for a minimum of one day, accounting/audit personnel shall perform the following procedures for at least one writer/cashier station. Modified accordingly.

Proposed revision as a result of March comment:

(12) On a yearly basis, for a minimum of one day, accounting/audit personnel shall perform the following for at least one writer/cashier station:

(i) Foot (add) the wagers on the restricted pari-mutuel computer system record and trace to the total produced by the pari-mutuel computer system.

(ii) Foot (add) the customer copy of paid tickets and trace to the total produced by the pari-mutuel computer system.

(iii) Foot (add) cashed (redeemed) vouchers and trace to the total produced by the pari-mutuel computer system.

(13) For at least one day per quarter, accounting/audit personnel shall:

(i) Recalculate and verify the change in the unpaid winners and unredeemed vouchers balance to the total purged tickets and vouchers.

(ii) If future wagers are accepted, review the pari-mutuel computer system reports to ascertain that future wagers are properly included in write on the day of the race.

Justification: Proposed revision is intended to establish more comprehensive auditing procedures specific to wagers, payouts, unpaid winners and unredeemed vouchers, and future wagers.

(e) *Table games.* (1) The accounting and auditing procedures shall be performed by personnel who are independent of the transactions being audited/accounted ~~for~~.

(2) For computerized player tracking systems, an accounting/audit employee shall perform the following procedures for at least one day per quarter:

(i) Review all point addition/deletion authorization documentation, other than for point addition/deletions made through an automated process, for propriety;

(ii) Review exception reports including transfers between accounts; and

Comment (January): Recommend inserting the word “point” after “including.”

Response: Agree. Modified accordingly.

Proposed revision as a result of January comment:

(ii) Review exception reports including point transfers between accounts; and

(iii) Review documentation related to access to inactive and closed accounts.

(3) At least annually, the computerized table game player tracking system shall be reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., simulate activity to verify the accuracy of the amount of points awarded). The test results shall be documented and maintained for Tribal gaming regulatory authority review upon request.

Comment (January): Typically, this is a function not accessible to Table Games personnel. This is an IT function. Should this not appear in the IT section?

Response: Disagree. Typically this function would be performed by Internal Audit or Revenue Audit.

(4) The following procedures shall be performed on fill/credit slips and marker credit slips by accounting/audit personnel:

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

(ii) For manual fill/credit slips and manual marker credit slips, for at least one day per month, verify that all numerically numbered slips issued are properly accounted for. Investigations shall be performed for all slips that are unaccounted for with the investigation being documented and retained for Tribal gaming regulatory authority review upon request.

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

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

(5) The following procedures shall be performed on marker issue/payment slips by accounting/audit personnel:

(i) For manual marker issue slips, for at least one day each month, verify that all numerically numbered slips are properly accounted for. Investigations shall be performed for all slips that are unaccounted for with the investigation being

documented and retained for Tribal gaming regulatory authority review upon request.

(ii) For at least one day per month, foot (add up) the marker issue and payment slips (placed in the table game drop box) and trace the total to the total marker issue and payment amounts indicated on the master games summary prepared by the count team members. If the reconciliation results in a variance, an investigation shall be performed to determine whether all forms are accounted for with the investigation being documented and retained for Tribal gaming regulatory authority review upon request.

(iii) For each day, examine a sample of marker issue and payment slips for propriety of signatures and proper completion.

(iv) If count team members only totaled marker issue and payment slips by shift and traced to the totals documented by the computer system, for each day, verify that the issue/payment slips for each table are accurate.

(6) For each day, accounting/audit personnel shall reconcile the total dollar amount of markers transferred as indicated on the mass marker transfer form(s) and marker credit slips to the dollar amount recorded on the cage accountability documentation. The mass marker transfer form shall be reviewed for propriety of signatures and proper completion.

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

- (i) Examine all voided forms for proper authorization and “void” designation;**
- (ii) For fill/credit and marker computer systems, trace the voided form to computer system report(s) reflecting void activity;**
- (iii) For fill/credit and marker computer systems, examine the computer system report(s) reflecting void activity for void transactions that are not supported by a voided form.**
- (iv) Determine that all parts of the voided form have been received.**

Comment (January): Is (iv) above referring to receipt by Accounting?

Response: Yes.

- (v) Examine form for the proper number of signatures.**
- (vi) For all voided markers, determine that the void of the pit marker was not performed by cage personnel and compare the time of marker issuance to the time of voiding to determine that transactions were voided within 30 minutes after the issuance of the marker. If not voided within 30 minutes, determine whether the documented reason for exceeding the time period is adequate.**
- (8) The following procedures shall be performed on rim credit cards by accounting/audit personnel each day:**
 - (i) Verify that all numerically numbered rim cards are properly accounted for. Investigations shall be performed for all forms that are unaccounted for with the investigation being documented and retained for Tribal gaming regulatory authority review upon request.**
 - (ii) Examine a sample of rim cards for propriety of signatures and proper completion.**

(iii) Foot (add up) balance increases/decreases of rim credit to ensure clerical accuracy of the outstanding rim credit balance.

(iv) For rim cards in which the outstanding rim credit balance has been reduced to zero by a transaction other than a transfer to another table or shift, verify that the rim credit was reduced by the issuance of a marker or paid in full by the customer within seven days from the last date of recorded customer rim activity by reviewing the customer's rim card(s) for the last date of the prior increase/decrease to the rim credit balance and comparing it to the final date of the rim credit balance was reduced to zero.

Comment (January): Please provide clarification of this standard. Does this provide for rim credit to be open for seven days or must rim credit be converted into a marker that must be paid within seven (7) days?

Response: Rim credit cards must be paid in full or replaced with a marker within seven days from the last date of recorded customer rim activity. Modified wording to clarify.

Proposed revision as a result of January comment:

(iv) For rim cards in which the outstanding rim credit balance has been reduced to zero by a transaction other than a transfer to another table or shift, verify that the rim credit was reduced by the issuance of a marker or paid in full by the customer within seven days from the last date of recorded customer rim activity, as required by 542.12 (n) (4), by reviewing the customer's rim card(s) for the last date of the prior increase/decrease to the rim credit balance and comparing it to the final date of the rim credit balance was reduced to zero.

(v) Determine if any issued markers used to reduce the rim credit balance were subsequently voided and rim credit improperly reopened.

(vi) For transfer of rim credit balances to another table or shift, verify that the amount transferred traces from one table's/shift's rim card to the other table's/shift's rim card.

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

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

(ii) Recalculate win/loss in total and by shift. For computerized master game summaries that compute win/loss, accounting personnel shall recalculate win/loss in total and by shift for at least one day each month, rather than daily.

Comment (January): Recommend striking “rather than daily” from the end of the standard.

Response: Qualifying language will be moved and restated for clarity. Modified accordingly.

Proposed revision as a result of January comment:

(ii) Recalculate win/loss in total and by shift on a daily basis. For computerized master game summaries that compute win/loss, accounting personnel shall recalculate win/loss in total and by shift for at least one day each month.

Comment (January): Recommend separating (ii) into (ii) and (iii) and renumbering balance.

Response: Agreed. Modified accordingly.

Proposed revision as a result of January comment:

(ii) Recalculate win/loss in total and by shift on a daily basis.

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

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

(v) Examine documents for propriety of signatures.

~~(2)~~ **(10)** If a table game has the capability to determine drop (e.g., bill-in/coin-drop meters, bill acceptor, computerized record, etc.) the dollar amount of the drop shall be reconciled to the actual drop by shift. **Follow-up shall be performed for each table having an unresolved variance in excess of \$200 between actual cash and the automated recordings. The follow-up performed by accounting/auditing personnel and results of investigation shall be documented and maintained for Tribal gaming regulatory authority review upon request.**

Comment (January): Recommend substituting “investigation” for “follow-up”.

Response: Agreed. Modified accordingly.

Proposed revision as a result of January comment:

~~(2)~~ **(10)** If a table game has the capability to determine drop (e.g., bill-in/coin-drop meters, bill acceptor, computerized record, etc.) the dollar amount of the drop shall be reconciled to the actual drop by shift. **An investigation shall be performed for each table having an unresolved variance in excess of \$200 between actual cash and the automated recordings. The investigation performed by accounting/auditing**

personnel and results of investigation shall be documented and maintained for Tribal gaming regulatory authority review upon request.

~~(3)~~ **(11)** Accounting/auditing employees shall review exception reports for all computerized table games systems at least monthly for propriety of transactions and unusual occurrences. **The review shall include, but not be limited to, void authorizations.**

~~(4)~~ **(12)** All noted improper transactions or unusual occurrences shall be investigated with the results documented **and maintained for Tribal gaming regulatory authority review upon request.**

(13) For all contests, tournaments, promotional payouts (including payouts from computerized player tracking activity), drawings, and giveaway programs, the following documentation is required to be maintained:

Comment (January): There is not time period specified for retention.

Response: Agree. Will modify to indicate that the gaming operation, subject to the approval of the Tribal gaming regulatory authority, shall establish a reasonable time period during which the documentation shall be maintained.

Proposed revision as a result of January comment:

(13) For all contests, tournaments, promotional payouts (including payouts from computerized player tracking activity), drawings, and giveaway programs, the following documentation is required to be maintained for a reasonable time period as established by the gaming operation and approved by the Tribal gaming regulatory authority:

(i) Copies of the information provided to the customers describing the contests, tournaments, promotional payouts, drawings, and giveaway programs (e.g., brochures, fliers);

(ii) Effective dates and;

(iii) Accounting treatment, including general ledger accounts, if applicable.

(iv) For tournaments and contests, the name of the organizations (or persons) that conducted the contest/tournament on behalf of, or in conjunction with, the gaming operation, if any. The extent of responsibilities each organization and the gaming operation had in the contest/tournament (e.g., nonprofit receives 100% of the entry fees and provides noncash prizes to the winners with the gaming operation being responsible for collecting the entry fees, dealing the tournament and distributing prizes to winners) shall also be documented.

Comment (January): Is this referring to written agreements with third parties?

Response: Yes. The purpose of this requirement is to determine the appropriate accounting treatment.

Comment (January): Please provide clarification on what impact this standard will have on non-house banked table games and if it does apply what are the requirements for complying with this standard.

Response: NIGC's Office of General Counsel (OGC) has opined that Blackjack, regardless of how it is played, is a Class III game. Furthermore, non-house banked Blackjack is not a contest, which generally start and end within a relatively short period of time. Therefore, this standard has no applicability to non-house banked Blackjack.

(14) At least monthly, accounting/auditing personnel shall review all contests, tournaments, promotional payouts, drawings, and giveaway programs to confirm proper accounting treatment and proper table games gross revenue win/loss computation.

Comment (January): Recommend adding the words “table games” after “all”. A similar change was made in the proposed gaming machine section.

Response: Agree. Revised accordingly.

Proposed revision as a result of January comment:

(14) At least monthly, accounting/auditing personnel shall review all table games contests, tournaments, promotional payouts, drawings, and giveaway programs to confirm proper accounting treatment and proper table games gross revenue win/loss computation.

Comment (January): Recommend allowing for a sample in this standard.

Response: The purpose of the standard is to verify that they were recorded correctly in the general ledger. Would anticipate that there would be only a handful of them.

Comment (January): In Oklahoma, that is not the case. There are a lot of contests, tournaments, etc.

Response: It is not unreasonable to assume that the same type of contest, tournament, etc. would be accounted for in the same manner. Therefore, suggest the following: **“At least monthly, accounting/auditing personnel shall perform procedures to reasonably ensure that table games contests, tournaments, promotional payouts, drawings, and giveaway programs are afforded proper accounting treatment.”** Modified accordingly.

Proposed revision as a result of January comments:

(14) At least monthly, accounting/auditing personnel shall perform procedures to reasonably ensure that table games contests, tournaments, promotional payouts, drawings, and giveaway programs are afforded proper accounting treatment.

(15) At least monthly, accounting/auditing personnel shall perform procedures to ensure that promotional payouts, drawings, and giveaway programs are conducted in accordance with the conditions provided the public. The procedures shall include a review of documents as well as employee interviews and/or observations.

Comment (January): A lengthy discussion regarding the assertions that employee interviews and/or observations were not an appropriate nor desirable activity for accounting/auditing personnel and that those types of activities were more in the nature of an investigation, which is more appropriately a regulatory activity.

Response: As a result of the concerns raised, the proposed requirement will be deleted and subsequent items renumbered accordingly. Modified accordingly.

~~**(15) At least monthly, accounting/auditing personnel shall perform procedures to ensure that promotional payouts, drawings, and giveaway programs are conducted in accordance with the conditions provided the public. The procedures shall include a review of documents as well as employee interviews and/or observations.**~~

(15) Daily, accounting/audit personnel shall reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

(16) When payment is made to the winners of a contest/tournament, accounting/audit personnel shall reconcile the contest/tournament entry fees collected to the actual contest/tournament payouts made. This reconciliation is to determine whether, based on the entry fees collected, the payouts made and amounts withheld by the gaming operation, if applicable, were distributed in accordance with the contest/tournament rules.

~~**(5) (17)**~~ Evidence of table games auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the Tribal gaming regulatory authority upon request.

~~**(6) (18)**~~ A daily recap shall be prepared for the day and month-to-date, which shall include the following information:

(i) Drop;

(ii) Win; and

(iii) Gross revenue.

(19) Monthly, accounting/auditing personnel shall reconcile gross revenue from the general ledger to the month-end daily tables games recap.

Justification: Revisions expand the scope of the accounting and auditing standards to address the testing of player tracking systems, fill/credit issues and marker issuances/payments/voids and transfers, rim credit transactions, game results, drop variances, and contest/tournaments/promotional drawings and giveaway programs. It is noteworthy that the section has not been materially revised since 2002.

Comment (January): Recommend separating/rearranging those items that pertain to table games contests/tournaments, etc. from those that pertain to table games themselves.

Response: Agreed. Modified accordingly.

Proposed revision as a result of January comment:

(e) *Table games.* (1) The accounting and auditing procedures shall be performed by personnel who are independent of the transactions being audited/accounted for.

~~(5)~~ **(2)** Evidence of table games auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the Tribal gaming regulatory authority upon request.

~~(6)~~ **(3)** A daily recap shall be prepared for the day and month-to-date, which shall include the following information:

(i) Drop;

(ii) Win; and

(iii) Gross revenue.

(4) Monthly, accounting/auditing personnel shall reconcile gross revenue from the general ledger to the month-end daily tables games recap.

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

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

(ii) Recalculate win/loss in total and by shift on a daily basis.

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

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

(v) Examine documents for propriety of signatures.

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

~~(3)~~ **(7)** Accounting/auditing employees shall review exception reports for all computerized table games systems at least monthly for propriety of transactions and unusual occurrences. **The review shall include, but not be limited to, void authorizations.**

~~(4)~~ **(8)** All noted improper transactions or unusual occurrences shall be investigated with the results documented **and maintained for Tribal gaming regulatory authority review upon request.**

(9) For computerized player tracking systems, an accounting/audit employee shall perform the following procedures for at least one day per quarter:

(i) Review all point addition/deletion authorization documentation, other than for point addition/deletions made through an automated process, for propriety;

(ii) Review exception reports including point transfers between accounts; and

(iii) Review documentation related to access to inactive and closed accounts.

(10) At least annually, the computerized table game player tracking system shall be reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., simulate activity to verify the accuracy of the amount of points awarded). The test results shall be documented and maintained for Tribal gaming regulatory authority review upon request.

(11) The following procedures shall be performed on fill/credit slips and marker credit slips by accounting/audit personnel:

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

(ii) For manual fill/credit slips and manual marker credit slips, for at least one day per month, verify that all numerically numbered slips issued are properly accounted for. Investigations shall be performed for all slips that are unaccounted for with the investigation being documented and retained for Tribal gaming regulatory authority review upon request.

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

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

(12) The following procedures shall be performed on marker issue/payment slips by accounting/audit personnel:

(i) For manual marker issue slips, for at least one day each month, verify that all numerically numbered slips are properly accounted for. Investigations shall be performed for all slips that are unaccounted for with the investigation being documented and retained for Tribal gaming regulatory authority review upon request.

(ii) For at least one day per month, foot (add up) the marker issue and payment slips (placed in the table game drop box) and trace the total to the total marker issue and payment amounts indicated on the master games summary prepared by the count team members. If the reconciliation results in a variance, an investigation shall be performed to determine whether all forms are accounted for with the investigation being documented and retained for Tribal gaming regulatory authority review upon request.

(iii) For each day, examine a sample of marker issue and payment slips for propriety of signatures and proper completion.

(iv) If count team members only totaled marker issue and payment slips by shift and traced to the totals documented by the computer system, for each day, verify that the issue/payment slips for each table are accurate.

(13) For each day, accounting/audit personnel shall reconcile the total dollar amount of markers transferred as indicated on the mass marker transfer form(s) and marker credit slips to the dollar amount recorded on the cage accountability documentation. The mass marker transfer form shall be reviewed for propriety of signatures and proper completion.

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

(i) Examine all voided forms for proper authorization and “void” designation;

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

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

(iv) Determine that all parts of the voided form have been received.

(v) Examine form for the proper number of signatures.

(vi) For all voided markers, determine that the void of the pit marker was not performed by cage personnel and compare the time of marker issuance to the time of voiding to determine that transactions were voided within 30 minutes after the issuance of the marker. If not voided within 30 minutes, determine whether the documented reason for exceeding the time period is adequate.

(15) The following procedures shall be performed on rim credit cards by accounting/audit personnel each day:

(i) Verify that all numerically numbered rim cards are properly accounted for. Investigations shall be performed for all forms that are unaccounted for with the investigation being documented and retained for Tribal gaming regulatory authority review upon request.

(ii) Examine a sample of rim cards for propriety of signatures and proper completion.

(iii) Foot (add up) balance increases/decreases of rim credit to ensure clerical accuracy of the outstanding rim credit balance.

(iv) For rim cards in which the outstanding rim credit balance has been reduced to zero by a transaction other than a transfer to another table or shift, verify that the rim credit was reduced by the issuance of a marker or paid in full by the customer within seven days from the last date of recorded customer rim activity, as required by 542.12 (n) (4), by reviewing the customer's rim card(s) for the last date of the prior increase/decrease to the rim credit balance and comparing it to the final date of the rim credit balance was reduced to zero.

(v) Determine if any issued markers used to reduce the rim credit balance were subsequently voided and rim credit improperly reopened.

(vi) For transfer of rim credit balances to another table or shift, verify that the amount transferred traces from one table's/shift's rim card to the other table's/shift's rim card.

(16) For all contests, tournaments, drawings, and giveaway programs, the following documentation is required to be maintained:

(i) Copies of the information provided to the customers describing the contests, tournaments, drawings, and giveaway programs (e.g., brochures, fliers);

(ii) Effective dates and;

(iii) Accounting treatment, including general ledger accounts, if applicable.

(iv) For tournaments and contests, the name of the organizations (or persons) that conducted the contest/tournament on behalf of, or in conjunction with, the gaming operation, if any. The extent of responsibilities each organization and the gaming operation had in the contest/tournament (e.g., nonprofit receives 100% of the entry fees and provides noncash prizes to the winners with the gaming operation being responsible for collecting the entry fees, dealing the tournament and distributing prizes to winners) shall also be documented.

(17) At least monthly, accounting/auditing personnel shall review all contests, tournaments, drawings, and giveaway programs to confirm proper accounting treatment and proper table games gross revenue win/loss computation.

(18) Daily, accounting/audit personnel shall reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

(19) When payment is made to the winners of a contest/tournament, accounting/audit personnel shall reconcile the contest/tournament entry fees collected to the actual contest/tournament payouts made. This reconciliation is to determine whether, based on the entry fees collected, the payouts made and amounts withheld by the gaming operation, if applicable, were distributed in accordance with the contest/tournament rules.

(f) *Gaming Machines.* (1) Gaming machine accounting/auditing procedures shall be performed by employees who are independent of the transactions being reviewed.

(2) For computerized player tracking systems, an accounting/audit employee shall perform the following procedures at least one day per quarter:

(i) Review all point addition/deletion authorization documentation, other than for point additions/deletions made through an automated process, for propriety.

(ii) Review exception reports including transfers between accounts.

(iii) Review documentation related to access to inactive and closed accounts.

(3) At least annually, all computerized player tracking, promotional accounts, promotion and external bonusing gaming machine systems (in-house developed and purchased systems) shall be reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., player tracking system - verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., wagering at a gaming machine to verify the accuracy of the amount of points/credits awarded). Documentation of the test results shall be created and maintained.

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

(i) For gaming operations that do not have a weigh scale or currency counter interface system, the gaming operation will develop procedures as determined by the Tribal gaming regulatory authority for the reconciliation of meter to drop and

the count reflected in the drop report. Variance amounts as established by policy shall be investigated and documented.

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

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

(7) For server-based games, procedures shall be performed on a random sampling basis (one player terminal) at least monthly to verify that the gaming machines are accurately reporting data to the computerized casino accounting system and to verify the continuing accuracy of the coin-in meter readings as recorded in the final gaming machine statistical report.

(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 or equivalent.

(9) For at least one day each month, accounting/audit personnel shall reconcile the dollar amount of preprinted active tickets that are created and issued to an

accountability area (e.g., cashier, players club, change booth) for subsequent sale to customers to the amount reflected in the accountability documents. The

reconciliation includes using documents and the computerized casino accounting system reports supporting all additions and reductions of active cash-out tickets.

(10) For at least one day each month, accounting/audit personnel shall reconcile the dollar amount of wagering account transactions (i.e., deposits, withdrawals, and account adjustments) to the amounts reflected in the appropriate accountability documents. The reconciliation includes using documents and computerized casino accounting system reports supporting all additions and reductions of funds held for wagering accounts in the appropriate accountability area.

(11) The following procedures shall be performed by accounting personnel for each day:

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

(A) All computer payout and fill forms prepared as a result of a computer system override.

(B) All manual payout and fill forms.

(C) A sample of computer payout and fill forms.

(D) All voided sequentially-numbered payout forms.

(ii) For a manual payout process, reconcile the gaming machine payout and fill forms as follows:

(A) Foot (add up) the payout and fill forms and trace to the total payout and fill amounts recorded on the cage accountability documents.

(B) If the reconciliation results in a variance, an investigation shall be performed to determine whether all forms are accounted for with the investigation being documented.

(C) Verify that the correct total payout and fill amounts are recorded in the accounting records.

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

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

(v) The following procedures are performed using the count document completed by the count team members:

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

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

(C) Examine for propriety of signatures.

(vi) Ensure all single-use gaming machine promotional coupons redeemed at booths, cages, etc. (i.e., coupons that cannot be accepted by a gaming machine for wagering purposes) are properly canceled by gaming machine/ cage personnel to prevent improper recirculation.

(vii) Compare the dollar amount of issued, voided, and redeemed cash-out tickets to the unpaid and expired cash-out tickets dollar amount using the reports generated by the computerized casino accounting system for reasonableness, as defined by the Tribal gaming regulatory authority. Investigate and document any variance noted. Examine paid expired cash-out tickets for proper authorization and documentation pursuant to (f)(5) and (f)(6) of this section.

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

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

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

(xi) When payment is made to the winners of a contest/tournament, reconcile the contest/tournament entry fees collected to the actual contest/tournament payouts made. This reconciliation is to determine whether based on the entry fees collected,

the payouts made and the amounts withheld by the gaming establishment, if applicable, were distributed in accordance with the contest/tournament rules.

(12) At least monthly, accounting/audit personnel shall perform the following:

(i) Foot (add up), for at least one day, the computer payout and fill forms and compare the total to the amount recorded in the computer system payout and fill reports.

(ii) Reconcile gross revenue from the monthly gaming machine summary report to the general ledger. Any variances between the gross revenue recorded in the monthly gaming machine summary report and the general ledger should be identified by documenting the reason for the variance. This reconciliation is documented and maintained.

(13) At least once a quarter, for each patron kiosk and jackpot kiosk, accounting/audit personnel shall foot (add up) the cash-out tickets redeemed for a week (or one drop period if dropped more frequently) and trace the totals to the totals recorded in the computerized casino accounting system and the related accountability document. This procedure may be performed for different kiosks throughout the quarter as long as each kiosk is examined once a quarter. The audit and the results of investigations into all variances shall be documented by kiosk. This procedure may be performed by non accounting personnel as long as the individual did not perform the reconciliation required by (g) (5) (v) of this section.

(14) At least monthly, accounting/audit personnel shall review all contests, tournaments, promotional payouts, drawings, and giveaway programs to determine

proper accounting treatment and proper gaming machine gross revenue win/loss computation.

(15) For each day, accounting/audit personnel shall compare the total dollar amount of WAT In (transfers from wagering account to gaming machines), total dollar amount of WAT Out (transfers to the wagering account from the gaming machine) and total dollar amount of WAT net win/loss (wagering account transfers to gaming machines less wagering account transfers from the gaming machines) indicated on the server-based games revenue report to the total dollar amount of WAT In, total dollar amount of WAT Out and total dollar amount of WAT net win/loss on the computerized casino accounting system wagering account detail report.

(16) For each day, accounting/audit personnel shall compare the WAT net win/loss (wagering account transfers to gaming machines less wagering account transfers from the gaming machines) amount indicated on the computerized casino accounting system wagering account detail report to the total dollar amount of WAT net win/loss indicated in the cage accountability.

(17) All gaming machine auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the Tribal gaming regulatory authority upon request.

(g) *Cage.*

Comment (July): (Former) 542.14 Subsection (h) standards should be removed to section 542.19.

Response: Disagree. Inclusion of accounting/auditing standards specific to the cage within the cage section is consistent with the structure of the MICS. Section 542.19 contains general accounting standards which are specific to the Accounting Department.

Comment (July): The entire proposed additions to this subsection contain standards that are overly specific, impinging on TGRA authority.

Comment (July): The entire proposed additions to this subsection should be presented as recommended practices only.

Response: Disagree. To be effective, the MICS must be clear, concise and unambiguous. The need for specificity is directly related to the risk posed by the transactions or activities. Accounting and auditing standards are essential to the safeguarding of operational integrity and the protection of casino assets.

Comment (July): Replace all instances of “shall” in this subsection with “should”.

Response: Disagree. The intent of these standards is to identify only the minimum controls necessary to effectively account for the gaming activity. The regulations are not intended to define a comprehensive system of internal controls for the cage. Consequently, specificity relevant to the applicability of the rule is warranted.

(1) The cage accountability shall be reconciled to the general ledger at least monthly.

(2) For at least one day each month, accounting/audit personnel shall trace the amount of cage deposits to the amounts indicated in the bank statements.

(3) For at least two days each year, a count shall be performed of all funds in all gaming areas (i.e. cages, vaults and booths (including reserve areas), kiosks, cash-out ticket redemption machines, and change machines. Do not include table inventories or gaming machine hopper funds. Count all chips and tokens by denomination and type. Count individual straps, bags, and imprest banks on a sample basis. Trace all amounts counted to the amounts recorded on the corresponding accountability forms to ensure the proper amounts are recorded. Maintain documentation evidencing the amount counted for each area and the subsequent comparison to the corresponding accountability form. The count shall be completed within the same gaming day for all areas.

Comment (July): Could be interpreted to allow the Commission to perform the comprehensive count if not performed by the gaming operation.

Response: Disagree. There is no provision in this standard that would allow the Commission to perform the count. The MICS are intended to identify the best practices of the gaming industry that have evolved over many decades. The applicability is relevant to gaming operation management, under the jurisdiction of the TGRA.

(i) Counts shall be observed by an individual independent of the department being counted. It is permissible for the individual responsible for the funds to perform the actual count while being observed.

(ii) Internal audit may perform and/or observe the two counts.

Comment (July): Remove “perform and/or”. IA should be allowed only to observe.

Comment (July): Strike (former 542.14 (h) (3) (ii), now 542.XX (3) (ii). IA should have no involvement in the count.

Response: Disagree. Allowing internal audit to participate in the count provides flexibility to smaller gaming operations or in other circumstances where gaming operation staff are not available in sufficient numbers to complete the count in a timely manner. The standard also excuses the operation from re-performing the comprehensive count if previously performed by internal audit. The TGRA, as the primary regulatory authority, is not precluded from establishing a more stringent standard prohibiting performance and/or observation of the count by internal audit.

(4) At least annually, select a sample of invoices for chips and tokens purchased and trace the dollar amount from the purchase invoice to the accountability document that indicates the increase to the chip or token inventory to ensure the proper dollar amount has been recorded.

(5) For each business year end, create and maintain documentation evidencing the amount of the chip/token liability, the change in the liability from the previous year,

and explanations for adjustments to the liability account including any adjustments for chip/token float.

(6) For at least one day each month, accounting/audit personnel shall review a sample of returned checks to determine that the required information was recorded by cage personnel when the check was cashed.

(7) Accounting/audit personnel shall review exception reports for all computerized cage systems (e.g., fill/credit systems) at least monthly for propriety of transactions and unusual occurrences. The review shall include, but is not limited to, voided authorizations. All noted improper transactions or unusual occurrences identified shall be investigated with the results documented.

(8) At least monthly, accounting/audit personnel shall review all promotional payments, drawings, and giveaway programs to verify proper accounting treatment and proper win/loss computation.

(9) For all promotional payments, drawings, and giveaway programs the following documentation shall be maintained:

(i) Copies of the information provided to the customers describing the promotional payments, drawings, and giveaway programs (e.g., brochures, flyers);

(ii) Effective dates; and

(iii) Accounting treatment, including general ledger accounts, if applicable.

(10) At least monthly, accounting/audit personnel shall perform procedures to ensure that promotional payments, drawings, and giveaway programs are conducted in accordance with information provided to the customers.

(11) Daily, accounting/audit personnel shall reconcile all parts of forms used to document increases/decreases to the total cage inventory, investigate any variances noted, and document the results of such investigations.

Justification: The proposed additions are accounting/auditing controls that have become prevalent within the gaming industry since the last MICS revision.

Comment (December): Item (11) requires clarification; is this intended to apply to something specific or broadly to fill/credit slip, funds requested, etc. and if so, the same should be succinctly stated. The overall problem is that this new addition does not address a standard but rather proposes a procedure without sufficient limitation to allow efficient cage operation. A definition of “total cage inventory” is needed to clarify the intent of this proposed standard and to what/how it applies to “increase/decrease”.

Response: Disagree that clarification is warranted. The standard codifies the common practice of matching multi-part forms to ensure that each part reflects the same information and has not been altered. The applicability is to all transactions that document an increase or decrease to the cage inventory. The control is necessary to ensure the integrity of the cage inventory and should have no material impact on the efficiency of the cage operation.

Agree that a definition of “total cage inventory” is worthwhile and same will be added to Section 542.2.

(12) All cage ~~auditing and credit accounting~~ procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the Tribal gaming regulatory authority upon request.

Justification: The replacement of “accounting” with “auditing” is to clarify that these standards apply to auditing procedures. The removal of “credit” is to clarify that credit procedures formerly contained in this section have been moved to the Credit section of the MICS.

(h) *Credit.* (1) A person independent of the cage, credit, and collection functions shall perform all of the following at least three (3) times per year:

(i) Select a sample of credit accounts;

Justification: Clarifies that not all credit accounts need to be reviewed.

~~(ii)-(i)~~ **Ascertain** compliance with credit limits and other established credit issuance procedures;

~~(iii) (ii)~~ ~~Randomly~~ **Reconcile** outstanding balances of both active and inactive **(includes write-offs and settlements)** accounts on the accounts receivable listing to individual credit records and physical instruments. **This procedure need only be performed once per year for inactive accounts; and**

Justification: Clarifies that both write-offs and settlements are considered inactive accounts.

~~(iv) (iii)~~ Examine credit records to determine that appropriate collection efforts are being made and payments are being properly recorded; and

~~(iv) (2)~~ For a minimum of five (5) days per month, **a person independent of the cage, credit, and collection functions shall subsequently reconcile** partial payment receipts ~~shall be subsequently reconciled~~ to the total payments recorded by the cage for the day and ~~shall be numerically accounted for~~ **account for the receipts sequentially.**

Comment (October): Functions other than cage, credit, and collection may not be sufficiently independent to perform the reconciliation.

Response: Disagree. The functions listed here are the functions usually responsible for accepting and accounting for partial payments on credit instruments. Other functions will normally have the degree of independence necessary to perform the reconciliation.

Comment (October): Replace all occurrences of “person independent of cage, credit, and collection functions” in sub-section (h) with “revenue audit”.

Response: Disagree. “Revenue audit” is not a universal term in the industry, and is not defined in Part 542. For gaming operations where revenue audit is a distinct and defined function, and revenue audit is independent of the partial

payment transactions, it is left to the TGRA to assign procedures in sub-section (h) to revenue audit.

Note: 542.XX (g) (3)-(5) were previously located in 542.14 Cage. However, because they are applicable to credit, they have been moved to this section.

(3) A trial balance of gaming operation accounts receivable, including the name of the customer and current balance, shall be prepared at least monthly for active, inactive, settled or written-off accounts.

(4) The trial balance of gaming operation accounts receivable shall be reconciled to the general ledger each month. The reconciliation and any follow-up performed shall be documented, maintained for inspection, and provided to the Tribal gaming regulatory authority upon request.

(5) On a monthly basis an evaluation of the collection percentage of credit issued to identify unusual trends shall be performed.

(i) *Complimentary services or items.* The internal audit or accounting departments shall review the reports required in paragraph 542.17 (c) at least monthly. These reports shall be made available to the Tribe, Tribal gaming regulatory authority, audit committee, other entity designated by the Tribe, and the Commission upon request.

(j) Drop and Count (Tiers A, B & C) (1) Unannounced currency counter and currency counter interface (if applicable) tests shall be performed by personnel independent of the cage, vault, count team, table games and gaming machines departments (as applicable) on at least a quarterly basis with the test results documented and maintained. All denominations of currency counted by the currency counter must be tested. This test may be performed by internal audit. The

result of these tests shall be documented and signed by the person or persons performing the test.

Justification: The use of currency counters and applicable computer interfaces is becoming standard practice and therefore independent testing of the counting devices is essential to protecting the count proceeds.

Written Comment (March): While adhering to the prohibited personnel from performing this function, this is a regulatory function and some tribes may not have internal audit as a part of the TGRA. Therefore, the TGRA should specify who may perform this function other than those prohibited.

Response: The Committee reviewed the proposed standard and had no comment. The TGRA has the authority/discretion to designate who shall perform this function.

Comment (May): Recommend adding that that test may be performed by the Tribal gaming regulatory authority

Response: Agree. Modified accordingly.

Revised proposal as a result of May comment:

(j) Drop and Count (Tiers A, B & C) (1) Unannounced currency counter and currency counter interface (if applicable) tests shall be performed by personnel independent of the cage, vault, count team, table games and gaming machines departments (as applicable) on at least a quarterly basis with the test results documented and maintained. All denominations of currency and all types of cash out tickets counted by the currency counter must be tested. This test may be performed by internal audit or the Tribal gaming regulatory authority. The result of these tests shall be documented and signed by the person or persons performing the test.

(2) Unannounced weigh scale and weigh scale interface (if applicable) tests shall be performed ~~The weigh scale and weigh scale interface (if applicable) shall be tested~~

by a person or persons independent of the cage, vault, and gaming machine departments and count team at least quarterly with the test results being documented and maintained. ~~At least annually, this test shall be performed by internal audit in accordance with the internal audit standards.~~ This test may be performed by internal audit. The result of these tests shall be documented and signed by the person or persons performing the test.

Justification: The recommended addition is to provide much needed controls governing the unannounced testing of the coin weigh scale and weigh scale interface due to the possible manipulation of the scales and allow for performance of the testing by internal audit personnel.

Written Comment (March): We recommend the following language be used in place of (x) (5): “(a) Unannounced weigh scale and weigh scale interface testing, on a quarterly basis by personnel independent of the cage, vault, count team and gaming machine departments to test the calibration of the weigh scale and weigh scale interface; (b) Documentation of test results on basis with the test results being documented and maintained.”

Response: The Committee reviewed the proposed revision and had no comment. Furthermore, proposed language is lacking in the following respects: not all gaming operations have a weigh scale interface, weigh scale interfaces are not calibrated and (b) is unclear i.e. what does “on basis” mean?

Comment (May): Recommend adding that that test may be performed by the Tribal gaming regulatory authority

Response: Agree. Modified accordingly.

Revised proposal as a result of May comment:

(2) Unannounced weigh scale and weigh scale interface (if applicable) tests shall be performed ~~The weigh scale and weigh scale interface (if applicable) shall be tested~~ by a person or persons independent of the cage, vault, and gaming machine departments and count team at least quarterly with the test results being documented and maintained. ~~At least annually, this test shall be performed by internal audit in~~

~~accordance with the internal audit standards.~~ This test may be performed by internal audit or the Tribal gaming regulatory authority. The result of these tests

shall be documented and signed by the person or persons performing the test.

Justification: The recommended addition is to provide much needed controls governing the unannounced testing of the coin weigh scale and weigh scale interface due to the possible manipulation of the scales.

(3) For computerized key security systems controlling access to gaming machine drop and count keys, accounting/audit personnel, independent of the system administrator, ~~will~~ **shall** perform the following procedures:

(i) Daily, review the report generated by the computerized key security system indicating the transactions performed by the individual(s) that adds, deletes, and changes user's access within the system (i.e., system administrator). Determine whether the transactions completed by the system administrator provide an adequate control over the access to the gaming machine drop and count keys. Also, determine whether any gaming machine drop and count key(s) removed or returned to the key cabinet by the system administrator was properly authorized.

(ii) For at least one day each month, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual gaming machine drop and count key removals or key returns occurred.

(iii) At least quarterly, review a sample of users that are assigned access to the gaming machine drop and count keys to determine that their access to the assigned keys is adequate relative to their job position.

(iv) All noted improper transactions or unusual occurrences ~~are~~ **shall be** investigated with the results documented.

(4) **At least** quarterly, an inventory of all count room, bill acceptor canister release, storage rack and contents keys is performed, and reconciled to records of keys made, issued, and destroyed. Investigations are performed for all keys unaccounted for, with the investigation being documented.

Comment (December): Add override and panel keys for automated key custody systems to the list of keys to be included in the inventory.

Response: Agree

Revision as a result of December comment:

(4) **At least** quarterly, an inventory of all count room, bill acceptor canister release, storage rack, and contents keys **and override and panel keys** is performed, and reconciled to records of keys made, issued, and destroyed. Investigations are performed for all keys unaccounted for, with the investigation being documented.

Note: On review it was determined that slot machine door keys and slot fill cabinet keys were omitted from the listing of keys to be inventoried on a quarterly basis.

Revision incorporating note:

(4) **At least** quarterly, an inventory of all count room, bill acceptor canister release, storage rack, **slot fill cabinet,** and **slot machine door and override and panel keys,** **is shall be** performed, and reconciled to records of keys made, issued, and destroyed. Investigations **are shall be** performed for all keys unaccounted for, with the investigation being documented.

(5) For computerized key security systems controlling access to table games drop and count keys, accounting/audit personnel, independent of the system administrator, will perform the following procedures:

(i) Daily, review the report generated by the computerized key security system indicating the transactions performed by the individual(s) that adds, deletes, and changes user's access within the system (i.e., system administrator). Determine whether the transactions completed by the system administrator provide an adequate control over the access to the table games drop and count keys. Also, determine whether any table games drop and count key(s) removed or returned to the key cabinet by the system administrator was properly authorized.

(ii) For at least one day each month, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual table games drop and count key removals or key returns occurred.

(iii) At least quarterly, review a sample of users that are assigned access to the table games drop and count keys to determine that their access to the assigned keys is adequate relative to their job position.

(iv) All noted improper transactions or unusual occurrences ~~are~~ **shall be** investigated with the results documented.

(6) Quarterly, an inventory of all count room, table game drop box release, storage rack and contents keys ~~is~~ **shall be** performed, and reconciled to records of keys made, issued, and destroyed. Investigations ~~are~~ **shall be** performed for all keys unaccounted for, with the investigations being documented.

Comment (December): Add override and panel keys for automated key custody systems to the list of keys to be included in the inventory.

Response: Agree

Revised proposal based on December comment:

(6) Quarterly, an inventory of all count room, table game drop box release, storage rack, ~~and~~ contents keys **and override and panel keys is shall be** performed, and reconciled to records of keys made, issued, and destroyed. Investigations ~~are~~ **shall be** performed for all keys unaccounted for, with the investigation being documented.