

***§543.8 What are the minimum internal control standards for pull tabs?***

(a) *Computer applications.* For any computer application utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section, as approved by the Tribal gaming regulatory authority in writing, will be acceptable.

(b) *Pull tab inventory.* (1) Pull tab inventory (including unused tickets) shall be controlled to assure the integrity of the pull tabs.

(2) Purchased pull tabs shall be inventoried and secured by a person or persons independent of the pull tab sales.

(3) The issue of pull tabs to the cashier or sales location shall be documented and signed for by the person responsible for inventory control and the cashier. The document log shall include the serial number of the pull tabs issued.

(4) Appropriate documentation shall be given to the redemption booth for purposes of determining if the winner purchased the pull tab from the pull tabs issued by the gaming operation. Electronic verification satisfies this requirement.

*543.8 (b) (5) & (6) have been moved to proposed Revenue Audit 543.50 (b) (1) and (2).*

**~~(5) 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.~~**

**~~(6) A monthly 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.~~**

(c) *Access.* Access to pull tabs shall be restricted to authorized persons.

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

(e) *Winning pull tabs.* (1) Winning pull tabs shall be verified and paid as follows:

(i) Prize payouts of \$600 or more, or a lesser amount established by the gaming operation, shall be verified by at least two persons, documentation required. Tribal gaming regulatory authority approval of this amount is recommended.

(ii) Prize payouts over a predetermined amount shall require the signature and verification of two individuals, one of whom must be a member of supervisory or management staff independent of the pull tab department. This predetermined amount (Tribal gaming regulatory authority approval recommended) shall be authorized by management, documented, and maintained.

(iii) Total payout shall be computed and recorded by shift.

(iv) The winning pull tabs shall be voided so that they cannot be presented for payment again.

543.8 (e) (2) has been moved to proposed Revenue Audit 543.50 (b) (3).

**~~(2) Personnel independent of pull tab operations shall verify the amount of winning pull tabs redeemed each day.~~**

(f) *Accountability form.* (1) All funds used to operate the pull tab game shall be recorded on an accountability form.

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

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

(g) *Standards for statistical reports.* (1) Records shall be maintained, which include (for games sold in their entirety) a win-to-write hold percentage as compared to the expected hold percentage derived from the flare. Records shall also include win and write (sales) for each deal or type of game, for:

(i) Each shift;

(ii) Each day;

(iii) Month-to-date; and

(iv) Year-to-date or fiscal year-to-date as applicable.

(2) A manager independent of the pull tab operations shall review statistical information at least on a monthly basis and shall investigate any large or unusual statistical fluctuations. These investigations shall be documented, maintained for inspection, and provided to the Tribal gaming regulatory authority upon request.

*543.8 (h) (1 (i)-(iv) have been moved to proposed Revenue Audit 543.50 (b) (4)*

**~~(h) Electronic equipment. (1) If the gaming operation utilizes electronic equipment in connection with the play of pull tabs, then the following standards shall also apply.~~**

**~~(i) If the electronic equipment contains a financial instrument acceptor, then §543.21(e) and (f), §543.31(e) and (f), or §543.41(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 to the player, then §543.7(f) (as applicable) shall apply.~~

~~(iv) If the electronic equipment utilizes patron account access cards for activation of play, then §543.7(g) (as applicable) shall apply.~~

~~(2) [Reserved]~~