TRIBAL MINIMUM INTERNAL CONTROL STANDARDS

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Section 1- Tribal Minimum Internal Control Standards

This internal control document establishes the Tribal Minimum Internal Control Standards for Red Earth Casino as set forth by the Torres Martinez Gaming Agency. This document allows the gaming facility to comply with the National Indian Gaming Commission's Minimum Internal Control Standards "MICS" as set forth in 25 CFR 542 and 543.

In addition the Red Earth Casino is required to comply with Federal Title 31 Regulations. The Title 31/SARC Regulations were adopted in their entirety on April 10, 2003 as set forth in 31 CFR Chapter X. The Title 31 / SARC regulations will continue to be audited and monitored for compliance by the TMGA as will the TMGA TICS. The TMGA needs to have copies of the operations System of Internal Control ("SICS") document with all revisions for approval no later than October 1, 2013. For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control described by the Tribal Internal Control Standards, as approved by the Torres Martinez Gaming Agency, will be acceptable.

Adopted October 2015

Section 2 - Definitions:

The definitions in this section apply to all sections of this part unless otherwise noted.

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

Agent- A person authorized by the Red Earth Casino, as approved by Torres Martinez Gaming Agency, to make decisions or perform assigned tasks or actions on behalf of the Red Earth Casino.

Automated payout- Payment issued by a machine.

Bill acceptor- means the device that accepts and reads cash by denomination in order to accurately register customer credits at a gaming device.

Bill acceptor canister- means the box attached to the bill acceptor used to contain cash received by bill acceptors at a gaming device.

Bill acceptor canister release key- means the key used to release the bill acceptor canister from the bill acceptor device.

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

Bill acceptor drop- means cash contained in bill acceptor canisters.

Bill-in meter- means a meter included on a gaming machine accepting cash that tracks the number of bills put in the machine.

Bingo paper- A consumable physical object that has one or more bingo cards on its face.

Bingo sales- The value of purchases made by players to participate in bingo.

Bingo win- The result of bingo sales minus prize payouts.

Cage- A secure work area within the Red Earth Casino for cashiers, which may include a storage area for the Red Earth Casino bankroll.

Cash equivalents- Documents, financial instruments other than cash, or anything else of representative value to which the Red Earth Casino has assigned a monetary value. A cash equivalent includes, but is not limited to, tokens, chips, coupons, vouchers, payout slips and tickets, and other items to which a Red Earth Casino has assigned an exchange value.

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

Cashless transaction- A movement of funds electronically from one component to another, such as to or from a patron deposit account.

Chair- The Chair of the National Indian Gaming Commission.

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

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

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

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

Complimentary services and items- Services and items provided to a patron at the discretion of an agent on behalf of the Red Earth Casino or by a third party on behalf of the Red Earth Casino. Services and items may include, but are not limited to, travel, lodging, food, beverages, or entertainment expenses.

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

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

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

Credit- means the right granted by a gaming operation to a customer to defer payment of debt or to incur debt and defer its payment.

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

Drop box- A locked container in which cash or cash equivalents are placed at the time of a transaction, typically used in card games or table games.

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

EPROM- means erasable programmable read-only memory or other equivalent game software media.

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

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

Fill slip- means a document evidencing a fill.

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

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

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

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

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

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

Gaming machine pay table- means the reel strip combinations illustrated on the face of the gaming machine that can identify payouts of designated coin amounts.

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

Generally Accepted Accounting Principles (GAAP)- A widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board (FASB), including, but not limited to, the standards for casino accounting published by the American Institute of Certified Public Accountants (AICPA).

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

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

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

Internal audit- The audit function of a gaming operation that is independent of the department subject to the audit. Internal audit activities should be conducted in a manner that permits objective evaluation of areas examined.

Internal auditor- The person(s) who perform an independent audit. Independence is obtained through the organizational reporting relationship, as the internal audit department must not report to management of the gaming operation. Internal audit personnel may provide audit coverage to more than one operation within a tribe's gaming operation holdings.

Jackpot payout- means the portion of a jackpot paid by gaming machine personnel. The amount is usually determined as the difference between the total posted jackpot amount and the coins paid out by the machine. May also be the total amount of the jackpot.

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

Lines of credit- The privilege granted by a Red Earth Casino to a patron to: (1) Defer payment of debt; or (2) Incur debt and defer its payment under specific terms and conditions.

Manual payout- Any non-automated payout.

Marker- A document, signed by the patron, promising to repay credit issued by the Red Earth Casino

Marker credit play- means that players are allowed to purchase chips using credit in the form of a marker.

Marker inventory form- means a form maintained at table games or in the gaming operation pit that are used to track marker inventories at the individual table or pit.

Marker transfer form- means a form used to document transfers of markers from the pit to the cage.

Master game program number- means the game program number listed on software for a gaming machine.

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

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

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

Multi-game machine- means a gaming machine that includes more than one type of game option.

MICS- Minimum internal control standards.

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

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

On-line gaming machine monitoring system- means a system used at the Red Earth Casino to monitor gaming machine meter readings and/or other activities on an on-line basis.

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

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

Par sheet- means a specification sheet for a gaming machine that provides machine hold percentage, model number, hit frequency, reel combination, number of reels, number of coins that can be accepted, and reel strip listing.

Patron- A person who is a customer or guest of the Red Earth Casino and may interact with a Class II or Class III game. Also may be referred to as a "player."

Patron deposit account- An account maintained on behalf of a patron, for the deposit and withdrawal of funds for the primary purpose of interacting with a gaming activity.

Payment slip- means that part of a marker form on which customer payments are recorded.

Payout- means a transaction associated with a winning event.

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

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

Pit supervisor- means the employee who supervises all games in a pit

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

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

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

Promotional progressive pots and/or pools- Funds contributed to a game by and for the benefit of players that are distributed to players based on a predetermined event.

Progressive gaming machine- means a gaming machine, with a payoff indicator, in which the payoff increases as it is played (i.e., deferred payout). The payoff amount is accumulated, displayed on a machine, and will remain until a player lines up the jackpot symbols that result in the progressive amount being paid.

Progressive jackpot- means deferred payout from a progressive gaming machine.

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

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

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

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

Random number generator- means a device that generates numbers in the absence of a pattern. May be used to determine numbers selected in various games such as keno and bingo. Also commonly used in gaming machines to generate game outcome.

Reel symbols- means symbols listed on reel strips of gaming machines.

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

Short pay- means a payoff from a gaming machine, electronic player station or player interface that is less than the listed amount.

Soft count- means the count of the contents in a drop box or a bill acceptor canister.

Statistical drop- means total amount of money, chips and tokens contained in the drop boxes, plus pit credit issued, minus pit credit payments in cash in the pit.

Statistical win- means closing bankroll, plus credit slips for cash, chips or tokens returned to the cage, plus drop, minus opening bankroll, minus fills to the table, plus marker credits.

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

Shill- An agent financed by the gaming operation and acting as a player.

Smart card- A card with embedded integrated circuits that possesses the means to electronically store or retrieve account data.

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

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

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

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

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

Table inventory- means the total coins or chips at a table.

Table inventory form- means the form used at the Red Earth Casino by supervisory personnel to document the inventory of chips, coins, and tokens on a table at the beginning and ending of a shift.

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

Theoretical hold- means the intended hold percentage or win of an individual gaming machine as computed by reference to its payout schedule and reel strip settings or EPROM.

Theoretical hold worksheet- means a worksheet provided by the manufacturer for all gaming machines that indicate the theoretical percentages that the gaming machine should hold based on adequate levels of coin-in. The worksheet also indicates the reel strip settings, number of credits that may be played, the payout schedule, the number of reels and other information descriptive of the particular type of gaming machine.

Tier C Gaming Operation- Any gaming operation with annual gross gaming revenues of more than $15 million.

TICS- Tribal Internal Control Standards established by the Torres Martinez Gaming Agency that are at least as stringent as the standards set forth in 25 CFR 542 and 543.

Tribal gaming regulatory authority- The Torres Martinez Gaming Agency is the entity authorized by tribal law to regulate gaming conducted pursuant to the Indian Gaming Regulatory Act.

Wide area progressive gaming machine- means a progressive gaming machine that is linked to machines in other operations and play on the machines affect the progressive amount. As wagers are placed, the progressive meters on all of the linked machines increase.

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

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

Voucher- A financial instrument of fixed wagering value, usually paper, that can be used only to acquire an equivalent value of cashable credits or cash through interaction with a voucher system.

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

Section 3 - Minimum Internal Control Standards for Bingo:

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

(b) Bingo cards.

(1) Physical bingo card inventory controls must address the placement of orders, receipt, storage, issuance, removal, and cancellation of bingo card inventory to ensure that:
(i) The bingo card inventory can be accounted for at all times; and
(ii) Bingo cards have not been marked, altered, or otherwise manipulated.
(2) Receipt from supplier.
(i) When bingo card inventory is initially received from the supplier, it must be inspected (without breaking the factory seals, if any), counted, inventoried, and secured by an authorized agent.
(ii) Bingo card inventory records must include the date received, quantities received, and the name of the individual conducting the inspection.
(3) Storage.
(i) Bingo cards must be maintained in a secure location, accessible only to authorized agents, and with surveillance coverage adequate to identify persons accessing the storage area.
(ii) For Tier A operations, bingo card inventory may be stored in a cabinet, closet, or other similar area; however, such area must be secured and separate from the working inventory.
(4) Issuance and returns of inventory.
(i) Controls must be established for the issuance and return of bingo card inventory. Records signed by the issuer and recipient must be created under the following events:
(A) Issuance of inventory from storage to a staging area;
(B) Issuance of inventory from a staging area to the cage or sellers;
(C) Return of inventory from a staging area to storage; and
(D) Return of inventory from cage or seller to staging area or storage.
(5) Cancellation and removal.
(i) Bingo cards removed from inventory that are deemed out of sequence, flawed, or misprinted and not returned to the supplier must be cancelled to ensure that they are not utilized in the play of a bingo game. Bingo cards that are removed from inventory and returned to the supplier or cancelled must be logged as removed from inventory.
(ii) Bingo cards associated with an investigation must be retained intact outside of the established removal and cancellation policy.
(6) Logs.
(i) The inventory of bingo cards must be tracked and logged from receipt until use or permanent removal from inventory.
(ii) The bingo card inventory record(s) must include:
(A) Date;
(B) Shift or session;
(C) Time;
(D) Location;
(E) Inventory received, issued, removed, and returned;
(F) Signature of agent performing transaction;
(G) Signature of agent performing the reconciliation;
(H) Any variance;

(I) Beginning and ending inventory; and
(J) Description of inventory transaction being performed.

(c) Bingo card sales.

(1) Agents who sell bingo cards must not be the sole verifier of bingo cards for prize payouts.
(2) Manual bingo card sales: In order to adequately record, track, and reconcile sales of bingo cards, the following information must be documented:
(i) Date;
(ii) Shift or session;
(iii) Number of bingo cards issued, sold, and returned;
(iv) Dollar amount of bingo card sales;
(v) Signature, initials, or identification number of the agent preparing the record; and
(vi) Signature, initials, or identification number of an independent agent who verified the bingo cards returned to inventory and dollar amount of bingo card sales.
(3) Bingo card sale voids must be processed in accordance with the rules of the game and established controls that must include the following:
(i) Patron refunds;
(ii) Adjustments to bingo card sales to reflect voids;
(iii) Adjustment to bingo card inventory;
(iv) Documentation of the reason for the void; and
(v) Authorization for all voids.
(4) Class II gaming system bingo card sales. In order to adequately record, track and reconcile sales of bingo cards, the following information must be documented from the server (this is not required if the system does not track the information, but system limitation(s) must be noted):
(i) Date;
(ii) Time;
(iii) Number of bingo cards sold;
(iv) Dollar amount of bingo card sales; and
(v) Amount in, amount out and other associated meter information.

(d) Draw.

(1) Controls must be established and procedures implemented to ensure that all eligible objects used in the conduct of the bingo game are available to be drawn and have not been damaged or altered. Verification of physical objects must be performed by two agents before the start of the first bingo game/session. At least one of the verifying agents must be a supervisory agent or independent of the bingo games department.
(2) Where the selection is made through an electronic aid, certification in accordance with 25 CFR 547.14 is acceptable for verifying the randomness of the draw and satisfies the requirements of paragraph (d)(1) of this section.
(3) Controls must be established and procedures implemented to provide a method of recall of the draw, which includes the order and identity of the objects drawn, for dispute resolution purposes.
(4) Verification and display of draw. Controls must be established and procedures implemented to ensure that:

(i) The identity of each object drawn is accurately recorded and transmitted to the participants. The procedures must identify the method used to ensure the identity of each object drawn.
(ii) For all games offering a prize payout of $1,200 or more, as the objects are drawn, the identity of the objects are immediately recorded and maintained for a minimum of 24 hours.

(e) Prize payout.

(1) Controls must be established and procedures implemented for cash or cash equivalents that address the following:
(i) Identification of the agent authorized (by position) to make a payout;
(ii) Predetermined payout authorization levels (by position); and
(iii) Documentation procedures ensuring separate control of the cash accountability functions.
(2) Verification of validity.
(i) Controls must be established and procedures implemented to verify that the following is valid for the game in play prior to payment of a winning prize:
(A) Winning card(s);
(B) Objects drawn; and
(C) The previously designated arrangement of numbers or designations on such cards, as described in 25 U.S.C. 2703(7)(A).
(ii) At least two agents must verify that the card, objects drawn, and previously designated arrangement were valid for the game in play.
(iii) Where an automated verification method is available, verification by such method is acceptable.
(3) Validation.
(i) For manual payouts, at least two agents must determine the validity of the claim prior to the payment of a prize. The system may serve as one of the validators.
(ii) For automated payouts, the system may serve as the sole validator of the claim.
(4) Verification.
(i) For manual payouts, at least two agents must verify that the winning pattern has been achieved on the winning card prior to the payment of a prize. The system may serve as one of the verifiers.
(ii) For automated payouts, the system may serve as the sole verifier that the pattern has been achieved on the winning card.
(5) Authorization and signatures.
(i) At least two agents must authorize, sign, and witness all manual prize payouts above $1,200, or a lower threshold as authorized by management and approved by the Torres Martinez Gaming Agency.
(ii) Manual prize payouts above the following threshold (or a lower threshold, as authorized by management and approved by Torres Martinez Gaming Agency) must require one of the two signatures and verifications to be a supervisory or management employee independent of the operation of for Class II Gaming System bingo payouts in excess of $25,000.
(iii) The predetermined thresholds, whether set at the MICS level or lower, must be authorized by management, approved by the Torres Martinez Gaming Agency, documented, and maintained.

(iv) A Class II gaming system may substitute for one authorization/signature verifying, validating or authorizing a winning card, but may not substitute for a supervisory or management authorization/signature.
(6) Payout records, including manual payout records, must include the following information:
(i) Date and time;
(ii) Amount of the payout (alpha & numeric for player interface payouts); and
(iii) Bingo card identifier or player interface identifier.
(iv) Manual payout records must also include the following:
(A) Game name or number;
(B) Description of pattern covered, such as cover-all or four corners;
(C) Signature of all, but not less than two, agents involved in the transaction;
(D) For override transactions, verification by a supervisory or management agent independent of the transaction; and
(E) Any other information necessary to substantiate the payout.

(f) Cash and cash equivalent controls.

(1) Cash or cash equivalents exchanged between two persons must be counted independently by at least two agents and reconciled to the recorded amounts at the end of each shift or session. Unexplained variances must be documented and maintained. Unverified transfers of cash or cash equivalents are prohibited.
(2) Procedures must be implemented to control cash or cash equivalents based on the amount of the transaction. These procedures must include documentation by shift, session, or other relevant time period of the following:
(i) Inventory, including any increases or decreases;
(ii) Transfers;
(iii) Exchanges, including acknowledging signatures or initials; and
(iv) Resulting variances.
(3) Any change to control of accountability, exchange, or transfer requires that the cash or cash equivalents be counted and recorded independently by at least two agents and reconciled to the recorded amount.

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

(1) Shipping and receiving.
(i) A communication procedure must be established between the supplier, Red Earth Casino, and the Torres Martinez Gaming Agency to properly control the shipping and receiving of all software and hardware components. Such procedures must include:
(A) Notification of pending shipments must be provided to the Torres Martinez Gaming Agency by Red Earth Casino
(B) Certification in accordance with 25 CFR part 547;

(C) Notification from the supplier to the Torres Martinez Gaming Agency, or Red Earth Casino as approved by the Torres Martinez Gaming Agency, of the shipping date and expected date of delivery. The shipping notification must include:
(1) Name and address of the supplier;
(2) Description of shipment;
(3) For player interfaces: a serial number;
(4) For software: software version and description of software;
(5) Method of shipment; and
(6) Expected date of delivery.
(ii) Procedures must be implemented for the exchange of Class II gaming system components for maintenance and replacement .
(iii) Class II gaming system components must be shipped in a secure manner to deter unauthorized access.
(iv) The Torres Martinez Gaming Agency, or its designee, must receive all Class II gaming system components and game play software packages, and verify the contents against the shipping notification.
(2) Access credential control methods.
(i) Controls must be established to restrict access to the Class II gaming system components, as set forth in § 543.20, Information and Technology.
(3) Recordkeeping and audit processes.
(i) The Red Earth Casino must maintain the following records, as applicable, related to installed game servers and player interfaces:
(A) Date placed into service;
(B) Date made available for play;
(C) Supplier;
(D) Software version;
(E) Serial number;
(F) Game title;
(G) Asset and/or location number;
(H) Seal number; and
(I) Initial meter reading.
(ii) Procedures must be implemented for auditing such records in accordance with § 543.23, Audit and Accounting.
(4) System software signature verification.
(i) Procedures must be implemented for system software verifications. These procedures must include comparing signatures generated by the verification programs required by 25 CFR 547.8, to the signatures provided in the independent test laboratory letter for that software version.
(ii) An agent independent of the bingo operation must perform system software signature verification(s) to verify that only approved software is installed.
(iii) Procedures must be implemented for investigating and resolving any software verification variances.
(iv) Internal audits must be conducted as set forth in § 543.23, Audit and Accounting. Such audits must be documented.
(5) Installation testing.
(i) Testing must be completed during the installation process to verify that the player interface has been properly installed. This must include testing of the following, as applicable:

(A) Communication with the Class II gaming system;
(B) Communication with the accounting system;
(C) Communication with the player tracking system;
(D) Currency and vouchers to bill acceptor;
(E) Voucher printing;
(F) Meter incrementation;
(G) Pay table, for verification;
(H) Player interface denomination, for verification;
(I) All buttons, to ensure that all are operational and programmed appropriately;
(J) System components, to ensure that they are safely installed at location; and
(K) Locks, to ensure that they are secure and functioning
(6) Display of rules and necessary disclaimers. Red Earth Casino must verify that all game rules and disclaimers are displayed at all times or made readily available to the player upon request, as required by 25 CFR part 547;
(7) Torres Martinez Gaming Agency testing is required for all technologic aids before they are offered for play.
(8) All Class II gaming equipment must comply with 25 CFR part 547, Minimum Technical Standards for Gaming Equipment Used With the Play of Class II Games; and
(9) Dispute resolution.

(h) Operations.

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

(A) Verify that unique identifiers, and descriptions of removed/retired components are recorded as part of the retirement documentation; and
(B) Coordinate with the accounting department to properly retire the component in the system records.
(v) Where the Torres Martinez Gaming Agency authorizes destruction of any Class II gaming system components, procedures must be developed to destroy such components. Such procedures must include the following:
(A) Methods of destruction;
(B) Witness or surveillance of destruction;
(C) Documentation of all components destroyed; and
(D) Signatures of agent(s) destroying components attesting to destruction.

(i)Vouchers.

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

(j) In-house progressive & WAP bingo technologic aids to the play of bingo.

(1) A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies.
(2) At least once each day, Red Earth Casino employee/s shall record the amount shown on each progressive jackpot meter at Red Earth Casino except for those jackpots that can be paid directly from the machine and under a taxable payout amount;
(3) Explanations for meter reading decreases shall be maintained with the progressive meter reading sheets, and where the payment of a jackpot is the explanation for a decrease, Red Earth Casino employee/s shall record the jackpot payout number on the sheet or have the number reasonably available; and
(4) The gaming operation shall record the base amount of each progressive jackpot that Red Earth Casino offers.
(5) The Torres Martinez Gaming Agency shall approve procedures specific to the transfer of progressive amounts in excess of the base amount to other gaming machines. Such procedures

may also include other methods of distribution that accrue to the benefit of the gaming public via an award or prize.

(k) Wide area progressive gaming machine standards.

(1) A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the technologic aids to which the jackpot applies.
(2) The Torres Martinez Gaming Agency shall approve procedures for the wide area progressive system that:
(i) Reconcile meters and jackpot payouts;
(ii) Collect/drop gaming machine funds;
(iii) Verify jackpot, payment, and billing to gaming operations on pro-rata basis;
(iv) System maintenance;
(v) System accuracy; and
(3) Reports, where applicable, adequately documenting the procedures required in paragraph (j)(3) of this section shall be generated and retained.

(l) Variance. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance, including deviations from the mathematical expectations required by 25 CFR 547.4, will be reviewed to determine the cause. Any such review must be documented.

Section 4 - Minimum Internal Control Standards for Pull Tabs:

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

(b) Pull tab inventory. Controls must be established and procedures implemented to ensure that:

(1) Access to pull tabs is restricted to authorized agents;
(2) The pull tab inventory is controlled by agents independent of pull tab sales;
(3) Pull tabs exchanged between agents are secured and independently controlled;
(4) Increases or decreases to pull tab inventory are recorded, tracked, and reconciled; and
(5) Pull tabs are maintained in a secure location, accessible only to authorized agents, and with surveillance coverage adequate to identify persons accessing the area.

(c) Pull tab sales.

(1) Controls must be established and procedures implemented to record, track, and reconcile all pull tab sales and voids.
(2) When pull tab sales are recorded manually, total sales must be verified by an agent independent of the pull tab sales being verified.
(3) No person may have unrestricted access to pull tab sales records.

(d) Winning pull tabs.

(1) Controls must be established and procedures implemented to record, track, and reconcile all redeemed pull tabs and pull tab payouts.
(2) The redeemed pull tabs must be defaced so that they cannot be redeemed for payment again.
(3) Pull tabs that are uniquely identifiable with a machine readable code (including, but not limited to a barcode) may be redeemed, reconciled, and stored by kiosks without the need for defacing, so long as the redeemed pull tabs are secured and destroyed after removal from the kiosk in accordance with the procedures approved by the Torres Martinez Gaming Agency.
(4) At least two agents must document and verify all prize payouts above $600, or lower threshold as authorized by management and approved by the Torres Martinez Gaming Agency.
(i) An automated method may substitute for one verification.
(ii) The predetermined threshold must be authorized by management, approved by the Torres Martinez Gaming Agency, documented, and maintained.
(5) Total payout must be calculated and recorded by shift.

(e) Pull tab operating funds.

(1) All funds used to operate the pull tab game must be accounted for and recorded and all transfers of cash and/or cash equivalents must be verified.
(2) All funds used to operate the pull tab game must be independently counted and verified by at least two agents and reconciled to the recorded amounts at the end of each shift or session.

(f) Statistical records.

(1) Statistical records must be maintained, including (for games sold in their entirety or removed from play) a win-to-write hold percentage as compared to the expected hold percentage derived from the flare.
(2) A manager independent of the pull tab operations must review statistical information when the pull tab deal has ended or has been removed from the floor and must investigate any unusual statistical fluctuations. These investigations must be documented, maintained for inspection, and provided to the Torres Martinez Gaming Agency upon request.

(g) Variances. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Section 5 - Minimum Internal Control Standards for Card Games:

(a) Supervision. Supervision must be provided as needed during the card room operations by an agent(s) with authority equal to or greater than those being supervised.

(1) A supervisor may function as a dealer without any other supervision if disputes are resolved by supervisory personnel independent of the transaction or independent of the card games department; or
(2) A dealer may not function as a supervisor if not dealing the game.

(b) Exchanges or transfers.

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

(c) Playing cards.

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

(d) Shill funds.

(1) Issuance of shill funds must be recorded and have the written approval of the supervisor.
(2) Returned shill funds must be recorded and verified by a supervisor.
(3) The replenishment of shill funds must be documented.

(e) Standards for reconciliation of card room bank. Two agents—one of whom must be a supervisory agent—must independently count the table inventory at the opening and closing of the table and record the following information:

(1) Date;
(2) Shift;
(3) Table number;
(4) Amount by denomination;

(5) Amount in total; and
(6) Signatures of both agents.
(f) Posted rules. The rules must be displayed or available for patron review at Red Earth Casino, including rules governing contests, prize payouts, fees, the rake collected, and the placing of antes.

(g) Promotional progressive pots and pools.

(1) All funds contributed by players into the pools must be returned when won in accordance with posted rules, and no commission or administrative fee may be withheld.
(i) The payout may be in the form of personal property, such as a car.
(ii) A combination of a promotion and progressive pool may be offered.
(2) The conditions for participating in current card game promotional progressive pots and/or pools must be prominently displayed or available for patron review at Red Earth Casino.
(3) Individual payouts for card game promotional progressive pots and/or pools that are $600 or more must be documented at the time of the payout to include the following:
(i) Patron's name;
(ii) Date of payout;
(iii) Dollar amount of payout and/or nature and dollar value of any non-cash payout;
(iv) The signature of the agent completing the transaction attesting to the disbursement of the payout; and
(v) Name of contest/tournament.
(4) If the cash (or cash equivalent) payout for the card game promotional progressive pot and/or pool is less than $600, documentation must be created to support accountability of the bank from which the payout was made.
(5) Rules governing current promotional pools must be conspicuously posted in the card room and/or available in writing for patron review. The rules must designate:
(i) The amount of funds to be contributed from each pot;
(ii) What type of hand it takes to win the pool;
(iii) How the promotional funds will be paid out;
(iv) How/when the contributed funds are added to the pools; and
(v) Amount/percentage of funds allocated to primary and secondary pools, if applicable.
(6) Promotional pool contributions must not be placed in or near the rake circle, in the drop box, or commingled with gaming revenue from card games or any other gambling game.
(7) The amount of the pools must be conspicuously displayed in the card room.
(8) At least once each day that the game is offered, the posted pool amount must be updated to reflect the current pool amount.
(9) At least once each day that the game is offered, agents independent of the card room must reconcile the increases to the posted pool amount to the cash previously counted or received by the cage.
(10) All decreases to the pool must be properly documented, including a reason for the decrease.
(11) Promotional funds removed from the card game must be placed in a locked container.
(i) Agents authorized to transport the locked container are precluded from having access to the contents keys.
(ii) The contents key must be maintained by a department independent of the card room.

(iii) At least once a day, the locked container must be removed by two agents, one of whom is independent of the card games department, and transported directly to the cage or other secure room to be counted, recorded, and verified, prior to accepting the funds into cage accountability.

(h) Variances. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Section 6 - Minimum Internal Control Standards for Table Games-

(a)Computer applications. For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section, as approved by the Torres Martinez Gaming Agency, will be acceptable.

(b) Standards for drop and count. The procedures for the collection of the table game drop and the count thereof shall comply with Section 12 paragraphs (d) and (f) (as applicable).

(c) Fill and credit standards.

(1) Fill slips and credit slips shall be in at least triplicate form, and in a continuous, prenumbered series. Such slips shall be concurrently numbered in a form utilizing the alphabet and only in one series at a time. The alphabet need not be used if the numerical series is not repeated during the business year.
(2) Unissued and issued fill/credit slips shall be safeguarded and adequate procedures shall be employed in their distribution, use, and control. Personnel from the cashier or pit departments shall have no access to the secured (control) copies of the fill/credit slips.
(3) When a fill/credit slip is voided, the cashier shall clearly mark "void" across the face of the original and first copy, the cashier and one other person independent of the transactions shall sign both the original and first copy, and shall submit them to the accounting department for retention and accountability.
(4) Fill transactions shall be authorized by pit supervisory personnel before the issuance of fill slips and transfer of chips, tokens, or cash equivalents. The fill request shall be communicated to the cage where the fill slip is prepared.
(5) At least three parts of each fill slip shall be utilized as follows:
(i) One part shall be transported to the pit with the fill and, after the appropriate signatures are obtained, deposited in the table game drop box;
(ii) One part shall be retained in the cage for reconciliation of the cashier bank; and
(iii) For computer systems, one part shall be retained in a secure manner to insure that only authorized persons may gain access to it. For manual systems, one part shall be retained in a secure manner in a continuous unbroken form.
(6) For Red Earth Casino, the part of the fill slip that is placed in the table game drop box shall be of a different color for fills than for credits, unless the type of transaction is clearly distinguishable in another manner (the checking of a box on the form shall not be a clearly distinguishable indicator).
(7) The table number, shift, and amount of fill by denomination and in total shall be noted on all copies of the fill slip. The correct date and time shall be indicated on at least two copies.
(8) All fills shall be carried from the cashier's cage by a person who is independent of the cage or pit.
(9) The fill slip shall be signed by at least the following persons (as an indication that each has counted the amount of the fill and the amount agrees with the fill slip):
(i) Cashier who prepared the fill slip and issued the chips, tokens, or cash equivalent;
(ii) Runner who carried the chips, tokens, or cash equivalents from the cage to the pit;
(iii) Dealer or boxperson who received the chips, tokens, or cash equivalents at the gaming table; and

(iv) Pit supervisory personnel who supervised the fill transaction
(10) Fills shall be broken down and verified by the dealer or boxperson in public view before the dealer or boxperson places the fill in the table tray.
(11) A copy of the fill slip shall then be deposited into the drop box on the table by the dealer, where it shall appear in the soft count room with the cash receipts for the shift.
(12) Table credit transactions shall be authorized by a pit supervisor before the issuance of credit slips and transfer of chips, tokens, or other cash equivalent. The credit request shall be communicated to the cage where the credit slip is prepared.
(13) At least three parts of each credit slip shall be utilized as follows:
(i) Two parts of the credit slip shall be transported by the runner to the pit. After signatures of the runner, dealer, and pit supervisor are obtained, one copy shall be deposited in the table game drop box and the original shall accompany transport of the chips, tokens, markers, or cash equivalents from the pit to the cage for verification and signature of the cashier.
(ii) For computer systems, one part shall be retained in a secure manner to insure that only authorized persons may gain access to it. For manual systems, one part shall be retained in a secure manner in a continuous unbroken form.
(14) The table number, shift, and the amount of credit by denomination and in total shall be noted on all copies of the credit slip. The correct date and time shall be indicated on at least two copies.
(15) Chips, tokens, and/or cash equivalents shall be removed from the table tray by the dealer or boxperson and shall be broken down and verified by the dealer or boxperson in public view prior to placing them in racks for transfer to the cage.
(16) All chips, tokens, and cash equivalents removed from the tables and removed from the pit shall be carried to the cashier's cage by a person who is independent of the cage or pit.
(17) The credit slip shall be signed by at least the following persons (as an indication that each has counted or, in the case of markers, reviewed the items transferred):
(i) Cashier who received the items transferred from the pit and prepared the credit slip;
(ii) Runner who carried the items transferred from the pit to the cage;
(iii) Dealer who had custody of the items prior to transfer to the cage; and
(iv) Pit supervisory personnel who supervised the credit transaction.
(18) The credit slip shall be inserted in the drop box by the dealer.
(19) Chips, tokens, or other cash equivalents shall be deposited on or removed from gaming tables only when accompanied by the appropriate fill/credit transfer forms.
(20) Cross fills (the transfer of chips between table games) and even cash exchanges are prohibited in the pit.

(d) Table inventory forms.

(1) At the close of each shift, for those table banks that were opened during that shift:
(i) The table's chip, token and coin inventory shall be counted and recorded on a table inventory form; or
(ii) If the table banks are maintained on an imprest basis, a final fill or credit shall be made to bring the bank back to par.
(2) If final fills are not made, beginning and ending inventories shall be recorded on the master game sheet for shift win calculation purposes.

(3) The accuracy of inventory forms prepared at shift end shall be verified by the outgoing pit supervisor and the dealer. Alternatively, if the dealer is not available, such verification may be provided by another pit supervisor or another supervisor from another gaming department. Verifications shall be evidenced by signature on the inventory form.
(4) If inventory forms are placed in the drop box, such action shall be performed by a person other than a pit supervisor.

(e) Table games computer generated documentation standards.

(1) The computer system shall be capable of generating adequate documentation of all information recorded on the source documents and transaction detail (e.g., fill/credit slips, etc.).
(2) This documentation shall be restricted to authorized personnel.
(3) The documentation shall include, at a minimum:
(i) System exception information (e.g., appropriate system parameter information, corrections, voids, etc.); and
(ii) Personnel access listing, which includes, at a minimum:
(iii) Employee name or employee identification number (if applicable); and
(iv) Listing of functions employees can perform or equivalent means of identifying the same.

(f) Standards for playing cards.

(1) Playing cards shall be maintained in a secure location to prevent unauthorized access and to reduce the possibility of tampering.
(2) Used cards shall be maintained in a secure location until marked, scored, or destroyed, in a manner as approved by the Torres Martinez Gaming Agency, to prevent unauthorized access and to reduce the possibility of tampering.
(3) Red Earth Casino as approved by the Torres Martinez Gaming Agency, shall establish and comply with a reasonable time period, which shall not exceed seven (7) days, within which to mark, cancel, or destroy cards from play.
(i) This standard shall not apply where playing cards are retained for an investigation.
(4) A card control log shall be maintained that documents when cards are received on site, distributed to and returned from tables and removed from play by Red Earth Casino.

(g) Plastic cards. Notwithstanding paragraph (f) of this section, if Red Earth Casino uses plastic cards (not plastic-coated cards), the cards may be used for up to three (3) months if the plastic cards are routinely inspected, and washed or cleaned in a manner and time frame approved by the Torres Martinez Gaming Agency.

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

(i)Analysis of table game performance standards.

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

(2) Records reflecting hold percentage by table and type of game shall be maintained by shift, by day, cumulative month-to-date, and cumulative year-to-date.
(3) This information shall be presented to and reviewed by management independent of the pit department on at least a monthly basis.
(4) The management in paragraph (i)(3) of this section shall investigate any unusual fluctuations in hold percentage with pit supervisory personnel.
(5) The results of such investigations shall be documented, maintained for inspection, and provided to the Torres Martinez Gaming Agency upon request.

(j) Marker credit play.

(1) If a gaming operation allows marker credit play (exclusive of rim credit and call bets), the following standards shall apply:
(i) A marker system shall allow for credit to be both issued and repaid in the pit.
(ii) Prior to the issuance of gaming credit to a player, the employee extending the credit shall contact the cashier or other independent source to determine if the player's credit limit has been properly established and there is sufficient remaining credit available for the advance.
(iii) Proper authorization of credit extension in excess of the previously established limit shall be documented.
(iv) The amount of credit extended shall be communicated to the cage or another independent source and the amount documented within a reasonable time subsequent to each issuance.
(v) The marker form shall be prepared in at least triplicate form (triplicate form being defined as three parts performing the functions delineated in the standard in paragraph (j)(1)(vi) of this section), with a preprinted or concurrently-printed marker number, and utilized in numerical sequence. (This requirement shall not preclude the distribution of batches of markers to various pits.)
(vi) At least three parts of each separately numbered marker form shall be utilized as follows:
(A) Original shall be maintained in the pit until settled or transferred to the cage;
(B) Payment slip shall be maintained in the pit until the marker is settled or transferred to the cage. If paid in the pit, the slip shall be inserted in the table game drop box. If not paid in the pit, the slip shall be transferred to the cage with the original;
(C) Issue slip shall be inserted into the appropriate table game drop box when credit is extended or when the player has signed the original.
(vii) When marker documentation (e.g., issue slip and payment slip) is inserted in the drop box, such action shall be performed by the dealer or boxperson at the table.
(viii) A record shall be maintained that details the following (e.g., master credit record retained at the pit podium):
(A) The signature or initials of the person(s) approving the extension of credit (unless such information is contained elsewhere for each issuance);
(B) The legible name of the person receiving the credit;
(C) The date and shift of granting the credit;
(D) The table on which the credit was extended;
(E) The amount of credit issued;
(F) The marker number;
(G) The amount of credit remaining after each issuance or the total credit available for all issuances;

(H) The amount of payment received and nature of settlement (e.g., credit slip number, cash, chips, etc.); and
(I) The signature or initials of the person receiving payment/settlement.
(ix) The forms required in paragraphs (j)(1)(v), (vi), and (viii) of this section shall be safeguarded, and adequate procedures shall be employed to control the distribution, use, and access to these forms.
(x) All credit extensions shall be initially evidenced by lammer buttons, which shall be displayed on the table in public view and placed there by supervisory personnel.
(xi) Marker preparation shall be initiated and other records updated within approximately one hand of play following the initial issuance of credit to the player.
(xii) Lammer buttons shall be removed only by the dealer or boxperson employed at the table upon completion of a marker transaction.
(xiii) The original marker shall contain at least the following information:
(A) Marker number;
(B) Player's name and signature;
(C) Date; and
(D) Amount of credit issued.
(xiv) The issue slip or stub shall include the same marker number as the original, the table number, date and time of issuance, and amount of credit issued. The issue slip or stub shall also include the signature of the person extending the credit, and the signature or initials of the dealer or boxperson at the applicable table, unless this information is included on another document verifying the issued marker.
(xv) The payment slip shall include the same marker number as the original. When the marker is paid in full in the pit, it shall also include the table number where paid, date and time of payment, nature of settlement (cash, chips, etc.), and amount of payment. The payment slip shall also include the signature of pit supervisory personnel acknowledging payment, and the signature or initials of the dealer or boxperson receiving payment, unless this information is included on another document verifying the payment of the marker.
(xvi) When partial payments are made in the pit, a new marker shall be completed reflecting the remaining balance and the marker number of the marker originally issued.
(xvii) When partial payments are made in the pit, the payment slip of the marker that was originally issued shall be properly cross-referenced to the new marker number, completed with all information required by paragraph (j)(1)(xv) of this section, and inserted into the drop box.
(xviii) The cashier's cage or another independent source shall be notified when payments (full or partial) are made in the pit so that cage records can be updated for such transactions. Notification shall be made no later than when the customer's play is completed or at shift end, whichever is earlier.
(xix) All portions of markers, both issued and unissued, shall be safeguarded and procedures shall be employed to control the distribution, use and access to the forms.
(xx) An investigation shall be performed to determine the cause and responsibility for loss whenever marker forms, or any part thereof, are missing. These investigations shall be documented, maintained for inspection, and provided to the Torres Martinez Gaming Agency upon request.
(xxi) When markers are transferred to the cage, marker transfer forms or marker credit slips (or similar documentation) shall be utilized and such documents shall include, at a minimum, the date, time, shift, marker number(s), table number(s), amount of each marker, the total amount

transferred, signature of pit supervisory personnel releasing instruments from the pit, and the signature of cashier verifying receipt of instruments at the cage.
(xxii) All markers shall be transferred to the cage within twenty-four (24) hours of issuance.
(xxiii) Markers shall be transported to the cashier's cage by a person who is independent of the marker issuance and payment functions (pit clerks may perform this function).

(k) Name credit instruments accepted in the pit.

(1) For the purposes of this paragraph, name credit instruments means personal checks, payroll checks, counter checks, hold checks, traveler's checks, or other similar instruments that are accepted in the pit as a form of credit issuance to a player with an approved credit limit.
(2) The following standards shall apply if name credit instruments are accepted in the pit:
(i) A name credit system shall allow for the issuance of credit without using markers;
(ii) Prior to accepting a name credit instrument, the employee extending the credit shall contact the cashier or another independent source to determine if the player's credit limit has been properly established and the remaining credit available is sufficient for the advance;
(iii) All name credit instruments shall be transferred to the cashier's cage (utilizing a two-part order for credit) immediately following the acceptance of the instrument and issuance of chips (if name credit instruments are transported accompanied by a credit slip, an order for credit is not required);
(iv) The order for credit (if applicable) and the credit slip shall include the customer's name, amount of the credit instrument, the date, time, shift, table number, signature of pit supervisory personnel releasing instrument from pit, and the signature of the cashier verifying receipt of instrument at the cage;
(v) The procedures for transacting table credits at standards in paragraphs (c)(12) through (19) of this section shall be strictly adhered to; and
(vi) The acceptance of payments in the pit for name credit instruments shall be prohibited.

(l) Call bets.

(1) The following standards shall apply if call bets are accepted in the pit:
(i) A call bet shall be evidenced by the placement of a lammer button, chips, or other identifiable designation in an amount equal to that of the wager in a specific location on the table;
(ii) The placement of the lammer button, chips, or other identifiable designation shall be performed by supervisory/boxperson personnel. The placement may be performed by a dealer only if the supervisor physically observes and gives specific authorization;
(iii) The call bet shall be settled at the end of each hand of play by the preparation of a marker, repayment of the credit extended, or the payoff of the winning wager. Call bets extending beyond one hand of play shall be prohibited; and
(iv) The removal of the lammer button, chips, or other identifiable designation shall be performed by the dealer/ boxperson upon completion of the call bet transaction.

(m) Rim credit.

(1) The following standards shall apply if rim credit is extended in the pit:

(i) Rim credit shall be evidenced by the issuance of chips to be placed in a neutral zone on the table and then extended to the customer for the customer to wager, or to the dealer to wager for the customer, and by the placement of a lammer button or other identifiable designation in an amount equal to that of the chips extended; and
(ii) Rim credit shall be recorded on player cards, or similarly used documents, which shall be:
(A) Prenumbered or concurrently numbered and accounted for by a department independent of the pit;
(B) For all extensions and subsequent repayments, evidenced by the initials or signatures of a supervisor and the dealer attesting to the validity of each credit extension and repayment;
(C) An indication of the settlement method (e.g., serial number of marker issued, chips, cash);
(D) Settled no later than when the customer leaves the table at which the card is prepared;
(E) Transferred to the accounting department on a daily basis; and
(F) Reconciled with other forms utilized to control the issuance of pit credit (e.g., master credit records, table cards).

(n) Foreign currency.

(l) The following standards shall apply if foreign currency is accepted in the pit:
(i) Foreign currency transactions shall be authorized by a pit supervisor/ boxperson who completes a foreign currency exchange form before the exchange for chips or tokens;
(ii) Foreign currency exchange forms include the country of origin, total face value, amount of chips/token extended (i.e., conversion amount), signature of supervisor/boxperson, and the dealer completing the transaction;
(iii) Foreign currency exchange forms and the foreign currency shall be inserted in the drop box by the dealer; and
(iv) Alternate procedures specific to the use of foreign valued gaming chips shall be developed by the gaming operation as approved by the Torres Martinez Gaming Agency.

Section 7 - Minimum Internal Control Standards for Gaming Devices-

(a) Standards for gaming machines.

(1) For this section only, credit or customer credit means a unit of value equivalent to cash or cash equivalents deposited, wagered, won, lost, or redeemed by a customer.
(2) Coins shall include tokens.
(3) For all computerized gaming machine systems, a personnel access listing shall be maintained, which includes at a minimum:
(i) Employee name or employee identification number (or equivalent); and
(ii) Listing of functions employees can perform or equivalent means of identifying the same.

(b) Computer applications. For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section, as approved by the Torres Martinez Gaming Agency, will be acceptable.

(c) Standards for drop and count. The procedures for the collection of the gaming machine drop and the count thereof shall comply with Section 12 paragraphs (e) and (g) (as applicable).

(d) Jackpot payouts, gaming machines fills, short pays and accumulated credit payouts standards.

(1) For jackpot payouts and gaming machine fills, documentation shall include the following information:
(i) Date and time;
(ii) Machine number;
(iii) Dollar amount of cash payout or gaming machine fill (both alpha and numeric) or description of personal property awarded, including fair market value. Alpha is optional if another unalterable method is used for evidencing the amount of the payout;
(iv) Game outcome (including reel symbols, card values, suits, etc.) for jackpot payouts. Game outcome is not required if a computerized jackpot/fill system is used;
(v) Preprinted or concurrently printed sequential number; and
(vi) Signatures of at least two employees verifying and witnessing the payout or gaming machine fill (except as otherwise provided in paragraphs (d)(1)(vi)(A), (B), and (C) of this section).
(A) Jackpot payouts over a predetermined amount shall require the signature and verification of a supervisory or management employee independent of the gaming machine department (in addition to the two signatures required in paragraph (d)(1)(vi) of this section). Alternatively, if an on-line accounting system is utilized, only two signatures are required: one employee and one supervisory or management employee independent of the gaming machine department. This predetermined amount shall be authorized by management (as approved by the Torres Martinez Gaming Agency) documented, and maintained.
(B) With regard to jackpot payouts and hopper fills, the signature of one employee is sufficient if an on-line accounting system is utilized and the jackpot or fill is less than $1,200.
(C) On graveyard shifts (eight-hour maximum) payouts/fills less than $100 can be made without the payout/fill being witnessed by a second person.

(2) For short pays of $10.00 or more, and payouts required for accumulated credits, the payout form shall include the following information:
(i) Date and time;
(ii) Machine number;
(iii) Dollar amount of payout (both alpha and numeric); and
(iv) The signature of at least one (1) employee verifying and witnessing the payout.
(A) Where the payout amount is $50 or more, signatures of at least two (2) employees verifying and witnessing the payout. Alternatively, the signature of one (1) employee is sufficient if an on-line accounting system is utilized and the payout amount is less than $3,000.
(3) Computerized jackpot/fill systems shall be restricted so as to prevent unauthorized access and fraudulent payouts by one person as required by Section 7(a)(3)(i) and (ii).
(4) Payout forms shall be controlled and routed in a manner that precludes any one person from producing a fraudulent payout by forging signatures or by altering the amount paid out subsequent to the payout and misappropriating the funds.

(e) Promotional payouts or awards.

(1) If a gaming operation offers promotional payouts or awards that are not reflected on the gaming machine pay table, then the payout form/documentation shall include:
(i) Date and time;
(ii) Machine number and denomination;
(iii) Dollar amount of payout or description of personal property (e.g., jacket, toaster, car, etc.), including fair market value;
(iv) Type of promotion (e.g., double jackpots, four-of-a-kind bonus, etc.); and
(v) Signature of at least one employee authorizing and completing the transaction.

(f) Gaming machine department funds standards.

(1) The gaming machine booths and change banks that are active during the shift shall be counted down and reconciled each shift by two employees utilizing appropriate accountability documentation. Unverified transfers of cash and/or cash equivalents are prohibited.
(2) The wrapping of loose gaming machine booth and cage cashier coin shall be performed at a time or location that does not interfere with the hard count/wrap process or the accountability of that process.
(3) A record shall be maintained evidencing the transfers of wrapped and unwrapped coins and retained for seven (7) days.

(g) EPROM control standards.

(1) At least annually, procedures shall be performed to insure the integrity of a sample of gaming machine game program EPROM's, or other equivalent game software media, by personnel independent of the gaming machine department or the machines being tested.
(2) Red Earth Casino subject to the approval of the Torres Martinez Gaming Agency shall develop and implement procedures for the following:

(i) Removal of EPROM's, or other equivalent game software media, from devices, the verification of the existence of errors as applicable, and the correction via duplication from the master game program EPROM, or other equivalent game software media;
(ii) Copying one gaming device program to another approved program;
(iii) Verification of duplicated EPROM's before being offered for play;
(iv) Receipt and destruction of EPROM's, or other equivalent game software media; and
(v) Securing the EPROM, or other equivalent game software media, duplicator, and master game EPROM's, or other equivalent game software media, from unrestricted access.
(3) The master game program number, par percentage, and the pay table shall be verified to the par sheet when initially received from the manufacturer.
(4) Gaming machines with potential jackpots in excess of $100,000 shall have the game software circuit boards locked or physically sealed. The lock or seal shall necessitate the presence of a person independent of the gaming machine department to access the device game program EPROM, or other equivalent game software media. If a seal is used to secure the board to the frame of the gaming device, it shall be pre-numbered.
(5) Records that document the procedures in paragraph (g)(2)(i) of this section shall include the following information:
(i) Date;
(ii) Machine number (source and destination);
(iii) Manufacturer;
(iv) Program number;
(v) Personnel involved;
(vi) Reason for duplication;
(vii) Disposition of any permanently removed EPROM, or other equivalent game software media;
(viii) Seal numbers, if applicable; and
(ix) Approved testing lab approval numbers, if available.
(6) EPROMS, or other equivalent game software media, returned to gaming devices shall be labeled with the program number. Supporting documentation shall include the date, program number, information identical to that shown on the manufacturer's label, and initials of the person replacing the EPROM, or other equivalent game software media.

(h) Standards for evaluating theoretical and actual hold percentages.

(1) Accurate and current theoretical hold worksheets shall be maintained for each gaming machine.
(2) For multi-game/multi-denominational machines, an employee or department independent of the gaming machine department shall:
(i) Weekly, record the total coin-in meter;
(ii) Quarterly, record the coin-in meters for each paytable contained in the machine; and
(iii) On an annual basis, adjust the theoretical hold percentage in the gaming machine statistical report to a weighted average based upon the ratio of coin-in for each game paytable.
(3) For those gaming operations that are unable to perform the weighted average calculation as required by paragraph (h)(2) of this section, the following procedures shall apply:
(i) On at least an annual basis, calculate the actual hold percentage for each gaming machine;

(ii) On at least an annual basis, adjust the theoretical hold percentage in the gaming machine statistical report for each gaming machine to the previously calculated actual hold percentage; and
(iii) The adjusted theoretical hold percentage shall be within the spread between the minimum and maximum theoretical payback percentages.
(4) The adjusted theoretical hold percentage for multi-game/multi-denominational machines may be combined for machines with exactly the same game mix throughout the year.
(5) The theoretical hold percentages used in the gaming machine analysis reports should be within the performance standards set by the manufacturer.
(6) Records shall be maintained for each machine indicating the dates and type of changes made and the recalculation of theoretical hold as a result of the changes.
(7) Records shall be maintained for each machine that indicate the date the machine was placed into service, the date the machine was removed from operation, the date the machine was placed back into operation, and any changes in machine numbers and designations.
(8) All of the gaming machines shall contain functioning meters that shall record coin-in or credit-in, or on-line gaming machine monitoring system that captures similar data.
(9) All gaming machines with bill acceptors shall contain functioning bill-in meters that record the dollar amounts or number of bills accepted by denomination.
(10) Gaming machine in-meter readings shall be recorded at least weekly immediately prior to or subsequent to a gaming machine drop. On-line gaming machine monitoring systems can satisfy this requirement. However, the time between readings may extend beyond one week in order for a reading to coincide with the end of an accounting period only if such extension is for no longer than six (6) days.
(11) The employee who records the in-meter reading shall either be independent of the hard count team or shall be assigned on a rotating basis, unless the in-meter readings are randomly verified quarterly for all gaming machines and bill acceptors by a person other than the regular in-meter reader.
(12) Upon receipt of the meter reading summary, the accounting department shall review all meter readings for reasonableness using pre-established parameters.
(13) Prior to final preparation of statistical reports, meter readings that do not appear reasonable shall be reviewed with gaming machine department employees or other appropriate designees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected.
(14) A report shall be produced at least monthly showing month-to-date, year-to-date (previous twelve (12) months data preferred), and if practicable, life-to-date actual hold percentage computations for individual machines and a comparison to each machine's theoretical hold percentage previously discussed.
(15) Each change to a gaming machine's theoretical hold percentage, including progressive percentage contributions, shall result in that machine being treated as a new machine in the statistical reports (i.e., not commingling various hold percentages), except for adjustments made in accordance with paragraph (h)(2)(iii) of this section.
(16) If promotional payouts or awards are included on the gaming machine statistical reports, it shall be in a manner that prevents distorting the actual hold percentages of the affected machines.
(17) The statistical reports shall be reviewed by both gaming machine department management and management employees independent of the gaming machine department on at least a monthly basis.

(18) For those machines that have experienced at least 100,000 wagering transactions, large variances (three percent (3%) recommended) between theoretical hold and actual hold shall be investigated and resolved by a department independent of the gaming machine department with the findings documented and provided to the Tribal gaming regulatory authority upon request in a timely manner.
(19) Maintenance of the on-line gaming machine monitoring system data files shall be performed by a department independent of the gaming machine department. Alternatively, maintenance may be performed by gaming machine supervisory employees if sufficient documentation is generated and it is randomly verified on a monthly basis by employees independent of the gaming machine department.
(20) Updates to the on-line gaming machine monitoring system to reflect additions, deletions, or movements of gaming machines shall be made at least weekly prior to in-meter readings and the weigh process.

(i)Gaming machine hopper contents standards.

(1) When machines are temporarily removed from the floor, gaming machine drop and hopper contents shall be protected to preclude the misappropriation of stored funds.
(2) When machines are permanently removed from the floor, the gaming machine drop and hopper contents shall be counted and recorded by at least two employees with appropriate documentation being routed to the accounting department for proper recording and accounting for initial hopper loads.

(j) Player tracking system.

(1) The following standards apply if a player tracking system is utilized:
(i) The player tracking system shall be secured so as to prevent unauthorized access (e.g., changing passwords at least quarterly and physical access to computer hardware, etc.).
(ii) The addition of points to members' accounts other than through actual gaming machine play shall be sufficiently documented (including substantiation of reasons for increases) and shall be authorized by a department independent of the player tracking and gaming machines. Alternatively, addition of points to members' accounts may be authorized by gaming machine supervisory employees if sufficient documentation is generated and it is randomly verified by employees independent of the gaming machine department on a quarterly basis.
(iii) Booth employees who redeem points for members shall be allowed to receive lost players club cards, provided that they are immediately deposited into a secured container for retrieval by independent personnel.
(iv) Changes to the player tracking system parameters, such as point structures and employee access, shall be performed by supervisory employees independent of the gaming machine department. Alternatively, changes to player tracking system parameters may be performed by gaming machine supervisory employees if sufficient documentation is generated and it is randomly verified by supervisory employees independent of the gaming machine department on a monthly basis.
(v) All other changes to the player tracking system shall be appropriately documented.

(k) In-house progressive gaming machine standards.

(1) A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies.
(2) At least once each day, a Red Earth Casino employee/s shall record the amount shown on each progressive jackpot meter at Red Earth Casino except for those jackpots that can be paid directly from the machine's hopper;
(3) Explanations for meter reading decreases shall be maintained with the progressive meter reading sheets, and where the payment of a jackpot is the explanation for a decrease, Red Earth Casino employee/s shall record the jackpot payout number on the sheet or have the number reasonably available; and
(4) The gaming operation shall record the base amount of each progressive jackpot that Red Earth Casino offers.
(5) The Torres Martinez Gaming Agency shall approve procedures specific to the transfer of progressive amounts in excess of the base amount to other gaming machines. Such procedures may also include other methods of distribution that accrue to the benefit of the gaming public via an award or prize.

(l) Wide area progressive gaming machine standards.

(1) A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies.
(2) As applicable to participating gaming operations, the wide area progressive gaming machine system shall be adequately restricted to prevent unauthorized access (e.g., changing passwords at least quarterly, restrict access to EPROM's or other equivalent game software media, and restrict physical access to computer hardware, etc.).
(3) The Torres Martinez Gaming Agency shall approve procedures for the wide area progressive system that:
(i) Reconcile meters and jackpot payouts;
(ii) Collect/drop gaming machine funds;
(iii) Verify jackpot, payment, and billing to gaming operations on pro-rata basis;
(iv) System maintenance;
(v) System accuracy; and
(vi) System security.
(4) Reports, where applicable, adequately documenting the procedures required in paragraph (l)(3) of this section shall be generated and retained.

(m) Cash-out tickets. For gaming machines that utilize cash-out tickets, the following standards apply.

(1) On a quarterly basis, the gaming operation shall foot all jackpot cash-out tickets equal to or greater than $1,200 and trace totals to those produced by the host validation computer system.
(2) The customer may request a cash-out ticket from the gaming machine that reflects all remaining credits. The cash-out ticket shall be printed at the gaming machine by an internal document printer. The cash-out ticket shall be valid for a time period specified by Red Earth Casino as approved by the Torres Martinez Gaming Agency. Cash-out tickets may be redeemed

for payment or inserted in another gaming machine and wagered, if applicable, during the specified time period.
(3) The customer shall redeem the cash-out ticket at a change booth or cashiers' cage. Alternatively, if a gaming operation utilizes a remote computer validation system, Red Earth Casino as approved by the Torres Martinez Gaming Agency, shall develop alternate standards for the maximum amount that can be redeemed, which shall not exceed $2,999.99 per cash-out transaction.
(4) Upon presentation of the cash-out ticket(s) for redemption, the following shall occur:
(i) Scan the bar code via an optical reader or its equivalent; or
(ii) Input the cash-out ticket validation number into the computer.
(5) The information contained in paragraph (m)(4) of this section shall be communicated to the host computer. The host computer shall verify the authenticity of the cash-out ticket and communicate directly to the redeemer of the cash-out ticket.
(6) If valid, the cashier (redeemer of the cash-out ticket) pays the customer the appropriate amount and the cash-out ticket is electronically noted ``paid'' in the system. The “paid” cash-out ticket shall remain in the cashiers'' bank for reconciliation purposes. The host validation computer system shall electronically reconcile the cashier's banks for the paid cashed-out tickets.
(7) If invalid, the host computer shall notify the cashier (redeemer of the cash-out ticket). The cashier (redeemer of the cash-out ticket) shall refuse payment to the customer and notify a supervisor of the invalid condition. The supervisor shall resolve the dispute.
(8) If the host validation computer system temporarily goes down, cashiers may redeem cash-out tickets at a change booth or cashier's cage after recording the following:
(i) Serial number of the cash-out ticket;
(ii) Date and time;
(iii) Dollar amount;
(iv) Issuing gaming machine number;
(v) Marking ticket “paid”; and
(vi) Ticket shall remain in cashier's bank for reconciliation purposes.
(9) Cash-out tickets shall be validated as expeditiously as possible when the host validation computer system is restored.
(10) Red Earth Casino as approved by the Torres Martinez Gaming Agency, shall establish and comply with procedures to control cash-out ticket paper, which shall include procedures that:
(i) Mitigate the risk of counterfeiting of cash-out ticket paper;
(ii) Adequately control the inventory of the cash-out ticket paper; and
(iii) Provide for the destruction of all unused cash-out ticket paper.
(iv) Alternatively, if Red Earth Casino utilizes a computer validation system, this standard shall not apply.
(11) If the host validation computer system is down for more than four (4) hours, Red Earth Casino shall promptly notify the Torres Martinez Gaming Agency or its designated representative.
(12) These gaming machine systems shall comply with all other standards (as applicable) in this part including:
(i) Standards for bill acceptor drop and count;
(ii) Standards for coin drop and count; and
(iii) Standards concerning EPROMS or other equivalent game software media.

(n) Account access cards. For gaming machines that utilize account access cards to activate play of the machine, the following standards shall apply:

(1) Equipment.
(i) A central computer, with supporting hardware and software, to coordinate network activities, provide system interface, and store and manage a player/account database;
(ii) A network of contiguous player terminals with touch-screen or button-controlled video monitors connected to an electronic selection device and the central computer via a communications network;
(iii) One or more electronic selection devices, utilizing random number generators, each of which selects any combination or combinations of numbers, colors, and/or symbols for a network of player terminals.
(2) Player terminals standards.
(i) The player terminals are connected to a game server;
(ii) The game server shall generate and transmit to the bank of player terminals a set of random numbers, colors, and/or symbols at regular intervals. The subsequent game results are determined at the player terminal and the resulting information is transmitted to the account server;
(iii) The game server shall be housed in a game server room or a secure locked cabinet.
(3) Customer account maintenance standards.
(i) A central computer acting as an account server shall provide customer account maintenance and the deposit/withdrawal function of those account balances;
(ii) Customers may access their accounts on the computer system by means of an account access card at the player terminal. Each player terminal may be equipped with a card reader and personal identification number (PIN) pad or touch screen array for this purpose;
(iii) All communications between the player terminal, or bank of player terminals, and the account server shall be encrypted for security reasons.
(4) Customer account generation standards.
(i) A computer file for each customer shall be prepared by a clerk, with no incompatible functions, prior to the customer being issued an account access card to be utilized for machine play. The customer may select his/her PIN to be used in conjunction with the account access card.
(ii) For each customer file, an employee shall:
(A) Record the customer's name and current address;
(B) The date the account was opened; and
(C) At the time the initial deposit is made, account opened, or credit extended, the identity of the customer shall be verified by examination of a valid driver's license or other reliable identity credential.
(iii) The clerk shall sign-on with a unique password to a terminal equipped with peripherals required to establish a customer account. Passwords are issued and can only be changed by information technology personnel at the discretion of the department director.
(iv) After entering a specified number of incorrect PIN entries at the cage or player terminal, the customer shall be directed to proceed to a clerk to obtain a new PIN. If a customer forgets, misplaces or requests a change to their PIN, the customer shall proceed to a clerk for assistance.
(5) Deposit of credits standards. (i) The cashier shall sign-on with a unique password to a cashier terminal equipped with peripherals required to complete the credit transactions. Passwords are

issued and can only be changed by information technology personnel at the discretion of the department director.
(ii) The customer shall present cash, chips, coin or coupons along with their account access card to a cashier to deposit credits.
(iii) The cashier shall complete the transaction by utilizing a card scanner that the cashier shall slide the customer's account access card through.
(iv) The cashier shall accept the funds from the customer and enter the appropriate amount on the cashier terminal.
(v) A multi-part deposit slip shall be generated by the point of sale receipt printer. The cashier shall direct the customer to sign the deposit slip receipt. One copy of the deposit slip shall be given to the customer. The other copy of the deposit slip shall be secured in the cashier's cash drawer.
(vi) The cashier shall verify the customer's balance before completing the transaction. The cashier shall secure the funds in their cash drawer and return the account access card to the customer.
(vii) Alternatively, if a kiosk is utilized to accept a deposit of credits, Red Earth Casino as approved by the Torres Martinez Gaming Agency, shall establish and comply with procedures that safeguard the integrity of the kiosk system.
(6) Prize standards. (i) Winners at the gaming machines may receive cash, prizes redeemable for cash or merchandise.
(ii) If merchandise prizes are to be awarded, the specific type of prize or prizes that may be won shall be disclosed to the player before the game begins.
(iii) The redemption period of account access cards, as approved by the Torres Martinez Gaming Agency, shall be conspicuously posted inside Red Earth Casino.
(7) Credit withdrawal. The customer shall present their account access card to a cashier to withdraw their credits. The cashier shall perform the following:
(i) Scan the account access card;
(ii) Request the customer to enter their PIN, if the PIN was selected by the customer;
(iii) The cashier shall ascertain the amount the customer wishes to withdraw and enter the amount into the computer;
(iv) A multi-part withdrawal slip shall be generated by the point of sale receipt printer. The cashier shall direct the customer to sign the withdrawal slip;
(v) The cashier shall verify that the account access card and the customer match by:
(A) Comparing the customer to image on the computer screen;
(B) Comparing the customer to image on customer's picture ID; or
(C) Comparing the customer signature on the withdrawal slip to signature on the computer screen.
(vi) The cashier shall verify the customer's balance before completing the transaction. The cashier shall pay the customer the appropriate amount, issue the customer the original withdrawal slip and return the account access card to the customer;
(vii) The copy of the withdrawal slip shall be placed in the cash drawer. All account transactions shall be accurately tracked by the account server computer system. The copy of the withdrawal slip shall be forwarded to the accounting department at the end of the gaming day; and
(viii) In the event the imaging function is temporarily disabled, customers shall be required to provide positive ID for cash withdrawal transactions at the cashier stations.

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

Section 8 - Minimum Internal Control Standards for Gaming Promotions and Player Tracking Systems:

(a) Supervision. Supervision must be provided as needed for gaming promotions and player tracking by an agent(s) with authority equal to or greater than those being supervised.

(b) Gaming promotions. The rules of the gaming promotion must be displayed or made readily available to patron upon request. Gaming promotion rules require Torres Martinez Gaming Agency approval and must include at a minimum the following information:

(1) The rules of play;
(2) The nature and value of the associated prize(s) or cash award(s);
(3) Any restrictions or limitations on participant eligibility;
(4) The date(s), time(s), and location(s) for the associated promotional activity or activities;
(5) Any other restrictions or limitations, including any related to the claim of prizes or cash awards;
(6) The announcement date(s), time(s), and location(s) for the winning entry or entries; and
(7) Rules governing promotions offered across multiple Red Earth Casino, third party sponsored promotions, and joint promotions involving third parties.

(c) Player tracking systems and gaming promotions.

(1) Changes to the player tracking systems, promotion and external bonusing system parameters, which control features such as the awarding of bonuses, the issuance of cashable credits, non-cashable credits, coupons and vouchers, must be performed under the authority of supervisory agents, independent of the department initiating the change. Alternatively, the changes may be performed by supervisory agents of the department initiating the change if sufficient documentation is generated and the propriety of the changes are randomly verified by supervisory agents independent of the department initiating the change on a monthly basis.
(2) All other changes to the player tracking system must be appropriately documented.

(d) Variances. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Section 9 - Minimum Internal Control Standards for Complimentary Services or Items:

(a) Supervision. Supervision must be provided as needed for approval of complimentary services by an agent(s) with authority equal to or greater than those being supervised.

(b) Complimentary services or items. Controls must be established and procedures implemented for complimentary services or items that address the following:

(1) Agents authorized to approve the issuance of complimentary services or items, including levels of authorization;
(2) Limits and conditions on the approval and issuance of complimentary services or items;
(3) Making and documenting changes to conditions or limits on the approval and issuance of complimentary services or items;
(4) Documenting and recording the authorization, issuance, and redemption of complimentary services or items, including cash and non-cash gifts;
(i) Records must include the following for all complimentary items and services equal to or exceeding an amount established by Red Earth Casino and approved by the Torres Martinez Gaming Agency:
(A) Name of patron who received the complimentary service or item;
(B) Name(s) of issuer(s) of the complimentary service or item;
(C) The actual cash value of the complimentary service or item;
(D) The type of complimentary service or item (i.e., food, beverage); and
(E) Date the complimentary service or item was issued.

(c) Complimentary services and items records must be summarized and reviewed for proper authorization and compliance with established authorization thresholds.

(1) A detailed reporting of complimentary services or items transactions that meet an established threshold approved by the Torres Martinez Gaming Agency must be prepared at least monthly.
(2) The detailed report must be forwarded to management for review.

(d) Variances. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Section 10 - Minimum Internal Control Standards for Patron Deposit Accounts and Cashless Systems:

(a) Supervision. Supervision must be provided as needed for patron deposit accounts and cashless systems by an agent(s) with authority equal to or greater than those being supervised.

(b) Patron deposit accounts and cashless systems.

(1) Smart cards cannot maintain the only source of account data.
(2) Establishment of patron deposit accounts. The following standards apply when a patron establishes an account.
(i) The patron must appear at Red Earth Casino in person, at a designated area of accountability, and present valid government issued picture identification; and
(ii) An agent must examine the patron's identification and record the following information:
(A) Type, number, and expiration date of the identification;
(B) Patron's name;
(C) A unique account identifier;
(D) Date the account was opened; and
(E) The agent's name.
(3) The patron must sign the account documentation before the agent may activate the account.
(4) The agent or cashless system must provide the patron deposit account holder with a secure method of access.

(c) Patron deposits, withdrawals and adjustments.

(1) Prior to the patron making a deposit or withdrawal from a patron deposit account, the agent or cashless system must verify the patron deposit account, the patron identity, and availability of funds. A personal identification number (PIN) is an acceptable form of verifying identification.
(2) Adjustments made to the patron deposit accounts must be performed by an agent.
(3) When a deposit, withdrawal, or adjustment is processed by an agent, a transaction record must be created containing the following information:
(i) Same document number on all copies;
(ii) Type of transaction, (deposit, withdrawal, or adjustment);
(iii) Name or other identifier of the patron;
(iv) The unique account identifier;
(v) Patron signature for withdrawals, unless a secured method of access is utilized;
(vi) For adjustments to the account, the reason for the adjustment;
(vii) Date and time of transaction;
(viii) Amount of transaction;
(ix) Nature of deposit, withdrawal, or adjustment (cash, check, chips); and
(x) Signature of the agent processing the transaction.
(4) When a patron deposits or withdraws funds from a patron deposit account electronically, the following must be recorded:
(i) Date and time of transaction;

(ii) Location (player interface, kiosk);
(iii) Type of transaction (deposit, withdrawal);
(iv) Amount of transaction; and
(v) The unique account identifier.
(5) Patron deposit account transaction records must be available to the patron upon reasonable request.
(6) If electronic funds transfers are made to or from a Red Earth Casino bank account for patron deposit account funds, the bank account must be dedicated and may not be used for any other types of transactions.

(d) Variances. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Section 11 - Minimum Internal Control Standards for Lines of Credit:

(a) Supervision. Supervision must be provided as needed for lines of credit by an agent(s) with authority equal to or greater than those being supervised.

(b) Establishment of lines of credit policy.

(1) If Red Earth Casino extends lines of credit, controls must be established and procedures implemented to safeguard the assets of Red Earth Casino. Such controls must include a lines of credit policy including the following:
(i) A process for the patron to apply for, modify, and/or re-establish lines of credit, to include required documentation and credit line limit;
(ii) Authorization levels of credit issuer(s);
(iii) Identification of agents authorized to issue lines of credit;
(iv) A process for verifying an applicant's credit worthiness;
(v) A system for recording patron information, to include:
(A) Name, current address, and signature;
(B) Identification credential;
(C) Authorized credit line limit;
(D) Documented approval by an agent authorized to approve credit line limits;
(E) Date, time and amount of credit issuances and payments; and
(F) Amount of available credit.
(vi) A process for issuing lines of credit to:
(A) Verify the patron's identity;
(B) Notify the patron of the lines of credit terms, including obtaining patron's written acknowledgment of the terms by signature;
(C) Complete a uniquely identified, multi-part, lines of credit issuance form, such as a marker or counter check, which includes the terms of the lines of credit for the transaction;
(D) Obtain required signatures;
(E) Determine the amount of the patron's available lines of credit;
(F) Update the credit balance record at the time of each transaction to ensure that lines of credit issued are within the established limit and balance for that patron; and
(G) Require the agent issuing the lines of credit to be independent of the agent who authorized the lines of credit regardless of the dollar amount.
(vii) A policy establishing credit line limit exceptions to include the following:
(A) Identification of the agent(s) authorized to permit a credit line limit to be exceeded but who can not authorize an extension of more than 10% of the previously approved credit line.
(B) Authorization thresholds; and
(C) Required documentation.
(v) A policy governing increases and decreases to a patron's lines of credit account balances to include the following:
(A) Documentation and record keeping requirements;

(B) Independence between the department that receives the payment and the department that maintains custody of the credit balance for payments made by mail;
(C) Collections;
(D) Periodic audits and confirmation of balances; and
(E) If a collection agency is used, a process to ensure documentation of increases and decreases to the lines of credit account balances.
(vi) A policy governing write-offs and settlements to include:
(A) Identification of agent(s) authorized to approve write-offs and settlements which must be reviewed and approved by at least two management officials who are independent of the credit transaction;
(B) Authorization levels for write-offs and settlements of lines of credit instruments;
(C) Required documentation for write-offs and settlements;
(D) Independence between the agent who established the lines of credit and the agents writing off or settling the lines of credit instrument; and
(E) Necessary documentation for the approval of write-offs, settlements and transmittals to the appropriate department for recording and deductibility.
(F) An individual independent of the credit transactions and collections shall periodically review the documents required in Section #11 (1)(vi)(F).
(E) If computer applications are utilized with alternative documentation and/or procedures for Lines of Credit as noted in Section #11 MCRS must receive approval from the Torres Martinez Gaming Agency for the alternative documentation or procedures.

(c) Variances. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Section 12 - Minimum Internal Control Standards for Drop and Count:

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

(b) Count room access. Controls must be established and procedures implemented to limit physical access to the count room to count team agents, designated staff, and other authorized persons. Such controls must include the following:

(1) Count team agents may not exit or enter the count room during the count except for emergencies or scheduled breaks.
(2) Surveillance must be notified whenever count room agents exit or enter the count room during the count.
(3) The count team policy, at a minimum, must address the transportation of extraneous items such as personal belongings, tool boxes, beverage containers, etc., into or out of the count room.

(c) Count team. Controls must be established and procedures implemented to ensure security of the count and the count room to prevent unauthorized access, misappropriation of funds, forgery, theft, or fraud. Such controls must include the following:

(1) All counts must be performed by at least three agents.
(2) At no time during the count can there be fewer than three count team agents in the count room until the drop proceeds have been accepted into cage/vault accountability.
(3) Functions performed by count team agents must be rotated on a routine basis.
(4) Count team agents must be independent of the department being counted. A cage/vault agent may be used if they are not the sole recorder of the count and do not participate in the transfer of drop proceeds to the cage/vault. An accounting agent may be used if there is an independent audit of all count documentation.

(d) Table game and card game drop standards. Controls must be established and procedures implemented to ensure security of the drop process. Such controls must include the following:

(1) Surveillance must be notified when the drop is to begin so that surveillance may monitor the activities.
(2) At least two agents must be involved in the removal of the drop box, at least one of whom is independent of the card games department.
(4) Once the drop is started, it must continue until finished.
(5) All drop boxes may be removed only at the time previously designated by Red Earth Casino and reported to the Torres Martinez Gaming Agency. If an emergency drop is required, surveillance must be notified before the drop is conducted and the Torres Martinez Gaming Agency must be informed within a timeframe approved by the Torres Martinez Gaming Agency.
(6) At the end of each shift:
(i) All locked card game and table game drop boxes must be removed from the tables by an agent independent of the card game or table game shift being dropped;

(ii) For any tables opened during the shift, a separate drop box must be placed on each table, or Red Earth Casino may utilize a single drop box with separate openings and compartments for each shift; and
(iii) Card game and table game drop boxes must be transported directly to the count room or other equivalently secure area by a minimum of two agents, at least one of whom is independent of the card game or table game shift being dropped, until the count takes place.
(7) All tables that were not open during a shift and therefore not part of the drop must be documented.
(8) All card game or table game drop boxes must be posted with a number corresponding to a permanent number on the gaming table and marked to indicate game, table number, and shift, if applicable.

(e) Bill acceptor canister / Player interface financial instrument storage component drop standards.

(1) Surveillance must be notified when the drop is to begin so that surveillance may monitor the activities.
(2) At least two agents must be involved in the removal of the bill acceptor/player interface storage component drop, at least one of whom is independent of the player interface department.
(3) All financial instrument storage components may be removed only at the time previously designated by Red Earth Casino and reported to the Torres Martinez Gaming Agency. If an emergency drop is required, surveillance must be notified before the drop is conducted and the Torres Martinez Gaming Agency must be informed within a timeframe as approved by the Torres Martinez Gaming Agency.
(4) The financial instrument storage components must be removed by an agent independent of the gaming device or player interface department, then transported directly to the count room or other equivalently secure area with comparable controls and locked in a secure manner until the count takes place.
(i) Security must be provided for the bill acceptor/financial instrument storage components removed from the gaming devices or player interfaces and awaiting transport to the count room.
(ii) Transportation of bill acceptor/financial instrument storage components must be performed by a minimum of two agents, at least one of whom is independent of the gaming device or player interface department.
(5) All financial instrument storage components must be posted with a number corresponding to a permanent number on the gaming device/player interface.

(f) Table Game and Card game count standards.

(1) Access to stored, full or empty table game or card game drop boxes must be restricted to:
(i) Authorized members of the drop and count teams; and
(ii) In an emergency, authorized persons for the resolution of a problem.
(2) The table game and card game count must be performed in a count room or other equivalently secure area with comparable controls.
(3) Access to the count room during the count must be restricted to members of the drop and count teams, with the exception of authorized observers, supervisors for resolution of problems, and authorized maintenance personnel.

(4) If counts from various revenue centers occur simultaneously in the count room, procedures must be in effect to prevent the commingling of funds from different revenue centers.
(5) Count equipment and systems must be tested, with the results documented, at minimum before the first count begins to ensure the accuracy of the equipment.
(6) The table game and card game drop boxes must be individually emptied and counted so as to prevent the commingling of funds between boxes until the count of the box has been recorded.
(i) The count of each box must be recorded in ink or other permanent form of recordation.
(ii) For counts that do not utilize a currency counter, a second count must be performed by a member of the count team who did not perform the initial count. Separate counts of chips and tokens must always be performed by members of the count team.
(iii) Coupons or other promotional items not included in gross revenue must be recorded on a supplemental document by either the count team members or accounting personnel. All single-use coupons must be cancelled daily by an authorized agent to prevent improper recirculation.
(iv) If a currency counter interface is used:
(A) It must be restricted to prevent unauthorized access; and
(B) The currency drop figures must be transferred via direct communications line or computer storage media to the accounting department.
(7) If currency counters are utilized, a count team member must observe the loading and unloading of all currency at the currency counter, including rejected currency.
(8) Two counts of the currency rejected by the currency counter must be recorded per table, as well as in total. Posting rejected currency to a nonexistent table is prohibited.
(9) Table game and card game drop boxes, when empty, must be shown to another member of the count team, to another agent observing the count, or to surveillance, provided that the count is monitored in its entirety by an agent independent of the count.
(10) Corrections to information originally recorded by the count team on count documentation shall be made by drawing a single line through the error, writing the correct figure above the original figure, and then obtaining the initials of at least two count team members who verified the change.
(11) The count sheet must be reconciled to the total drop by a count team member who may not function as the sole recorder, and variances must be reconciled and documented.
(12) All count team agents must sign the count sheet attesting to their participation in the count.
(13) A final verification of the total drop proceeds, before transfer to cage/vault, must be performed by at least two agents, one of whom is a supervisory count team member, and one a count team agent.
(i) Final verification must include a comparison of currency counted totals against the currency counter/system report, if any counter/system is used.
(ii) Any unresolved variances must be documented, and the documentation must remain part of the final count record forwarded to accounting.
(iii) This verification does not require a complete recount of the drop proceeds, but does require a review sufficient to verify the total drop proceeds being transferred.
(iv) The two agents must sign the report attesting to the accuracy of the total drop proceeds verified.
(v) All drop proceeds and cash equivalents that were counted must be submitted to the cage or vault agent (who must be independent of the count team), or to an agent independent of the revenue generation source and the count process, for verification. The agent must certify, by

signature, the amount of the drop proceeds delivered and received. Any unresolved variances must be reconciled, documented, and/or investigated by accounting/revenue audit.
(14) After verification by the agent receiving the funds, the drop proceeds must be transferred to the cage/vault.
(i) The count documentation and records must not be transferred to the cage/vault with the drop proceeds.
(ii) The cage/vault agent must have no knowledge or record of the drop proceeds total before it is verified.
(iii) All count records must be forwarded to accounting or secured and accessible only by accounting agents.
(iv) The cage/vault agent receiving the transferred drop proceeds must sign the count sheet attesting to the verification of the total received, and thereby assume accountability of the drop proceeds, ending the count.
(v) Any unresolved variances between total drop proceeds recorded on the count sheet and the cage/vault final verification during transfer must be documented and investigated.
(15) The count sheet, with all supporting documents, must be delivered to the accounting department by a count team member or an agent independent of the cage/vault. Alternatively, it may be secured so that it is only accessible to accounting agents.

(g) Bill acceptor canister / player interface financial instrument count standards.

(1) Access to stored full or empty financial instrument storage components must be restricted to:
(i) Authorized members of the drop and count teams; and
(ii) In an emergency, authorized persons for the resolution of a problem.
(2) The gaming device bill acceptor/player interface financial instrument count must be performed in a count room or other equivalently secure area with comparable controls.
(3) Access to the count room during the count must be restricted to members of the drop and count teams, with the exception of authorized observers, supervisors for resolution of problems, and authorized maintenance personnel.
(4) If counts from various revenue centers occur simultaneously in the count room, procedures must be in effect that prevent the commingling of funds from different revenue centers.
(5) The count team must not have access to amount-in or bill-in meter amounts until after the count is completed and the drop proceeds are accepted into the cage/vault accountability.
(6) Count equipment and systems must be tested, and the results documented, before the first count begins, to ensure the accuracy of the equipment.
(7) If a currency counter interface is used:
(i) It must be adequately restricted to prevent unauthorized access; and
(ii) The currency drop figures must be transferred via direct communications line or computer storage media to the accounting department.
(8) The bill acceptor/financial instrument storage components must be individually emptied and counted so as to prevent the commingling of funds between storage components until the count of the storage component has been recorded.
(i) The count of each storage component must be recorded in ink or other permanent form of recordation.

(ii) Coupons or other promotional items not included in gross revenue may be recorded on a supplemental document by the count team members or accounting personnel. All single-use coupons must be cancelled daily by an authorized agent to prevent improper recirculation.
(9) If currency counters are utilized, a count team member must observe the loading and unloading of all currency at the currency counter, including rejected currency.
(10) Two counts of the currency rejected by the currency counter must be recorded per interface terminal as well as in total. Rejected currency must be posted to the player interface from which it was collected.
(11) Bill acceptors/storage components, when empty, must be shown to another member of the count team, to another agent who is observing the count, or to surveillance, provided that the count is monitored in its entirety by an agent independent of the count.
(12) Corrections to information originally recorded by the count team on count documentation shall be made by drawing a single line through the error, writing the correct figure above the original figure, and then obtaining the initials of at least two count team members who verified the change.
(13) The count sheet must be reconciled to the total drop by a count team member who may not function as the sole recorder, and variances must be reconciled and documented. This standard does not apply to vouchers removed from the bill acceptors/financial instrument storage components.
(14) All count team agents must sign the report attesting to their participation in the count.
(15) A final verification of the total drop proceeds, before transfer to cage/vault, must be performed by the at least two agents, one of whom is a supervisory count team member and the other a count team agent.
(i) Final verification must include a comparison of currency counted totals against the currency counter/system report, if a counter/system is used.
(ii) Any unresolved variances must be documented and the documentation must remain a part of the final count record forwarded to accounting.
(iii) This verification does not require a complete recount of the drop proceeds but does require a review sufficient to verify the total drop proceeds being transferred.
(iv) The two agents must sign the report attesting to the accuracy of the total drop proceeds verified.
(v) All drop proceeds and cash equivalents that were counted must be turned over to the cage or vault cashier (who must be independent of the count team) or to an agent independent of the revenue generation and the count process for verification. Such cashier or agent must certify, by signature, the amount of the drop proceeds delivered and received. Any unresolved variances must be reconciled, documented, and/or investigated by accounting/revenue audit.
(16) After certification by the agent receiving the funds, the drop proceeds must be transferred to the cage/vault.
(i) The count documentation and records must not be transferred to the cage/vault with the drop proceeds.
(ii) The cage/vault agent must not have knowledge or record of the drop proceeds total before it is verified.
(iii) All count records must be forwarded to accounting secured and accessible only by accounting agents.

(iv) The cage/vault agent receiving the transferred drop proceeds must sign the count sheet attesting to the verification of the total received, and thereby assuming accountability of the drop proceeds, and ending the count.
(v) Any unresolved variances between total drop proceeds recorded on the count room report and the cage/vault final verification during transfer must be documented and investigated.
(17) The count sheet, with all supporting documents, must be delivered to the accounting department by a count team member or agent independent of the cashiers department. Alternatively, it may be adequately secured and accessible only by accounting department.

(h) Controlled keys. Controls must be established and procedures implemented to safeguard the use, access, and security of keys in accordance with the following:

(1) Each of the following requires a separate and unique key lock or alternative secure access method:
(i) Drop cabinet;
(ii) Drop box / bill acceptor canister release;
(iii) Drop box / bill acceptor canister content; and
(iv) Storage racks and carts.
(2) Access to and return of keys or equivalents must be documented with the date, time, and signature or other unique identifier of the agent accessing or returning the key(s).
(i) At least three (3) drop team agents are required to be present to access and return keys.
(ii) At least three count team agents are required to be present at the time count room and other count keys are issued for the Player Interfaces, Slot Machines, Card Games or Table Games count.
(3) Documentation of all keys, including duplicates, must be maintained, including:
(i) Unique identifier for each individual key;
(ii) Key storage location;
(iii) Number of keys made, duplicated, and destroyed; and
(iv) Authorization and access.
(4) Custody of all keys involved in the drop and count must be maintained by a department independent of the count and the drop agents as well as those departments being dropped and counted.
(5) Other than the count team for the count process, no agent may have access to the drop box content keys while in possession of storage rack keys and/or release keys.
(6) Other than the count team, only agents authorized to remove drop boxes are allowed access to drop box release keys.
(7) Any use of keys at times other than the scheduled drop and count must be properly authorized and documented. In an emergency the physical custody of keys for the drop box contents or bill acceptor canister contents keys must involve at least two agents from the time of issuance until the time of the key(s) return.
(8) For drop box / bill acceptor canister contents keys a minimum of three agents must be involved in the authorization process to release the keys one of which must be a management employee. Drop box / bill acceptor canister contents keys will not be released to any agent except for the count team while a count is in progress.
(9) Emergency manual keys, such as an override key, for computerized, electronic, and alternative key systems must be maintained in accordance with the following:

(i) Access to the emergency manual key(s) used to access the key box containing the table games, card games, slots or player interface drop and count keys requires the physical involvement of at least three agents from separate departments, including management. The date, time, and reason for access, must be documented with the signatures of all participating persons signing out/in the emergency manual key(s);
(ii) The custody of the emergency manual keys requires the presence of two agents from separate departments from the time of their issuance until the time of their return; and
(iii) Routine physical maintenance that requires access to the emergency manual key(s), and does not involve accessing the player interface drop and count keys, only requires the presence of two agents from separate departments. The date, time, and reason for access must be documented with the signatures of all participating agents signing out/in the emergency manual key(s).

(i) Controlled key computerized inventory system

(1) User access levels for the release of controlled keys from an electronic key control system will be restricted to individuals with prior authorization and approval for the release of controlled keys. The access and removal of such keys will be monitored with access controlled by the System Administrator.
(2) For controlled key computerized systems MCRS accounting/auditing personnel independent of the system administrator will perform the following procedures daily:
(i) Review the reports generated by the computerized key inventory system indicating transactions performed by the individual(s) that add, delete, or change user access to determine whether or the transactions provide an adequate control over the access to the drop box/bill acceptor drop and count keys.

(j)Variances. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Section 13 - Minimum Internal Control Standards for the Cage, Vault, Kiosk, Cash and Cash Equivalents:

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

(b) Check cashing.

(1) If personal checks, cashier's checks and payroll checks are cashed at the cage, Red Earth Casino as approved by the Torres Martinez Gaming Agency, shall establish and Red Earth Casino shall comply with appropriate controls for purposes of security and integrity.
(2) Red Earth Casino as approved by the Torres Martinez Gaming Agency, shall establish and Red Earth Casino shall comply with procedures for the acceptance of personal checks, collecting and recording checks returned to Red Earth Casino after deposit, re-deposit, and write-off authorization.
(3) If checks are cashed at the cage, the controls must provide for security and integrity. For each check cashing transaction, the agent(s) conducting the transaction must:
(i) Verify the patron's identity;
(ii) Examine the check to ensure it includes the patron's name, current address, and signature;
(iii) For personal checks, verify the patron's check cashing authority and record the source and results in accordance with management policy; however
(iv) If a check guarantee service is used to guarantee the transaction and the procedures required by the check guarantee service are followed, then the above requirements do not apply.
(4) When counter checks are issued, the following must be included on the check:
(i) The patron's name and signature;
(ii) The dollar amount of the counter check;
(iii) Patron's bank name, bank routing, and account numbers;
(iv) Date of issuance; and
(v) Signature of the agent approving the counter check transaction.
(5) Checks that are not deposited in the normal course of business, as established by management, (held checks) are subject to 25 CFR 543.15 lines of credit standards.
(6) When traveler's checks or other guaranteed drafts, such as cashier's checks, are presented, the cashier must comply with the examination and documentation procedures as required by the issuer.
(6) If a third party check cashing or guarantee service is used, the examination and documentation procedures required by the service provider apply, unless otherwise provided by tribal law or regulation.

(c) Cage and vault accountability.

(1) All transactions that flow through the cage must be summarized for each work shift of the cage and must be supported by documentation.
(2) Increases and decreases to the total cage inventory must be verified, supported by documentation, and recorded. Documentation must include the date and shift, the purpose of the

increase/decrease, the agent(s) completing the transaction, and the person or department receiving the cage funds (for decreases only).
(3) The cage and vault inventories (including coin rooms) must be counted independently by at least two agents, attested to by signature, and recorded in ink or other permanent form at the end of each shift during which the activity took place. These agents must make individual counts to compare for accuracy and maintain individual accountability. All variances must be documented and investigated.
(4) Red Earth Casino must establish and comply with a minimum bankroll formula to ensure the gaming facility maintains cash or cash equivalents (on hand and in the bank, if readily accessible) in an amount sufficient to satisfy obligations to Red Earth Casino patrons as they are incurred.

(d) Kiosks.

(1) Kiosks must be maintained on the cage accountability and must be counted independently by at least two agents, documented, and reconciled for each increase or decrease to the kiosk inventory.
(2) Currency cassettes must be counted and filled by an agent and verified independently by at least one agent, all of whom must sign each cassette.
(3) Currency cassettes must be secured with a lock or tamper resistant seal and, if not placed inside a kiosk, must be stored in a secured area of the cage/vault.
(4) Red Earth Casino, subject to the approval of the Torres Martinez Gaming Agency, must develop and implement physical security controls over the kiosks. Controls should address the following: forced entry, evidence of any entry, and protection of circuit boards containing programs.
(5) With regard to cashless systems, Red Earth Casino, subject to the approval of the Torres Martinez Gaming Agency, must develop and implement procedures to ensure that communications between the kiosk and system are secure and functioning.
(6) The following reconciliation reports must be available upon demand for each day, shift, and drop cycle (this is not required if the system does not track the information, but system limitation(s) must be noted):
(i) Starting balance dollar amount per financial instrument;
(ii) Starting balance number of items per financial instrument;
(iii) Dollar amount per financial instrument issued;
(iv) Number of items per financial instrument issued;
(v) Dollar amount per financial instrument issued;
(vi) Number of items per financial instrument redeemed;
(vii) Dollar amount per financial instrument increases;
(viii) Number of items per financial instrument increases;
(ix) Dollar amount per financial instrument decreases;
(x) Number of items per financial instrument decreases;
(xi) Ending balance dollar amount per financial instrument; and
(xii) Ending balance number of items per financial instrument.

(e) Patron deposited funds. If Red Earth Casino permits a patron to deposit funds with the Red Earth Casino at the cage, and when transfers of patron deposited funds are transferred to a gaming area for wagering purposes, the following standards apply:

(1) The receipt or withdrawal of a patron deposit at a minimum must be documented on a two part copy, with a copy being given to the patron and a copy remaining in the cage.
(i) Red Earth Casino as approved by the Torres Martinez Gaming Agency, shall establish and comply with procedures that verify the customer's identity, including photo identification.
(ii) A file for customers shall be prepared prior to acceptance of a deposit.
(2) Both copies of the document of receipt or withdrawal must contain the following information:
(i) Same receipt number on each copy;
(ii) Patron's name and signature;
(iii) Date of receipt and withdrawal;
(iv) Dollar amount of deposit/withdrawal (for foreign currency transactions include the US dollar equivalent, the name of the foreign country, and the amount of the foreign currency by denomination);
(v) Nature of deposit/withdrawal; and
(vi) Name and signature of the agent who conducted the transaction.
(3) Procedures must be established and complied with for front money deposits to:
(i) Maintain a detailed record by patron name and date of all funds on deposit;
(ii) Maintain a current balance of all patron deposits that are in the cage/vault inventory or accountability; and
(iii) Reconcile the current balance with the deposits and withdrawals at least daily.
(iv) All customer deposits and withdrawal transactions at the cage shall be recorded on a cage accountability form on a per-shift basis.
(v) Only cash, cash equivalents, chips, and tokens shall be accepted from customers for the purpose of a customer deposit.

(f) Promotional payments, drawings, and giveaway programs. The following procedures must apply to any payment resulting from a promotional payment, drawing, or giveaway program disbursed by the cage department or any other department. This section does not apply to payouts for card game promotional pots and/or pools.

(1) All payments must be documented to support the cage accountability.
(2) Payments above $600 (or lesser amount as approved by Torres Martinez Gaming Agency) must be documented at the time of the payment, and documentation must include the following:
(i) Date and time;
(ii) Dollar amount of payment or description of personal property;
(iii) Reason for payment; and
(iv) Patron's name and confirmation that identity was verified (drawings only).
(v) Signature(s) of at least two agents verifying, authorizing, and completing the promotional payment with the patron. For computerized systems that validate and print the dollar amount of the payment on a computer generated form, only one signature is required.

(g) Chip(s) and token(s). Controls must be established and procedures implemented to ensure accountability of chip and token inventory. Such controls must include, but are not limited to, the following:

(1) Purchase;
(2) Receipt;
(3) Inventory;
(4) Storage; and
(5) Destruction.

(h) Vouchers.

(1) Controls must be established and procedures implemented to:
(i) Verify the authenticity of each voucher redeemed.
(ii) If the voucher is valid, verify that the patron is paid the appropriate amount.
(iii) Document the payment of a claim on a voucher that is not physically available or a voucher that cannot be validated such as a mutilated, expired, lost, or stolen voucher.
(iv) Retain payment documentation for reconciliation purposes.
(v) For manual payment of a voucher of $500 or more, require a supervisory employee to verify the validity of the voucher prior to payment.
(vi) Any program for the exchange of coupons for chips, tokens, and/or another coupon program shall be approved by the Torres Martinez Gaming Agency prior to implementation. If approved, Red Earth Casino shall establish and comply with procedures that account for and control such programs.
(2) Vouchers paid during a period while the voucher system is temporarily out of operation must be marked "paid" by the cashier.
(3) Vouchers redeemed while the voucher system was temporarily out of operation must be validated as expeditiously as possible upon restored operation of the voucher system.
(4) Paid vouchers must be maintained in the cashier's accountability for reconciliation purposes.
(5) Unredeemed vouchers can only be voided in the voucher system by supervisory employees. The accounting department will maintain the voided voucher, if available.

(i)Cage and vault access. Controls must be established and procedures implemented to:

(1) Restrict physical access to the cage to cage agents, designated staff, and other authorized persons; and
(2) Limit transportation of extraneous items such as personal belongings, tool boxes, beverage containers, etc., into and out of the cage.

(j) Variances. The operation must establish, as approved by the Torres Martinez Gaming Agency, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.

Section 14 - Minimum Internal Control Standards for Information Technology and Data:

(a) Supervision.

(1) Controls must identify the supervisory agent in the department or area responsible for ensuring that the department or area is operating in accordance with established policies and procedures.
(2) The supervisory agent must be independent of the operation of Class II and Class III games.
(3) Controls must ensure that duties are adequately segregated and monitored to detect procedural errors and to prevent the concealment of fraud.
(4) Information technology agents having access to Class II and Class III gaming systems may not have signatory authority over financial instruments and payout forms and must be independent of and restricted from access to:
(i) Financial instruments;
(ii) Accounting, audit, and ledger entries; and
(iii) Payout forms.

(b) Independence of information technology personnel.

(1) The information technology personnel shall be independent of the gaming areas (e.g., cage, pit, count rooms, etc.). Information technology personnel procedures and controls should be documented and responsibilities communicated.
(2) Information technology personnel shall be precluded from unauthorized access to:
(i) Computers and terminals located in gaming areas;
(ii) Source documents; and
(iii) Live data files (not test data).
(3) Information technology personnel shall be restricted from:
(i) Having unauthorized access to cash or other liquid assets; and
(ii) Initiating general or subsidiary ledger entries.

(c) General controls for gaming hardware and software.

(1) Management shall take an active role in making sure that physical and logical security measures are implemented, maintained, and adhered to by personnel to prevent unauthorized access that could cause errors or compromise data or processing integrity.
(i) Management shall ensure that all new gaming vendor hardware and software agreements/contracts contain language requiring the vendor to adhere to tribal internal control standards applicable to the goods and services the vendor is providing.
(ii) Physical security measures shall exist over computer, computer terminals, and storage media to prevent unauthorized access and loss of integrity of data and processing.
(iii) Access to systems software and application programs shall be limited to authorized personnel.
(iv) Access to computer data shall be limited to authorized personnel.
(v) Access to computer communications facilities, or the computer system, and information transmissions shall be limited to authorized personnel.

(vi) Standards in paragraph (c)(1) of this section shall apply to each applicable department within Red Earth Casino.
(2) The main computers (i.e., hardware, software, and data files) for each gaming application shall be in a secured area with access restricted to authorized persons, including vendors.
(3) Access to computer operations shall be restricted to authorized personnel to reduce the risk of loss of integrity of data or processing.
(4) Incompatible duties shall be adequately segregated and monitored to prevent error in general information technology procedures to go undetected or fraud to be concealed.
(5) Non-information technology personnel shall be precluded from having unrestricted access to the secured computer areas.
(6) The computer systems, including application software, shall be secured through the use of passwords or other approved means where applicable. Management personnel or persons independent of the department being controlled shall assign and control access to system functions.
(7) Passwords shall be controlled as follows unless otherwise addressed in the standards in this section.
(i) Each user shall have their own individual password;
(ii) Passwords shall be changed at least quarterly with changes documented; and
(iii) For computer systems that automatically force a password change on a quarterly basis, documentation shall be maintained listing the systems and the date the user was given access.
(8) Adequate backup and recovery procedures shall be in place that include:
(i) Frequent backup of data files;
(ii) Backup of all programs;
(iii) Secured off-site storage of all backup data files and programs, or other adequate protection; and
(iv) Recovery procedures, which are tested on a sample basis at least annually with documentation of results.
(9) Adequate information technology system documentation shall be maintained, including descriptions of hardware and software, operator manuals, etc.

(d) As used in this section only, a system is any computerized system that is integral to the gaming environment. This includes, but is not limited to, the online gaming machine monitoring system, the server and peripherals for Class II or Class III gaming systems, accounting, surveillance systems, essential phone systems, electronic key storage systems and door access and warning systems.

(e) Class II and Class III gaming system logical and physical controls. Controls must be established and procedures implemented to ensure adequate:

(1) Control of physical and logical access to the information technology environment, including accounting, voucher, cashless and player tracking systems, among others used in conjunction with Class II and Class III gaming;
(2) Physical and logical protection of storage media and its contents, including recovery procedures;
(3) Access credential control methods;
(4) Record keeping and audit processes; and

(5) Departmental independence, including, but not limited to, means to restrict agents that have access to information technology from having access to financial instruments.

(f) Physical security.

(1) The information technology environment and infrastructure must be maintained in a secured physical location such that access is restricted to authorized agents only.
(2) Access devices to the systems' secured physical location, such as keys, cards, or fobs, must be controlled by an independent agent.
(3) Access to the systems' secured physical location must be restricted to agents in accordance with established policies and procedures, which must include maintaining and updating a record of agents granted access privileges.
(4) Network Communication Equipment must be physically secured from unauthorized access.

(g) Logical security.

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

(h) User controls.

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

(5) Access credentials of terminated users must be deactivated within an established time period approved by the Torres Martinez Gaming Agency.
(6) Only authorized agents may have access to inactive or closed accounts of other users, such as player tracking accounts and terminated user accounts.

(i) Security logs.
(1) If computer security logs are generated by the system, they shall be reviewed by information technology supervisory personnel for evidence of:
(i) Multiple attempts to log-on, or alternatively, the system shall deny user access after three attempts to log-on;
(ii) Unauthorized changes to live data files; and
(iii) Any other unusual transactions.
(2) This paragraph shall not apply to personal computers.

(j) Installations and/or modifications.

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

(k) Remote access.

(1) Agents may be granted remote access for system support, provided that each access session is documented and maintained at the place of authorization. The documentation must include:
(i) Name of agent authorizing the access;
(ii) Name of agent accessing the system;
(iii) Verification of the agent's authorization;
(iv) Reason for remote access;
(v) Description of work to be performed;
(vi) Date and time of start of end-user remote access session; and
(vii) Date and time of conclusion of end-user remote access session.
(2) All remote access must be performed via a secured method.

(l) Incident monitoring and reporting.

(1) Procedures must be implemented for responding to, monitoring, investigating, resolving, documenting, and reporting security incidents associated with information technology systems.

(2) All security incidents must be responded to within an established time period approved by the Torres Martinez Gaming Agency and formally documented.

(m) Data backups.

(1) Controls must include adequate backup, including, but not limited to, the following:
(i) Daily data backup of critical information technology systems;
(ii) Data backup of critical programs or the ability to reinstall the exact programs as needed;
(iii) Secured storage of all backup data files and programs, or other adequate protection;
(iv) Mirrored or redundant data source; and
(v) Redundant and/or backup hardware.
(2) Controls must include recovery procedures, including, but not limited to, the following:
(i) Data backup restoration;
(ii) Program restoration; and
(iii) Redundant or backup hardware restoration.
(3) Recovery procedures must be tested on a sample basis at specified intervals at least annually. Results must be documented.
(4) Backup data files and recovery components must be managed with at least the same level of security and access controls as the system for which they are designed to support.

(n) Document storage.

(1) Documents may be scanned or directly stored to an unalterable storage medium under the following conditions.
(i) The storage medium shall contain the exact duplicate of the original document.
(ii) All documents stored on the storage medium shall be maintained with a detailed index containing the gaming operation department and date. This index shall be available upon request by the Commission.
(iii) Upon request and adequate notice by the Commission, hardware (terminal, printer, etc.) shall be made available in order to perform auditing procedures.
(iv) Controls shall exist to ensure the accurate reproduction of records up to and including the printing of stored documents used for auditing purposes.
(v) The storage medium shall be retained for a minimum of five years.

(o) Software downloads. Downloads, either automatic or manual, must be performed in accordance with 25 CFR 547.12.

(p) Verifying downloads. Following download of any Class II gaming system software, or Class III online monitoring system the downloaded software will be verified by using a software signature verification method or by using an alternative method deemed appropriate by the Torres Martinez Gaming Agency for verification.

Section 15 - Surveillance:

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

(b) Surveillance equipment and control room(s). Controls must be established and procedures implemented that include the following:

(1) The surveillance system must be maintained and operated from a staffed surveillance operation room(s).
(2) The surveillance operation room(s) must be secured to prevent unauthorized entry.
(3) Access to the surveillance room shall be limited to surveillance personnel, designated employees, and other persons authorized in accordance with the surveillance department policy. Such policy shall be approved by the Torres Martinez Gaming Agency. The surveillance department shall maintain a sign-in log of other authorized persons entering the surveillance room.
(4) Surveillance operation room(s) access logs must be maintained.
(5) Surveillance operation room equipment must have total override capability over all other satellite surveillance equipment.
(6) Power loss to the surveillance system:
(i) In the event of power loss to the surveillance system, an auxiliary or backup power source must be available and capable of providing immediate restoration of power to the surveillance system to ensure that surveillance agents can observe all areas covered by dedicated cameras.
(7) The surveillance system must record an accurate date and time stamp on recorded events. The displayed date and time must not significantly obstruct the recorded view.
(8) All surveillance agents must be trained in the use of the equipment, games, and house rules.
(9) Each camera required by the standards in this section must be installed in a manner that will prevent it from being readily obstructed, tampered with, or disabled.
(10) The surveillance system must:
(i) Have the capability to display all camera views on a monitor;
(ii) Include sufficient numbers of recording devices to record the views of all cameras required by this section;
(iii) Record all camera views; and
(iv) Include sufficient numbers of monitors to simultaneously display gaming and count room activities.
(11) A periodic inspection of the surveillance systems must be conducted. When a malfunction of the surveillance system is discovered, the malfunction and necessary repairs must be documented and repairs initiated within seventy-two (72) hours.
(i) If a dedicated camera malfunctions, alternative security procedures, such as additional supervisory or security agents, must be implemented immediately.
(ii) The Morongo Gaming Agency must be notified of any surveillance system and/or camera(s) that have malfunctioned for more than twenty-four (24) hours and the alternative security measures being implemented.

(c) Additional surveillance requirements. With regard to the following functions, controls must also include:

(1) Surveillance of the progressive prize meters for Class II and Class III gaming systems at the following thresholds:
(i) Wide area progressives with a reset amount of $1 million; and
(ii) In-house progressives with a reset amount of $250,000.

(d) Manual bingo.

(1) For manual draws, the surveillance system must monitor the bingo ball drawing device or mechanical random number generator, which must be recorded during the course of the draw by a dedicated camera to identify the numbers or other designations drawn; and
(2) The surveillance system shall monitor and record the game board and the activities of the employees responsible for drawing, calling, and entering the balls drawn or numbers selected.
(3) The surveillance system must monitor and record the activities of the bingo game, including drawing, and entering the balls, numbers or other designations drawn.

(e) Card games.

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

(f) Table games.

(1) Operations with four (4) or more table games. Surveillance shall provide at a minimum of one (1) pan-tilt-zoom camera per two (2) tables and surveillance must be capable of recording:
(i) With sufficient clarity to identify customers and dealers; and
(ii) With sufficient coverage and clarity to simultaneously view the table bank and determine the configuration of wagers, card values, and game outcome.
(iii) One (1) dedicated camera per table and one (1) pan-tilt-zoom camera per four (4) tables may be an acceptable alternative procedure to satisfy the requirements of this paragraph.

(g) Progressive table games.

(1) Progressive table games with a progressive jackpot of $25,000 or more shall be monitored and recorded by dedicated cameras that provide coverage of:
(i) The table surface, sufficient that the card values and card suits can be clearly identified;
(ii) An overall view of the entire table with sufficient clarity to identify customers and dealer; and
(iii) A view of the progressive meter jackpot amount. If several tables are linked to the same progressive jackpot meter, only one meter need be recorded.

(h) Fills and credits.

(1) The cage or vault area in which fills and credits are transacted shall be monitored and recorded by a dedicated camera or motion activated dedicated camera that provides coverage with sufficient clarity to identify the chip values and the amounts on the fill and credit slips.
(2) Controls provided by a computerized fill and credit system may be deemed an adequate alternative to viewing the fill and credit slips.

(i) Gaming machines.

(1) Except as otherwise provided, gaming machines offering a payout of more than $250,000 shall be monitored and recorded by a dedicated camera(s) to provide coverage of:
(i) All customers and employees at the gaming machine, and
(ii) The face of the gaming machine, with sufficient clarity to identify the payout line(s) of the gaming machine.
(2) In-house progressive machines. In-house progressive gaming machines offering a base payout amount (jackpot reset amount) of more than $100,000 shall be monitored and recorded by a dedicated camera(s) to provide coverage of:
(i) All customers and employees at the gaming machine; and
(ii) The face of the gaming machine, with sufficient clarity to identify the payout line(s) of the gaming machine.
(3) Wide-area progressive machine. Wide-area progressive gaming machines offering a base payout amount of 1 million or more and monitored by an independent vendor utilizing an on-line progressive computer system shall be recorded by a dedicated camera(s) to provide coverage of:
(i) All customers and employees at the gaming machine; and
(ii) The face of the gaming machine, with sufficient clarity to identify the payout line(s) of the gaming machine.
(4) If the gaming machine is a multi-game machine, Red Earth Casino as approved by the Torres Martinez Gaming Agency, may develop and implement alternative procedures to verify payouts.

(j) Cage and vault.

(1) The surveillance system must monitor and record a general overview of activities occurring in each cage and vault area with sufficient clarity to identify individuals within the cage and patrons and staff members at the counter areas and to confirm the amount of each cash transaction;
(2) Each cashier station must be equipped with one (1) dedicated overhead camera covering the transaction area; and
(3) The cage or vault area in which exchange and transfer transactions occur must be monitored and recorded by a dedicated camera or motion activated dedicated camera that provides coverage with sufficient clarity to identify the chip values and the amounts on the exchange and transfer documentation. Controls provided by a computerized exchange and transfer system constitute an adequate alternative to viewing the amounts on the exchange and transfer documentation.

(k) Count rooms.

(1) The surveillance system must monitor and record with sufficient clarity a general overview of all areas where cash or cash equivalents may be stored or counted; and
(2) The surveillance system must provide coverage of count equipment with sufficient clarity to view any attempted manipulation of the recorded data.
(3) Audio capability of the soft count room shall also be maintained.
(4) The surveillance system shall provide for:
(5) Monitoring and recording of the table game drop box storage rack or area by either a dedicated camera or a motion-detector activated camera.
(6) Monitoring and recording of all areas where coin may be stored or counted, including the hard count room, all doors to the hard count room, all scales and wrapping machines, and all areas where uncounted coin may be stored during the drop and count process.
(7) Monitoring and recording of soft count room, including all doors to the room, all table game drop boxes, safes, and counting surfaces, and all count team personnel. The counting surface area must be continuously monitored and recorded by a dedicated camera during the soft count.
(8) Monitoring and recording of all areas where currency is sorted, stacked, counted, verified, or stored during the soft count process.
(9) Change booths. The surveillance system shall monitor and record a general overview of the activities occurring in each gaming machine change booth.

(l) Reporting requirements. Torres Martinez Gaming Agency-approved procedures must be implemented for reporting suspected crimes and suspicious activity.

(m) Recording retention. Controls must be established and procedures implemented that include the following:

(1) All recordings required by this section must be retained for a minimum of seven days; and
(2) Suspected crimes, suspicious activity, or detentions by security agents discovered within the initial retention period must be copied and retained for a time period, not less than one year.

(n) Logs. Logs must be maintained and demonstrate the following:

(1) Compliance with the storage, identification, and retention standards required in this section;
(2) Each malfunction and repair of the surveillance system as defined in this section; and
(3) Activities performed by surveillance agents as required by the controls in this section.

(o) Surveillance activity log.

(1) Surveillance personnel shall maintain a log of all surveillance activities.
(2) Such log shall be maintained by surveillance room personnel and shall be stored securely within the surveillance department.
(3) At a minimum, the following information shall be recorded in a surveillance log:
(i) Date;
(ii) Time commenced and terminated;
(iii) Activity observed or performed; and

(iv) The name or license credential number of each person who initiates, performs, or supervises the surveillance.
(4) Surveillance personnel shall also record a summary of the results of the surveillance of any suspicious activity. This summary may be maintained in a separate log.

Section 16 – Minimum Internal Control Standards for Audit and Accounting:

(a) Conflicts of standards. When establishing SICS, the Red Earth Casino should review, and consider incorporating, other external standards such as GAAP, GAAS, and standards promulgated by GASB and FASB. In the event of a conflict between the MICS and the incorporated external standards, the external standards prevail.

(b) Accounting. Controls must be established and procedures implemented to safeguard assets and ensure each Red Earth Casino:

(1) Prepares accurate, complete, legible, and permanent records of all transactions pertaining to gaming revenue and activities for operational accountability.
(2) Prepares general accounting records on a double-entry system of accounting, maintaining detailed, supporting, subsidiary records, and performs the following activities:
(i) Record gaming activity transactions in an accounting system to identify and track all revenues, expenses, assets, liabilities, and equity;
(ii) Record all markers, IOU's, returned checks, held checks, or other similar credit instruments;
(iii) Record journal entries prepared by Red Earth Casino and by any independent accountants used;
(iv) Prepare income statements and balance sheets;
(v) Prepare appropriate subsidiary ledgers to support the balance sheet;
(vi) Prepare, review, and maintain accurate financial statements;
(vii) Prepare transactions in accordance with the appropriate authorization, as provided by management;
(viii) Record transactions to facilitate proper recording of gaming revenue and fees, and to maintain accountability of assets;
(ix) Compare recorded accountability for assets to actual assets at periodic intervals, and take appropriate action with respect to any variances;
(x) Segregate functions, duties, and responsibilities;
(xi) Prepare minimum bankroll calculations; and
(xii) Maintain and preserve all financial records and relevant supporting documentation.

(c) Gross gaming revenue computations.

(1) For table games, gross revenue equals the closing table bankroll, plus credit slips for cash, chips, tokens or personal/payroll checks returned to the cage, plus drop, less opening table bankroll and fills to the table, and money transfers issued from the game through the use of a cashless wagering system.
(2) For gaming machines, gross revenue equals drop, less fills, jackpot payouts and personal property awarded to patrons as gambling winnings. Additionally, the initial hopper load is not a fill and does not affect gross revenue. The difference between the initial hopper load and the total amount that is in the hopper at the end of the gaming operation's fiscal year should be adjusted accordingly as an addition to or subtraction from the drop for the year.
(3) For each counter game, gross revenue equals:

(i) The money accepted by the gaming operation on events or games that occur during the month or will occur in subsequent months, less money paid out during the month to patrons on winning wagers ("cash basis"); or
(ii) The money accepted by the gaming operation on events or games that occur during the month, plus money, not previously included in gross revenue, that was accepted by the gaming operation in previous months on events or games occurring in the month, less money paid out during the month to patrons as winning wagers ("modified accrual basis").
(4) For each card game and any other game in which the gaming operation is not a party to a wager, gross revenue equals all money received by the operation as compensation for conducting the game.
(i) A gaming operation shall not include either shill win or loss in gross revenue computations.
(ii) In computing gross revenue for gaming machines, keno and bingo, the actual cost to the gaming operation of any personal property distributed as losses to patrons may be deducted from winnings (other than costs of travel, lodging, services, food, and beverages), if the gaming operation maintains detailed documents supporting the deduction.

(d) Internal audit. Controls must be established and procedures implemented to ensure that:

(1) Internal auditor(s) perform audits of each department of Red Earth Casino, at least annually, to review compliance with TICS, SICS, and these MICS, which include at least the following areas:
(i) Bingo, including supervision, bingo cards, bingo card sales, draw, prize payout; cash and equivalent controls, technologic aids to the play of bingo, operations, vouchers, and revenue audit procedures;
(ii) Pull tabs, including, supervision, pull tab inventory, pull tab sales, winning pull tabs, pull tab operating funds, statistical records, and revenue audit procedures;
(iii) Card games, including supervision, exchange or transfers, playing cards, shill funds, reconciliation of card room bank, posted rules, and promotional progressive pots and pools;
(iv) Gaming promotions and player tracking procedures, including supervision, gaming promotion rules and player tracking systems;
(v) Complimentary services or items, including procedures for issuing, authorizing, redeeming, and reporting complimentary service items;
(vi) Patron deposit accounts and cashless systems procedures, including supervision, patron deposit accounts and cashless systems, as well as patron deposits, withdrawals and adjustments;
(vii) Lines of credit procedures, including establishment of lines of credit policy;
(viii) Drop and count standards, including supervision, count room access, count team, card game and table game drop standards, gaming device bill acceptor and player interface financial instrument drop standards, card game and table game count standards, gaming device and player interface financial instrument count standards, and controlled keys;
(ix) Cage, vault, cash and cash equivalent procedures, including supervision, cash and cash equivalents, personal checks, cashier's checks, traveler's checks, payroll checks, and counter checks, cage and vault accountability, kiosks, patron deposited funds, promotional payouts, drawings, and giveaway programs, chip and token standards, and cage and vault access;
(x) Information technology, including supervision, class II gaming systems' logical and physical controls, independence, physical security, logical security, user controls, installations and/or

modifications, remote access, incident monitoring and reporting, data back-ups, software downloads, and verifying downloads; and
(xi) Accounting standards, including accounting records, maintenance and preservation of financial records and relevant supporting documentation.
(xii) Table games, including but not limited to, fill and credit procedures, soft drop/count procedures and the subsequent transfer of funds, unannounced testing of count room currency counters and/or currency interface, location and control over sensitive keys, the tracing of source documents to summarized documentation and accounting records, and reconciliation to restricted copies;
(xiii) Gaming machines, including but not limited to, jackpot payout and gaming machine fill procedures, gaming machine drop/count and bill acceptor drop/count and subsequent transfer of funds, unannounced testing of weigh scale and weigh scale interface, unannounced testing of count room currency counters and/or currency interface, gaming machine drop cabinet access, tracing of source documents to summarized documentation and accounting records, reconciliation to restricted copies, location and control over sensitive keys, compliance with EPROM duplication procedures, and compliance with MICS procedures for gaming machines that accept currency or coin(s) and issue cash-out tickets or gaming machines that do not accept currency or coin(s) and do not return currency or coin(s);
(2) Internal auditor(s) are independent of Red Earth Casino with respect to the departments subject to audit (auditors internal to the operation, officers of the Torres Martinez Gaming Agency, or outside CPA firm may perform this function).
(3) Internal auditor(s) report directly to the Torres Martinez Gaming Agency, audit committee, or other entity designated by the Tribe.
(4) Documentation such as checklists, programs, reports, etc. is prepared to evidence all internal audit work and follow-up performed as it relates to compliance with TICS, SICS, and these MICS, including all instances of noncompliance.
(5) Audit reports are maintained and made available to the Commission upon request and must include the following information:
(i) Audit objectives;
(ii) Audit procedures and scope;
(iii) Findings and conclusions;
(iv) Recommendations, if applicable; and
(v) Management's response.
(6) All material exceptions identified by internal audit work are investigated and resolved and the results are documented.
(7) Internal audit findings are reported to management, responded to by management stating corrective measures to be taken, and included in the report delivered to management, the Tribe, Torres Martinez Gaming Agency, audit committee, or other entity designated by the Tribe for corrective action.
(8) Follow-up observations and examinations is performed to verify that corrective action has been taken regarding all instances of non-compliance. The verification is performed within six (6) months following the date of notification of non-compliance.

(e) Annual requirements.

(1) Agreed upon procedures. A CPA must be engaged to perform an assessment to verify whether Red Earth Casino is in compliance with these MICS, and/or the TICS or SICS if they provide at least the same level of controls as the MICS. The assessment must be performed in accordance with agreed upon procedures and the most recent versions of the Statements on Standards for Attestation Engagements and Agreed-Upon Procedures Engagements (collectively "SSAEs"), issued by the American Institute of Certified Public Accountants.
(2) The tribe must submit two copies of the agreed-upon procedures report to the Commission within 120 days of Red Earth Casinos fiscal year end in conjunction with the submission of the annual financial audit report required pursuant to 25 CFR part 571.
(3) Review of internal audit.
(i) The CPA must determine compliance by Red Earth Casino with the internal audit requirements in this paragraph (d) by:
(A) Completing the internal audit checklist;
(B) Ensuring that the internal auditor completed checklists for each gaming department of the operation;
(C) Verifying that any areas of non-compliance have been identified;
(D) Ensuring that audit reports are completed and include responses from management; and
(E) Verifying that appropriate follow-up on audit findings has been conducted and necessary corrective measures have been taken to effectively mitigate the noted risks.
(ii) If the CPA determines that the internal audit procedures performed during the fiscal year have been properly completed, the CPA may rely on the work of the internal audit for the completion of the MICS checklists as they relate to the standards covered by this part.
(4) Report format. The SSAEs are applicable to agreed-upon procedures engagements required in this part. All noted instances of noncompliance with the MICS and/or the TICS or SICS, if they provide the same level of controls as the MICS, must be documented in the report with a narrative description, the number of exceptions and sample size tested.

(f) Each gaming operation shall establish internal control systems sufficient to ensure- that currency (other than tips or gratuities) received from a patron in the gaming area is promptly placed in a locked box in the table, or, in the case of a cashier, in the appropriate place in the cashier's cage, or on those games which do not have a locked drop box, or on card game tables, in an appropriate place on the table, in the cash register or in another approved repository.

(g) If the gaming operation provides periodic payments to satisfy a payout resulting from a wager, the initial installment payment, when paid, and the actual cost of a payment plan, which is funded by the gaming operation, may be deducted from winnings. The gaming operation is required to obtain the approval of all payment plans from the Torres Martinez Gaming Agency. For any funding method which merely guarantees the gaming operation's performance, and under which the gaming operation makes payments out of cash flow (e.g. irrevocable letters of credits, surety bonds, or other similar methods), the gaming operation may only deduct such payments when paid to the patron.

(h) For payouts by wide-area progressive gaming machine systems, a gaming operation may deduct from winnings only its pro rata share of a wide-area gaming machine system payout.

(i) Cash-out tickets issued at a gaming machine or gaming device shall be deducted from gross revenue as jackpot payouts in the month the tickets are issued by the gaming machine or gaming device. Tickets deducted from gross revenue that are not redeemed within a period, not to exceed 180 days of issuance, shall be included in gross revenue. An unredeemed ticket previously included in gross revenue may be deducted from gross revenue in the month redeemed.

(j) A gaming operation may not deduct from gross revenues the unpaid balance of a credit instrument extended for purposes other than gaming.

(k) A gaming operation may deduct from gross revenue the unpaid balance of a credit instrument if the gaming operation documents, or otherwise keeps detailed records of, compliance with the following requirements. Such records confirming compliance shall be made available to the Torres Martinez Gaming Agency or the Commission upon request:

(1) The gaming operation can document that the credit extended was for gaming purposes;
(2) The gaming operation has established procedures and relevant criteria to evaluate a patron's credit reputation or financial resources and to then determine that there is a reasonable basis for extending credit in the amount or sum placed at the patron's disposal;
(3) In the case of personal checks, the gaming operation has established procedures to examine documentation, which would normally be acceptable as a type of identification when cashing checks, and has recorded the patron's bank check guarantee card number or credit card number, or has satisfied paragraph (j)(2) of this section, as management may deem appropriate for the check-cashing authorization granted;
(4) In the case of third-party checks for which cash, chips, or tokens have been issued to the patron, or which were accepted in payment of another credit instrument, the gaming operation has established procedures to examine documentation, normally accepted as a means of identification when cashing checks, and has, for the check's maker or drawer, satisfied paragraph (j)(2) of this section, as management may deem appropriate for the check-cashing authorization granted;
(5) In the case of guaranteed drafts, procedures should be established to ensure compliance with the issuance and acceptance procedures prescribed by the issuer;
(6) The gaming operation has established procedures to ensure that the credit extended is appropriately documented, not least of which would be the patron's identification and signature attesting to the authenticity of the individual credit transactions. The authorizing signature shall be obtained at the time credit is extended.
(7) The gaming operation has established procedures to effectively document its attempt to collect the full amount of the debt. Such documentation would include, but not be limited to, letters sent to the patron, logs of personal or telephone conversations, proof of presentation of the credit instrument to the patron's bank for collection, settlement agreements, or other documents which demonstrate that the gaming operation has made a good faith attempt to collect the full amount of the debt. Such records documenting collection efforts shall be made available to the Torres Martinez Gaming Agency or the commission upon request.

(l) Maintenance and preservation of books, records and documents.

(1) All original books, records and documents pertaining to the conduct of wagering activities shall be retained by a gaming operation in accordance with the following schedule. A record that summarizes gaming transactions is sufficient, provided that all documents containing an original signature(s) attesting to the accuracy of a gaming related transaction are independently preserved. Original books, records or documents shall not include copies of originals, except for copies that contain original comments or notations on parts of multi-part forms. The following original books, records and documents shall be retained by a gaming operation for a minimum of five (5) years:
(i) Casino cage documents;
(ii) Documentation supporting the calculation of table game win;
(iii) Documentation supporting the calculation of gaming machine win;
(iv) Documentation supporting the calculation of revenue received from the games of keno, pari-mutuel, bingo, pull-tabs, card games, and all other gaming activities offered by the gaming operation;
(v) Table games statistical analysis reports;
(vi) Gaming machine statistical analysis reports;
(vii) Bingo, pull-tab, keno and pari-mutuel wagering statistical reports;
(viii) Internal audit documentation and reports;
(ix) Documentation supporting the write-off of gaming credit instruments and named credit instruments;
(x) All other books, records and documents pertaining to the conduct of wagering activities that contain original signature(s) attesting to the accuracy of the gaming related transaction.
(2) Unless otherwise specified in this part, all other books, records, and documents shall be retained until such time as the accounting records have been audited by the gaming operation's independent certified public accountants.
(3) The above definition shall apply without regards to the medium by which the book, record or document is generated or maintained (paper, computer-generated, magnetic media, etc.).

Section 17 – Minimum Internal Control Standards for Auditing Revenue:

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

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

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

(d) Controls must be established and procedures implemented to audit of each of the following operational areas:

(1) Bingo.

(i) At the end of each month, verify the accuracy of the ending balance in the bingo control log by reconciling it with the bingo paper inventory. Investigate and document any variance noted.
(ii) Daily, reconcile supporting records and documents to summarized paperwork or electronic records (e.g. total sales and payouts per shift and/or day).
(iii) At least monthly, review variances related to bingo accounting data in accordance with an established threshold, which must include, at a minimum, variance(s) noted by the Class II gaming system for cashless transactions in and out, electronic funds transfer in and out, external bonus payouts, vouchers out and coupon promotion out. Investigate and document any variance noted.
(iv) At least monthly, review statistical reports for any deviations from the mathematical expectations exceeding a threshold established by the Torres Martinez Gaming Agency. Investigate and document any deviations compared to the mathematical expectations required to be submitted per § 547.4.
(v) At least monthly, take a random sample, foot the vouchers redeemed and trace the totals to the totals recorded in the voucher system and to the amount recorded in the applicable cashier's accountability document.

(2) Pull tabs.

(i) Daily, verify the total amount of winning pull tabs redeemed each day.
(ii) At the end of each month, verify the accuracy of the ending balance in the pull tab control log by reconciling the pull tabs on hand. Investigate and document any variance noted.
(iii) At least monthly, compare for reasonableness the amount of pull tabs sold from the pull tab control log to the amount of pull-tab sales.
(iv) At least monthly, review statistical reports for any deviations exceeding a specified threshold, as defined by the Torres Martinez Gaming Agency. Investigate and document any large and unusual fluctuations noted.

(3) Card games.

(i) Daily, reconcile the amount indicated on the progressive sign/meter to the cash counted or received by the cage and the payouts made for each promotional progressive pot and pool. This reconciliation must be sufficiently documented, including substantiation of differences and adjustments.
(ii) At least monthly, review all payouts for the promotional progressive pots, pools, or other promotions to verify payout accuracy and proper accounting treatment and that they are conducted in accordance with conditions provided to the patrons.
(iii) At the conclusion of each contest/tournament, reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

(4) Table games

(1) Records shall be maintained by day and shift indicating any single-deck blackjack games that were dealt for an entire shift.
(2) Records reflecting hold percentage by table and type of game shall be maintained by shift, by day, cumulative month-to-date, and cumulative year-to-date.
(3) This information shall be presented to and reviewed by management independent of the pit department on at least a monthly basis.
(4) Management shall investigate any unusual fluctuations in hold percentage with pit supervisory personnel.
(5) The results of such investigations shall be documented, maintained for inspection, and provided to the Torres Martinez Gaming Agency upon request.
(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.
(7) Accounting/auditing employees shall review exception reports for all computerized table games systems at least monthly for propriety of transactions and unusual occurrences.
(8) All noted improper transactions or unusual occurrences shall be investigated with the results documented.
(9) Evidence of table games auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the Torres Martinez Gaming Agency upon request.
(10) 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.

(5) Gaming Devices

(1) Gaming machine accounting/auditing procedures shall be performed by employees who are independent of the transactions being reviewed.
(2) For on-line gaming machine monitoring systems, procedures shall be performed at least monthly to verify that the system is transmitting and receiving data from the gaming machines properly and to verify the continuing accuracy of the coin-in meter readings as recorded in the gaming machine statistical report.

(3) For weigh scale and currency interface systems, for at least one drop period per month accounting/auditing employees shall make such comparisons as necessary 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.
(4) For each drop period, accounting/auditing personnel shall compare the coin-to-drop meter reading to the actual drop amount. Discrepancies should be resolved prior to generation/distribution of on-line gaming machine monitoring system statistical reports.
(5) Follow-up shall be performed for any one machine having an unresolved variance between actual coin drop and coin-to-drop meter reading in excess of three percent (3%) and over $25.00. The follow-up performed and results of the investigation shall be documented, maintained for inspection, and provided to the Torres Martinez Gaming Agency upon request.
(6) For each drop period, accounting/auditing employees shall compare the bill-in meter reading to the total bill acceptor drop amount for the period. Discrepancies shall be resolved before the generation/distribution of gaming machine statistical reports.
(7) Follow-up shall be performed for any one machine having an unresolved variance between actual currency drop and bill-in meter reading in excess of an amount that is both more than $25 and at least three percent (3%) of the actual currency drop. The follow-up performed and results of the investigation shall be documented, maintained for inspection, and provided to the Tribal gaming regulatory authority upon request.
(8) At least annually, accounting/auditing personnel shall randomly verify that EPROM or other equivalent game software media changes are properly reflected in the gaming machine analysis reports.
(9) Accounting/auditing employees shall review exception reports for all computerized gaming machine systems on a daily basis for propriety of transactions and unusual occurrences.
(10) All gaming machine auditing procedures and any follow-up performed shall be documented, maintained for inspection, and provided to the Torres Martinez Gaming Agency upon request.

(6) Promotions and Player Tracking

(1) At least monthly, review promotional payments, drawings, and giveaway programs to verify payout accuracy and proper accounting treatment in accordance with the rules provided to patrons.
(2) At least monthly, for computerized player tracking systems, perform the following procedures:
(A) Review authorization documentation for all manual point additions/deletions for propriety;
(B) Review exception reports, including transfers between accounts; and
(C) Review documentation related to access to inactive and closed accounts.
(E) At least annually, all computerized player tracking systems must be reviewed by agent(s) independent of the individuals that set up or make changes to the system parameters. The review must be performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization document and maintain the test results.

(7) Complimentary services or items. At least monthly, review the reports required in § 543.13(d). These reports must be made available to those entities authorized by the Torres Martinez Gaming Agency or by tribal law or ordinance.

(8) Patron deposit accounts.

(i) At least weekly, reconcile patron deposit account liability (deposits ± adjustments−withdrawals = total account balance) to the system record.
(ii) At least weekly, review manual increases and decreases to/from player deposit accounts to ensure proper adjustments were authorized.

(9) Lines of credit.

(i) At least three (3) times per year, an agent independent of the cage, credit, and collection functions must perform the following review:
(A) Select a sample of line of credit accounts;
(B) Ascertain compliance with credit limits and other established credit issuance procedures;
(C) 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
(D) Examine line of credit records to determine that appropriate collection efforts are being made and payments are being properly recorded.
(E) For at least five (5) days during the review period, subsequently reconcile partial payment receipts to the total payments recorded by the cage for the day and account for the receipts numerically.
(ii) At least monthly, perform an evaluation of the collection percentage of credit issued to identify unusual trends.

(10) Drop and count.

(i) At least quarterly, unannounced currency counter and currency counter interface (if applicable) tests must be performed, and the test results documented and maintained. All denominations of currency and all types of cash out tickets counted by the currency counter must be tested. This test may be performed by internal audit or the Torres Martinez Gaming Agency. The result of these tests must be documented and signed by the agent(s) performing the test.
(ii) At least quarterly, unannounced weigh scale and weigh scale interface (if applicable) tests must be performed, and the test results documented and maintained. This test may be performed by internal audit or the Torres Martinez Gaming Agency. The result of these tests must be documented and signed by the agent(s) performing the test.
(iii) For computerized key security systems controlling access to drop and count keys, perform the following procedures:
(A) At least quarterly, review the report generated by the computerized key security system indicating the transactions performed by the individual(s) that adds, deletes, and changes users' access within the system (i.e., system administrator). Determine whether the transactions completed by the system administrator provide adequate control over the access to the drop and count keys. Also, determine whether any drop and count key(s) removed or returned to the key cabinet by the system administrator was properly authorized;
(B) At least quarterly, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual drop and count key removals or key returns occurred; and

(C) At least quarterly, review a sample of users that are assigned access to the drop and count keys to determine that their access to the assigned keys is appropriate relative to their job position.
(iv) At least quarterly, an inventory of all controlled keys must be performed and reconciled to records of keys made, issued, and destroyed. Investigations must be performed for all keys unaccounted for, and the investigation documented.

(11) Cage, vault, cash, and cash equivalents.

(i) At least monthly, the cage accountability must be reconciled to the general ledger.
(ii) At least monthly, trace the amount of cage deposits to the amounts indicated in the bank statements.
(iii) Twice annually, a count must be performed of all funds in all gaming areas (i.e. cages, vaults, and booths (including reserve areas), kiosks, cash-out ticket redemption machines, and change machines. Count all chips and tokens by denomination and type. Count individual straps, bags, and imprest banks on a sample basis. Reconcile all amounts counted to the amounts recorded on the corresponding accountability forms to ensure that the proper amounts are recorded. Maintain documentation evidencing the amount counted for each area and the subsequent comparison to the corresponding accountability form. The count must be completed within the same gaming day for all areas.
(A) Counts must be observed by an individual independent of the department being counted. It is permissible for the individual responsible for the funds to perform the actual count while being observed.
(B) Internal audit may perform and/or observe the two counts.
(iv) At least annually, select a sample of invoices for chips and tokens purchased, and trace the dollar amount from the purchase invoice to the accountability document that indicates the increase to the chip or token inventory to ensure that the proper dollar amount has been recorded.
(v) At each business year end, create and maintain documentation evidencing the amount of the chip/token liability, the change in the liability from the previous year, and explanations for adjustments to the liability account including any adjustments for chip/token float.
(vi) At least monthly, review a sample of returned checks to determine that the required information was recorded by cage agent(s) when the check was cashed.
(vii) At least monthly, review exception reports for all computerized cage systems for propriety of transactions and unusual occurrences. The review must include, but is not limited to, voided authorizations. All noted improper transactions or unusual occurrences identified must be investigated and the results documented.
(viii) Daily, reconcile all parts of forms used to document increases/decreases to the total cage inventory, investigate any variances noted, and document the results of such investigations.

(12) Inventory.

(i) At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to, bingo cards, pull tabs, playing cards, keys, pre-numbered and/or multi-part forms.

(ii) Periodically perform minimum bankroll calculations to ensure that the Red Earth Casino maintains cash in an amount sufficient to satisfy the Red Earth Casino's obligations.