United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

NOV 09 2000

Honorable Olney Patt, Jr.
Chairman
Confederated Tribes of the Warm Springs
Reservation of Oregon
1233 Veterans Street
Warm Springs, Oregon 97761

Dear Chairman Patt:

On October 2, 2000, we received Amendment VII to the Tribal-State Gaming Compact for Regulation of Class III Gaming between the Confederated Tribes of the Warm Springs Reservation of Oregon (Tribe) and the State of Oregon (State), dated September 28, 2000. We have completed our review of this Amendment and conclude that it does not violate the Indian Gaming Regulatory Act of 1988 (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to Section 11(d)(8)(A) of IGRA, 25 U.S.C. § 2710(d)(8)(A) and delegated authority in 209 DM 8.1, we approve the Amendment. The Amendment shall take effect when the notice of our approval, pursuant to Section 11(d)(3)(B) of IGRA, 25 U.S.C. § 2710(d)(3)(B), is published in the FEDERAL REGISTER.

Notwithstanding our approval of the Amendment, we want to remind you that your Minimum Internal Control Standards must be in accordance with the National Indian Gaming Commission's regulations, set forth in 25 CFR Part 542.

We wish the Tribe and the State continued success in their economic venture.

Sincerely,

/s/ Kevin Gover

Assistant Secretary - Indian Affairs

Enclosure

Similar Letter Sent to: Honorable John Kitzhaber
Governor of Oregon
Salem, Oregon 97310

cc: Northwest Region w/copy of approved Amendment
Supt., Warm Springs Agency w/copy of approved Amendment
National Indian Gaming Commission w/copy of approved Amendment
Portland United States Attorney w/copy of approved Amendment

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of amendment to approved tribal-state compact.

SUMMARY: Pursuant to Section 11 of the Indian Gaming Regulatory Act of 1988, Public Law 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish, in the Federal Register, notice of approved Tribal-State Compacts for the purpose of engaging in Class III gaming activities on Indian lands. The Assistant Secretary—Indian Affairs, Department of the Interior, through his delegated authority, has approved Amendment VII to the Confederated Tribes of the Warm Springs Reservation of Oregon and the State of Oregon Gaming Compact, which was executed on September 28, 2000.

DATES: This action is effective November 24, 2000.

FOR FURTHER INFORMATION CONTACT: George T. Skibine, Director, Office of Indian Gaming Management, Bureau of Indian Affairs, Washington, DC 20240, (202) 219–4066.

Dated: November 9, 2000.

Kevin Gover,

Assistant Secretary—Indian Affairs.

[FR Doc. 00–30037 Filed 11–22–00; 8:45 am]

BILLING CODE 4310–02–P

TRIBAL-STATE COMPACT FOR REGULATION OF CLASS III GAMING BETWEEN THE CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION OF OREGON AND THE STATE OF OREGON

AMENDMENT VII

This amendment is made to the Class III Gaming Compact between the Confederated Tribes of the Warm Springs Reservation of Oregon (Tribes) and the State of Oregon (the State) executed on January 6, 1995, and approved by the Secretary of the Interior on March 6, 1995. The terms of this amendment are in addition to and, except as specifically provided herein, do not supersede any of the provisions of the original compact, or Amendments I, II, III, IV, V and VI thereto.

WHEREAS, the Tribes wish to extend the terms of Amendment VI to the Compact which provide for regulation of house banked blackjack at the gaming facility, and

WHEREAS, the State agrees that the circumstances justify this Amendment, and

NOW THEREFORE, the Tribes and the State hereby approve the following amendment to the Compact:

I. Section I of Amendment VI is amended as follows:

Paragraph IV of Amendment I expires on ~~September 30, 2000~~ February 1, 2001. Unless an extension of this amendment or a permanent amendment governing the operation of house banked blackjack has been negotiated and executed before the expiration of this amendment, the Tribes agree to terminate blackjack games at the gaming facility until a new agreement has been negotiated and executed. In the event that a compact amendment is under negotiation, the Tribes may replace blackjack tables with video lottery terminals at the ratio of eight terminals per blackjack table.

II. A. The provisions of the Appendix, "Tribal/State Minimum Internal Control Standards," are hereby incorporated into and made a part of this Compact, modified as noted in the Appendix. The Tribes and the State agree that the minimum standards set forth in the Appendix may be modified or supplemented by mutual agreement of the parties, and that subsequent amendment of this Compact shall not be necessary for any such modification or supplementation of the minimum standards set forth in the Appendix.

B. With respect to Section VI, paragraph A(10), Section VI, paragraph C(3) and Section VII, paragraph T(10), the parties recognize that there may be extraordinary circumstances in which it will be impractical to have three count team members present, such as in cases of extreme

inclement weather. In such rare circumstances, and as long as the annual gross gaming revenues of the Tribal Gaming Operation do not exceed ten million dollars, the Tribal Gaming Operation may operate with two count team members, and shall notify the Oregon State Police in writing within 10 days of the occurrence.

III. This amendment is effective as an extension under Paragraph IX of Amendment II and Paragraph VI of Amendment I Subsection G of Section 4 of the Compact, upon execution by the State and the Tribes, and submission to the Secretary of the Interior. It is the intent of both the State and the Tribe that this Amendment be fully enforceable as between the parties to it from and after the date it is executed and submitted to the Secretary of the Interior.

EXECUTED as of the date and year below.

STATE OF OREGON

John A. Kitzhaber, M.D., Governor

Date: 9-28-2000

CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION OF

Olney Patt, Jr., Chairman
Warm Springs Tribal Council

Date: 9/27/00

APPROVED FOR LEGAL SUFFICIENCY:

Stephanie L. Striffler
Special Counsel to the Attorney General

9/28/00
Date

APPROVED BY THE ASSISTANT SECRETARY - INDIAN AFFAIRS

By: KEVIN GOVER

Date: NOV 9 2000

APPENDIX

TO AMENDMENT VII

TO THE TRIBAL-STATE COMPACT FOR REGULATION OF CLASS III GAMING BETWEEN THE CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION OF OREGON AND THE STATE OF OREGON

TRIBAL/STATE

MINIMUM STANDARDS FOR INTERNAL CONTROLS

Published: January 1997

Revised March 1, 1998

Revised April 12, 1999

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SECTION I
TRIBAL GAMING OPERATION

A. ORGANIZATION

1. The tribal gaming operation will have a system of internal controls, policies and procedures or regulations that includes the following:

   a. Administrative control, which includes but is not limited to the plan of organization and the procedures and records that are concerned with the decision processes leading to management's authorization of transactions; and

   b. Accounting control which includes the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records and are consequently designed to provide reasonable assurance that:

      i. Transactions are executed in accordance with the management's general and specific authorization, which will include the requirements of these standards;
      ii. Transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and with these standards, and to maintain accountability for assets;
      iii. Access to assets is permitted only in accordance with management's authorization which will include the requirements of these standards; and
      iv. The recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

2. The tribal gaming operation's system of internal control will provide for:

   a. Personnel with an understanding of prescribed procedures; and

   b. The segregation of incompatible functions so that no employee is in a position to perpetrate and conceal errors or irregularities in the normal course of his or her duties.

3. The tribal gaming operation will, at a minimum, establish the following departments:

   a. A security department supervised by the head of the security department who will co-operate with, yet perform independently of, all other departments and will report directly to the General Manager of the tribal gaming operation

regarding matters of policy, purpose, and responsibilities. The head of security will be responsible for, but not limited to the following:

i. Security of the gaming facility;
ii. Ensure compliance with policies, procedures, and the law;
iii. Safeguards assets transported within the gaming facility and cage/vault;
iv. Insures safety of employees and guests; and
v. Assures security of property and gaming facility;
vi. Establish an evidence storage area that has security controls that assure the chain of possession and integrity of stored evidence.

b. A surveillance department supervised by the head of the surveillance department who will co-operate with, yet perform independently of, all other departments and will report directly to the Tribal Gaming Commission or other department or entity independent of operations regarding matters of policy, purpose, and responsibilities. The head of surveillance will be responsible for, but not limited to the following:

i. The clandestine surveillance of the operation and conduct of the games;
ii. The clandestine surveillance of the operation of the cashier's cage;
iii. The audio-video taping of activities in the count rooms;
iv. The detection of cheating, theft, embezzlement, and other illegal activities in the gaming facility, count rooms, and cashier's cage;
v. The video taping of illegal and unusual activities monitored; and
vi. The notification of appropriate gaming facility supervisors, the Tribal Gaming Commission who will notify the Oregon State Police upon the detection and taping of cheating, theft, embezzlement, or other illegal activities.

c. A gaming facility department supervised by a gaming facility manager who will perform independently of all other departments and will report directly to the General Manager. The gaming facility manager will be responsible for the operation and conduct of all Class III activities conducted in the gaming facility.

d. A gaming facility accounting department supervisor who will report directly to the General Manager. The supervisor responsibilities will include, but not be limited to, the following;

i. Accounting controls;
ii. The preparation and control of records and data required by these standards;
iii. The control of stored data, the supply of unused forms, the accounting for and comparing of forms used in the gaming operation and required by these standards; and
iv. The control and supervision of the cashier's cage.

e. A cashier's cage supervised by a cage supervisor who will supervise cage cashiers and co-operate with, yet perform independently of, the gaming facility and security departments, and will be under the supervision of, and report directly to the Controller. The cashier's cage will be responsible for, but not limited to the following:

i. The custody of currency, coin, patron checks, gaming chips, and documents and records normally associated with the operation of a cashier's cage;
ii. The approval, exchange, redemption and consolidation of gaming chips received in conformity with the gaming operation's standards;
iii. The receipt, distribution and redemption of gaming chips in conformity with these standards; and
iv. Such other functions normally associated with the operation of a cashier's cage.

4. The tribal gaming operation's personnel will be trained in all accounting and internal control practices and procedures relevant to each employee's individual function. Special instructional programs will be developed by the tribal gaming operation in addition to any on-the job instruction sufficient to enable all members of the departments required by this standard to be thoroughly conversant and knowledgeable with the appropriate and required manner of performance of all transactions relating to their function.

B. ADOPTION OF RULES FOR CLASS III ACTIVITIES

1. The tribal gaming operation will submit for approval to the Tribal Gaming Commission who will provide rules to the Oregon State Police to govern the conduct of Class III activities operated in the tribal gaming facility. Copies of game rules in effect will be provided to the Oregon State Police 60 days prior to implementation. Summaries of the rules of each game relevant to the method of play and odds paid to winning bets will be visibly displayed in the gaming facility and betting limits applicable to any gaming station will be displayed at such gaming station. Game rules approved by the Tribal Gaming Commission will include in addition to the rules of play:

a. Specifications provided by the equipment manufacturer or supplier applicable to gaming equipment:

i. Physical characteristics of chips; and
ii. Physical characteristics of such other gaming equipment as may be required for use in authorized Class III gaming.

2. Rules for each authorized game, to include:

a. Procedures of play;

b. Minimum and maximum permissible wagers;

c. Shuffling, cutting and dealing techniques, as applicable;

d. Payout odds on each form of wager;

e. Procedures to be followed on occurrence of irregularities, including definition of irregularities as applicable to each game; and

f. Prohibitions on side betting between and against player and against the house.

SECTION II
ACCOUNTING STANDARDS

A. ACCOUNTING RECORDS

1. The tribal gaming operation will maintain complete, accurate, legible and permanent records of all transactions relating to the revenues and costs of the gaming operation.

2. General accounting records will be prepared and maintained according to generally accepted accounting principles on a double entry system of accounting with transactions recorded on the accruals basis, and detailed, supporting, subsidiary records, sufficient to meet the requirements of paragraph 4.

3. The forms of accounts adopted should be of a standard form, which would ensure consistency, comparability, and effective disclosure of financial information.

4. The detailed, supporting and subsidiary records will include, but not necessarily be limited to:

   a. Statistical game records to reflect drop and win amounts for each station, for each game, for each shift, or daily for each type of table game, and individual and statistical game records reflecting similar information for all other games;

   b. Records of investments in property and services, including equipment used directly in connection with the operation of Class III gaming;

   c. Records of accounts payable by the tribal gaming operation;

d. Records that identify the purchase, receipt and destruction of gaming chips used in wagering.

e. Video lottery terminal analysis reports compare actual hold percentages to theoretical hold percentages by each machine;

f. Journal entries prepared by the gaming facility;

g. The records required either by these minimum internal control standards or by the gaming facility's system of internal control; and

h. Any other supporting source documents that are specifically required to be maintained.

B. AUDITING FINANCIAL STATEMENTS

1. Each gaming facility will prepare financial statements covering all financial activities of the gaming facility for each fiscal year.

2. Each Tribe will engage an independent accountant licensed to practice within the State of Oregon. The accountant will examine the statements in accordance with generally accepted auditing standards.

3. If a gaming facility changes its fiscal year, the gaming facility will prepare and submit to the Tribe audited or reviewed financial statements covering the "stub" period from the end of the previous fiscal year to the beginning of the new fiscal year. The submission will be made in a timely manner after the end of the stub period or incorporated the financial results of the stub period in the statements for the new fiscal year.

4. The annual financial statements will be prepared on a comparative basis for the current and prior calendar or fiscal year and will present the financial position and results of operations in conformity with generally accepted accounting principles.

5. Two copies of the audited financial statements, together with the report thereon of the tribal gaming operation's independent accountant will be filed with the Tribal Gaming Commission and made available to the Oregon State Police at a location determined by the Tribal Gaming Commission not later than 120 days following the end of the calendar or fiscal year. Extensions may be granted by the Tribal Gaming Commission for extenuating circumstances.

6. The tribal gaming operation will require its independent accountant to render the following additional reports:

a. A report on material weaknesses in accounting and internal controls. Whenever, in the opinion of the independent account, there exists no material weaknesses in accounting and internal controls, the report will say so; and

b. A report expressing the opinion of the independent accountant that, based on his or her examination of the financial statements, the tribal gaming operation has followed, in all material respects, during the period covered by his or her examination, the system of accounting and internal control on file with the Tribal Gaming Commission. Whenever, in the opinion of the independent accountant, the tribal gaming operation has materially deviated from the system of accounting and internal controls filed with the Tribal Gaming Commission, or the accounts, records, and control procedures examined are not maintained by the tribal gaming operation in accordance with the Compact and these standards. The report will enumerate such deviations of the areas of the system no longer considered effective and will make recommendations in writing regarding improvements in the system of accounting and internal controls.

7. Two copies of the reports required by paragraph (6) and two copies of any other reports on accounting and internal control, administrative controls, or other matters relating to the tribal gaming operation's accounting or operating procedures rendered by the tribal gaming operation's independent accountant, will be filed with the Tribal Gaming Commission and made available to the Oregon State Police at a location to be determined by the Tribal Gaming Commission by the Tribal gaming operation within 120 days following the end of each fiscal year or within thirty (30) days of receipt whichever is earlier. Provided, extensions may be granted for extenuating circumstances by the Tribal Gaming Commission.

C. SYSTEM OF INTERNAL CONTROL

1. Each gaming facility will establish administrative and accounting procedures for the purpose of determining effective control over the gaming facility's internal fiscal affairs. These will be submitted to the Tribal Gaming Commission and be made available to the Oregon State Police at a location determined by the Tribal Gaming Commission. The tribal gaming operation will submit to the Tribal Gaming Commission and the Oregon State Police a description of its system of internal procedures and administrative and accounting controls at least 60 days before any new gaming operations are to commence. The system of internal procedures and administrative and accounting controls will meet or exceed the minimum standards set forth in the Compact agreement. No new games will be put into play or offered to the public until the controls meet or exceed these standards. The procedures will be designated to reasonably ensure that:

a. Assets are safeguarded;

b. Financial records are accurate and reliable;

c. Transactions are performed only in accordance with management's general or specific authorization;

d. Transactions are recorded adequately to permit proper reporting of gaming revenue, and to maintain accountability for assets;

e. Access to assets is permitted only in accordance with the Tribes specific authorization;

f. Recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to any discrepancies; and

g. Functions, duties, and responsibilities are appropriately segregated in accordance with sound practices by competent, qualified personnel.

2. Each such submission will contain both a detailed narrative and diagrammatic representation of the internal control system to be utilized by the tribal gaming operation. Each written system of internal control will include an organizational chart depicting appropriate segregation of functions and responsibilities.

3. The submission required by paragraph 1 will be signed by the executive responsible for its preparation that the submitted system conforms in all respects to the principles of internal control required by these standards.

4. Each gaming facility will follow procedural changes as required by the Tribe.

5. Before making operational changes such as adding or eliminating a game, adding any computerized system that affects the proper reporting of gross revenue, adding any computerized system for monitoring video lottery terminals or other games, or any other computerized associated equipment, the Tribe agrees to:

a. Amend its accounting and administrative procedures and its written system of internal control to comply with these standards and have the amendment signed by the gaming operations Senior Financial Officer and General Manager or similar position.

b. Comply with any written requirements imposed by the Tribe regarding administrative approval of computerized associated equipment; and

c. Provide copies of the amended accounting and administrative procedures and its written system of internal control to the Oregon State Police.

d. After paragraphs a, b and c have been complied with, implement the procedures and written system as amended.

D. GROSS REVENUE CALCULATIONS

1. For each table game, gross revenue equals the closing bankroll plus credit slips for cash, chips, or tokens returned to the cage, plus drop, less opening bankroll and fills to the table.

2. For each video lottery terminal, gross revenue equals drop less jackpot/cash slip payout.

3. For each counter game, gross revenue equals:

   a. The money accepted by the gaming facility 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; or

   b. The money accepted by the gaming facility on events or games that occur during the month plus money, not previously included in gross revenue, that was accepted by the gaming location in previous months on events or games occurring in the month, less money paid out during the month to patrons on winning wagers.

E. HANDLING OF CASH

1. Each gaming employee, gaming facility, or Tribe who receives currency (other than tips or gratuities) from a patron in the gaming area of the gaming facility will promptly place the currency in the locked box in the table, or on those games which do not have a locked box, in an appropriate place on the table, in the cash register, in a change wallet, or other approved repository.

F. ACCEPTANCE OF GRATUITIES FROM PATRONS

1. No tribal gaming operation employee with work duties directly related to gaming management, accounting and surveillance will solicit or accept any tip or gratuity from any player or patron.

2. The tribal gaming operation agrees to establish a procedure consistent with state or federal laws for accounting for all tips received by other gaming employees.

3. Upon receipt from a patron of a tip, a croupier or dealer assigned to a gaming station will tap the table or wheel indicating to surveillance that he has received a tip and immediately deposit such tip in the tip box.

G. UNCLAIMED JACKPOTS

1. The tribal gaming operation will have procedures and controls that describe how the gaming operation will handle unclaimed jackpots.

H. MINIMUM BANKROLL REQUIREMENTS

1. Each gaming facility agrees to maintain, in such manner and amount as the Tribe may approve or require, cash or cash equivalents in an amount sufficient to reasonably protect the gaming facility's patrons against defaults in gaming debts owed by the gaming facility. The Tribe agrees to distribute to the gaming facility a formula approved by the Tribe by which a gaming facility determines the minimum bankroll requirements of this section. If at any time the gaming facility's available cash or cash equivalents should be less than the amount required by this section, the gaming facility will immediately notify the Tribe of this deficiency. Failure to maintain the minimum bankroll required by this section, or a higher bankroll as required by the Tribe pursuant to this section, or failure to notify the Tribe of any deficiencies, is not a generally accepted method of operation.

I. FORMS, RECORDS, DOCUMENTS AND RETENTION

1. All information required by these standards are to be placed on a form, record or document in ink or stored data or other permanent form.

2. Whenever duplicate or triplicate copies are required of a form, record or document

   a. The original, duplicate and triplicate copies will be color-coded.

   b. If under these standards, forms, records, and documents are required to be inserted in a locked dispenser, the last copy will remain in a continuous unbroken form in the dispenser; and

   c. If under these standards, forms or serial numbers of forms are required to be accounted for or copies of forms are required to be compared for agreement and exceptions noted, such exceptions will be reported immediately in writing to the Tribal Gaming Commission for investigation.

3. Unless otherwise specified in these standards or exempted by the Tribal Gaming Commission, all forms, records, documents and stored data required to be prepared, maintained and controlled by these standards will:

   a. Have the title of the form, record, document or stored data imprinted or pre-printed thereon or therein;

   b. Be located on Tribal Lands or such other location as is approved by the Tribal Gaming Commission; and

   c. Be retained for a period of at least two (2) years in a manner that assures accessibility to members of the Tribal Gaming Commission and personnel of the Oregon State Police within 24 hours of a written request.

J. PERIODIC PAYMENTS

1. Periodic payment of winnings awarded to a patron will be made if the method of funding for the periodic payment assures such payments to the winning patron. Payment terms shall be conspicuously posted within the gaming facility.

SECTION III
SURVEILLANCE DEPARTMENT STANDARDS

A. CLOSED CIRCUIT TELEVISION SYSTEM

1. The tribal gaming operation will install a closed circuit television system according to the following specifications.

2. The closed circuit television system will include, but need not be limited to the following:

   a. A matrix-type switching system with the capabilities of pan-tilt-zoom and fixed camera position with the capacity to bring up any camera throughout the gaming facility to a designated monitor to effectively and clandestinely monitor in detail and from various vantage points, the following:

      I. The gaming conducted at each table gaming station in the gaming facility and the activities in the gaming facility pits. The surveillance system equipment will be able to identify each player, the dealers or croupier, and be of sufficient resolution and clarity to read individual cards, game table layout symbols or numbers and money and chip denominations.

ii. The operations conducted at and in the cashier's cage;
iii. All count processes conducted in the count rooms in conformity with these standards.
iv. The movement of cash, gaming chips, drop boxes, and bill validator boxes in the establishment;
v. The entrances and exits to the gaming facility, unless continuously alarmed, and the count rooms;
vi. Secured storage areas for playing cards, chips, tokens, EPROMS and sensitive paper stock or other controlled item;
vii. Progressive video lottery terminals.
viii. As further designated in these standards to assure game integrity; and
ix. Such other areas as the Tribal Gaming Commission designates.

b. Video units with time and date insertion capabilities for taping what is being viewed by any camera of the system;

c. Audio capability in the count rooms; and

d. One or more monitoring rooms in the establishment which will be in use at all times by the employees of the surveillance department assigned to monitor the activities in the gaming facility and which may be used as necessary by the members of the Tribal Gaming Commission and accessed by members of the Oregon State Police.

3. Adequate lighting will be present in all areas, including table gaming stations and pits, where closed circuit camera coverage is required.

4. The tribal gaming operation will be required to maintain a surveillance log of all surveillance activities in the monitor room. The log will be maintained by monitor room personnel and include, at a minimum, the following:

a. Date and time of surveillance;

b. Person initiating surveillance;

c. Reason for surveillance;

d. Time of termination of surveillance;

e. Summary of the results of the surveillance; and

f. A record of any equipment or camera malfunctions.

5. The surveillance log will be available for inspection at any time by members of the Tribal Gaming Commission and members of the Oregon State Police.

6. Video or audio tapes of sensitive areas and areas accessible to the public will be retained for at least seven (7) days and at least thirty (30) days in the case of tapes of evidentiary value, or for such longer period as the Tribal Gaming Commission may require. In the case of video or audio tapes associated with a criminal investigation or prosecution, the tapes will be retained until the criminal case or prosecution has been concluded.

7. Entrances to the closed circuit television monitoring rooms will not be visible from the gaming ~~facility~~ area.

8. The surveillance room is to be staffed **to allow coverage during** ~~for~~ all ~~shifts and~~ activities in the gaming facility.

9. Changing of surveillance tapes will be performed by personnel not involved in the handling of cash or cash equivalents.

10. The surveillance room will remain locked and access will be limited to authorized personnel as defined by the Tribal Gaming Commission.

11. The primary surveillance room and monitors will have override capabilities.

12. A minimum of one PTZ camera in the count rooms, and all house chip fill cage stations.

13. All fixed cameras for Class III gaming related areas as specifically identified in the MICS will be continuously taped. All PTZ cameras will have the capability for taping of what is being monitored.

14. The Tribal gaming operation will establish communications systems on the gaming floor that are capable of immediately alerting surveillance personnel.

15. Telephones on the gaming floor will have the capability of a direct line or extension to the surveillance department.

16. Surveillance personnel in the surveillance room will have radio communication with security personnel if security officers have radio communication with each other.

17. Gaming operations procedures will include a means of alerting surveillance personnel of money transfers prior to the transfer taking place and a means to advise surveillance of the locations, gaming device/table number, time, date, and amount of transfers, and to whom the transfers will be made.

B. GAMING FACILITY PERIMETERS

1. Internal - All entrances and exits to the gaming facility, unless continuously alarmed, will be monitored by fixed cameras. These fixed cameras do not have the requirement to be continuously ~~tapes~~ **recorded.**

2. External - Cameras and/or security in the parking lot will be positioned to enable coverage of the entire gaming facility.

C. ELEVATORS

1. The interior of elevators used in the transport of cash or cash equivalents and personnel at the same time will be monitored by a fixed camera.

D. VAULT

1. Each vault will have a fixed overhead camera on each work station.

2. Two fixed cross views will be used covering the vault, preventing blind spots.

3. Each vault will have a minimum of at least one pan-tilt-zoom camera.

SECTION IV
CAGE STANDARDS

A. CASHIER'S CAGE

1. As part of the gaming operation there will be on, or immediately adjacent to, the gaming floor a physical structure known as the cashier's cage to house the cashiers and to serve as the central location for the following:

   a. The custody of the cage inventory comprising currency, coin, patron checks, gaming chips, forms, documents and records normally associated with the operation of a cage;

   b. The receipt, distribution, and redemption of gaming chips in conformity with these standards; and

   c. Such other functions normally associated with the operation of a cage.

2. The cage will be designed and constructed to provide maximum security including, at a minimum, the following:

   a. A fully enclosed structure except for openings through which items such as gaming chips, cash, records, and documents can be passed to service the public and gaming stations;

   b. Manually triggered silent alarm systems that are immediately available to each cashiers cage work station and that are connected directly to the surveillance or security department office;

   c. Access will be through a locked door.

   d. Closed circuit television coverage, which will be monitored by the gaming facility surveillance department.

3. The tribal gaming operation will place on file with the Tribal Gaming Commission the names of all persons authorized to enter the cage, those who possess the combination or the keys or who control the mechanism to open the locks securing the entrance to the cage, and those who possess the ability to operate the alarm systems.

B. ACCOUNTING CONTROLS WITHIN THE CASHIER'S CAGE

1. The assets for which the cashiers are responsible will be maintained on an imprest basis. At the end of each shift, the cashiers assigned to the outgoing shift, will record on a cashier's count sheet the face value of each cage inventory item counted and the total of the opening and closing cage inventories and will reconcile the total closing inventory with the total opening inventory.

   a. Cashier or Vault functions will be, but are not limited to the following:

      i. Receive cash and gaming chips from patrons;
      ii. Receive Slot cash slips from patrons in exchange for cash;
      iii. Effectively cancel the Slot cash slips to prevent the possibility of future improper payment;
      iv. Receive gaming chips from patrons in exchange for cash;
      v. Receive documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashier's cage; and
      vi. Receive from security department members, chips removed from gaming stations in exchange for the issuance of a credit;
      vii. Receive from security department members, requests for fills in exchange for the issuance of a fill and the disbursal of gaming chips;
      viii. Receive cash from the coin and currency count rooms;
      ix. Prepare the overall cage reconciliation and accounting records; and

x. Perform such other functions as necessary to ensure proper accountability consistent with these standards.

2. The Cage and Vault inventories will be counted by at least two persons evidenced by their signatures on the cage accountability/ checkout form.

3. At the conclusion of gaming activity each day, at a minimum, copies of the cashier's count sheet, recapitulation, fill, main, and related documentation, will be forwarded to the accounting department for agreement of opening and closing inventories, and agreement of amounts thereon to other forms, records and documentation required by these standards or for the recording of transactions.

C. TITLE 31 ANTI-MONEY LAUNDERING/CASH TRANSACTION REPORTING

1. The tribal gaming operation will comply with all applicable laws regarding anti-money laundering and cash transaction reporting.

D. SURVEILLANCE STANDARDS - CAGE

1. The following surveillance standards apply to the cashier cage:

   a. Each cashier station will be equipped with one fixed camera covering the transaction area. Coverage will allow identification of cash transactions at each cash drawer;

   b. Each cage area will have at a minimum one pan-tilt-zoom camera, which will be used as an overview for cash transactions. This overview should include the customer, the employee and the surrounding area;

   c. Non-customer areas of the cage will have two fixed stationary cross views preventing any blind spots and at least one pan-tilt-zoom;

   d. All stationary banks used by change runners on the gaming floor will be covered by a fixed overview camera, covering the bank and general area; and

   e. One fixed color camera over fill window.

SECTION V
COUNT ROOM STANDARDS

A. COUNT ROOM: CHARACTERISTICS

1. As part of the gaming operation, there will be a room(s) specifically designated for counting the contents of drop boxes/buckets, which will be known as the count room(s). The following standards apply to both hard and soft count rooms.

2. The count room will be designed and constructed to provide maximum security for the materials housed therein and for the activities conducted therein, to include at a minimum, the following:

   a. A door equipped with locking device(s) securing the interior of the count room.

   b. Surveillance will be notified prior to any person entering the count room during non-count times.

   c. The count room will be hardwired and supported by an UPS system. An emergency lighting system that is battery powered should be in place as a back up to the UPS system.

   d. The count room will be painted in a light single color that contrasts with the color of currency.

   e. The floor of the count room will be constructed of a material adhered to the base floor of a color contrasting currency.

   f. If a bathroom is part of the count room, it will be limited to a toilet, sink, bar soap, toilet paper and an electric hand dryer. If wastebaskets are needed, they will be clear. A member of the security department and the count room supervisor will search bathrooms for contraband or currency at the end of each count.

   g. A table constructed of clear glass or similar material for the emptying, counting and recording of the contents of the drop boxes, which will be known as the "Count Table";

3. Music, which would interfere with audio recording, is not allowed in the count rooms.

B. SURVEILLANCE STANDARDS - COUNT ROOM

1. Closed circuit television cameras and microphones wired to monitoring rooms capable of, but not limited to the following:

   a. Effective and detailed audio-video monitoring of the entire count process;

   b. Effective detailed video monitoring of the count room, including storage cabinets or cart/trolleys used to store drop boxes;

   c. Audio-video taping of the entire count process and any other activities in the count room.

   d. Each count room will have two fixed cross views preventing blind spots.

   e. Each count room will have an overhead fixed camera for all workstations.

   f. Each count room will have one color pan-tilt-zoom camera.

SECTION VI

TABLE GAME STANDARDS

A. DROP BOXES

1. Each gaming station in a gaming facility will have attached to it a metal container known as a "Drop Box", in which will be deposited all cash, fills and credits, requests for fills and credits, and station inventory forms.

2. Each drop box will have:

   a. One separate lock securing the contents placed into the drop box, the key to which will be different from any other key;

   b. A separate lock securing the drop box to the gaming stations, the key to which will be different from the key to the lock securing the contents of the drop box;

   c. An opening through which currency, coins, forms, records and documents can be inserted into the drop box;

   d. Permanently imprinted or impressed thereon, and clearly visible a number corresponding to a permanent number on the gaming station to which it is attached, and a marking to indicate game and shift, except that emergency

drop boxes may be maintained without such number or marking, provided the word "emergency" is permanently imprinted or impressed thereon and, when put into use, are temporarily marked with the number of the gaming station and identification of the game and shift.

3. The key utilized to unlock the drop boxes from the gaming stations will be maintained and controlled by a department independent of the table games department. Persons authorized to drop the table game drop boxes are precluded from having access to drop box contents keys. Only persons authorized to remove drop boxes from the table games are allowed access to the release keys. However, the count team members may have access to the release keys during the count in order to reset the drop boxes.

4. The key to the lock securing the contents of the drop boxes will be maintained and controlled by a department independent of the table games department. Only authorized count team members are allowed access to drop box contents keys and only during the soft count process.

5. The physical custody of the keys needed to access stored full drop box contents requires involvement of persons from two separate departments.

6. Access to the drop box content keys at other than scheduled count times shall require the involvement of at least three persons from separate departments, including management, and the reason for access shall be documented with signatures of all participants and observers.

7. A person independent of the table games department is required to accompany drop box storage rack keys and observe each time drop boxes are removed from or placed in storage racks. Persons authorized to obtain drop box storage rack keys are precluded having access to drop box contents keys (with the exception of the count room team.)

8. All duplicate keys will be maintained in a manner, which provides the same degree of control over drop boxes as is required for the original keys.

9. The involvement of at least two persons independent of the cage department is required to access stored empty drop boxes.

10. At least three count team members are required to be present at the time count room and other soft count keys are issued for the soft count.

11. Logs will be maintained to document authorization of personnel accessing keys.

B. DROP BOXES, TRANSPORTATION TO AND FROM GAMING STATIONS AND STORAGE IN THE COUNT ROOM

1. At the end of each shift, all locked drop boxes shall be removed from the gaming tables by an individual independent of the pit shift being dropped.

2. A separate lock box shall be placed on each table each shift or a gaming operation may utilize a single drop box with separate openings and compartments for each shift.

3. All drop boxes removed from the gaming stations will be transported, at a minimum, by ~~three~~ **two** persons, ~~two~~ **one** of which must be **a** security department members or Gaming Commission directly to, and secured in, the count room. Only one gaming station at a time will be subject to drop. **The setting out of empty drop boxes and the drop shall be a continuous process.** This procedure does not apply to emergency drops of two boxes or less.

4. A security department member will remain with the trolley/drop cart and receive full drop boxes and dispense empty boxes.

5. Security will advise surveillance upon the start of the drop, when the drop cart/trolley is moved, and when the cart is secured in the soft count room.

6. All drop boxes, not attached to a gaming station, will be stored in the count room in an enclosed storage cabinet or trolley and secured in such cabinet or trolley.

7. The drop cart/trolley will be secured after being emptied and upon being filled by a keyed locking system.

8. Gaming Tables, when not in use during a shift may store attached drop boxes on the gaming stations provided that there is adequate security. If adequate security is not provided during this time, the drop boxes will be stored in the count room in an enclosed storage cabinet or trolley as required in paragraph 6.

9. The entire drop process will be monitored and taped by the surveillance department. Drop tapes will be held for at least seven days. If an unusual incident occurs during the drop the tape will be placed in evidence until a full review of the incident is concluded.

10. If an emergency occurs during the drop process, the drop box will be returned to the soft count room and secured.

11. Drop and count team authorized persons ~~shall~~ **may** maintain separate duties, or **in the event any drop and count team personnel are the same, the drop box content keys and the keys securing drop boxes to gaming devices must be signed in before any count keys are signed out.**

C. STANDARDS FOR COUNTING AND RECORDING CONTENTS OF DROP BOXES

1. The contents of drop boxes will be counted and recorded in the count room in conformity with this standard.

2. The tribal gaming operation will notify the Tribal Gaming Commission whenever the contents of drop boxes removed from gaming stations are to be counted and recorded, which, at a minimum, will be **at least** once **every third** ~~each~~ gaming day. The gaming operation may satisfy this standard by providing the Gaming Commission with a schedule in advance of drop/count times. Any variance of the scheduled times requires notification of the Tribal Gaming Commission.

3. The opening, counting and recording of the contents of drop boxes will be performed by three or more employees assigned by the tribal gaming operation for the conduct of the count ("Count Team") who have ~~incompatible~~ functions **dissimilar from the drop team, except as provided in Section VI(B)(11).** The Count Team will be rotated so that the count team members are not the same for more than seven (7) consecutive days.

4. Immediately prior to the opening of the drop boxes, the doors to the count room will be securely locked.

5. At no time, other than in an emergency, will a soft count team member be replaced by a new member after the count has commenced.

6. Except in an emergency, those persons allowed to enter or leave the count room during the count process will not do so until unverified cash is counted and recorded.

7. Members of the Tribal Gaming Commission will be allowed immediate access to the count room during the count process. The Tribal Gaming Section will not be denied access in an emergency situation during the count process.

8. Immediately prior to the commencement of the count, one count team member will notify surveillance that the count is about to begin. Surveillance will make an audio-video recording, with the time and date inserted thereon, of the entire counting process which will be retained by the surveillance department for at least seven days from the date of recording unless otherwise directed by the Tribal Gaming Commission.

9. Minimum procedures and requirements for conducting the count will be the following:

    a. As each drop box is placed on the count table, one count team member will announce, in a tone of voice to be heard by all persons present and to be

recorded by the audio recording device, the game, station number, and shift marked thereon;

b. The contents of each drop box will be emptied and counted separately on the count table, which procedures will be at all times conducted in full view of the closed circuit television cameras located in the count room. This sub-paragraph not applicable to an automatic count system.

c. Immediately after the contents of a drop box are emptied onto the count table, the inside of the drop box will be held up to the full view of a closed circuit television camera for at least two seconds, and will be shown to at least one other count team member to confirm that all contents of the drop box have been removed, after which the drop box will be locked and placed in the storage area for drop boxes;

d. The drop boxes shall be individually emptied and counted in such a manner to prevent the commingling of funds with other drop boxes until the count has been recorded.

e. As the contents of each drop box is counted, one count team member will record in ink or verify on a master game report, by game, station number, and shift, the following information:

i. The total amount of currency counted;
ii. The amount of the opener;
iii. The amount of the closer;
iv. The serial number and amount of each fill;
v. The total amount of all fills;
vi. The serial number and amount of each credit;
vii. The total amount of all credits; and
viii. The win or loss.

f. Corrections to information originally recorded by the count team on the master game report or other documentation will be made by crossing out the error, entering the correct information and then obtaining the initials of two other count team members who verify the change. Crossing out errors will be made in ink and be done with one line in a manner that leaves the crossed out portion visible. Initials will be placed in a manner not to interfere with the legibility of the document.

g. After the contents of each drop box have been counted and recorded, one member of the count team will record by game and shift, on the master game report, the total amounts of currency, station inventory slips, fills and credits counted, and win or loss, together with such additional information as may be required on the master game report by the tribal gaming operations. Any unreconciled discrepancies of $100 or more will be immediately brought to

the attention of the Controller and a report generated to the Tribal Gaming Commission. The surveillance tape of the count will be secured by surveillance and stored in evidence until the discrepancy is corrected.

h. Notwithstanding the requirements of sub-paragraphs (e) and (g), if the tribal gaming operation's system of accounting and internal controls provides for the recording on the master game report of fills, credits, and station inventory slips by cage cashiers prior to the commencement of the count, a count team member will compare for agreement the serial numbers and totals of the amounts recorded thereon to the fills, credits, and station inventory slips removed from the drop boxes;

i. Notwithstanding the requirements of sub-paragraphs (e) and (g), if the tribal gaming operation's system of accounting and internal controls provides for the count team functions to be comprised only of counting and recording currency and credits' accounting department employees will perform all other counting, recording and comparing duties herein;

j. After completion and verification of the master game report, each count team member will sign the report attesting to the accuracy of the information recorded thereon;

10. Minimum procedures and requirements at the conclusion of the count for each gaming shift will be the following:

a. All cash removed from each drop box after the initial count will be presented in the count room by a count team member to a cashier who, prior to having access to the information recorded on the master game report and in the presence of the count team, will count in detail all loose currency and bulk count all strapped bundles of currency, after which the cashier will sign the report evidencing the fact that both the cashier and count team have agreed on the total amount of cash counted. If an unreconciled variance of $100 or more is found, surveillance will be notified and a count team member and cashier independent of the first cashier and count team will recount the currency. If there is still a variance, a member of the gaming commission will be notified.

b. The original copy of the master game report, after signing, and the requests for fills, the fills, the requests for credits, the credits, and the station inventory slips removed from drop boxes will be transported directly to the accounting department and will not be available to any cashier's cage personnel;

c. If the tribal gaming operation's system of accounting and internal controls does not provide for the forwarding from the cashier's cage of the duplicate of the fills, credits, request for credits, request for fills, such documents recorded

or to be recorded on the master game report will be transported from the count room directly to the accounting department.

11. The originals and copies of the master game report, request for fills, fills, request for credits, credits and station inventory slips will on a daily basis, in the accounting department be:

    a. Compared for agreement with each other, on a test basis, by persons with no recording responsibilities and, if applicable, to triplicates or stored data;

    b. Reviewed for the appropriate number and property of signatures on a test basis;

    c. Accounted for by series number, if applicable;

    d. Tested for proper calculation, summarization, and recording;

    e. Subsequently recorded; and

    f. Maintained and controlled by the accounting department.

12. No personal items are allowed into the count rooms.

13. While the soft count is in process, all personnel in the Soft Count room will wear pocketless coveralls. The coveralls will have loosely fitted sleeves and pant legs with no cuffs or collars and they will zip in the front. The zipper will be maintained fully closed at the top.

14. All trash in the count room will be placed in a transparent bag for disposal. The material will be removed at the end of the count and received by a member of the security department for disposal.

D. STANDARDS FOR ACCEPTING CASH AT TABLE GAMING STATIONS

1. The cash will be spread on the top of the table gaming station, with each bill separated from each other, by the croupier or dealer, accepting it in full view of the patron who presented it and the facility supervisor specifically assigned to such gaming station.

2. The amount of cash, if $100 or over, will be announced by the croupier or dealer accepting it in a tone of voice calculated to be heard by the patron who presented the cash and the facility supervisor specifically assigned to such gaming station.

3. Immediately after an equivalent amount of gaming chips has been given to the patron, the cash will be taken from the top of the gaming station and placed by the croupier or dealer into the drop box attached to the gaming station. After completion of the transaction, the dealer or croupier will clear their hands.

E. STATION INVENTORIES AND STANDARDS FOR OPENING STATIONS FOR GAMING

1. Whenever a gaming station is opened for gaming, operations will commence with an amount of gaming chips to be known as the "Station Inventory" and the tribal gaming operation will not cause or permit gaming chips to be added to or removed from such station inventory during the gaming day except:

   a. In exchange for cash;

   b. In payment of winning wagers and collections of losing wagers made at such gaming station;

   c. In exchange for gaming chips received from a patron having an equal aggregate face value; and

   d. In conformity with the fill and credit procedures described in these standards.

2. Each station inventory and the station inventory slip prepared in conformity with the procedures set forth in these standards will be stored during non-gaming hours in a separate locked, clear container which will be clearly marked on the outside with the game and the gaming station number to which it corresponds. The information on the station inventory slip will be visible from the outside of the container. All containers will be stored either in the cashier's cage during non-gaming hours or secured to the gaming station subject to arrangements for security approved by the Tribal Gaming Commission. If transferred to the cage, it will be done through a transfer accountability process.

3. The keys to the locked containers containing the station inventories will be maintained in a lock box that requires sign-in and sign-out by the pit supervisor. At no time will the station inventory container keys be accessible to any cashier's cage personnel or to any person responsible for transporting such station inventories to or from the gaming stations.

4. Whenever gaming stations are to be opened for gaming activity, the locked container securing the station inventory and the station inventory slip will be unlocked by the pit supervisor assigned to such station.

5. A croupier or dealer assigned to the gaming station will count the contents of the container in the presence of the pit supervisor assigned to such station and will agree the count to the opener removed from the container.

6. Signatures attesting to the accuracy of the information on the opener will be placed on such opener by the croupier or dealer assigned to the station and the pit supervisor that observed the croupier or dealer count the contents of the container.

7. Any discrepancy between the amount of gaming chips counted and the amount of the gaming chips recorded on the opener, will be immediately reported to the pit manager, assistant pit manager, or gaming facility shift manager in charge at such time, the security department and the Tribal Gaming Commission. Security will complete a security report in writing and immediately forward a copy to the Tribal Gaming Commission.

8. After the count of the contents of the container and the signing of the opener, such slip will be immediately deposited in the drop box attached to the gaming station by the croupier or dealer after the opening of such station.

F. STANDARDS FOR DISTRIBUTING GAMING CHIPS AND COINS TO GAMING STATIONS

1. A request for fill ("Request") will be prepared by a pit supervisor to authorize the preparation of a fill slip ("Fill") for the distribution of gaming chips to gaming stations. The request will be prepared in a duplicate form and restricted to pit supervisors.

2. On the original and duplicate of the request, the following information, at a minimum, will be recorded:

   a. The date, time and shift of preparation;

   b. The denomination of gaming chips or coins to be distributed to the gaming stations;

   c. The total amount of each denomination of gaming chips or coins to be distributed to the gaming stations;

   d. The game and station number to which the gaming chips or coins are to be distributed;

   e. The signature of the pit supervisor; and

   f. The signature of the security department member.

3. After preparations of the request, one part of such request will be transported directly to the cashier's cage.

4. One part of the request will be placed by the croupier or dealer in public view on the gaming station to which the gaming chips are to be received. Such duplicate copy will not be removed until the chips are received, at which time the request and fill are deposited in the drop box.

5. A fill will be prepared by a cashier whenever gaming chips are distributed to the gaming stations from the cashier's cage.

6. Fills will be serially pre-numbered forms, and each series of fills will be used in sequential order, and the series of numbers of all fills received by a gaming facility will be separately accounted. All the originals and duplicates of void fills will be marked "VOID" and will require the signature of the preparer.

7. The following procedures and requirements will be observed with regard to fills:

   a. Each series of fills will be in triplicate form to be kept in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still located in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser;

   b. Access to the triplicate copy of the form will be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of fills, placing fills in the dispensers and removing from the dispensers.

8. On the original, duplicate and triplicate copies of the fill, the preparer will record, at a minimum, the following information:

   a. The denomination of the gaming chips being distributed;

   b. The total amount of the gaming chips being distributed;

   c. The total amount of all denominations of gaming chips being distributed;

   d. The game and station number to which the gaming chips are being distributed;

   e. The date and shift during which the distribution of gaming chips occur; and

   f. The signature of the preparer.

9. Upon preparation, the time of preparation of the fill will be recorded, at a minimum, on the original and the duplicate.

10. All gaming chips distributed to the gaming stations from the cashier's cage will be transported directly to the gaming stations from the cashier's cage by a security department member who will agree the request to the fill and sign the original of the fill, maintained at the cashier's cage, before transporting the gaming chips and the original of the fill for signature.

11. The surveillance department will be notified when there is a fill so that they can monitor the transaction.

12. The container used to move the chips will be made of a clear material to include the rack that contains the actual chips.

13. Signatures attesting to the accuracy of the information contained on the original of the fills will be, at a minimum, of the following personnel at the following times:

    a. The cashier upon preparation;

    b. The security department member transporting the gaming chips to the gaming station upon receipt from the cashier of gaming chips to be transported;

    c. The croupier or dealer assigned to the gaming station upon receipt;

    d. The pit supervisor assigned to the gaming station, upon receipt of the gaming chips at such station.

14. Upon meeting the signature requirements as described in paragraph (14), the security department member that transported the gaming chips and the original copy of the fill to the station, will observe the immediate placement by the croupier or dealer of the fill and request in the drop box attached to the gaming station to which the gaming chips were transported.

15. The original and duplicate "VOID" fills, the original request and the duplicate fill will be maintained and controlled and forwarded to:

    a. The count team for agreement with the copy of the fill and copy of the request removed from the drop box after which the original and duplicate copy of the request and the original duplicate copy of the fill will be forwarded to the accounting department for agreement, on a daily basis, with the triplicate; or

    b. The accounting department on a daily basis for reconciliation and comparison of all copies of the fill/ credit slip and the request for fill/ credit.

G. STANDARDS FOR REMOVING GAMING CHIPS AND COINS FROM GAMING STATIONS

1. A request for credit ("Request") will be prepared by a pit supervisor to authorize the preparation of a credit ("Credit") for the removal of gaming chips to the cashier's cage. The request will be in duplicate form and access to such form will, prior to use, be restricted to gaming facility supervisors.

2. The surveillance department will be notified when there is a credit and observe the transaction.

3. On the original and the duplicate copy of the request the following information, at a minimum, will be recorded:

   a. The date, time and shift of preparation;

   b. The denomination of gaming chips to be removed from the gaming station;

   c. The total amount of each denomination of gaming chips to be removed from the gaming station;

   d. The game and station number from which the gaming chips are to be removed; and

   e. The signature of the pit supervisor and croupier or dealer assigned to the gaming station from which gaming chips are to be removed.

4. Immediately upon preparation of a request and transfer of gaming chips to a security department member, a pit supervisor will obtain on the original and duplicate copy of the request, the signature of the security department member to whom the gaming chips were transferred and the croupier or dealer will place one part of the request in public view on the gaming station from which the gaming chips are to be removed, and such request will not be removed until a credit is received from the fill bank at which time the request and credit are deposited in the drop box.

5. One part of the request will be transported directly to the cashier's cage by the security department member who will transport the gaming chips removed from the gaming station.

6. A credit will be prepared by a fill bank cashier whenever gaming chips are removed from the gaming stations to the cashier's cage.

7. Credits will be serially pre-numbered forms, each series of credits will be used in sequential order, and the series number of all credits received by a gaming facility will be separately accounted for.

8. The following procedures and requirements will be observed with regard to credits:

   a. Each series of credits will be a three-part form and will be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and

   b. Access to the triplicate will be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of credits, placing credits in the dispensers, and removing from the dispensers.

9. On the original, duplicate and triplicate copies of a credit, the preparer will record, at a minimum, the following information:

   a. The denomination of the gaming chips removed from the gaming station to the cashier's cage;

   b. The total amount of each denomination of gaming chips removed from the gaming station to the cashier's cage;

   c. The total amount of all denominations of gaming chips removed from the gaming station to the cashier's cage;

   d. The game and station number from which the gaming chips were removed;

   e. The date and shift during which the removal of gaming chips occurs; and

   f. The signature of the preparer.

10. Upon preparation, the time of preparation of the credit will be recorded, at a minimum, on the original and duplicate copy.

11. Signatures attesting to the accuracy of the information contained on the duplicate copy of a credit will be, at a minimum, the following personnel at the following times:

   a The fill bank cashier upon preparation;

   b. The security department member transporting the gaming chips to the cashier's cage;

   c. The croupier or dealer assigned to the gaming station upon receipt at such station from the security department member; and

d. The gaming facility supervisor assigned to the gaming station upon receipt at such station.

12. Upon meeting the signature requirements as described in paragraph (11), the security department member transporting one part of the credit to the gaming station, will observe the immediate placement by the croupier or dealer of the credit and the request in the drop box attached to the gaming station from which the gaming chips are removed. One part of the credit and request will be maintained together, and controlled by employees independent of the table game department.

13. The original and duplicate copy of "VOID" credits and the original request and duplicate request for credit, maintained and controlled in conformity with paragraph (12) will be forwarded to:

    a. The count team for agreement with the original credit and the duplicate request removed from the drop box, after which the original and duplicate request and the original and duplicate credit will be forwarded to the accounting department for agreement, on a daily basis, with the triplicate; or

    b. The accounting department for agreement, on a daily basis, with the duplicate copies of the credit and request removed from the drop box and the triplicate.

H. STANDARDS FOR SHIFT CHANGES AT GAMING STATIONS

1. Whenever gaming stations are to remain open for gaming activity at the conclusion of a shift, the gaming chips remaining at the gaming stations at the time of the shift change will be counted by the pit supervisor assigned to the outgoing shift, and the pit supervisor assigned to the incoming shift. Prior to leaving the table, dealers and croupier will clear their hands.

2. The gaming chips counted will be recorded on the station inventory slip by the pit supervisor assigned to the gaming station of the outgoing shift or the pit supervisor assigned to the gaming station at the time of the drop box shift change.

3. Station inventory slips will be three-part serially pre-numbered forms and on the original of the slip ("Closer"), the duplicate of the slip ("Opener"), and on the triplicate, which is maintained and controlled by the pit supervisor will record the following:

    a. The date and identification of the shift ended;

    b. The game and station number; and

c. The total value of each denomination of gaming chips remaining at the station.

4. Signatures attesting to the accuracy of the information recorded on the station inventory slips will be of the pit supervisors assigned to the incoming and outgoing shifts.

5. Upon meeting the signature requirements as described in paragraph (4), the closer will be deposited in the drop box that is attached to the gaming station immediately prior to the change of shift at which time the drop boxes will then be removed and the opener will be deposited in the replacement drop box that is to be attached to the same gaming station immediately following the drop. The triplicate will be forwarded to the accounting department. If a shift compartment type box is used, that shift slot will be closed after dropping the closer and the next slot will be opened and the opener slip will be inserted.

I. STANDARDS FOR CLOSING GAMING STATIONS

1. Whenever the daily gaming activity at each gaming station is concluded, the gaming chips on the gaming station will be counted by the croupier or dealer and observed by a pit *supervisor* assigned to the gaming station. The closing table game inventory will be recorded or the station float will be brought back to the imprest value if required.

2. If the bank is to remain on the table, the inventory will be documented by denomination and totaled and signed by the dealer and the pit supervisor. This slip will be placed under the securing lid in a place that can be easily read through the glass. If the table inventory is to be stored elsewhere, the following procedures outlined under paragraphs 3-10 of this section apply:

3. The gaming chips counted will be recorded on a station inventory slip by the pit supervisor assigned to the gaming station.

4. Station inventory slips will be forms (closer, opener and triplicate) which are maintained and controlled by the pit supervisor who will record the following:

   a. The date and identification of the shift ended;

   b. The game and station number;

   c. The total value of each denomination of gaming chips remaining at the stations; and

   d. The total value of all denominations of gaming chips remaining at the gaming stations.

5. Signatures attesting to the accuracy of the information recorded on the station inventory slips at the time of closing the gaming stations will be of the croupier or dealer and the pit supervisor assigned to the gaming station that observed the croupier or count the contents of the station inventory.

6. Upon meeting the signature requirements specified in paragraph (4), the closer will be deposited in a drop box attached to the gaming station immediately prior to the closing of the station.

7. The triplicate copy of the station inventory slip will be forwarded to the accounting department.

8. Upon meeting the signature requirements specified in paragraph (4), the opener and the gaming chips remaining at the station will be placed in the clear container provided for that purpose as specified in these standards after which the container will be locked.

9. At the end of each gaming day, if the locked containers are transported to the cashier's cage, a cage cashier will determine that all locked containers have been returned or, if the locked containers are secured to the gaming station, a pit supervisor will account for all the locked containers.

10. The station inventory may also be removed from the table by a credit to the cage (see credit procedures).

J. **TABLE GAMES COMPUTERIZED STANDARDS** ***The following standards shall apply for gaming operations that employ a computer system for table games:***

1. The computer system shall be capable of generating adequate documentation of all information recorded on the source documents and transaction details.

2. This documentation shall be restricted to authorized personnel and shall include at a minimum;

   a. System exception information;

   b. Personnel access listing including employee name, identification number, and listing of functions employee can perform.

3. For any authorized computer application utilized, alternate documentation and or procedures which provide at least the level of control described by the standards in this section will be acceptable.

K. STATISTICS

1. 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.

2. This information shall be presented to and reviewed by management independent of the pit department on at least a monthly basis.

3. The independent management shall investigate any unusual fluctuations in hold percentage with pit supervisory personnel. At a minimum, investigations are performed for all statistical percentage fluctuations from the base level for a month in variation of more than +-3%.

L. MISCELLANEOUS

1. Playing cards, and dice, not yet issued to the pit, will be maintained in a secure location to prevent unauthorized access and prevent tampering. This area will be under constant monitoring by surveillance department personnel. The exit and entrance to this area will be viewed by one fixed camera. A sign-in and sign-out sheet will be filled out by individuals entering, except by Gaming Commission personnel. Surveillance will be notified when persons request entry into this area. At no time will a single individual be allowed to enter this area alone.

2. Used cards and dice will be maintained in a secure area until permanently marked, scored, drilled or destroyed to prevent unauthorized access and the possibility of tampering. This area will be under constant monitoring by surveillance department personnel. Used cards and dice will be permanently marked, scored, drilled or destroyed within seven (7) days of being taken out of service. This process will be viewed by surveillance unless performed by the Gaming Commission.

3. Playing cards used will have only one playing cycle and this will not be any longer than 24 hours. Any playing card that is marked, altered, flawed, scratched, nicked, crimped, or discolored in any way will be permanently removed from play.

4. Gaming chips will be maintained in a secure location to prevent unauthorized access. This area will be under constant monitoring by surveillance department personnel.

5. The destruction or defacing of chips will be witnessed by representatives of the management, security and accounting departments and the documentation thereof maintained for a period of three years.

6. The Tribal Gaming Commission will assure the gaming operation maintains an ongoing perpetual inventory of cards and dice that allows for the immediate verification of balances.

7. All Class III used cards must be accounted for prior to destruction. Any discrepancies will be immediately investigated and a report forwarded to the Tribal Gaming Commission.

M. SURVEILLANCE STANDARDS - TABLE GAMES

1. All table games will have sufficient camera placement to determine chip/token/card value, a clear view of the playing area and the ability to identify patrons, employees and gaming device/station number.

2. All Class III card games will have a minimum of one fixed camera over the gaming table and PTZ coverage that has the capability of the requirements listed in standard 1 above.

3. All craps tables will have two fixed cross view cameras covering both ends of the table and one dedicated PTZ per table.

4. All roulette areas will have one overhead fixed camera covering the roulette wheel and will also have one fixed camera overview of the play of the table. There will be PTZ coverage that has the capability of the requirements listed in standard 1 above.

5. All big wheel games will have one fixed camera viewing the wheel and PTZ camera coverage that has the capability of the requirements listed in standard 1 above.

SECTION VII
VIDEO GAMING DEVICE STANDARDS

A. GENERAL

3. The purpose of these Video Lottery Terminal (VLT) Standards is to set forth the procedure for VLT certification, VLT transportation into the State of Oregon as well as the hardware and software requirements of VLT's and other electronic games of chance. Each of these procedures are relevant to the manufacture and transport of VLT's before they get to a tribal gaming facility. While the primary focus of these MICS govern gaming operations within the gaming facility, the VLT standards set forth below have been included in these MICS to better inform the Tribes on the requirements VLT's must meet in order for them to be licensed and put into play at their Tribal gaming facility.

2. Access to keys, locked cabinets, and counting areas will be limited to those people specified in writing. A list of authorized persons will be kept at the lock box where the keys are maintained. Keys issued will be signed in and out at the end of an employee's shift and not transferred directly to the on coming designated key person.

3. The Drop Team will, at a minimum, consist of ~~three~~ **two** members, **accompanied by a** ~~. At least one~~ member ~~will be~~ from the security department who will ~~provide security over~~ **accompany** the drop cart. All members of the drop team will be independent of the VLT slot department.

4. ~~Any money found in the gaming facility will be turned over to the security department and received into the vault area~~. **The tribal gaming operation will have written procedures regarding the handling of found money.**

5. Any access to any video lottery terminal for any reason **other than the daily drop**, will be logged on a Machine Entry Authorization Log and returned to the inside of the machine prior to securing the door. This log and entry will include the date, time, reason for access, and the legible first initial and last name of the person gaining access. These logs will be securely maintained by the tribal gaming operation for a period of one (1) year.

B. AUTHORIZED VIDEO LOTTERY GAMES

1. Video lottery terminals may offer any video lottery game that satisfies the elements of prize, chance and consideration as described in Op. Atty. Gen. No. 6336, September 25, 1989.

C. CERTIFICATION OF A VIDEO LOTTERY TERMINAL

1. A manufacturer or its distributor will not distribute a video lottery game or terminal for placement in a Tribal Gaming Facility unless the manufacturer and the game have been approved and the terminal has been certified by the Tribal Gaming Commission and the Oregon State Police. Only approved manufacturers may apply for certification of a video lottery terminal.

2. The Oregon State Police and the Tribal Gaming Commission will agree on an independent laboratory to conduct certification testing of all equipment submitted for approval. Upon request the manufacturer will submit any technical data and any other information required for testing by the State's designated laboratory.

3. Hardware that does not meet the criteria of the Compact or these standards will not receive approval.

D. QUALIFICATIONS OF INDEPENDENT GAMING TEST LABORATORY

1. To meet the qualifications of a State designated independent gaming test laboratory the laboratory will be approved by the State. The approval will be determined through a background investigation to meet the suitability requirements outlined in the Compacts, and determination of the State's satisfaction of the qualifications of the laboratory to perform the requirements of testing as set forth in the Compact and its appendices, and to determine the level of independence from possible outside influences in its testing procedures. The expenses related to this investigation will be reimbursed to the State by the gaming test laboratory subjected to the investigation.

E. TRANSPORTATION OF VIDEO LOTTERY TERMINALS WITHIN, INTO OR THROUGH THE STATE

1. The Tribe and no other person will ship or transport video lottery terminals within or into the state of Oregon without first obtaining a written authorization or notification and approval from the Oregon State Police: Transporting or shipping within the State means the starting point and termination point of a trip are both within the boundaries of the State. Transportation or shipping into the State means the starting point is outside the State and terminates in the State.

2. The Tribe and no other person will ship or transport video lottery terminals through the State without first obtaining a written authorization from the nearest port of entry immediately upon arrival in the State.

3. The written authorization required above will include:

   a. The serial number of each terminal being transported; and

   b. The full name and address of the person, manufacturer, distributor or venue to whom the machines are being sent or transported and the dates of shipment or transport within, into or through the State.

4. The written authorization will accompany, at all times, the terminal or terminals in transport. A copy of this authorization will be forwarded to the Tribal Gaming Commission.

5. Once shipment has been received at a tribal gaming facility, in the event the terminals are sold or traded between compacted tribal gaming operations within the State, written notice is to be forwarded to the Oregon State Police not less than ten (10) days prior to the date written approval is requested for transportation. Verification that the machines are not altered and meet the Compact requirements are required either from a manufacturing representative or the Oregon State Police prior to the machines being placed into play at a different tribal gaming facility.

F. HARDWARE REQUIREMENTS FOR VIDEO LOTTERY TERMINALS

1. No Physical Hazard. Electrical and mechanical parts and design principles may not subject a player to any physical hazards.

2. Surge Protectors. A surge protector will be installed for all power that is fed to the device.

3. Battery Backup. A battery backup, or an equivalent, for the electronic meters will be capable of maintaining accurate reading for 180 days after power is discontinued from the device for all information regarding current and total tallies of amounts wagered and paid out, records of access to the logic board compartment, and records of access to the cash compartment. The backup device will be located within the locked logic board compartment and will not be accessible to the manufacturer or distributor after the initial installation of the equipment.

4. Power Switch. A power switch will be located in an accessible place within the interior of the game that controls the electrical current used in the operation of the game.

5. Resistance to Electromagnetic Interference. The operation of the video lottery terminal will not be adversely affected by static discharge, radio frequency interference or other electromagnetic interference.

6. Secure Cabinets. The internal space of the video game of chance will not be readily accessible when the door is closed.

7. Secure Electronic Components. Logic board and software erasable programmable read only memory chips (EPROMS) and other game logic control components will be located in a separate compartment within the video game of chance and that compartment will be locked with a different key than is used for the main cabinet door.

8. Secure Cash Compartment. The currency/coin/token compartment will be secured with a different key than is used for the main cabinet door or logic area.

9. No Hardware Modification of Pay Tables or Payouts. No hardware switches (DIP Switches) may be installed which alter the pay tables or payout percentages for the game.

10. Printed Record of Credits and Payouts Required. A single printing mechanism will be capable of printing an original ticket and retaining an exact, legible copy with the game, which records the following information when credits accrued on the game are redeemed for cash. The number of credits won and its redeemable cash value will be reflected in both written and numerical formats.

11. Video Lottery Terminals will have both electronic and electro-mechanical meters. VLT meters will have at least six digits. The VLT meters will accumulate the same values in electronic digital storage and provide the means for an on-demand display of the stored information. The cash-in meter will accumulate all cash transactions. The credit-out meter will accumulate all cash and credit transactions paid for winning combinations. The jackpots-paid meter will reflect the cumulative amounts of jackpots paid out by the machine.

12. No VLT machines may have a mechanism that causes the electronic accounting meters to clear automatically when an error occurs. A VLT's meters will be maintained at all times, regardless of whether the machine is being supplied with power. Meter readings will be recorded before and after the electronic accounting meter is cleared.

13. Electro-mechanical meters will have an accuracy rate of 99 percent or better. Electronic meters will have an accuracy rate of 99.99 percent or better.

14. A VLT will be designed so that replacement of parts or modules required for normal maintenance does not require replacement of the electro-mechanical meters.

15. The following information will be recorded and stored on meters:

    a. The number of credits wagered;

    b. The number of credits won;

    c. The number of credits available for wagering; and

    d. The number of credits based on currency, token/coins accepted.

16. Display of Rule of Play. The rules of play for a VLT will be displayed on the machine face or screen. Rules of play will be kept under glass or another transparent substance. At no time may stickers or other removable devices be placed on the terminal face except as authorized elsewhere by these standards.

17. Each video lottery terminal certified for placement in the Gaming Facility will display a Tribal Gaming Inventory Decal which certifies it conforms to the exact specifications of terminal prototypes tested and certified for the State. The decal will be affixed to the machine prior to the machine being placed into play.

18. No persons other than authorized Tribal personnel or their agents may affix or remove a Tribal Gaming Inventory Decal. The placement of the Tribal Gaming Inventory Decal represents that the terminal has been certified, inspected, and approved for the operation in the State. The placement of the Tribal Gaming Inventory Decal on any equipment by the Tribal personnel constitutes documentation that the certification has been and will be kept on file by the Tribe. No persons other than authorized Tribal personnel may affix or remove the Tribal Gaming Inventory Decal.

19. Within 10 days of the initial installation of a VLT at a Tribal Gaming Center, the Tribal Gaming Commission, or its representative, will report to the Oregon State Police the following information for each VLT, including, but not limited to:

    a. The type of VLT;

    b. The game's serial number;

    c. The games manufacturer; and

    d. The unique identification number assigned by the Tribe.

20. No terminal may be transported off Tribal land until the Tribal Gaming Inventory Decal has been removed. The Tribal Gaming Decal shall not be transferred to another machine.

21. A terminal will not be moved out of the State approved gaming facility without prior notification to the Oregon State Police.

~~22. The age restriction will clearly be shown on the face of the terminal.~~

22. The Tribe solely regulates the minimum and maximum wager of a VLT placed at a Tribal Gaming Center.

23. Each game will display the amount wagered and the amount awarded for the occurrence of each possible winning occurrence based on the number of credits wagered. Each game will provide a method for player to view payout tables.

G. WIDE AREA PROGRESSIVE VIDEO LOTTERY TERMINAL/SYSTEM

1. The wide area progressive system will be adequately restricted to prevent unauthorized access (e.g., changing passwords at least quarterly, access to EPROMS and physical access to computer hardware, etc.)

2. Procedures are developed, implemented and documented for:

   a. Reconciliation of meters and jackpot payouts;

   b. Collection/drop of video lottery terminal funds;

   c. Jackpot verification and payment procedures that include a requirement that a member of the Tribal Gaming Commission or their designee be present for independent prize verification and payment.

   d. System maintenance;

   e. System accuracy; and

   f. System security.

3. Reports adequately documenting the procedures above are generated and retained.

4. The hardware requirements of this section will not be construed to prevent the operation of the VLT as part of a network with an aggregate prize or prizes; provided:

   a. A VLT capable of bi-directional communication with external associated equipment will utilize communication protocol that insures the erroneous data or signals will not adversely affect the operation of the game. The operation

of the local network will be approved by the State designated independent gaming test laboratory; and

b. Where the network links the Tribe's VLT's to other machines at other State or State's approved Tribal Gaming Centers, each Tribe participating in the network will have in force a Class III Gaming Compact authorizing such gaming as part of a network and all segments of the network will utilize security standards agreed between the Tribes and the State.

5. Approved Token/Coin and Bill Acceptors. At least one bill acceptor for denomination determined by the Tribe will be installed in or on each VLT. The devices may also contain electronic token or coin acceptors, denominations to be determined by the Tribe. Prior to operation, all models of token/coin and bill acceptors installed will have been tested and approved in writing by the gaming laboratory designated by the State.

6. Restrictions on Hopper and Token/Coin Drop. No VLT's in the State, or at any Tribal Gaming Center will be equipped with a token/coin hopper which enables the device to dispense any winnings of token or coin directly to the player of such device.

7. All VLT's operated in approved tribal gaming facilities will be equipped with a door open light or candle. While the door is open a light will be visible on top of the machine visible to surveillance cameras.

H. IN-HOUSE PROGRESSIVE CONTROLLER NETWORK

1. Any progressive system that links one or more electronic gaming devices must meet the same standards set forth in this section for Software Requirements for Electronic Games of Chance. Those include the requirement for testing by an independent laboratory, randomness testing for systems with a random number generator, and the ability to verify the EPROM through assigned signatures.

2. During the normal mode of progressive electronic gaming devices, the progressive controller, or other approved device must continuously monitor each machine on the link for inserted funds by a patron and must multiply the accepted funds by the rate of progression and denomination in order to determine the correct amounts to apply to the progressive jackpot. The progressive display must be constantly updated to display the accumulated progressive jackpot amounts.

3. Each progressive controller system must be housed in a secure compartment requiring locking entry and authorization logs in a manner approved by the gaming Commissions.

4. In addition to other funding requirements for gaming facilities, each gaming facility will maintain an amount sufficient to fully fund the present value of all amounts currently reflected on the progressive displays.

I. SOFTWARE REQUIREMENTS FOR ELECTRONIC GAMES OF CHANCE

1. Randomness testing. Each electronic game of chance will have a microprocessor based random number generator that will determine the occurrence of the specific card, symbol, number or stop position to be displayed. A selection process will be considered random if it meets all the following requirements:

   a. Chi-square Analysis. Each card, symbol, number or stop position which is wholly or partially determinative of the outcome of the game satisfies the 99 percent confidence limit using the standard chi-square analysis;

   b. Runs Test. Each-card, symbol, number or stop position does not as a significant statistic produce predictable patterns of game elements or occurrences. Each card, symbol, number, or stop position will be considered random if it meets the 99 percent confidence level with regard to the "runs test" or any generally accepted pattern of testing statistic;

   c. Correlation Analysis. Each card, symbol, number or stop position is independently chosen without regard to any card, symbol, number, or stop position, drawn within that game play. Each card, symbol, number, or stop position is considered random if it meets the 99 percent confidence level using standard correlation analysis;

   d. Serial Correlation Analysis. Each card, symbol, number, or stop position is independently chosen without reference to the same card, number, or stop position on the previous game. Each card, number, or stop position is considered random if it meets the 99 percent confidence level using standard correlation analysis; and

   e. Live Game Correlation. Electronic games of chance that are representatives of live gambling games will fairly and accurately depict the play of the live game.

2. Software Requirements for Continuation after Game Malfunction. Each game will be capable of continuation of the current game with all current game features after a game malfunction is cleared. This provision does not apply if the game is rendered totally inoperable; however, the current wager and all player credits prior to the malfunction will be returned to the player.

J. TESTING OF ELECTRONIC GAMES OF CHANCE

1. Testing and approval of VLT's. No VLT may be purchased, leased or otherwise acquired by the Tribe unless:

   a. The VLT or prototype thereof, has been tested, approved or certified by the State's designated test laboratory as meeting the requirements and standards as set forth herein. For purposes of these standards, a gaming test laboratory will be designated by the State as competent and qualified to conduct scientific tests and evaluations of VLT's and related equipment.

2. If required by the gaming test laboratory, the State will require the manufacturer or distributor to transport not more than two working models of the electronic games of chance and related equipment to a location designated by the laboratory for testing, examination, and analysis. In addition, the manufacturer or distributor will supply copies of illustrations, schematics, block diagrams, circuit analysis, technical and operation manuals, program object and source codes, hexadecimal dumps (the compiled computer program represented in the base-16 format), and any other information requested by the gaming laboratory. The State will require the manufacturer or distributor to pay for any and all costs for the transportation, testing, examination, and analysis. The testing, examination, and analysis may include the entire dismantling of the VLT's and related equipment and some tests may result in damage or destruction to one of more electronic components of the devices. If required by the laboratory, the State will require the manufacturer to provide specialized equipment or the services of an independent technical expert to assist the testing, examination, and analysis.

3. Report of Test Results. At the conclusion of each test, the laboratory will provide to the State and Tribal Gaming Commission designee a report that contains findings, conclusions, and determination that the VLT and related equipment conforms or fails to conform to the hardware and software requirements of these standards. If modifications can be made which would bring the VLT or related equipment into compliance, the report may contain recommendations for such modifications. A report from the laboratory stating that the machine is an eligible VLT gaming device under the technical standards defined herein will qualify for application to the State for shipment to an authorized gaming facility.

4. Modifications of Approved VLT's. No modification to the assembly or operational functions of any VLT or related equipment may be made after testing and installation unless a gaming test laboratory certifies to the State that the modified VLT conforms to the standards set herein. Any proposed modifications will be subject to the requirements of the paragraphs above, before the modification may be implemented.

K. CHANGING/REPLACING VLT's ERASABLE PROGRAMMABLE READ ONLY MEMORY (EPROM) CHIPS.

1. After being tested through the independent gaming test laboratory as meeting the requirements of the Compact and these standards, the approved EPROM chips may be shipped by the manufacturer or distributors directly to the Tribal Gaming Commission. Once received the possession and security of the EPROM chips will be the responsibility of the Tribal Gaming Commission.

2. Prior to being installed or replaced and placed into play in a VLT, the Tribal Gaming Commission or representative of the Oregon State Police, will verify the EPROM internal signature as assigned by the manufacturer and verified by the independent laboratory is accurate.

3. The EPROM chip will be placed on the VLT logic board under the direct supervision of the Tribal Gaming Commission or an Oregon State Police representative. The EPROM chip will be sealed with a uniquely numbered tape by the State or Tribal Gaming Commission.

4. The security tape will be secured and available to only the Tribal Gaming Commission personnel, or Oregon State Police members. The agency installing the EPROM chip will maintain accurate and complete records including the following:

   a. The serial number of the machine the EPROM is being installed in;

   b. The date;

   c. The machine type and manufacturer;

   d. The Tribal Gaming Center;

   e. The EPROM chip type;

   f. The approved signature result;

   g. The name and authority of person conducting testing; and

   h. The Tribal Gaming Inventory Decal number.

5. Documentation of initial EPROM chip installation or replacement conducted by the Tribal Gaming Commission along with the required information will be forwarded to the Oregon State Police within 10 days after completion. Nothing in this section is meant to restrict the access of either the Tribal Gaming Commission or the State from random access and verification of EPROM chip security.

L. EPROM DUPLICATION

1. If duplication of gaming device program storage media is performed and approval has been obtained, or the gaming facility is a licensed manufacturer, procedures are developed and implemented for the following:

   a. Removal of EPROMS from devices, the verification of the existence of errors as applicable, and the correction via duplication from the master game program EPROM;

   b. Copying one gaming device program to another approved program;

   c. Verification of duplicated EPROMS prior to being offered for play;

   d. Destruction, as needed, of EPROMS with electrical failures; and

   e. Securing the EPROM duplicator and master game EPROMS from unrestricted access.

2. The master game program number, par percentage and the pay table are verified when initially received from the manufacturer to the par sheet.

3. Video lottery terminals with potential jackpots in excess of $100,000 will have the circuit boards locked and physically sealed. If a seal is used to secure the board to the frame of the gaming device, it will be pre-numbered.

4. Prior to being installed or replaced and placed into play in a VLT, the Tribal Gaming Commission or representative of the Oregon State Police, will verify the EPROM internal signature as assigned by the manufacturer and verified by the independent laboratory is accurate.

5. The EPROM chip will be placed on the VLT logic board under the direct supervision of the Tribal Gaming Commission or an Oregon State Police representative. The EPROM chip will be sealed with a uniquely numbered tape by the State or Tribal Gaming Commission.

6. The security tape will be secured and available to only the Tribal Gaming Commission personnel, or Oregon State Police members. The agency installing the EPROM chip will maintain accurate and complete records including the following:

   a. The serial number of the machine the EPROM is being installed in;

   b. The date;

   c. The machine type and manufacturer;

d. The Tribal Gaming Center;

e. The EPROM chip type;

f. The approved signature result;

g. The name and authority of person conducting testing;

h. The Tribal Gaming Inventory Decal number.

M. CONFORMITY TO TECHNICAL STANDARDS

1. The State will require the manufacturer or distributor to certify, in writing, that upon installation each VLT:

   a. Conforms precisely to the exact specifications of the electronic game of chance or prototypes tested and approved by the gaming test laboratory; and

   b. Operates and plays in accordance with the technical standards set forth in these provisions.

N. VLT RECORDS

1. Records shall be maintained for each video lottery terminal, which shall include the following:

   a. Date installed

   b. Manufacture's serial number

   c. Manufacture's name

   d. Program number

   e. Disposition of permanently removed EPROM's

   f. Seal #, if applicable

   g. Current denomination of machine

   h. Any changes to the machine number or denomination

   i. Theoretical Hold percentages

O. THEORETICAL/ACTUAL HOLD

1. Accurate and current theoretical hold work sheets are maintained for each video lottery terminal.

2. For those video lottery terminals or groups of identical machines with differences in theoretical payback percentage exceeding a four percent (4%) spread between the minimum and maximum theoretical payback, and which contain meters require:

   a. On a quarterly basis, read the meters that records the number of plays by wager (i.e., one coin, two coins, etc.);

   b. On an annual basis, calculate the theoretical hold percentage based on the distribution of plays by wager type; and

   c. On an annual basis, adjust the machine(s) theoretical hold percentage in the video lottery terminal statistical report to reflect this revised percentage.

3. Records are maintained for each machine which indicate the dates and type of changes made and the recalculation of theoretical hold as a result of the changes.

4. Records are maintained for each machine which indicate the date the machine was placed into service, the date the machine was removed from operation, the date the machine was placed back into operation, and any changes in machine numbers and designations.

5. For those video lottery terminals that accept coin or tokens will contain a functioning "coin-in" meter.

6. All currency acceptors will contain functioning "bill-in" meters that record the dollar amounts or number of bills accepted by denomination.

7. Video lottery terminal in-meter readings are recorded, manually or electronically, at least weekly immediately prior to or subsequent to a video lottery terminal drop. Exception: the time between readings may extend beyond one week in order for a reading to coincide with the end of an accounting period only if such extension is for no longer than six days.

8. The employee who records the in-meter readings either is independent of the hard count team or is assigned on a rotating basis unless the in-meter readings are randomly verified quarterly for all video lottery terminal currency acceptors by someone other than the regular in-meter reader.

9. Upon receipt of the meter-reading summary, the accounting department reviews all meter readings for reasonableness using pre-established parameters.

10. Prior to final preparation of statistical reports, meter readings that do not appear reasonable are reviewed with slot department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected.

11. A report is produced at least monthly showing month-to-date and year-to-date actual hold percentage computations for individual machines and a comparison to each machine's theoretical hold percentage previously discussed.

    a. If practicable, the report should include the actual hold percentage for the entire time the machine has been in operation.

    b. Each change to a video lottery terminals theoretical hold percentage, including progressive percentage contributions, results in that machine being assigned a new number and treated as a new machine in the statistical reports.

    c. Actual hold = dollar amount of win divided by dollar amount of coin in.

12. The statistical reports are reviewed by both slot department management and management employees independent of the slot department on at least a monthly basis.

13. Large variances in excess of 3% between theoretical hold and actual hold are investigated and resolved with the findings documented in a timely manner.

14. Computerized video lottery terminal monitoring system data file maintenance will be performed by a department independent of the slot department or may be performed by slot supervisory employees if sufficient documentation is generated and it is randomly verified by employees independent of the slot department on a monthly basis.

15. Updates to the computerized video lottery terminal monitoring system to reflect additions, deletions or movements of video lottery terminals are made at least weekly prior to in-meter readings and the weigh process.

P. PAYMENT OF PRIZES

1. No payment for prizes awarded on a terminal may be made unless the cash slip meets the following requirements:

    a. It is fully legible and meets all the Tribe's security requirements;

    b. It will not be mutilated, altered, unreadable, or tampered with in any manner;

c. It will not be counterfeit in whole or part; and

d. It has been presented by a person authorized to play under the terms of the Tribal/State Compact and these standards.

2. The Tribal Gaming operation shall develop and implement procedures to control VLT ticket paper. These procedures shall include;
   a. Inventory control of the VLT ticket paper; and

   b. Destruction of all unused VLT ticket paper.

Q. METHOD OF PAYMENT

1. The gaming management will designate employees authorized to redeem cash slips during the Tribe's business hours of operation. Prizes will be immediately paid in cash, by check or by established annuity payment after verification of the jackpot occurrence and jackpot amount when a player presents a cash slip for payment meeting the requirements of these standards. No prizes may be paid in tokens or chips.

R. HAND PAY JACKPOT PAYOUT STANDARDS

1. For hand pay jackpot payouts a three-part payout form/documentation will be used that includes:

   a. Date and time;

   b. Machine number;

   c. Dollar amount of payout (both alpha and numeric);

   d. Game outcome (including reel symbols, card values and suits, etc) and type of jackpot;

   e. Signatures of at least two employees verifying and witnessing the payout;

   f. Preprinted or concurrently-printed sequential numbers;

   g. ~~Jackpot payouts over $500 require the additional signature and verification of a member of the security department; and~~ **Jackpot payouts of $500-$1199 require two authorizing signatures which may include a member of the security department; jackpot payouts of $1200 or more require three signatures including a member of the security department.**

h. ~~Jackpot payouts over $10,000 require the additional signature and verification of a security department supervisor and member of the Tribal Gaming Commission or if required by the Gaming Commission, a signature of a management member independent from security or the slot departments.~~ **Jackpot payouts exceeding $10,000 require an additional management signature and EPROM verification and notification of the Tribal Gaming Commission.**

2. For short pays of $20 or more, the payout form will include:

   a. Date and time;

   b. Machine number;

   c. Dollar amount of payout (alpha and numeric); and

   d. Signatures of at least two employees verifying and witnessing the payout;

3. Computerized jackpot systems will be restricted to prevent unauthorized access and fraudulent payouts by one individual.

4. Payout forms will be controlled and routed in a manner that precludes any one individual from producing a fraudulent payout by forging signatures, or by altering the amount paid out subsequent to the payout, and misappropriating the funds.

S. VIDEO LOTTERY TERMINAL - STORAGE & RELOCATION

1. The Tribal Gaming Commission will be notified by the Tribal Gaming Operation if video lottery terminals are moved, taken out of service, placed back in service or if there is a change in the denomination. Hard and soft meter readings will be taken and forwarded to the accounting department with notification of the change. No video lottery terminal printer paper or EPROM will remain in any machine that is taken out of play. VLT terminal printer paper will be either returned to inventory or destroyed.

2. When machines are temporarily removed from the floor, slot loads are protected to preclude the misappropriation of stored funds.

3. When machines are permanently removed from the floor, the slot loads are counted and recorded by at least two employees with appropriate documentation being routed to the accounting department for proper recording.

4. The Oregon State Police will have access to any storage area for video lottery terminals or any part thereof.

5. Detailed perpetual inventory records of video lottery terminal printer paper inventory will be maintained at all times. Video lottery terminal printer paper stock cases will be hand numbered with a sequential identification number in indelible ink upon storage.

6. Payout printer paper will be stored under lock and key with access limited only to authorized personnel.

7. Effective controls will exist for the secure storage and accounting of EPROM chips, logic boards, printer paper and other sensitive device items when machines are taken out of play or stored off the gaming floor for any reason.

8. Effective controls will exist for the secure storage, accounting and destruction of EPROM chips, logic boards, printer paper and other sensitive device items.

9. Each Tribe will maintain a current listing of all gaming devices (leased or owned) including the game type, game serial number, EPROM chip identification number, tribal identification number and location.

T. CURRENCY/COIN/TOKEN ACCEPTOR DROP BOXES

1. Each video lottery terminal in the gaming facility will have a locked container known as a "Currency Acceptor Drop Box" or "Coin/Token Drop Box", in which will be deposited all cash, coin or token resulting from the play of the device.

2. Each video lottery terminal will have a lock securing the drop box cabinet. These keys, and any duplicates, will be maintained and controlled by a department independent of the VLT slot department. Two employees (separate from key custodian) are required to accompany these keys and observe each time slot machine drop cabinets are accessed, unless surveillance is notified each time keys are checked out and surveillance observes the person throughout the period.

3. Each such drop box will have:

   a. One separate lock securing the contents placed into the drop box, the key to which will be different from any other key;

   b. A separate lock securing the drop box to the gaming device, the key to which will be different from the key to the lock securing the contents of the drop box; and

   c. Permanently imprinted or impressed thereon, and clearly visible a number corresponding to the video lottery terminal to which it is attached.

4. The key utilized to unlock the drop boxes from the gaming devices will be maintained and controlled by a department independent of the VLT slot department. Persons authorized to drop VLT boxes are precluded from having access to drop box contents keys **except for members of the count team during the count as provided in Section VI(B)11 and VI(C)3.** Only persons authorized to remove drop boxes from VLT's are allowed access to the release keys.

5. The key to the lock securing the contents of the drop boxes will be maintained and controlled by a department independent of the VLT slot department. Only authorized count team members are allowed access to drop box contents keys and only during the count process.

6. The physical custody of the keys needed to access stored full drop box contents requires involvement of persons from two separate departments.

7. Access to the drop box content keys at other than scheduled count times shall require the involvement of at least three persons from separate departments, including management, and the reason for access shall be documented with signatures of all participants and observers.

8. A person independent of the VLT slot department is required to accompany drop box storage rack keys and observe each time drop boxes are removed from or placed in storage racks. Persons authorized to obtain drop box storage rack keys are precluded having access to drop box contents keys (with the exception of the count team.)

9. All duplicate keys will be maintained in a manner that provides the same degree of control as is required for the original keys.

10. At least three count team members are required to be present at the time count room and other count keys are issued for the count.

11. Logs will be maintained to document authorization of personnel accessing keys.

U. DROP BOX: TRANSPORTATION TO AND FROM GAMING DEVICES AND STORAGE IN THE COUNT ROOM

1. All drop boxes removed from the gaming devices will be transported, at a minimum, by three persons, **one of which must be a security department member**~~, two of which must be security department members~~ or Tribal Gaming Commission directly to, and secured in, the count room. Only one bank of video lottery terminals will be subject to a drop team at any one time.

2. The security department member will remain with the drop cart/trolley and receive full drop boxes and dispense empty drop boxes.

3. Security will advise surveillance upon the start of the drop, when the drop cart/trolley is moved, and when the cart is secured in the soft count room.

4. All drop boxes, not attached to a gaming device, will be stored in the count room, or other secure location, in an enclosed storage cabinet or trolley and secured in such cabinet or trolley.

5. The drop cart/trolley will be secured after being emptied and upon being filled by a locking system.

6. The entire drop process will be monitored and taped by the surveillance department. Drop tapes will be held for at least seven days. If an unusual incident occurs during the drop the tape will be placed in evidence until a full review of the incident is concluded.

7. If an emergency occurs during the drop process, the drop box will be returned to the soft count room and secured.

8. At no time, other than in an emergency, will a soft count team member be replaced by a new member after the count has commenced.

9. Drop and count team authorized persons shall maintain separate duties.

V. STANDARDS FOR COUNTING AND RECORDING CONTENTS OF BILL VALIDATOR BOXES (SOFT COUNT)

1. The contents of bill validator boxes will be counted and recorded in the count room in conformity with these standards.

2. The tribal gaming operation will notify the Tribal Gaming Commission whenever the contents of bill validator boxes removed from gaming stations are to be counted and recorded, which should be **at least** once ~~each~~ **every three** gaming days. The gaming operation may satisfy this standard by providing the Gaming Commission with a schedule in advance of drop/count times. Any variance of the scheduled times requires notification to the Tribal Gaming Commission.

3. The opening, counting and recording of the contents of bill validator boxes will be by three or more employees assigned by the tribal gaming operation for the conduct of the count ("Count Team") who have ~~incompatible~~ functions **dissimilar from the drop team except as provided in Section VI(B)(11).** The Count Team will be rotated so that the count team members are not the same for more than seven (7) consecutive days.

4. Immediately prior to the opening of the bill validator boxes, the doors to the count room will be securely locked.

5. Except in an emergency, those persons allowed to enter or leave the count room during the count process will not do so until unverified cash is counted and recorded.

6. Members of the Tribal Gaming Commission will be allowed immediate access to the count room during the count process. Members of the Tribal Gaming Section will not be denied access in an emergency situation during the count process.

7. Immediately prior to the commencement of the count, one count team member will notify surveillance that the count is about to begin. Surveillance will make an audio-video recording, with the time and date inserted thereon, of the entire counting process which will be retained by the surveillance department for at least seven days from the date of recording unless otherwise directed by the Tribal Gaming Commission.

8. Minimum procedures and requirements for conducting the count will be the following:

   a. As each bill validator box is placed on the count table, one count team member will announce, in a tone of voice to be heard by all persons present and to be recorded by the audio recording device, the bill validator box number. This sub-paragraph is not applicable to an automated count system.

   b. The contents of each bill validator box will be emptied and counted separately on the count table, which procedures will be at all times conducted in full view of the closed circuit television cameras located in the count room;

   c. Immediately after the contents of a bill validator box are emptied onto the count table, the inside of the box will be held up for a minimum of two seconds to the full view of a closed circuit television camera, and will be shown to at least one other count team member to confirm that all contents of the box have been removed, after which the box will be locked and placed in the storage area for bill validator boxes;

   d. The contents of each bill validator box will be segregated by a count team member into separate stacks on the count table by denominations of currency. This sub-section is not applicable to an automated count system.

   e. The bill validator boxes shall be individually emptied and counted to prevent the commingling of funds with other drop boxes until the count has been recorded.

f. As the contents of each bill validator box is counted, one count team member will record in ink on a count sheet, cash tally slip or other report, by box number the total amount of currency counted. Corrections to information originally recorded by the count team on bill validator count documentation will be made by crossing out the error, entering the correct figure, and then obtaining the initials of two other count team member who verify the change. Crossing out errors will be made in ink and be done with one line in a manner that leaves the crossed out portion visible. Initials will be placed in a manner not to interfere with the legibility of the document.

g. After the contents of each bill validator box have been counted and recorded, the count sheets will be added together and all of the cash will be strapped and counted. The total cash should equal the total of the count sheets. Any unreconciled discrepancies of $100 or more will be immediately brought to the attention of the Controller and a report generated to the Tribal Gaming Commission. The surveillance tape of the count will be secured by surveillance and stored in evidence until the discrepancy is corrected.

h. After completion and verification of the count, each count team member will sign a report attesting to the accuracy of the information recorded thereon.

7. Minimum procedures and requirements at the conclusion of the count for each gaming shift will be the following:

a. All cash removed from each bill validator box and the count sheets after the initial count will be presented in the count room by a count team member to a cashier who, prior to having access to the information recorded on the final count report and in the presence of the count team, will re-count, either manually or mechanically, the cash received, after which the cashier will sign the report evidencing the fact that both the cashier and count team have agreed on the total amount of cash counted. If an unreconciled variance of $100 or more is found, surveillance will be notified and a count team member and cashier independent of the initial cashier and count team will recount the currency. If there is still a variance, a member of the Tribal Gaming Commission will be called to investigate the variance.

b. The original copy of the final count report, after signing, will be transported directly to the accounting department and will not be available to any cashier's cage personnel;

8. The originals and copies of the final count report, will on a daily basis, in the accounting department be:

a. Compared for agreement with each other, on a test basis, by persons with no recording responsibilities and, if applicable, to triplicates or stored data;

b. Reviewed for the appropriate number and property of signatures on a test basis;

c. Accounted for by series number, if applicable;

d. Tested for proper calculation, summarization, and recording;

e. Subsequently recorded; and

f. Maintained and controlled by the accounting department.

9. No personal items are allowed into the count rooms.

10. While the soft count is in process, all personnel in the Soft Count room will wear pocketless coveralls provided by the Tribal Gaming Operation. The coveralls will have loosely fitted sleeves and pant legs with no cuffs or collars and they will zip in the front. The zipper will be maintained fully closed at the top.

11. All trash in the count room will be placed in a transparent bag for disposal. The material will be removed at the end of the count and received by a member of the security department for disposal.

W. <u>COIN/TOKEN DROP EQUIPMENT STANDARDS (HARD COUNT)</u> ***The following standards apply for gaming operations that employ such equipment:***

1. A weigh scale calibration module is secured to prevent unauthorized access (e.g., pre-numbered seal, lock and key etc.).

2. Someone independent of the cage, vault, slot and count team function is required to be present whenever the calibration module is accessed.

3. Such access is documented and maintained.

4. If a weigh scale interface is used, it is adequately restricted to prevent unauthorized access (passwords, keys, etc.).

5. If the weigh scale has a "zero adjustment mechanism," it is either physically limited to minor adjustment (e.g. weight of a bucket) or physically situated so that any unnecessary adjustment to it during the weigh process would be observed by other count team members.

6. The weigh scale and weigh scale interface (if applicable) are tested by someone else who is independent of the cage, vault, and slot departments and count team

at least semi-annually. The above test is performed by internal audit in accordance with the internal audit standards.

7. During the slot count at least two employees verify the accuracy of the weigh scale with varying amounts of previously counted coin for each denomination to ensure the scale is properly calibrated. (Varying weights/coin from drop to drop is acceptable).

8. The preceding weigh scale and weigh scale interface test results are documented and maintained.

9. If a mechanical coin counter is used (instead of a weigh scale), procedures are equivalent to those described in the standards 5, 6, and 7.

X. **VIDEO LOTTERY TERMINAL - HARD COUNT AND WRAP STANDARDS** ***The following standards apply for gaming operations that employ such equipment:***

1. The contents of coin/token drop boxes will be counted and recorded in the count room in conformity with these standards.

2. The hard drop and count will be conducted by a separate count team and as a distinctly separate activity from the soft drop and count.

3. The tribal gaming operation will notify the Tribal Gaming Commission whenever the contents of coin drop boxes removed from gaming stations are to be counted and recorded, which should be once each gaming day. The gaming operation may satisfy this standard by providing the Gaming Commission with a schedule in advance of drop/count times. Any variance of the scheduled times requires notification to the Tribal Gaming Commission.

4. The recording of the contents of the coin drop buckets will be performed by three or more employees assigned by the tribal gaming operation for the conduct of the count. One member of the count team will be from the accounting department. The Count Team will be rotated so that the count team members are not the same for more than seven (7) consecutive days.

5. Immediately prior to the weighing of the coin drop buckets, the doors to the count room will be securely locked. Persons entering and exiting the count room will be scanned or searched by a metal detection device.

6. Members of the Tribal Gaming Commission and of the Oregon State Police will be allowed immediate access to the count room during the count process.

7. The initial weigh/count is performed by a minimum of three employees.

8. The slot count team is independent of the generation of the slot revenue and the subsequent accountability of slot count process.

9. The following functions are performed in the counting of the slot drop:

   a. Recorder function that involves the recording of the initial slot count;

   b. Count team supervisor function that involves the control of the slot weigh and wrap process; and

   c. The amount of the slot drop from each machine is recorded in ink on a slot count document by the recorder or mechanically printed by the weigh scale. If a weigh scale interface is used, the slot drop figures are transferred via direct line or computer storage media.

10. The recorder and at least one other count team member sign the slot count document or weigh tape attesting to the accuracy of the initial weigh/count.

11. At least three employees who participate in the weigh/count and/or wrap process sign the slot count document or a summary report to attest to their presence. If all other count team members do not sign the slot count document or a summary report, they sign a supplemental document evidencing their participation in the weigh/count and/or wrap.

12. The coins/tokens are wrapped and reconciled in a manner that precludes the commingling of slot drop coin/token with coin/token (for each denomination) from the next slot drop.

13. At least three employees are present throughout the wrapping of the slot drop. If the slot count is conducted with a continuous mechanical count meter which is not reset during the count and is verified in writing by at least three employees at the start and end of each denomination count, then this requirement is not applicable.

14. If the coins/tokens are not wrapped immediately after being weighed/counted, they are secured and not commingled with other coin. The term "wrapped slot drop" includes wrapped, bagged (with continuous metered verification), and racked coin/tokens.

15. If the coins/tokens are transported off the property, a second (alternative) count procedure will be performed before the coins leave the property and any variances are documented.

16. Transfers out of the count room during the slot count and wrap process are either strictly prohibited, or if transfers are permitted during the count and wrap, each transfer is recorded on a separate multi-part pre-numbered form (used solely for

slot count transfers) which are subsequently reconciled by the Accounting Department to ensure the accuracy of the reconciled wrapped slot drop.

17. Transfers, as noted above, are counted and signed for by two members of the count team, and by someone independent of the count team who is responsible for authorizing the transfer.

18. If the count room serves as a coin room and coin room inventory is not secured so as to preclude access by the count team, then the next two requirements (#19 & 20) are satisfied:

19. At the commencement of the slot count the following standards are met:

    a. The coin room inventory is counted by at least two employees, one who is a member of the count team and the other is independent of the weigh/count wrap procedures.

    b. The above count is recorded on an appropriate inventory form.

20. Upon completion of the wrap of the slot drop, the following standards are met:

    a. At least two members of the count team (wrap team), independently from each other, count the ending coin room inventory;

    b. The above counts are recorded on a summary report(s) which evidences the calculation of the final wrap by subtracting the beginning inventory from the sum of the ending inventory and transfers in and out of the coin room;

    c. The same count team members as discussed above compare the calculated wrap to the initial weigh/count, recording the comparison and noting any variances on the summary report;

    d. A member of the cage/vault department counts the ending coin room inventory by denomination. This count is reconciled to the beginning inventory, wrap, transfers and initial weigh/count on a timely basis by the cage/vault or other department independent of the slot department and the weigh/wrap procedures; and

    e. At the conclusion of the reconciliation, two count/wrap team members and the verifying employee sign the summary reports(s) attesting to its accuracy

    f. If the count room is segregated from the coin room, or if the coin room is used as a count room and the coin room inventory is secured to preclude access by the count team, the following requirement is satisfied:

21. Upon completion of the wrap of the slot drop:

a. At least two members of the count/wrap team count the final wrapped slot drop independently from each other;

b. The above counts are recorded on a summary report;

c. The same count team members as discussed above (or the accounting department) compare the final wrap to the weigh/count, recording the comparison and noting any variances on the summary report;

d. A member of the cage/vault department counts the wrapped slot drop by denomination and reconciles it to the weigh/count;

e. At the conclusion of the reconciliation, at least two count team members and the cage/vault employee sign the summary report attesting to its accuracy; and

f. The wrapped coins (exclusive of proper transfers) are transported to the cage, vault or coin vault after the reconciliation of the weigh/count to the wrap.

22. Large or unusual variances between the weigh/count and wrap in excess of 2% are investigated by management personnel independent of the slot department, count team and the cage/vault functions on a timely basis. Any such variances will be immediately brought to the attention of the Controller and a report generated to the Tribal Gaming Commission.

23. The results of such investigation are documented and maintained and subject to review by the Oregon State Police.

24. All slot count and wrap documentation, including any applicable computer storage media, is immediately delivered to the accounting department by other than the cashier's department. Alternatively, it is adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved or received by the accounting department.

25. Corrections on slot count documentation are made by crossing out the error, entering the correct figure, and then obtaining the initials of one other count team employee. If a weigh scale interface is used, corrections to slot count data are made using the following method:

a. Crossing out the error in ink on the slot document, entering the correct figure, and then obtaining the initials of at least two count team employees. Crossing out the error is done with one line in a manner that leaves the crossed out portion visible. Initials will be placed in a manner not to interfere with the legibility of the document. If this procedure is used, an employee independent of the slot department and count team enters the correct figure into the computer system prior to the generation of related slot reports;

b. During the count process, correct the error in the computer system and enter the passwords of at least two count team employees. If this procedure is used, an exception report is generated by the computer system identifying the slot machine number, the error, the correction and the count team employees testifying to the correction; and

26. The hard count will be recorded on videotape by the Surveillance Department in the same manner as the soft count process.

27. No personal items are allowed into the count rooms.

28. While the hard count is in process, all personnel in the count room will wear pocket less coveralls provided by the Tribal Gaming Operation. The coveralls will have loosely fitted sleeves and pant legs with no cuffs or collars and they will zip in the front. The zipper will be maintained fully closed at the top.

29. All trash in the count room will be placed in a transparent bag for disposal. The material will be removed at the end of the count and received by a member of the security department for disposal.

Y. SURVEILLANCE STANDARDS - VIDEO LOTTERY TERMINALS

1. Every video lottery terminal located in the gaming facility will be able to be viewed by at least one pan-tilt-zoom camera.

2. The top of every video lottery terminal will contain a number readily observable by a surveillance camera for the purpose of identifying a particular device.

3. Fixed cameras will be placed to view all banks of two or more progressive electronic gaming devices to include clarity to identify game play and jackpot results. This video footage will be taped on a 24-hour basis to a dedicated recording device.

4. The locked and secure storage area for slot printer paper stock and EPROM's will be under a fixed camera.

Z. SLOT AUDIT PROCEDURES *The following standards apply for gaming operations that employ such systems:*

1. For computerized jackpot/fill systems, accounting/auditing employees will perform the following procedures at least one day per month:

a. Foot jackpot and fill slips for all cashiers and trace totals to those produced by the system; and

b. Review all slips written (from the restricted copy) for continuous sequencing.

2. For computerized player tracking systems, an accounting/auditing employee will perform the following procedures at least one day per month:

a. Foot all points-redeemed documentation and trace to the system-generated totals.

b. Review all points-redeemed documentation for propriety.

3. For computerized slot monitoring systems, procedures are performed at least monthly to verify the continuing accuracy of the meter readings as recorded in the slot statistical report.

4. For weigh scale interface systems, for at least one-drop period per month, accounting/auditing employees will compare the weigh tape to the system-generated weigh, as recorded in the slot statistical report, in total. Discrepancies should be resolved prior to generation/distribution of slot reports.

5. For currency acceptors, for each drop period, accounting/auditing personnel will compare the "bill-in" meter reading to the currency acceptor drop amount. Discrepancies should be resolved prior to generation/distribution of slot statistical reports.

6. Accounting/auditing employees review exception reports for all computerized slot systems on a daily basis for propriety of transactions and unusual occurrences.

7. All slot auditing procedures and any follow-up performed is to be documented and retained for a minimum of twelve months.

SECTION VIII
CHIPS AND TOKEN INTEGRITY

A. CHIPS AND TOKENS

1. Use of Chips and Tokens: Chips and tokens are solely representative of value which evidence a debt owed to their custodian by the Tribe that issued them and are not the property of anyone other than the Tribe.

2. A Tribe that utilizes chips or tokens at its gaming establishment will:

a. Issue chips or tokens only to patrons of its gaming establishment;

b. Promptly redeem its own chips and tokens from its patrons by cash or check drawn on an account of the Tribe;

c. Post conspicuous signs at its establishment notifying patrons that the use of the Tribe's chips or tokens outside the establishment for any monetary purpose whatever is prohibited, and that the chips or tokens issued by the Tribe are the property of the Tribe only; and.

d. Promotional chips and tokens may be used for promotions and tournaments as long as each chip and token (with a numerical figure) conspicuously bears the inscription "No Cash Value".

B. REDEMPTION AND DISPOSAL OF DISCONTINUED CHIPS AND TOKENS

1. A Tribe that permanently removes from use or replaces chips or tokens at its gaming establishment, or that ceases operating its gaming establishment, will redeem within the period designated by the Tribe discontinued chips or tokens that remain outstanding at the time of discontinuance.

2. The destruction or defacing of chips and tokens will be witnessed by representatives of the management, security and accounting departments and the documentation thereof maintained for three years.

SECTION IX
KENO (MANUAL)

A. PHYSICAL CONTROLS OVER EQUIPMENT UTILIZED

1. The keno write and desk area is restricted to specified.

2. There is effective periodic maintenance planned to service keno equipment.

3. Keno equipment maintenance is independent of the keno function.

4. Keno maintenance reports irregularities to management personnel independent of keno, either in writing or verbally.

B. GAME PLAY STANDARDS

1. The individual controlling inside tickets either:

   a. Is precluded from writing and making payouts, including during writers break periods; or

   b. Has all winning tickets written by him with payouts exceeding $25 verified, re-graded, and compared to the inside ticket by another keno employee. Additionally, this individual writes tickets out of his own writer's station and bank (unless a community bank is used).

2. At no time shall a keno game with annual write greater than $500,000 be operated by one person.

3. Both inside (ticket presented by customer for play) and outside (receipt ticket given customer by keno writer) keno tickets are stamped with the date, ticket sequence number, and game number (as applicable to the system being used). The ticket will indicate that it is a multi-race ticket (if applicable).

4. The game openers and closers are stamped with the date, ticket sequence number, and game number. An alternative that provides the same controls is acceptable.

5. Controls exist to ensure that inside tickets have been received from outstations prior to calling of a game.

6. Controls exist to prevent the writing and voiding of tickets after a game has been closed. A ticket may be canceled or voided provided it is canceled from the system prior to the start of the game.

7. A legible restricted copy of written keno tickets is created (carbonized locked box copy, microfilm, videotape, etc.) for, at a minimum, all winning tickets exceeding $30. If there are no restricted copies of winning tickets of $30 or less, then the desk person does not write tickets.

8. Procedures are established for locking out or closing down all mechanisms for ticket writing/filming and time stamp equipment while keno balls for that race are being selected.

9. When it is necessary to void a ticket that contains the sequence number, the ticket is designated as "VOID" and initialed or signed by at least one person.

C. NUMBER SELECTION

1. A video camera is utilized to film the following both prior to, and subsequent to, the calling of a game: Empty rabbit ears, date and time, game number, and full rabbit ears.

2. The videotape picture of the rabbit ears on the camera provides a legible identification of the numbers on the balls drawn. These tapes will be maintained for a minimum of seven days.

3. Keno personnel will produce a draw ticket as numbers are drawn, and such tickets contain the race number, numbers drawn and date. The draw ticket is verified to the balls drawn by a second keno employee.

4. Procedures are in effect that prevents unauthorized access to keno balls in play.

5. Backup keno ball inventories are secured in a manner to prevent unauthorized access.

6. Effective procedures are established for inspecting new keno balls put into play as well as for those in use.

D. WINNING TICKET VERIFICATION AND PAYMENT

1. All winning tickets are compared with the draw ticket by the writer before being paid, marked with evidence that the ticket was "paid" and marked with the amount of payout.

2. Payouts over a predetermined amount (not to exceed $30) are verified by actual examination of the inside ticket.

3. Winning tickets $1,500 and over also require the following:

   a. Approval of management personnel independent of the keno department evidenced by their signature;

   b. Examination of videotape of "rabbit ears" prior to and after the game is called to determine that the same numbers called were not left up from the prior game and to verify the accuracy of the draw ticket;

   c. Regrading of the inside ticket and comparison of both the winning ticket presented for payment and the inside ticket to the restricted copy (machine copy, microfilm, videotape, etc.); and

   d. Procedures described above are documented for later verification and reconciliation by the keno audit process on a ball check form.

4. Published payoff schedules will be made available to the public at all times throughout the facility and in a conspicuous place immediately adjacent to the game.

5. A player is eligible to receive only the highest prize per game played on a ticket.

E. CHECK OUT STANDARDS

1. A cash summary report (count sheet) is prepared for the end of every shift that includes:

   a. Computation of cash proceeds for the shift by bank (i.e., community bank or individual writer banks, whichever is applicable); and

   b. Signatures in ink of two employees who have verified the cash proceeds recorded in the above computation.

F. STATISTICS

1. Records are maintained which include (for each game) win, write, and win-to-write hold percentage for:

   a. Each shift;

   b. Each day;

   c. Month-to-date; and

   d. Year-to-date.

2. Non-keno management reviews keno statistical information at least on a monthly basis and investigates any large or unusual statistical fluctuations.

3. Such investigations are documented and maintained for a minimum of twelve months.

G. KEY CONTROL

1. Keys to locked box tickets are maintained by a department independent of the keno function.

2. A member of the security department is required to accompany such keys to the keno area and observe repairs or refills each time locked boxes are accessed.

3. The master panel, which safeguards the wiring that controls the sequence of the game is locked at all times to prevent unauthorized access.

4. Master panel keys are maintained by a department independent of the keno function.

5. A member of the security department is required to accompany such keys to the keno area and observe repairs, etc., each time the master panel is accessed.

6. Microfilm machine keys are maintained by personnel who are independent of the keno writer function.

7. A member of the security department is required to observe each time the microfilm machine is accessed by keno personnel.

8. Keno equipment discussed above is always locked when not being accessed. The keys to this locked area will be maintained in a double lock box designated for key storage.

9. All electrical connections are wired in such a manner to prevent tampering.

10. Duplicate keys to the above areas are maintained independently of the keno department.

H. KENO AUDIT

1. The keno audit function is independent of the keno department.

2. Keno audit personnel foot write (either inside ticket or restricted copy) and payouts (customer copy) to arrive at an audited win/loss by shift.

3. Keno audit personnel obtain an audited win/loss for each bank (i.e., individual writer or community bank).

4. The keno receipts (net cash proceeds) are compared with the audited win/loss by keno audit personnel.

5. Major cash variances (i.e., overages or shortages in excess of $25) noted in the proceeding comparison are investigated on a timely basis.

6. On a sample basis (for at least one race per shift or ten races per week) keno audit personnel perform the following, where applicable:

   a. Re-grade winning tickets utilizing the payout schedule and draw tickets and compare winning tickets (inside and outside) to restricted copies (locked box

copy; developed microfilm, videotape, etc.) for 100% of all winning tickets of $100 or greater and 25% of all winning tickets under $100 for those races selected; and

b. Either review sequential numbering on inside tickets (microfilm and videotape systems) to ensure that tickets have not been destroyed to alter the amount of write, or computer write from developed film and compare to write computed from inside tickets.

c. Review restricted copies for blank tickets and proper voiding of voids.

7. In addition to the above audit procedures, when a keno game is operated by one person:

   a. At least 25 percent (25%) of all other winning tickets are regraded;

   b. At least 10 percent (10%) of all tickets are traced to the restricted copy; and

   c. Film of rabbit ears is randomly compared to draw tickets for at least 25 percent (25%) of the races.

8. Draw tickets are compared to "rabbit ears" film for at least five races per week with payouts that do not require draw ticket verification independent of the keno department. (The draw information can be compared to the rabbit ears at the time the balls are drawn provided it is done without the knowledge of keno personnel and it is subsequently compared to the keno draw ticket.)

9. Documentation (e.g., logs, checklists, etc.) is maintained evidencing the performance of all keno audit procedures.

10. Non-keno management reviews keno audit exceptions, performs investigations into unresolved exceptions and documents results.

I. MISCELLANEOUS

1. Copies of all keno tickets and the videotape of the rabbit ears are maintained for at least seven (7) days.

2. All copies of winning keno tickets of $1,500 or more are maintained for a minimum of twelve months. This includes restricted copies and ball check forms.

J. MULTI-RACE

1. Procedures are established to notify keno personnel immediately of large multi-race winners to ensure compliance with Standard #D.3. - Winning Ticket Verification and Payment.

2. Controls exist to ensure that keno personnel are aware of multi-race tickets still in process at the end of a shift.

SECTION X
KENO (COMPUTERIZED)

A. MAINTENANCE

1. There is effective maintenance planned to service keno equipment, including computer program updates, hardware servicing, and keno ball selection equipment (e.g., service contract with lessor).

2. Keno equipment maintenance (excluding keno balls) is independent of the keno function.

3. Keno maintenance reports irregularities to management personnel independent of keno.

B. GAME PLAY STANDARDS

1. The computerized customer ticket includes the date, game number, conditioning, ticket sequence number and the station number (including multi-race if applicable).

2. Concurrently with the generation of the ticket the information on the ticket is recorded on a restricted transaction log or computer storage media.

3. When it is necessary to void a ticket, the void information is input in the computer and the computer documents the appropriate information pertaining to the voided wager (i.e., void slip is issued or equivalent documentation is generated).

4. Controls exist to prevent the writing and voiding of tickets after a race has been closed and after the number selection process for that race has begun. A ticket may be canceled or voided provided it is canceled from the system prior to the start of the game.

5. The controls in effect for tickets prepared in outstations (if applicable) are identical to those in effect for the primary keno game.

6. Keno tickets will be sold only during the hours of operation of the gaming facility. The selection of winning numbers will take place at established intervals.

C. NUMBER SELECTION: RABBIT EAR SYSTEM

1. A video camera is utilized to film the following both prior to, and subsequent to, the calling of a game:

   a. Empty rabbit ears;

   b. Date and time;

   c. Game number; and

   d. Full rabbit ears.

2. The videotape picture of the rabbit ears on the camera provides a legible identification of the numbers on the balls drawn.

3. Keno personnel immediately input the selected numbers in the computer and the computer documents the date, game number, the time the game was closed and the numbers drawn.

4. Procedures are in effect that prevents unauthorized access to keno balls in play.

5. Backup keno ball inventories are itemized and secured in a manner to prevent unauthorized access. When a complete set of keno balls is replaced, the used balls will be destroyed.

6. Effective procedures are established for inspecting new keno balls put into play as well as for those in use.

D. NUMBER SELECTION: RANDOM NUMBER GENERATOR

1. The random number generator is linked to the computer system and directly relays the numbers selected into the computer for preparation of a draw ticket without manual input.

2. The number generating device will meet the requirements of the Tribal-State Compact and these minimum standards pertaining to contracts with manufacturers and suppliers, security, terminal specifications, equipment testing, procurement, duties of manufacture and requirements for randomness testing.

E. WINNING TICKET VERIFICATION AND PAYMENT

1. The sequence number of tickets presented for payment is input into the computer, and the payment amount generated by the computer is given to the patron.

2. Procedures are established to preclude payment on tickets previously presented for payment, unclaimed winning tickets (sleepers) after a specified period of time, voided tickets, and tickets which have not been issued.

3. All payouts are supported by the customer (computer-generated) copy of the winning ticket (payout amount is indicated on the customer ticket or a payment slip is issued.)

4. A manual report is produced and maintained documenting any payments made on tickets that are not authorized by the computer.

5. Winning tickets $1,500 and over also require the following:

   a. Approval of a department supervisor independent of Keno evidenced by their signature.

   b. Retention by surveillance of the tape for seven days in order to verify the legitimacy of the draw and the accuracy of the draw ticket.

   c. Comparison of the winning customer copy to the computer reports.

   d. Regrading of the customer copy using the payout schedule and draw information.

   e. Documentation of the performance of all of the above on a ball check (or proof of win) form. Alternatively, if the computer adequately records the above, the resulting documentation may be substituted.

6. When one person operates the keno game, all winning tickets in excess of an amount to be determined by management (not to exceed $1,500) will be reviewed and authorized by someone independent of the keno department.

7. Published payoff schedules will be made available to the public at all times throughout the facility and in a conspicuous place immediately adjacent to the game.

8. A player is eligible to receive only the highest prize per game played on a ticket.

F. CHECK OUT STANDARDS

1. A cash summary report (count sheet) is prepared for each shift which includes:

   a. Computation of cash proceeds for the shift by bank (i.e., community bank or individual writer banks, whichever is applicable); and

   b. The signature of at least two employees who have verified the cash proceeds recorded in the above computation.

G. STATISTICS

1. Records are maintained which include win and write by either individual writer for each shift or for each race during the shift.

2. Records are maintained which include win, write, and win-to-write hold percentage for:

   a. Each shift;

   b. Each day;

   c. Month-to-date; and

   d. Year-to-date.

3. Non-keno management reviews keno statistical information at least on a monthly basis and investigates any large or unusual statistical fluctuations.

4. Such investigations are documented and maintained.

H. SYSTEM SECURITY STANDARDS

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

2. Keys to sensitive computer hardware in the keno area are maintained by a department independent of Keno.

3. A member of the security department is required to accompany such keys to the keno area and observe changes or repairs each time the sensitive areas are accessed.

I. DOCUMENTATION

1. Adequate documentation of all pertinent keno information is generated by the computer system.

2. This documentation is restricted to authorized personnel.

3. The documentation is to include, at a minimum:

   a. Ticket information duplicated;

   b. Payout information;

   c. Race information (number, ball draw, time, etc.);

   d. System exception information, including:

      i. Voids;

      ii. Late pays; and

      iii. Appropriate system parameter information (i.e., changes in pay tables, ball draws, payouts over a predetermined amount, etc.).

   e. Personnel access listing that includes at a minimum:

      i. Employee name;

      ii. Employee identification number; and

      iii. Listing of functions employee can perform or equivalent means of identifying the same.

J. KENO AUDIT

1. The keno audit function is independent of the keno department.

2. For at least one shift every other month keno audit performs the following:

   a. Foot the customer copy of the payouts and trace the total to the payout report.

   b. Re-grade at least one percent (1%) of the winning tickets using the payout schedule and draw ticket. (This procedure can be reduced if an adequate

alternative software analysis is performed to the satisfaction of the Audit Division).

3. Keno audit also performs the following:

   a. On a sample basis (a minimum of five races per week) compare the film of the rabbit ears to the draw ticket (or equivalent document) and computer transaction summary;

   Note: If a random number generator is used, then at least weekly the number generator report is reviewed for potential numerical patterns.

   b. Compare net cash proceeds to the audited win/loss by shift and investigate any large cash overages or shortages (i.e., in excess of $25);

   c. Review and re-grade all winning tickets greater than or equal to $3,000, including all forms that document that the proper authorizations and verifications were obtained and performed;

   d. Review the documentation for payout adjustments made outside the computer and investigate large and frequent payments; and

   e. Review all other pertinent documentation, as applicable (i.e., system exception information, etc.).

4. When one person operates the keno game:

   a. All winning tickets in excess of $100 and at least five percent (5%) of all other winning tickets (inside and customer copies) are re-graded and traced to the computer payout report;

   b. Videotape of rabbit ears is randomly compared to computer draw tickets for at least ten percent (10%) of the races during the shift (not applicable for a random number generator); and

   c. Keno audit personnel review winning tickets for proper authorization pursuant to Standard #E.5. - Winning Ticket Verification and Payment.

5. In the event any person performs the writer and deskman functions on the same shift, the procedures described in Standard 4 (a) and 4 (b) above (using the sample sized indicated) are performed on tickets written by that person.

6. Documentation (i.e., a log, checklist, etc.) is maintained evidencing the performance of all keno audit procedures.

7. Non-keno management reviews keno audit exceptions, and performs and documents investigations into unresolved exceptions.

K. MISCELLANEOUS

1. Copies of all keno tickets, computer storage media, and the videotape of rabbit ears are maintained for at least seven days.

2. All copies of winning keno tickets of $1,500 or more are maintained for inspection. This includes restricted copies.

L. MULTI-RACE

1. Procedures are established to notify keno personnel immediately of large multi-race winners to ensure compliance with Standard #E.5. - Winning Ticket Verification and Payment.

2. Controls exist to ensure that keno personnel are aware of multi-race tickets still in process at the end of a shift.

SECTION XI
PARI-MUTUEL & OFF-TRACK

A. SYSTEM SECURITY STANDARDS

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

2. Procedures have been developed for use in case of hardware failure, power failure, fire, etc.

B. BETTING TICKET AND EQUIPMENT STANDARDS

1. All Pari-Mutuel and Off-Track wagers will be transacted through a computer system.

C. WAGERING STANDARDS

1. Whenever a betting station is opened for wagering or turned over to a new writer/ cashier, the betting ticket writer/ cashier signs on and the computer documents the writer's/ cashier's identity, the date and time, and the fact that the station was opened on either the unused ticket that is first in sequence or in a separate report.

2. Whenever the betting station is closed or the writer/ cashier is replaced, the writer/ cashier signs off and the computer documents the date and time, and the fact that the station was closed out on either the unused ticket that is next in sequence after the last ticket written or in a separate report.

3. Upon accepting a wager a betting ticket is created which consists of at least three parts:

   a. An original which is transacted and issued through a printer and given to the patron; and

   b. A copy which is recorded concurrently with the generation of the original ticket either on paper or other storage media (e.g., tape or diskette); and

   c. An internally recorded copy to which access by employees is adequately restricted.

4. If a writer/ cashier voids a betting ticket then:

   a. The word "void" is immediately written/stamped and the date and time at which the ticket was voided is stamped on the original; and

   b. The writer/ cashier and the supervisor sign the ticket at the time of voiding.

5. The computer system will adequately document supervisory approval for appropriate transactions, as applicable.

D. PAYOUT STANDARDS

1. Prior to making payment on a ticket the writer/ cashier shall input the ticket for verification and payment authorization.

2. Upon computer authorization of payment the patron is paid, the patron's copy is marked "paid," noted with the amount of payment, and date stamped.

E. CHECKOUT STANDARDS

1. For each writer/ cashier station:

   a. The system indicates the amount of cash that should be in a given drawer.

   b. Writers/ cashiers are not permitted access to this information without supervisory approval.

2. For each writer/ cashier station a summary report is completed at the conclusion of each shift including:

   a. Computation of net cash proceeds for the shift; and

   b. Signatures of two employees who have verified the cash turned in for the shift.

3. For each writer/ cashier station a summary report is completed at the conclusion of each shift including:

   a. Computation of cash turned in for the shift; and

   b. Signatures of two employees who have verified the cash turned in for the shift.

F. COMPUTER REPORTS

1. At least the following types of reports are maintained (if applicable):

   a. Write transaction report;

   b. Payout transaction report;

   c. Results report;

   d. Futures report;

   e. Unpaid winners report;

   f. Exception report (e.g., past-post voids, past-post writes, voids, odds changes);

   g. Daily recap report; and

   h. Personnel access listing.

G. ACCOUNTING AND AUDIT FUNCTIONS

1. The Pari-Mutuel and Off-Track accounting and audit procedures shall be performed by personnel who are independent of the transactions being audited/accounted for.

2. Documentation shall be maintained evidencing the performance of all accounting and auditing procedures performed.

SECTION XII
GLOSSARY

Accounting Department
Is that established in the tribal gaming operation's system of organization in accordance with these standards.

Actual Hold
Means coins-in and cash-in less coins-out and cash ticket payouts, less manual payouts less hopper fills.

Bank (Bankroll)
The inventory of currency, coins, chips and tokens in the cage, pit area, change booths, electronic gaming devices and on the playing tables used to make change and pay winning bets.

Base Jackpot
The fixed, minimum amount of a progressive gaming or electronic gaming device payout for a specific combination.

Base Level
The table games hold percentages that are calculated from the previous business year and are used to compare current table games hold percentages.

Bill Validator Box
Means a locked container securely attached to the electronic gaming device for the purpose of collecting bills. The machine number is clearly visible on the box.

Bill Validator Box Rack
Means a locked cabinet or rack where bill validator boxes are securely stored when not attached to an electronic gaming device.

Booth Cashier
An employee who is the custodian of a change booth fund.

Boxman
A pit supervisor assigned to an individual craps table.

Cage
A secure work area within the gaming facility for cashiers and a storage area for the gaming facility bankroll.

Cage Cashiers
Are the cashiers performing any of the functions in the Cashier's Cage as set forth in these standards.

Calibration Module
The section of a weigh scale used to set the scale to a specific amount or number of coins to be counted.

Card Game
A game in which the gaming facility is not party to wagers and from which the gaming facility receives compensations in the form of a rake-off, a time buy-in, or other fee or payment from a player for the privilege of playing, and include but is not limited to the following: poker, bridge, whist, solo and panguingui.

Cash Count Sheet
The form used to record the contents of the bankroll as they are counted.

Cash Equivalent
Means a treasury check, personal check, travelers check, wire transfer of funds, money order, certified check, cashiers check, a check drawn on the tribal gaming operation payable to the patron or to the tribal gaming operation, or a voucher recording cash drawn against a credit card or charge card.

Cash Loads
The initial currency, coins, chips, and tokens issued from a bankroll to a gaming table or an electronic gaming device.

Cashier's Count Sheet (check out sheet)
An itemized list of the components that make up the cage accountability.

Cashier's Count Sheet Reconciliation
A detailed reconciliation of the beginning to the ending cage accountability.

Change Booth
A booth or small cage in the gaming area that is used to provide change to customers store change banks, make electronic gaming device fills, account for jackpot payouts and make gaming receipt payouts.

Change Person
A person who has an imprest fund of coins, tokens and currency for making change for customers.

Chip
Means a non-metal or partly metal representative of value issued by a Tribe for use at table games.

Chip and Token Float
Means the dollar value of chips and tokens held by customers.

Class II
Means Class II gaming as defined in the Indian Gaming Regulatory Act.

Class III
Means Class III gaming as defined in the Indian Gaming Regulatory Act.

Closer
Means the original of the table inventory slip upon which each table inventory is recorded at the end of each shift.

Coins-In
Means the total amount wagered which includes physical coins-in and credits played. See also Handle.

Combined Pari-Mutuel Pools, or "Combined Pools"
Means the pari-mutuel wagers at one or more off-track wagering facilities being contributed into the pari-mutuel pools of a host association.

Commission
Means the Tribal Gaming Commission.

Compact
Means the Tribal-State of Oregon Gaming Compact adopted pursuant to the Indian Gaming Regulatory Act, 25U.S.C. s2706 et seq.

Count
The total funds counted for a particular game, electronic gaming device, shift, or other period.

Counter Game
Means keno, race and sports book and off-course mutuel wagering.

Credit
Means the smallest unit of value that may be used to play a game on an electronic game of chance or that may be redeemed in currency.

Credit Slip (known as a "Credit")
Is the document reflecting the removal of gaming chips from a gaming station in accordance with these standards.

Customer Deposits
The amounts placed with a cage cashier by customers for the customers' use at a future time.

Dealer
An employee who conducts a table game in a gaming facility.

Distributor
Means a person who obtains an electronic game of chance from a manufacturer and who intends to furnish it to the Tribe.

Drop
In table games, it is the total amount of cash and chips contained in the drop box. In electronic gaming devices, the "drop is the total amount of money removed from the drop bucket and bill validator box.

Drop Box
Is the metal container attached to a gaming station for deposit of cash drop/rake and certain documents received at a gaming station as provided by these standards. The game type, table number, and shift are indicated on the box.

Drop Bucket
A container located beneath an electronic gaming device for the purpose of collecting coins and tokens from the device.

Drop Count Card
A document prepared by the count team to record the amount of cash or chips by denomination, in a drop box.

Electronic Gaming Device
Means a microprocessor-controlled electronic device which allows a player to play games of chance, some of which are affected by skill, which device is activated by the insertion of a coin, token or currency, or by the use of a credit, and which awards game credits, cash, tokens, or replays, or a written statement of the player's accumulated credits, which written statements are redeemable for cash. A video lottery terminal.

Electronic Gaming Devices Supervisor
An individual with responsibility for electronic gaming device area and jackpots but does not include a person within the security department.

EPROM
Means an erasable programmable read only memory chip.

False Drop
The amount of cash or cash equivalents used to purchase chips at a gaming table at which the customer does not play.

Fill
A transaction whereby a supply of chips, coins and tokens is transferred from a bankroll to a table or an electronic gaming device.

Fill Slip (known as a "fill")
Is the document reflecting the distribution of gaming chips to a gaming station as provided in these standards.

Fiscal Year
Means the annual period used by a Tribe for internal accounting for its gaming operations.

Floor Person
For tables games, the first-level supervisor responsible for the operation and conduct of a game. In electronic gaming devices, the supervisor who approves jackpots and observes floor activity.

Foreign Chips
Chips that are redeemed for money or house chips by other than the issuing gaming facility.

Game Bankroll (table bankroll)
The inventory of gaming chips and tokens stored in the chip tray for each table game. Game bankrolls may be under the control of the bankroll or under separate general ledger controls.

Gaming Facility
Means any gaming facility as defined in the Compact in which a tribal gaming operation is conducted.

Gaming Facility Supervisor
Is a reference to a person in a supervisory capacity and required to perform certain functions under these standards, including but not limited to, Slot Managers, Slot Shift Supervisors, Lead Slot Technicians, Keno Managers, Keno Supervisor, Pit Bosses, Gaming Facility Shift Managers, the Assistant Gaming Facility Manager and the Gaming Facility Manager.

General Manager
Is the senior executive of the tribal gaming operation exercising the overall management or authority over all the operations of the tribal gaming operation and the carrying out by employees of the tribal gaming operation of their duties'.

Gross Gaming Revenue
The net win from gaming activities, which is the difference between gaming wins and losses before deducting costs and expenses.

Handle
The total amount wagered.

Hard Count
The count of the contents in a drop bucket.

Hold
See gross gaming revenue.

Hold Percentage
The relationship of hold to drop or handle.

Host, Host Association, or Host Track
Means the racetrack conducting a licensed race meet that is being simulcast.

House
A gaming facility.

House Bank Game
Each player opposes the gaming facility and the gaming facility opposes each player on behalf of the Tribe.

Imprest Basis
Means the basis on which Cashier's Cage funds are replenished from time to time by exactly the amount of the net expenditures made from the funds and amounts received and in which a review of the expenditure is made by a higher authority before replenishment.

Incompatible Function
Means a function, for accounting and internal control purposes, that places any person or department in a position to both perpetrate and conceal errors or irregularities in the normal course of his or her duties. Anyone both recording transactions and having access to the relevant assets is in a position to perpetrate errors or irregularities.

Independent Accountant
Means a professional accountant suitably qualified and sufficiently independent to act as auditor of the tribal gaming operation.

Inspector
Means an employee of the Tribal Gaming Commission duly appointed by the Commission as an inspector.

Intrastate Wagering
Means pari-mutuel wagering at an off-track wagering facility on Oregon racing events being run at an Oregon host association.

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

Jackpot Payout Slip
A form on which the portion of a jackpot paid by gaming facility personnel is recorded.

Junket Office
A satellite office of a gaming facility that organizes trips (travel) to the gaming facilities.

Key Control Ledger
A ledger which authorized personnel sign to receive keys to sensitive areas, such as drop boxes, count room and cashier's cage.

Key Employee
As defined by the Tribal-State Compact agreement.

Leakage Current
Means an electrical current which flows when a conductive path is provided between exposed portions of an electronic gaming device and the environmental electrical ground when the electronic gaming device is isolated from the normal AC power ground.

Limit
The maximum amounts that a customer may wager at a particular table.

Logs
Document used for recording and tracking information and activity.

Machine Payout
The amount paid out to the customer by a coin/currency operated gaming device as the result of a winning combination.

Manufacturer
Means a person who manufactures, produces, or assembles an electronic game of chance, and who intends to furnish it to a distributor or the Tribe.

Master Game Report
(Game count sheet, stiff sheet, pit report) a form used to record, by shift and day, each table games' winnings and losses. This form reflects the opening and closing table inventories, the fills and credits, and the drop and win.

Matrix
Computer operated unit used to receive video signals from a camera and then routes those signals to a viewing monitor.

Meter
An electronic or a mechanical apparatus in an electronic gaming device. 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.

Meter Reading Summary
A report reflecting the meter readings on electronic gaming devices. The number is recorded when the drop bucket and/or bill validator is removed from the cabinet.

Monitor
Television type viewing unit used specifically for closed circuit television.

Non-House Banking Card Game
Means a card game where the house does not participate in or have any interest in the outcome of the wager.

Off-Track Wagering
Means pari-mutuel wagering conducted on a race at a location other than the racecourse where the race is actually held.

Off-Track Facility, Intrastate Wagering Facility or Extended Wagering Facility
Means physical premises utilized for the conduct of pari-mutuel wagering on racing events being run elsewhere.

Opener
Means the duplicate copy of the table inventory slip upon which each table inventory is recorded at the end of each shift and serves as the record of each table inventory at the beginning of the next succeeding shift.

Oregon State Police
Means those members of the Oregon State Police, or their designated agents, specifically assigned by the Superintendent of State Police to tribal gaming regulatory duties.

Paid Outs
The total amount of money paid to customers as winnings on various games.

Pan-Tilt-Zoom (PTZ)
A camera that has the capabilities of panning 360 degrees right to left, up and down, and focusing closer to specific area.

Par Sheet
Means a document, provided by the electronic gaming device manufacturer, which depicts the possible outcomes from the play of an electronic gaming device, the probability of occurrence of each, and the contribution of each winning outcome to the payback percentage of the electronic gaming device.

Payout
The amount paid out on a winning wager.

Payout Schedule
(Award schedule card, award schedule) a statement printed on cards, paper, Plexiglas, and so on, of the payoffs or awards applicable to a particular game or device.

Pit
Means the area enclosed or encircled by an arrangement of table gaming stations in which gaming facility personnel administer and supervise the games played at the tables by the patrons located on the outside perimeter of the area.

Pit Clerk
Can be an employee in the pit who reports to the cage cashier and who prepares documentation such as requests for fills and credits, etc.

Pit Supervisor
The employee who supervises all games in a pit.

Player
Means one person to whom a hand has been dealt.

Policy
A plan or course of action designed to influence and determine decisions and actions.

Procedure
A way of performing, or a method used, in dealing with the affairs of a business.

Progressive Controllers
A progressive controller is any collateral or support equipment that links two or more electronic gaming devices to create a value representation on the screen of the gaming device different from the normal values. Progressive jackpot means a gaming machine payoff that increases and over time, solely as a function of funds played on a machine or group of machines.

Progressive Electronic Gaming Machine
An electronic gaming machine, with a payoff indicator, in which the payoff increases as it is played.

Race
Means the individual pari-mutuel race event.

Race Meet
Means the duration of a pari-mutuel race season at each individual racetrack.

Rake
Means the fee the gaming facility charges a customer for using a position at a gaming table.

Ram or "Random Access Memory"
Means the electronic component used for computer work space and storage of volatile information in an electronic gaming device.

Randomness
Means the unpredictability and absence of patter in the outcome of an event or sequence of events.

Random Number Generator
Means hardware, software, or combination of hardware and software devices for the generating number values that exhibit characteristics of randomness.

Recording Device
A video cassette recorder used to record video footage from a camera.

Reel Strip Settings
Setting positions on electronic gaming machine reels so that they correspond to the calibrations regulating winning combinations and payoffs.

Request For Credit
A document prepared by a pit supervisor or pit clerk to authorize the preparation of a credit slip.

Request For Fill
Is the document reflecting the request for the distribution of gaming chips to a table gaming station as provided in these standards.

ROM or "Read Only Memory"
Means the electronic component used for storage of non-volatile information in an electronic gaming device, including programmable ROM and erasable programmable ROM.

Runner
Means a gaming employee who transports chips/cash to and from a gaming table to a cashier.

Runs Test

Means a mathematical statistic that determines the existence of recurring patterns within a set of data.

Security Department
Means a department within, or utilized by, a gaming operation whose employees assist in maintaining compliance with all internal controls but do not participate in operating table games or electronic gaming devices, and do not participate in cashier cage operations.

Security Department Member
Means any person who is a member of the Security Department as provided in the organization of the tribal gaming operation in accordance with these standards.

Shift Boss
(Manager) the executive with overall responsibility for gaming facility operations during a shift.

Shill
Individuals used to encourage poker or other non-house banking card games play or maintain the minimum number of players required to sustain the game. Also, called a proportional player.

Short Pay
A payoff from an electronic gaming device that is less than the listed amount.

Simulcast or Simulcasting
Means live audiovisual electronic signals emanating from a race meeting and transmitted simultaneously with the running of the racing events at that meeting, and includes the transmission of pari-mutuel wagering odds, amounts wagered and payoff on such events; and other racing programming relating to the race animals or participants.

Slip Dispenser (Whiz machine)
A locked device used primarily in a cage to dispense fill and credit slips in numerical sequence.

Slot
A term often used to describe an electronic video lottery terminal.

Soft Count
The count of the contents in a drop box or bill validator.

Standard Chi-Squared Analysis
Means the sum of the squares of the difference between the expected result and the observed result.

Standard Operating Procedure
Refers to an established procedure to be followed in a given situation. Give step by step instructions so that anyone coming into the operation would be able to follow the instructions and actually perform the task.

Stationary Camera
A camera fixed into a set position and can only be moved manually.

Surveillance/Observation Room
Designated area to monitor surveillance equipment.

System of Internal Control
Plan of organization and all of the coordinated methods and measures adopted within a business to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.

Table Chip Tray
A container used to hold coins and chips at a gaming table.

Table Game
Means any Class III game allowed under this Compact except video lottery games, keno, off-race course mutuel wagering, and race and sports book.

Table Game Drop
Means the sum of the total amounts of currency removed from a drop box.

Table Game Win or Loss
Is determined by adding the amount of cash, the amount recorded on the loser removed from a drop box, plus credits, and subtracting the amount recorded on the opener and the total of the amounts recorded on fills removed from a drop box.

Table Inventory
Total coins and chips at a table.

Theoretical Hold
The intended hold percentage or win of an individual electronic gaming device as computed by reference to its payout schedule and reel strip settings.

Theoretical Hold Sheet (Par Sheet)
A form that lists the characteristics of an individual electronic gaming device, such as reel settings, award schedule, number of coins that may be played, number of reels, theoretical hold, and other data applicable to an electronic gaming device.

Tilt Condition
Means a programmed error state for an electric gaming device which occurs when the electronic gaming device detects an internal error, malfunction, or attempted cheating. The electronic gaming device ceases processing the further input, output, or display information other than that indicating the tilt condition itself.

Token
A metal representative of value issued by a tribe for use in electronic gaming devices or at table games at the tribal gaming facility.

Tribal Gaming Operation
Means the economic entity that is licensed by the Tribe, operates the games, receives the revenues, issues the prizes, and pays the expenses involving the Class III games authorized under the Tribal-State Compact. A gaming operation may be operated by a tribe directly; by a management contractor; or, under certain conditions, by another person or other entity.

Tribe
The respective federally recognized Tribe, Band, Nation, Pueblo, Rancheria or any of its authorized entity(s), body(s), official(s), agent(s) or representative(s).

Vault
A secure area within the gaming facility where currency, coins, chips and other sensitive items are stored.

Video Gaming Device/Video Lottery Terminal/VLT
Means gaming equipment that is electric or electronic which plays a game involving an element of prize, chance and consideration, some of which are affected by skill, which device is activated by insertion of currency, or by the use of credit, and which awards game credits, which are redeemable by a written statement or ticket redeemable for cash. The gaming equipment may be linked to a central computer for purposes of security, monitoring, and auditing. An electronic gaming device. (Video gaming device, video lottery terminal, and VLT are all interchangeable.)

Wager
A sum of money or thing of value risked on an uncertain occurrence.

Weigh Count
The value of coins and currency counted by a weigh machine.

Weigh Scale
A scale that calculates (by weight) the amount of money in a given bucket/bags from an electronic gaming device/slot.

Work Papers
Documents containing the evidence to support the auditors or Compact compliance review findings, options, conclusions, and judgements.

Wrap
The procedure of wrapping coins. May also refer to the total amount or value of the wrapped coins.