check, which includes the terms of the lines of credit transaction;
(D) Obtain required signatures;
(E) Determine the amount of the patron’s available lines of credit;
(F) Update the credit balance record at the time of each transaction to ensure that lines of credit issued are within the established limit and balance for that patron; and
(G) Require the agent issuing the lines of credit to be independent of the agent who authorized the lines of credit.

(vii) A policy establishing credit line limit exceptions to include the following:
(A) Identification of the agent(s) authorized to permit a credit line limit to be exceeded;
(B) Authorization thresholds; and
(C) Required documentation.

(viii) A policy governing increases and decreases to a patron’s lines of credit account balances to include the following:
(A) Documentation and record keeping requirements;
(B) Independence between the department that receives the payment and the department that maintains custody of the credit balance for payments made by mail;
(C) Collections;
(D) Periodic audits and confirmation of balances; and
(E) If a collection agency is used, a process to ensure documentation of increases and decreases to the lines of credit account balances.

(ix) A policy governing write-offs and settlements to include:
(A) Identification of agent(s) authorized to approve write-offs and settlements;
(B) Authorization levels for write-offs and settlements of lines of credit instruments;
(C) Required documentation for write-offs and settlements;
(D) Independence between the agent who established the lines of credit and the agent writing off or settling the lines of credit instrument; and
(E) Necessary documentation for the approval of write-offs and settlements and transmittal to the appropriate department for recording and deductibility.

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

§ 543.16 [Reserved]

§ 543.17 What are the minimum internal control standards for drop and count?

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

(b) Count room access. Controls must be established and procedures implemented to limit physical access to the count room to count team agents, designated staff, and other authorized persons. Such controls must include the following:
(1) Count team agents may not exit or enter the count room during the count except for emergencies or scheduled breaks.
(2) Surveillance must be notified whenever count room agents exit or enter the count room during the count.
(3) The count team policy, at a minimum, must address the transportation of extraneous items such as personal belongings, tool boxes, beverage containers, etc., into or out of the count room.

(c) Count team. Controls must be established and procedures implemented to ensure security of the count and the count room to prevent unauthorized access, misappropriation of funds, forgery, theft, or fraud. Such controls must include the following:
(1) For Tier A and B operations, all counts must be performed by at least two agents. For Tier C operations, all counts must be performed by at least three agents.
(2) For Tier A and B operations, at no time during the count can there be fewer than two count team agents in the count room until the drop proceeds have been accepted into cage/vault accountability. For Tier C operations, at no time during the count can there be fewer than three count team agents in the count room until the drop proceeds have been accepted into cage/vault accountability.
(3) For Tier A and B operations, count team agents must be rotated on a routine basis such that the count team is not consistently the same two agents more than four days per week. This standard does not apply to gaming operations that utilize a count team of more than two agents. For Tier C operations, count team agents must be rotated on a routine basis such that the count team is not consistently the same three agents more than four days per week. This standard does not apply to gaming operations that utilize a count team of more than three agents.

(4) Functions performed by count team agents must be rotated on a routine basis.

(5) Count team agents must be independent of the department being counted. A cage/vault agent may be used if they are not the sole recorder of the count and do not participate in the transfer of drop proceeds to the cage/vault. An accounting agent may be used if there is an independent audit of all count documentation.

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

(1) Surveillance must be notified when the drop is to begin so that surveillance may monitor the activities.

(2) At least two agents must be involved in the removal of the drop box, at least one of whom is independent of the card games department.

(4) Once the drop is started, it must continue until finished.

(5) All drop boxes may be removed only at the time previously designated by the gaming operation and reported to the TGRA. If an emergency drop is required, surveillance must be notified before the drop is conducted and the TGRA must be informed within a timeframe approved by the TGRA.

(6) At the end of each shift:

(i) All locked card game drop boxes must be removed from the tables by an agent independent of the card game shift being dropped;

(ii) For any tables opened during the shift, a separate drop box must be placed on each table, or a gaming operation may utilize a single drop box with separate openings and compartments for each shift; and

(iii) Card game drop boxes must be transported directly to the count room or other equivalently secure area by a minimum of two agents, at least one of whom is independent of the card game shift being dropped, until the count takes place.

(7) All tables that were not open during a shift and therefore not part of the drop must be documented.

(8) All card game drop boxes must be posted with a number corresponding to a permanent number on the gaming table and marked to indicate game, table number, and shift, if applicable.

(e) Player interface and financial instrument storage component drop standards.

(1) Surveillance must be notified when the drop is to begin so that surveillance may monitor the activities.

(2) At least two agents must be involved in the removal of the player interface storage component drop, at least one of whom is independent of the player interface department.

(3) All financial instrument storage components may be removed only at the time previously designated by the gaming operation and reported to the TGRA. If an emergency drop is required, surveillance must be notified before the drop is conducted and the TGRA must be informed within a timeframe approved by the TGRA.

(4) The financial instrument storage components must be removed by an agent independent of the player interface department, then transported directly to the count room or other equivalently secure area with comparable controls and locked in a secure manner until the count takes place.

(i) Security must be provided for the financial instrument storage components removed from player interfaces and awaiting transport to the count room.

(ii) Transportation of financial instrument storage components must be performed by a minimum of two agents, at least one of whom is independent of the player interface department.

(5) All financial instrument storage components must be posted with a
number corresponding to a permanent number on the player interface.

(f) Card game count standards.

(1) Access to stored, full card game drop boxes must be restricted to:

(i) Authorized members of the drop and count teams; and

(ii) In an emergency, authorized persons for the resolution of a problem.

(2) The card game count must be performed in a count room or other equivalently secure area with comparable controls.

(3) Access to the count room during the count must be restricted to members of the drop and count teams, with the exception of authorized observers, supervisors for resolution of problems, and authorized maintenance personnel.

(4) If counts from various revenue centers occur simultaneously in the count room, procedures must be in effect to prevent the commingling of funds from different revenue centers.

(5) Count equipment and systems must be tested, with the results documented, at minimum before the first count begins to ensure the accuracy of the equipment.

(6) The card game drop boxes must be individually emptied and counted so as to prevent the commingling of funds between boxes until the count of the box has been recorded.

(i) The count of each box must be recorded in ink or other permanent form of recordation.

(ii) For counts that do not utilize a currency counter, a second count must be performed by a member of the count team who did not perform the initial count. Separate counts of chips and tokens must always be performed by members of the count team.

(iii) Coupons or other promotional items not included in gross revenue must be recorded on a supplemental document by either the count team members or accounting personnel. All single-use coupons must be cancelled daily by an authorized agent to prevent improper recirculation.

(iv) If a currency counter interface is used:

(A) It must be restricted to prevent unauthorized access; and

(B) The currency drop figures must be transferred via direct communications line or computer storage media to the accounting department.

(7) If currency counters are utilized, a count team member must observe the loading and unloading of all currency at the currency counter, including rejected currency.

(8) Two counts of the currency rejected by the currency counter must be recorded per table, as well as in total. Posting rejected currency to a nonexistent table is prohibited.

(9) Card game drop boxes, when empty, must be shown to another member of the count team, to another agent observing the count, or to surveillance, provided that the count is monitored in its entirety by an agent independent of the count.

(10) Procedures must be implemented to ensure that any corrections to the count documentation are permanent and identifiable, and that the original, corrected information remains legible. Corrections must be verified by two count team agents.

(11) The count sheet must be reconciled to the total drop by a count team member who may not function as the sole recorder, and variances must be reconciled and documented.

(12) All count team agents must sign the count sheet attesting to their participation in the count.

(13) A final verification of the total drop proceeds, before transfer to cage/vault, must be performed by at least two agents, one of whom is a supervisory count team member, and one a count team agent.

(i) Final verification must include a comparison of currency counted totals against the currency counter/system report, if any counter/system is used.

(ii) Any unresolved variances must be documented, and the documentation must be part of the final count record forwarded to accounting.

(iii) This verification does not require a complete recount of the drop proceeds, but does require a review sufficient to verify the total drop proceeds being transferred.

(iv) The two agents must sign the report attesting to the accuracy of the total drop proceeds verified.

(v) All drop proceeds and cash equivalents that were counted must be submitted to the cage or vault agent (who
must be independent of the count team), or to an agent independent of the revenue generation source and the count process, for verification. The agent must certify, by signature, the amount of the drop proceeds delivered and received. Any unresolved variances must be reconciled, documented, and/or investigated by accounting/revenue audit.

(14) After verification by the agent receiving the funds, the drop proceeds must be transferred to the cage/vault.
   (i) The count documentation and records must not be transferred to the cage/vault with the drop proceeds.
   (ii) The cage/vault agent must have no knowledge or record of the drop proceeds total before it is verified.
   (iii) All count records must be forwarded to accounting or secured and accessible only by accounting agents.
   (iv) The cage/vault agent receiving the transferred drop proceeds must sign the count sheet attesting to the verification of the total received, and thereby assume accountability of the drop proceeds, ending the count.
   (v) Any unresolved variances between total drop proceeds recorded on the count sheet and the cage/vault final verification during transfer must be documented and investigated.

(15) The count sheet, with all supporting documents, must be delivered to the accounting department by a count team member or an agent independent of the cage/vault. Alternatively, it may be secured so that it is only accessible to accounting agents.

(g) Player interface financial instrument count standards.
   (1) Access to stored full financial instrument storage components must be restricted to:
      (i) Authorized members of the drop and count teams; and
      (ii) In an emergency, authorized persons for the resolution of a problem.
   (2) The player interface financial instrument count must be performed in a count room or other equivalently secure area with comparable controls.
   (3) Access to the count room during the count must be restricted to members of the drop and count teams, with the exception of authorized observers, supervisors for resolution of problems, and authorized maintenance personnel.
   (4) If counts from various revenue centers occur simultaneously in the count room, procedures must be in effect that prevent the commingling of funds from different revenue centers.
   (5) The count team must not have access to amount-in or bill-in meter amounts until after the count is completed and the drop proceeds are accepted into the cage/vault accountability.
   (6) Count equipment and systems must be tested, and the results documented, before the first count begins, to ensure the accuracy of the equipment.
   (7) If a currency counter interface is used:
      (i) It must be adequately restricted to prevent unauthorized access; and
      (ii) The currency drop figures must be transferred via direct communications line or computer storage media to the accounting department.
   (8) The financial instrument storage components must be individually emptied and counted so as to prevent the commingling of funds between storage components until the count of the storage component has been recorded.
      (i) The count of each storage component must be recorded in ink or other permanent form of recordation.
      (ii) Coupons or other promotional items not included in gross revenue may be recorded on a supplemental document by the count team members or accounting personnel. All single-use coupons must be cancelled daily by an authorized agent to prevent improper recirculation.
   (9) If currency counters are utilized, a count team member must observe the loading and unloading of all currency at the currency counter, including rejected currency.
   (10) Two counts of the currency rejected by the currency counter must be recorded per interface terminal as well as in total. Rejected currency must be posted to the player interface from which it was collected.
   (11) Storage components, when empty, must be shown to another member of the count team, to another agent who is observing the count, or to surveillance, provided that the count is monitored in its entirety by an agent independent of the count.
(12) Procedures must be implemented to ensure that any corrections to the count documentation are permanent, identifiable and the original, corrected information remains legible. Corrections must be verified by two count team agents.

(13) The count sheet must be reconciled to the total drop by a count team member who may not function as the sole recorder, and variances must be reconciled and documented. This standard does not apply to vouchers removed from the financial instrument storage components.

(14) All count team agents must sign the report attesting to their participation in the count.

(15) A final verification of the total drop proceeds, before transfer to cage/vault, must be performed by the at least two agents, one of whom is a supervisory count team member and the other a count team agent.

(i) Final verification must include a comparison of currency counted totals against the currency counter/system report, if a counter/system is used.

(ii) Any unresolved variances must be documented and the documentation must remain a part of the final count record forwarded to accounting.

(iii) This verification does not require a complete recount of the drop proceeds but does require a review sufficient to verify the total drop proceeds being transferred.

(iv) The two agents must sign the report attesting to the accuracy of the total drop proceeds verified.

(v) All drop proceeds and cash equivalents that were counted must be turned over to the cage or vault cashier (who must be independent of the count team) or to an agent independent of the revenue generation and the count process for verification. Such cashier or agent must certify, by signature, the amount of the drop proceeds delivered and received. Any unresolved variances must be reconciled, documented, and/or investigated by accounting/revenue audit.

(16) After certification by the agent receiving the funds, the drop proceeds must be transferred to the cage/vault.

(i) The count documentation and records must not be transferred to the cage/vault with the drop proceeds.

(ii) The cage/vault agent must not have knowledge or record of the drop proceeds total before it is verified.

(iii) All count records must be forwarded to accounting secured and accessible only by accounting agents.

(iv) The cage/vault agent receiving the transferred drop proceeds must sign the count sheet attesting to the verification of the total received, and thereby assuming accountability of the drop proceeds, and ending the count.

(v) Any unresolved variances between total drop proceeds recorded on the count room report and the cage/vault final verification during transfer must be documented and investigated.

(17) The count sheet, with all supporting documents, must be delivered to the accounting department by a count team member or agent independent of the cashier’s department. Alternatively, it may be adequately secured and accessible only by accounting department.

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

(1) Each of the following requires a separate and unique key lock or alternative secure access method:

(i) Drop cabinet;

(ii) Drop box release;

(iii) Drop box content; and

(iv) Storage racks and carts.

(2) Access to and return of keys or equivalents must be documented with the date, time, and signature or other unique identifier of the agent accessing or returning the key(s).

(i) For Tier A and B operations, at least two (2) drop team agents are required to be present to access and return keys. For Tier C operations, at least three (3) drop team agents are required to be present to access and return keys.

(ii) For Tier A and B operations, at least two (2) count team agents are required to be present at the time count room and other count keys are issued for the count. For Tier C operations, at least three (two for card game drop box keys in operations with three tables or fewer) count team agents are required to be present at the time count room
§ 543.18 What are the minimum internal control standards for the cage, vault, kiosk, cash and cash equivalents?

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

(b) Check cashing.

(1) If checks are cashed at the cage, the controls must provide for security and integrity. For each check cashing transaction, the agent(s) conducting the transaction must:

(i) Verify the patron's identity;

(ii) Examine the check to ensure it includes the patron's name, current address, and signature;

(iii) For personal checks, verify the patron's check cashing authority and record the source and results in accordance with management policy; however

(iv) If a check guarantee service is used to guarantee the transaction and the procedures required by the check guarantee service are followed, then the above requirements do not apply.

(2) When counter checks are issued, the following must be included on the check:

(i) The patron's name and signature;

(ii) The dollar amount of the counter check;

(iii) Patron's bank name, bank routing, and account numbers;

(iv) Date of issuance; and

(v) Signature of the agent approving the counter check transaction.

(3) Checks that are not deposited in the normal course of business, as established by management, (held checks) are subject to §543.15 lines of credit standards.

(4) When traveler's checks or other guaranteed drafts, such as cashier's checks, are presented, the cashier must comply with the examination and documentation procedures as required by the issuer.