

ARTICLE 11. INTERNAL CONTROL PROCEDURES

Rule 1. General Provisions

68 IAC 11-1-1 Applicability; general provisions

Authority: IC 4-33-4-1; IC 4-33-4-2

Affected: IC 4-33

Sec. 1. (a) This rule applies to riverboat licensees and riverboat license applicants.

(b) The following definitions apply throughout this article:

(1) "Internal auditor" means an individual employed by the riverboat licensee or an affiliate to perform audits of gaming and nongaming operations to ensure proper accounting department controls and adherence to the Act and this title.

(2) "Security department" means the individuals employed by the riverboat licensee to provide security services for the riverboat gambling operation.

(Indiana Gaming Commission; 68 IAC 11-1-1; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2262; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-1-2 Purpose

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 2. The procedures of the internal control system are designed to ensure the following:

(1) Assets of the riverboat licensee are safeguarded.

(2) The financial records of the riverboat licensee are accurate and reliable.

(3) The transactions of the riverboat licensee are performed only in accordance with the specific or general authorization of this article.

(4) The transactions are recorded adequately to permit the proper recording of the adjusted gross receipts, admission fees, and all applicable taxes.

(5) Accountability for assets is maintained in accordance with generally accepted accounting principles.

(6) Authorized personnel have access to assets.

(7) Recorded accountability for assets is compared with actual assets at reasonable intervals, and appropriate action is taken with respect to any discrepancies.

(8) The functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel, and no employee of the riverboat licensee is in a position to perpetuate and conceal errors or irregularities in the normal course of the employee's duties.

(9) Gaming is conducted with integrity and in accordance with the Act and this title.

(Indiana Gaming Commission; 68 IAC 11-1-2; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2262; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-1-3 Submission and approval of internal control procedures

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33; IC 5-14

Sec. 3. (a) At various times throughout this article, the riverboat licensee or riverboat license applicant will be required to submit internal control procedures to the commission. The internal control procedures must be submitted in accordance with this rule.

(b) All internal control procedures must comply with the provisions of the Act and this title.

(c) Submissions of internal control procedures shall be handled in the following manner:

(1) When called for in this article, the riverboat licensee or riverboat license applicant shall submit internal control procedures to the executive director at least sixty (60) days prior to the commencement of gaming operations.

(2) The executive director shall, in writing, approve the internal control procedures, in total or in part.

(3) Any portion of the internal control procedures not approved by the executive director shall be revised and resubmitted by the riverboat licensee or riverboat license applicant within the time period established by the executive director. This method

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shall be followed until all portions of the internal control procedures have been approved, or approval cannot be obtained.

(4) No internal control procedures may be utilized by a riverboat license applicant or a riverboat licensee unless the internal control procedure has been approved, in writing, by the executive director.

(d) If the executive director determines, at any time, that approved internal control procedures are not adequate to ensure compliance with the Act and this title, the executive director may direct the riverboat licensee, in writing, to amend its internal control procedures in accordance with section 4 of this rule.

(e) The riverboat licensee or riverboat license applicant shall stamp or otherwise mark each page of the internal control procedures submitted to the commission with the word "CONFIDENTIAL" if the material submitted is not subject to disclosure under IC 4-33 or IC 5-14, or both. (*Indiana Gaming Commission; 68 IAC 11-1-3; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2262; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-1-4 Amendments to internal control procedures

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 4. Amendments to the internal control procedures shall be handled in the following manner:

(1) Unless otherwise provided by the executive director, amendments to any portion of the internal control procedures must be submitted to the executive director at least thirty (30) days prior to the utilization of the amended internal control procedure.

(2) The executive director shall, in writing, approve the amendment to the internal control procedure, in total or in part.

(3) No amendment to internal control procedures may be utilized by a riverboat licensee unless the amendment to the internal control procedure has been approved, in writing, by the executive director.

(4) The riverboat licensee shall advise the executive director of any change in a scheduled event at least twenty-four (24) hours before the change is instituted. If the time of the scheduled event has to be altered due to an emergency, the riverboat licensee shall notify the commission agent, in writing, immediately, and provide a written explanation for the change to the executive director within twenty-four (24) hours.

(*Indiana Gaming Commission; 68 IAC 11-1-4; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2262; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-1-5 Emergency procedures

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 5. (a) In the event of an emergency, the riverboat licensee may amend an internal control procedure. The commission agent must concur that an emergency exists prior to the amendment of an internal control procedure.

(b) The riverboat licensee shall report any emergency amendment to the internal control procedures to the commission agent immediately.

(c) The riverboat licensee shall submit a description of the amendment to the internal control procedures and the circumstances necessitating the amendment to the executive director within ten (10) business days of the amendment.

(d) As soon as the circumstances necessitating the emergency amendment to the internal control procedures abate, the riverboat licensee shall resume compliance with the approved internal control procedures. (*Indiana Gaming Commission; 68 IAC 11-1-5; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2263; errata filed Jun 20, 1996, 1:15 p.m.: 19 IR 3114; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-1-6 Compliance; failure to comply with internal control procedures

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 6. (a) Riverboat licensees and riverboat license applicants must conduct all operations in accordance with internal control procedures that have been approved, in writing, by the executive director.

(b) Failure to comply with this article may result in the initiation of a disciplinary action under 68 IAC 13. (*Indiana Gaming*

Commission; 68 IAC 11-1-6; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2263; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-1-7 Waiver of requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 7. The executive director or the commission may waive, alter, or restrict any internal control procedure or requirement set forth in this article if the executive director determines that the procedure or requirement is impractical or burdensome and the waiver, alteration, or restriction:

- (1) is in the best interest of the public and the gaming industry;
- (2) is not outside the technical requirements necessary to serve the purpose, requirement, or procedure; and
- (3) will not reduce the integrity of the internal control procedures established by this article.

(Indiana Gaming Commission; 68 IAC 11-1-7; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2263; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-1-8 Reports by the executive director

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 8. The executive director shall report any action he or she has taken or contemplates taking under this article with respect to internal control procedures to the commission at the next meeting held under 68 IAC 1-2-5. The commission may direct the executive director to take additional or different action. *(Indiana Gaming Commission; 68 IAC 11-1-8; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2263; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; filed Sep 30, 2004, 11:05 a.m.: 28 IR 528)*

Rule 2. Drop Bucket Process and Hard Count

68 IAC 11-2-1 General provisions

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 1. (a) The following definitions apply throughout this rule:

- (1) "Drop bucket collection team" means a team of the riverboat licensee's employees that consists of at least two (2) employees of the hard count department or the equivalent and one (1) security officer. The drop bucket collection team shall be responsible for collecting the drop buckets containing tokens from each electronic gaming device at least one (1) time every four (4) days and placing empty buckets into each electronic gaming device.
- (2) "Drop bucket storage cart" means the cart, equipped with a secured compartment, utilized to transport drop buckets during the drop bucket collection process.
- (3) "Electronic gaming device daily report" means a report completed by the hard count team that documents the value of the tokens collected from the drop bucket of the electronic gaming devices. The report shall be completed on a form prescribed by the commission.
- (4) "Foreign token report" means a report completed by the hard count team that documents the value and denomination of tokens collected from the drop bucket of electronic gaming devices and other areas of the riverboat that were not issued by the riverboat licensee. The report shall be completed on a form prescribed by the commission.
- (5) "Hard count team" means a team of the riverboat licensee's employees that consists of at least three (3) employees, including one (1) hard count supervisor or his or her designee. The hard count team shall be responsible for counting and wrapping the tokens collected from the electronic gaming devices.
- (6) "Identification tag" means a tag that has the identification number of an electronic gaming device recorded on it.
- (7) "Wrap" means the procedure of wrapping, bagging, or placing tokens, by denominational amounts, in trays or compartments.
- (b) Members of the drop bucket collection team and the hard count team shall wear clothing that is not conducive to the

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concealment of tokens or currency. Members of the drop bucket collection team and hard count team shall not wear hats.

(c) The drop bucket collection team and the hard count team shall be rotated on a routine basis to ensure the integrity of the drop bucket collection process and the hard count. Members of the drop bucket collection team can be members of the hard count team.

(d) Each drop bucket shall be identifiable to the electronic gaming device from which it was removed by means of an identification tag placed in the bottom of an empty drop bucket and on top of the contents of a drop bucket removed from an electronic gaming device during the drop bucket collection process. An alternative means of identifying the drop buckets may be utilized if approved in accordance with this article.

(e) On days that drop bucket collection and hard count are completed, the riverboat licensee shall designate two (2) separate members of the hard count team to do the following:

(1) Operate the weigh scale device.

(2) Operate the wrapping device.

(f) On the last day of each month, the riverboat licensee shall drop each electronic gaming device and complete a reconciliation of that month's hard drop. (*Indiana Gaming Commission; 68 IAC 11-2-1; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2263; filed Jan 30, 1998, 11:00 a.m.: 21 IR 2059; filed Jun 19, 2000, 10:34 a.m.: 23 IR 2697; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-2-2 Submission of internal control procedure

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 2. (a) The riverboat licensee shall submit a list of employees authorized to participate in the drop bucket collection process and the hard count to the commission agent. These employees must hold an occupational license, Level 2 or higher. Amendments to the list of employees authorized to participate in the drop bucket collection process and the hard count must be submitted to the commission agent as the amendments occur. The employee's name must be submitted to the commission agent before the employee participates in the drop bucket collection or the hard count.

(b) In accordance with 68 IAC 11-1, the riverboat licensee or riverboat license applicant shall submit internal control procedures covering the drop bucket collection and the hard count process to the executive director.

(c) The internal control procedures for the drop bucket collection process and the hard count process shall include, but is not limited to, the following areas:

(1) The times that the drop bucket collection will occur.

(2) The manner in which the drop bucket collection process will proceed, including the location from which the drop bucket collection process will commence.

(3) The manner in which the drop buckets will be identifiable to an electronic gaming device.

(4) The procedure for collecting tokens from an electronic gaming device utilizing trays instead of drop buckets.

(5) Whether counts will be performed manually or by means of a weigh scale or an equivalent device. If a weigh scale or the equivalent is utilized, the manufacturer, type, model number, and serial number shall be listed. Weigh scales or the equivalent shall be approved as associated equipment in accordance with 68 IAC 2-7.

(6) The department that will maintain and control the keys that are necessary to complete the drop bucket collection and hard count process.

(7) Alternative procedures that will be utilized in the case of a malfunction or an emergency.

(8) Describe the security measures to be taken when a drop bucket storage cart holding drop buckets with tokens must be stored outside of the hard count room.

(9) The names and titles of the individuals who will perform the duties of the internal auditor.

(10) The type of backup measures that will be utilized in case the primary system of conducting the drop bucket collection process, hard count, or both, malfunctions.

(11) The measures the riverboat licensee will take to ensure compliance with this article.

(12) Any other information the commission deems necessary to ensure compliance with the Act and this title.

(*Indiana Gaming Commission; 68 IAC 11-2-2; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2264; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-2-3 Hard count room characteristics; security

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 3. (a) The hard count room shall be:

- (1) located in a nonpublic area of the riverboat; and
- (2) designated for weighing, counting, recording, and wrapping the contents of the drop buckets.
- (b) The hard count room shall have the following items, components, or characteristics:
 - (1) There shall be no more than two (2) metal doors to the hard count room. One (1) door shall be designed to accommodate the drop bucket storage cart. The doors must be lockable from outside the hard count room. Individuals inside the hard count room shall be able to open the hard count door from the inside in order to exit the hard count room in case of an emergency.
 - (2) There shall be no windows in the hard count room that can be opened to access the outside of the riverboat.
 - (3) A weigh scale or the equivalent and at least two (2) predetermined standard weights to verify the accuracy of the weigh scale. The riverboat licensee shall test the weights for accuracy at least one (1) time per month.
 - (4) There shall be a telephone in the hard count room that is used only in the case of an emergency to contact:
 - (A) surveillance;
 - (B) security;
 - (C) the commission agent; or
 - (D) any other necessary party.
 - (5) There may be a segregated area of the hard count room known as the unaudited token storage area accessible by a key different than the key that opens the doors to the hard count room for the storage of unaudited tokens. The unaudited token storage area key shall be maintained by the main bank in accordance with 68 IAC 11-7. Riverboat licensees shall not store token inventory in the unaudited token storage area.
 - (6) There shall be a segregated area to store tokens that have been counted but not distributed.
- (c) The riverboat licensee shall take the following security measures with respect to the hard count room:
 - (1) No individual shall carry a pocketbook or other nontransparent container into the hard count room other than containers utilized in the hard count process.
 - (2) Access to the hard count room shall be restricted to the following individuals:
 - (A) Members of the hard count team.
 - (B) Members of the drop bucket collection team.
 - (C) Maintenance personnel and supervisors who are accompanied by security personnel for problem resolution.
 - (D) The internal auditor or equivalent, accompanied by security personnel, in the performance of official duties.
 - (E) Main bank employees in conjunction with official duties of reconciling the hard count.
 - (F) Security personnel in conjunction with official duties.
 - (G) Commission agents in the performance of official duties.
 - (H) Individuals specifically authorized by the commission or commission agents.
 - (3) All of the count procedures conducted in the hard count room must be conducted in full view of the surveillance cameras.
 - (4) There shall be a hand held metal detector known as a wand immediately outside the hard count room. Security shall run the wand about each individual who exits the hard count room. Security shall run the wand near trash removed from the hard count room.
 - (5) Security personnel shall test the wand at least one (1) time every week to determine that it is operating properly. Security shall test the wand at any time that it appears the wand is malfunctioning. Security shall maintain a record that includes the following information and is available to the commission and commission agents upon request:
 - (A) The date on which the wand is tested.
 - (B) The individual that conducts the test.
 - (C) The results of the test.
 - (6) Except for commission agents, no individual shall be permitted to enter or leave the hard count room until the hard count, recording, and verification process are complete except during a normal work break or in an emergency.
 - (7) All vents and duct grating connected to the hard count room shall be secured to ensure that they cannot be removed.
 - (8) The hard count room shall be equipped with equipment that allows the surveillance department to do the following in

accordance with 68 IAC 12-1:

- (A) Monitor and record the entire count process, both audibly and visually.
 - (B) Monitor and record the entire hard count room, both audibly and visually.
 - (C) Monitor and visually record all individuals who enter and exit the hard count room.
 - (D) Monitor and visually record the values that are reflected on the weigh scale after each drop bucket has been weighed.
 - (E) Monitor and record, both audibly and visually, any other activity or area of the hard count room deemed necessary by the commission to ensure compliance with the Act and this title.
- (9) There shall be a sign in the hard count room stating that the activity of any individuals in the hard count room will be monitored and recorded in accordance with this rule and 68 IAC 12-1.
- (10) Keys to the hard count room shall be maintained by the security department in accordance with 68 IAC 11-7. Access to the hard count room shall be gained only by or through a security officer.
- (11) The hard count room shall be designed and built to provide maximum security for the tokens contained in the hard count room and the activities that are conducted in the hard count room.
- (12) Any coin, currency, chips, or tokens found in the hard count room shall become the property of the riverboat licensee and shall be included in the hard count.

(Indiana Gaming Commission; 68 IAC 11-2-3; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2264; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-2-4 Hard count room log

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 4. (a) The riverboat licensee's security department shall maintain a hard count room log that will record ingress to and egress from the hard count room at all times.

(b) Every individual who enters and exits the hard count room shall complete the hard count room log.

(c) The hard count room log shall be maintained in the hard count room and shall contain the following information for each entry into and exit from the hard count room:

- (1) The name, title, and signature of the individual entering the hard count room.
- (2) The date of ingress to and egress from the hard count room.
- (3) The time of ingress to and egress from the hard count room.
- (4) The reason for entry to the hard count room.

(d) The security department shall make the hard count log available to the commission or commission agents for inspection upon request. *(Indiana Gaming Commission; 68 IAC 11-2-4; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2266; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)*

68 IAC 11-2-5 Drop bucket collection

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 5. The drop bucket collection process shall proceed in the following manner:

(1) The drop bucket collection team shall be under the constant observation of a security officer. The security officer shall not handle the tokens.

(2) Surveillance shall be notified at the initiation of the drop bucket collection process. The entire drop bucket collection process shall be monitored and recorded by surveillance. The tape of the drop bucket collection process shall be maintained by the riverboat licensee for a minimum of seven (7) days.

(3) The security officer shall obtain the key to the locked drop bucket compartment from the main bank in accordance with 68 IAC 11-7. The security officer shall turn the key over to the drop bucket collection team member who is designated to access the drop buckets.

(4) The designated hard count team member shall access the drop bucket compartment of each active electronic gaming device and remove the drop bucket. If applicable, an identification tag shall be placed on top of the drop bucket removed from the

electronic gaming device.

(5) If all of the tokens in the drop bucket compartment are not in the drop bucket, the designated hard count team member shall announce "loose tokens" to advise the security officer that he or she will be retrieving the tokens.

(6) The drop bucket that was removed from the electronic gaming device shall be placed in the drop bucket compartment of the drop bucket storage cart for transportation to the hard count room.

(7) Patrons shall be prohibited from using an elevator that is occupied by the hard count team and drop bucket storage cart.

(8) If there is not sufficient room in the unaudited token storage area or the equivalent to place the removed drop buckets, locked drop bucket storage carts may be placed immediately outside the hard count room. A security officer shall attend the locked drop bucket storage cart at all times. The surveillance department shall maintain continual camera surveillance of the drop bucket storage cart during the times it is placed outside the hard count room.

(Indiana Gaming Commission; 68 IAC 11-2-5; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2266; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-2-6 Hard count process

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 6. (a) The hard count process shall not be commenced nor continued unless at least three (3) members of the hard count team are present in the hard count room.

(b) The hard count process shall proceed in the following manner:

(1) The hard count team shall notify surveillance prior to the initiation of the hard count. Surveillance shall visually record the entire hard count process.

(2) A security officer shall give the hard count team access to the hard count room. The hard count room door shall be locked after the hard count team has entered the hard count room.

(3) After the hard count team has entered the hard count room and the door has been locked, no one except commission personnel, individuals specifically authorized by the commission, main bank employees, and drop bucket collection team members who are dropping off drop buckets are allowed access to the hard count room.

(4) Prior to the initiation of the count, the weigh scale in the hard count room shall be tested for accuracy by using predetermined standard weights. Any weigh scale discrepancy of two percent (2%) or more must be resolved to the satisfaction of the hard count supervisor, or his or her designee, prior to the use of the weigh scale. The results of the test weighing shall be documented and retained for a period of one (1) year. The weigh scale test tape shall be signed and dated by the individual who conducted the test.

(c) The hard count shall proceed in the following manner:

(1) The hard count team shall handle only one (1) drop bucket at a time in the following manner:

(A) An individual drop bucket shall be selected and the identification tag displayed to the surveillance camera.

(B) The contents of the drop bucket shall be deposited into the weigh scale device. The electronic gaming device identification number shall be input into the weigh scale either before or after the contents of the drop bucket have been deposited into the weigh scale.

(C) After the contents of the drop bucket have been deposited into the weigh scale device, the empty drop bucket shall be shown to the surveillance camera to verify that all tokens have been deposited.

(D) After the weigh scale settles to a constant value, the value and the electronic gaming device identification number shall be recorded if the identification number has not already been entered into the weigh scale system.

(E) The tokens shall be transferred, automatically or manually, into a token storage bin.

(2) At no time are different denominations of tokens to be commingled.

(3) At the conclusion of the weighing process, a tape of the total weight of each denomination of tokens shall be obtained. These tapes shall be utilized by the appropriate member of the hard count team to complete the appropriate columns of the electronic gaming device daily report. The weigh scale tapes shall be attached to the electronic gaming device daily report. The appropriate hard count team member shall sign and date the appropriate section of the electronic gaming device daily report. The total weight of each denomination of tokens shall not be displayed to the member of the hard count team designated to conduct the physical inventory of the wrapped tokens.

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- (4) At the conclusion of the wrapping process, the appropriate hard count team member shall conduct a physical inventory to determine the value of the wrapped tokens. This member of the hard count team shall enter the totals obtained as a result of the physical inventory in the appropriate columns of the electronic gaming device daily report. This team member shall sign and date the appropriate section of the electronic gaming device daily report.
- (5) After the appropriate team members have made the appropriate entries, the two (2) totals shall be compared.
- (6) Differences between the totals obtained by weight and the totals obtained by physical inventory shall be detailed on the electronic gaming device daily report. Any differences of two percent (2%) or more of the total drop measured by weight or physical inventory, or both, shall be investigated by members of the hard count team. The reason for the variance, if known, shall be entered on the electronic gaming device daily report. If the reason is not known, this shall be noted. The riverboat licensee may require investigations for variances of less than the threshold amount.
- (7) Variances of two percent (2%) or more that are not reconciled through subdivision (6), shall be investigated by the accounting director or designee. The results of the investigation shall be recorded on the electronic gaming device daily report. The accounting director or designee shall sign and date the electronic gaming device daily report. The riverboat licensee may require investigations for variances of less than the threshold amount.
- (8) After the results of the weighing process and physical inventory have been reconciled, all members of the hard count team shall sign and date the appropriate section of the electronic gaming device daily report.
- (9) After the reconciliation has been completed by the hard count team, the main bank cashier shall be contacted. The main bank cashier shall complete an independent physical inventory of all of the wrapped tokens in the presence of at least one (1) hard count team member. The main bank cashier shall not have access to the electronic gaming device daily report until after the completion of the independent physical inventory.
- (10) Any discrepancies between the independent physical inventory and the totals entered on the electronic gaming device daily report shall be investigated by independent recounts conducted by the hard count team and the main bank cashier. If the electronic gaming device daily report was erroneous, it shall be voided and a new electronic gaming device daily report generated with the appropriate signatures. Any voided copy of the electronic gaming device daily report shall be retained and attached to the completed and signed copy of the report.
- (11) After reconciliation of the electronic gaming device daily report and the physical inventory conducted by the main bank cashier, the main bank cashier shall verify the accuracy of and sign and date the electronic gaming device daily report in the appropriate section. When the main bank cashier signs the electronic gaming device daily report, the main bank assumes responsibility for the tokens. The tokens shall be transported to the main bank vault. The transfer shall be observed by at least one (1) security officer.
- (12) The main bank will add the amount of the tokens to the main bank's accountability sheet. One (1) copy of the electronic gaming device daily report shall be forwarded to the main bank.
- (13) The original electronic gaming device daily report, with the weigh scale tapes attached, shall be forwarded to the accounting department upon completion of the hard count process and after transfer of the tokens to the main bank vault.
- (14) The weigh scale in the hard count room shall be monitored by the central computer system for purposes of recording the amounts collected from each drop bucket. All the information sent to the central computer system shall be printed out in the accounting department as backup. The backup printouts shall be maintained by the accounting department for at least one (1) month. Electronic archival data shall be maintained for a period of one (1) year.
- (15) Every three (3) months, the internal auditor, or equivalent, shall verify the accuracy of the weigh scale. The internal auditor, or equivalent, shall notify the commission immediately of any difference of plus or minus two percent (2%). The results of the test weighing shall be documented and retained for a period of one (1) year. The weigh scale test tape shall be signed and dated by the internal auditor.
- (16) If foreign tokens are discovered during the count or wrap process, the foreign tokens shall be separated and listed on a foreign token report. Foreign tokens shall be reported in accordance with 68 IAC 15-3.
- (17) Any difficulties in the hard count and wrap process shall be documented by the hard count supervisor or his or her designee as an appendix to the electronic gaming device daily report. The appendix shall be on a form prescribed by the commission. Difficulties that should be recorded include, but are not limited to, the following:
 - (A) Mechanical or technical difficulties with any of the equipment.
 - (B) Any personnel problems that could affect the drop bucket collection process or the hard count.
 - (C) Any unusual situations, such as a large number of drop buckets devoid of tokens.

(D) Reconciliation differences between the value of tokens determined by weight and the total value of tokens determined by the physical inventory of the wrapped tokens.

(d) A riverboat licensee shall not transfer tokens from the hard count room during the hard count process nor before the hard count total is added to the main bank's accountability. (*Indiana Gaming Commission; 68 IAC 11-2-6; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2266; filed Jun 19, 2000, 10:34 a.m.: 23 IR 2697; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-2-7 Meter readings

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 7. (a) The riverboat licensee's audit department or accounting department shall read the following meters of each electronic gaming device at least one (1) time per month:

- (1) Tokens-in meter.
- (2) Tokens-out meter.
- (3) Tokens drop meter.
- (4) Bill drop meter.

(b) A log shall be maintained by the audit department or accounting department to record the meter readings. A copy of this report shall be submitted to the commission office in Indianapolis, Indiana, after the monthly readings have been completed. (*Indiana Gaming Commission; 68 IAC 11-2-7; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2268; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1066; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

Rule 3. Soft Count Procedure

68 IAC 11-3-1 General provisions

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 1. (a) The following definitions apply throughout this rule:

- (1) "Bill validator report" means a report completed by the soft count team that documents the value of the currency collected from the bill validator drop boxes. The report shall be completed on a form prescribed or approved by the commission and shall include the currency count by denomination and the total amount of currency removed from the bill validator drop boxes.
- (2) "Bill validator verification report" means a report generated after the completion of the soft count that documents the amount and denomination of the currency that was deposited into a bill validator of an electronic gaming device. The report shall be completed on a form prescribed or approved by the commission and shall include, at a minimum, the following information:
 - (A) The electronic gaming device from which the bill validator drop box was removed.
 - (B) The total dollar value of all the currency contained in the bill validator drop box.
 - (C) The number and denomination of each bill contained in the bill validator drop box.
- (3) "Currency collection team" means a team of the riverboat licensee's employees that consists of at least three (3) occupational licensees, at least one (1) of whom is a security officer. The currency collection team shall be responsible for collecting the drop boxes at least one (1) time per day and placing empty drop boxes on the live gaming devices and in each bill validator.
- (4) "Drop box" means the live gaming device drop boxes or bill validator drop boxes.
- (5) "Drop box storage cart" means the cart, equipped with a secured compartment, utilized to transport drop boxes during the currency collection process.
- (6) "Drop box verification report" means a report generated before the commencement of the soft count that documents the activity that took place at each live gaming device for the gaming day. The report shall be completed on a form prescribed or approved by the commission and shall include, at a minimum, the following information:
 - (A) The opening dollar amount of each live gaming device inventory.
 - (B) The identifying number and dollar amount of each live gaming device fill slip.

- (C) The total dollar amount of table fill slips.
 - (D) The identifying number and dollar amount of each live gaming device credit slip.
 - (E) The total dollar amount of live gaming device credit slips.
 - (F) The closing dollar amount of each live gaming device inventory.
 - (G) The identifying number and dollar amount of each counter check.
 - (H) The total dollar amount of counter checks.
 - (I) The identifying number and dollar amount of each front money withdrawal.
 - (J) The total dollar amount of front money withdrawals.
- (7) "Master gaming report" means a report completed by the soft count team that documents the value of the currency collected from the drop boxes of the live gaming devices. The report shall be completed on a form prescribed or approved by the commission and shall include, at a minimum, the following information:
- (A) The total amount of the opening live gaming device inventories.
 - (B) The total amount of the table fill slips.
 - (C) The total amount of the table credit slips.
 - (D) The total amount of closing table game inventories.
 - (E) The total amount of counter checks.
 - (F) The total amount of front money withdrawals.
 - (G) The total amount of currency, tokens, and chips removed from live gaming device drop boxes.
 - (H) The total win or loss.
- (8) "Recorder" means the member of the soft count team responsible for ensuring that the paperwork reconciles. The recorder shall not be responsible for completing the table count slips.
- (9) "Soft count team" means a team of the riverboat licensee's employees that consists of at least:
- (A) one (1) employee of the soft count department;
 - (B) one (1) soft count supervisor; and
 - (C) one (1) employee of the accounting department.

The soft count team shall be responsible for counting and bundling the currency collected from the live gaming devices and bill validators.

(b) Members of the currency collection team and soft count team shall wear clothing that is not conducive to the concealment of currency. Members of the currency collection team and soft count team shall not wear hats.

(c) The currency collection team and the soft count team shall be rotated on a routine basis to ensure the integrity of the currency collection process and the soft count. Members of the currency collection team can be members of the soft count team.

(d) On the last day of each month, the riverboat licensee shall drop each bill validator and complete a reconciliation of that month's soft drop. (*Indiana Gaming Commission; 68 IAC 11-3-1; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3322; filed Jan 30, 1998, 11:00 a.m.: 21 IR 2060; filed May 29, 1998, 5:10 p.m.: 21 IR 3697; filed Jun 19, 2000, 10:34 a.m.: 23 IR 2699; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; filed Sep 30, 2004, 11:05 a.m.: 28 IR 528*)

68 IAC 11-3-2 Submission of internal control procedure

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 2. (a) The riverboat licensee shall submit a list of employees authorized to participate in the currency collection process and the soft count to the commission agent. These employees must hold an occupational license, Level 2 or higher. Amendments to the list of employees authorized to participate in the currency collection process and the soft count must be submitted to the commission agent as the amendments occur. The employee's name must be submitted to the commission agent before the employee participates in the currency collection or the soft count.

(b) In accordance with 68 IAC 11-1, the riverboat licensee or riverboat license applicant shall submit internal control procedures covering the currency collection and the soft count process to the executive director.

(c) The internal control procedures for the currency collection process and the soft count process shall include the following areas:

- (1) The times that currency collection will occur.

- (2) The manner in which the currency collection process will proceed, including the location from which the currency collection process will commence.
- (3) The manner in which the live gaming device drop box will be identifiable to the live gaming device from which it was removed.
- (4) The manner in which the bill validator drop box will be identifiable to the electronic gaming device from which it was removed.
- (5) Whether counts will be performed manually or by means of a currency counter. If a currency counter is utilized, the manufacturer, type, model number, and serial number shall be listed. Currency counters shall be approved as associated equipment in accordance with 68 IAC 2-7.
- (6) The department that will maintain and control the keys that are necessary to complete the currency collection and soft count process.
- (7) The names and titles of the occupational licensees that are authorized to transfer currency, coins, and tokens from the soft count room to the main bank.
- (8) Where currency and coins will be stored before being deposited into an external bank. The security measure that will be taken with respect to the storage of the currency and coins.
- (9) Alternative procedures that will be utilized in the case of a malfunction or an emergency.
- (10) Describe the security measure to be taken when a drop box storage cart holding live gaming device drop boxes or bill validator drop boxes containing currency, chips, tokens, or records must be stored outside of the soft count room.
- (11) Adjustments that the recorder may make to the Drop Box Verification Report.
- (12) The names and titles of the individuals who will perform the duties of the internal auditor.
- (13) The measures the riverboat licensee will take to ensure compliance with this article.
- (14) Any other information the commission deems necessary to ensure compliance with the Act and this title.

(Indiana Gaming Commission; 68 IAC 11-3-2; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3322; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-3-3 Soft count room characteristics; security

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 3. (a) The soft count room shall be:

- (1) located in a nonpublic area of the riverboat; and
 - (2) designated for counting and recording the contents of the live gaming device drop boxes and bill validator drop boxes.
- (b) The soft count room shall have the following items, components, or characteristics:
- (1) There shall be one (1) door to the soft count room. The door must accommodate the drop box storage cart and be lockable from outside the soft count room. Individuals inside the soft count room shall be able to open the soft count door from the inside in order to exit the soft count room in case of an emergency.
 - (2) There may be a currency counter or the equivalent.
 - (3) There shall be no windows in the soft count room that can be opened to access the outside of the riverboat.
 - (4) There shall be a telephone located in the soft count room that is used only in the case of an emergency or normal work functions to contact:
 - (A) surveillance;
 - (B) security;
 - (C) the commission agent; or
 - (D) any other necessary party.
 - (5) There shall be a count table constructed of clear glass-like material that is used for the emptying, counting, and recording of the contents of the drop boxes and bill validators.
- (c) The riverboat licensee shall take the following security measures with respect to the soft count room:
- (1) No individual shall carry a pocketbook or other nontransparent container into the soft count room other than containers utilized in the soft count process.
 - (2) Access to the soft count room shall be restricted to the following individuals:

- (A) Members of the soft count team.
 - (B) Members of the currency collection team.
 - (C) Maintenance personnel and supervisors who are accompanied by security personnel for problem resolution.
 - (D) The internal auditor or equivalent, accompanied by security personnel, to verify the accuracy of the count machine.
 - (E) Security personnel in conjunction with official duties.
 - (F) Main bank employees in conjunction with official duties reconciling the soft count.
 - (G) Commission agents in the performance of official duties.
 - (H) Individuals specifically authorized by the commission or commission agents.
- (3) All of the count procedures conducted in the soft count room must be conducted in full view of the surveillance cameras.
- (4) Once the soft count team has entered the soft count room containing the drop boxes, bill changer boxes, or both, the door to the soft count room shall be locked by a security department employee.
- (5) All vents and duct grating connected to the soft count room shall be secured to ensure that they cannot be removed.
- (6) After the soft count team has entered the soft count room and the door has been locked, no one except commission personnel, individuals specifically authorized by the commission, main bank employees, and currency collection team members who are dropping off drop boxes are allowed access to the soft count room.
- (7) No individual in the soft count room may remove his or her hands from or return them to a position on or above the count table unless the individual holds the backs and palms of his or her hands straight out and exposed to the view of the other individuals present in the soft count room and the surveillance camera.
- (8) All trash accumulated in the soft count room shall be inspected prior to the trash being removed from the soft count room.
- (9) The soft count room shall be equipped with equipment that allows the surveillance department to do the following in accordance with 68 IAC 12-1:
- (A) Monitor and record the entire count process both audibly and visually.
 - (B) Monitor and record the entire soft count room both audibly and visually.
 - (C) Monitor and visually record all individuals who enter and exit the soft count room.
 - (D) Monitor and visually record the values that are reflected on any count machine utilized to conduct the soft count.
 - (E) Monitor and record, both audibly and visually, any other activity or area of the soft count room deemed necessary by the commission to ensure compliance with the Act and this title.
- (10) There shall be a sign in the soft count room stating that the activity of any individuals in the soft count room will be monitored and recorded in accordance with this rule and 68 IAC 12-1.
- (11) Keys to the soft count room shall be maintained by the security department in accordance with 68 IAC 11-7. Access to the soft count room shall be gained only by or through a security officer.
- (12) The soft count room shall be designed and built to provide maximum security for the funds contained in the soft count room and the activities that are conducted in the soft count room.
- (13) Any currency, coins, chips, or tokens found in the soft count room shall become the property of the riverboat licensee and shall be included in the soft count.

(Indiana Gaming Commission; 68 IAC 11-3-3; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3323; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-3-4 Soft count room log

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 4. (a) The riverboat licensee's security department shall maintain a soft count room log that will record ingress to and egress from the soft count room at all times.

(b) Every individual who enters and exits the soft count room shall complete the soft count log.

(c) The soft count room log shall be maintained in the soft count room and shall contain the following information for each entry into and exit from the soft count room:

- (1) The name, title, and signature of the individual entering the soft count room.
- (2) The date of ingress to and egress from the soft count room.
- (3) The time of ingress to and egress from the soft count room.

(4) The reason for entry to the soft count room.

(d) The security department shall make the soft count room log available to the commission agents for inspection upon request.

(e) The soft count log shall be retained by the riverboat licensee for a period of one (1) year. (*Indiana Gaming Commission; 68 IAC 11-3-4; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3324; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-3-5 Currency collection

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 5. The currency collection process shall proceed in the following manner:

(1) The currency collection team shall be under the constant observation of a security officer. The security officer shall not handle the currency.

(2) Surveillance shall be notified at the initiation of the currency collection process. The entire currency collection process shall be monitored and recorded by surveillance. The tape of the currency collection process shall be maintained by the riverboat licensee for a minimum of seven (7) days.

(3) The security officer shall obtain the key to the live gaming device drop boxes from the main bank in accordance with 68 IAC 11-7. The security officer shall turn the key over to the currency collection team member who is designated to collect the live gaming device drop boxes.

(4) The security officer shall obtain the key to the bill validator drop boxes from the main bank in accordance with 68 IAC 11-7. The security officer shall turn the key over to the currency collection team member who is designated to collect the bill validator drop boxes.

(5) The designated currency collection team member shall collect the live gaming device drop boxes and the bill validator drop boxes.

(6) The live gaming device or bill validator drop box that was removed shall be placed in the drop box storage cart for transportation to the soft count room.

(7) If there is not sufficient area in the soft count room to place removed drop boxes, locked drop box storage carts may be placed immediately outside the soft count room. A security officer shall attend the locked drop box storage cart at all times. The surveillance department shall maintain continual camera surveillance of the drop box storage cart during the times it is placed outside the soft count room.

(8) Patrons shall be prohibited from using an elevator that is occupied by the currency collection team.

(*Indiana Gaming Commission; 68 IAC 11-3-5; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3324; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-3-6 Soft count process

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 6. (a) The soft count process shall not be commenced nor continued unless at least three (3) members of the soft count team are present in the soft count room.

(b) The soft count process shall proceed in the following manner:

(1) The soft count team shall notify surveillance prior to the initiation of the soft count. Surveillance shall visually record the entire soft count process.

(2) A security officer shall give the soft count team access to the soft count room. The soft count room door shall be locked after the soft count team has entered the soft count room.

(3) After the soft count team has entered the soft count room and the door has been locked, no one except authorized commission personnel, individuals specifically authorized by the commission, main bank employees, and drop box collection team members who are dropping off drop boxes are allowed access to the soft count room.

(4) Prior to the initiation of the count, the currency counter shall be tested for accuracy by using a precounted amount of currency from the first live gaming device drop box or bill validator drop box that is to be counted. Any discrepancy of two percent (2%) or more must be resolved to the satisfaction of the soft count supervisor, or his or her designee, prior to the use

of the currency counter. The results of the test shall be documented and retained for a period of one (1) year. The currency counter test results shall be signed and dated by the individual who conducted the test.

(5) Prior to the commencement of the soft count, the recorder shall generate a drop box verification report.

(c) The soft count team shall handle only one (1) drop box at a time in the following manner:

(1) An individual drop box shall be selected and the identification label displayed to the surveillance camera. The appropriate member of the soft count team shall verbalize the live gaming device game type and identification number or the bill validator drop box identification number.

(2) The drop box shall be opened by the appropriate soft count team member, and the entire contents of the drop box shall be emptied onto the soft count table.

(3) The inside of the empty drop box shall be held up for full view by the surveillance camera, and at least one (1) member of the soft count team shall verify that the drop box is empty.

(4) The slide on the drop box shall be reset, and the door to the drop box shall be relocked.

(5) If the drop box is from a live gaming device, documents shall be separated from the currency, coins, chips, and tokens.

(6) The appropriate member of the soft count team shall separate the currency, cash, chips, and tokens into individual denominations. The currency shall then be counted manually or by the use of a currency counter. Currency counters utilized by the riverboat licensee must be capable of displaying the result of the count. Coins, chips, and tokens shall be counted manually or through the use of an appropriate counter.

(7) Once the currency, tokens, and chips have been counted, one (1) member of the soft count team shall complete the count slip on a form prescribed or approved by the commission and shall sign and date the report.

(8) A second member of the soft count team who has not seen the first count slip shall conduct an independent count of the currency, tokens, and chips either manually or through the use of the appropriate counter. The second soft count team member shall complete a second count slip and shall sign and date the report.

(9) The recorder shall compare the two (2) count slips. If there is a discrepancy between the count slips, the difference shall be isolated to particular denomination of currency, coins, tokens, or chips, and that denomination shall be recounted by the first two (2) soft count team members.

(10) The recorder shall sign the count slip that is correct. If corrections need to be made to a count slip to ensure one (1) of the slips accurately reflects the count, the incorrect figures shall be struck through and initialed by the two (2) soft team count members that conducted the original count. The correct information should then be entered on the count slip.

(11) The recorder shall compare the documents removed from each drop box to those appearing on the drop box verification report. Appropriate adjustments may be made to the drop box verification report. Any discrepancies between the documents removed from the live gaming devices drop boxes and the drop box verification report shall be noted for the internal auditor or the equivalent.

(12) Once all drop boxes have been counted, the soft count team shall complete the master gaming report or the bill validator report.

(13) Upon completion of the master gaming report, the two (2) soft count team members not performing the job of recorder shall run totals of the table count slips and compare that information to the totals recorded on the master gaming report. Variances of two percent (2%) or more shall be investigated by members of the soft count team. The reason for the variance, if known, shall be entered on the master gaming report. If the reason is not known, this shall be noted. The riverboat licensee may require investigations for variances of less than the threshold amount.

(14) Variances of two percent (2%) or more and which are not reconciled through subdivision (13) shall be investigated by the accounting director or designee. The results of the investigation shall be recorded on the master gaming report. The accounting director or designee shall sign and date the master gaming report. The riverboat licensee may require investigations for variances of less than the threshold amount.

(15) After the results of the count process have been reconciled, all members of the soft count team shall sign and date the appropriate section of the master gaming report or the bill validator report.

(16) After reconciliation has been completed by the soft count team, the main bank cashier shall be contacted. The main bank cashier shall complete an independent physical inventory of all of the currency, coins, chips, and tokens in the presence of at least one (1) soft count team member. The main bank cashier shall not have access to the master gaming report or the bill validator report until after the completion of the independent physical inventory.

(17) Any discrepancies between the independent physical inventory and the totals entered on the master gaming report or the

bill validator report shall be investigated by independent recounts conducted by the soft count team and the main bank cashier. If the master gaming report or the bill validator report was erroneous, it shall be voided and a new master gaming report or the bill validator report generated with the appropriate signatures. Any voided copy of the master gaming report or the bill validator report shall be retained and attached to the completed and signed copy of the new master gaming report or bill validator report.

(18) After reconciliation of the master gaming report, the bill validator report, and the physical inventory conducted by the main bank cashier, the main bank cashier shall verify the accuracy of and sign and date the master gaming report and the bill validator report in the appropriate section. When the main bank cashier signs the master gaming report and the bill validator report, the main bank assumes responsibility for the currency, coins, chips, and tokens.

(19) The appropriate amount of currency to keep the main bank at its imprest amount in accordance with 68 IAC 15-10-1(c) shall be transported to the main bank. The chips and tokens shall be transported to the main bank. The transfer shall be made by occupational licensees designated in section 2 of this rule and shall be observed by at least one (1) security officer. The amount transferred shall be added to the main bank's accountability sheet. One (1) copy of the master gaming report and the bill validator report shall be forwarded to the main bank.

(20) The remaining amount of currency and coin may be deposited with the riverboat licensee's external bank.

(21) The original table count slips, drop verification report, bill validator verification report, master gaming report, and bill validator report, with the appropriate tapes attached, shall be forwarded to the accounting department upon completion of the soft count process and after the currency, coin, chips, and tokens have been appropriately transferred or deposited.

(22) The currency counter in the soft count room shall be monitored by the central computer system for purposes of recording the amounts collected from each live gaming device and bill validator drop box. All the information sent to the central computer system shall be printed out in the accounting department as a backup. The backup printouts shall be maintained by the accounting department for at least one (1) month. Electronic archival data shall be maintained for a period of one (1) year.

(23) In accordance with 68 IAC 15-7-3, the revenue auditor or the equivalent shall trace the total of the bill-in meter readings as recorded by the bill acceptor flash report to the actual count performed by the soft count team to determine variances. The riverboat licensee shall require the investigation of all variances. The results of the investigation shall be recorded and reported to the head of the accounting department and the commission audit staff.

(24) Every three (3) months, the internal auditor, or equivalent, shall verify the accuracy of the currency counter. The internal auditor, or equivalent, shall notify the commission immediately of any difference of plus or minus two percent (2%). The results of the currency counter testing shall be documented and retained for a period of one (1) year. The currency counter test results shall be signed and dated by the internal auditor.

(25) If foreign tokens are discovered during the count process, the foreign tokens shall be separated and listed in the appropriate section of the master gaming report. Foreign tokens shall be reported in accordance with 68 IAC 15-3.

(26) Any difficulties in the soft count process shall be documented by the soft count supervisor or his or her designee as an appendix to the master gaming report and the bill validator report. The appendix shall be on a form prescribed or approved by the commission. Difficulties that should be recorded include, but are not limited to, the following:

(A) Mechanical or technical difficulties with any of the equipment.

(B) Any personnel problems that could affect the currency collection process or the soft count.

(C) Any unusual situations, such as large number of drop boxes devoid of currency, coins, chips, or tokens.

(D) Reconciliation differences between the value that resulted from any of the independent counts.

(d) A riverboat licensee shall not transfer currency, coins, chips, or tokens from the soft count room during the soft count process nor before the appropriate amounts are added to the main bank's accountability and the appropriate deposit slips are prepared. (*Indiana Gaming Commission; 68 IAC 11-3-6; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3324; filed May 29, 1998, 5:10 p.m.: 21 IR 3698; filed Jun 19, 2000, 10:34 a.m.: 23 IR 2700; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

Rule 4. Opening and Closing Live Gaming Devices

68 IAC 11-4-1 General provisions

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 1. (a) This rule applies to all riverboat licensees.

(b) The following definitions apply throughout this rule:

(1) "Closer" means the original copy of the inventory slip that is deposited into the drop box and contains the closing dollar amount of the live gaming device.

(2) "Commission agent" means one (1) of the members of the Indiana state police department who is assigned to work with the commission and who is on duty.

(3) "Inventory slip" means a two-part form containing the count of the chips or tokens remaining at the live gaming device when a live gaming device is closed.

(4) "Opener" means the duplicate copy of the inventory slip that remains at the table and contains the opening dollar amount of the live gaming device.

(Indiana Gaming Commission; 68 IAC 11-4-1; filed Sep 10, 1997, 3:00 p.m.: 21 IR 22; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-4-2 Live gaming device inventory

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 2. (a) In accordance with 68 IAC 11-1, the riverboat licensee shall submit internal control procedures covering:

(1) live gaming device inventory; and

(2) the opening and closing of a live gaming device.

(b) The live gaming device inventory of chips and tokens shall be maintained in a tray, which is covered with a transparent, locking lid when the live gaming device is closed. The opener shall be placed inside the transparent locking lid and the information on the opener shall be visible from the outside of the cover.

(c) The live gaming device inventory slip shall be a two-part form. On the original copy of the slip, the closer, and on the duplicate of the slip, the opener, the live gaming device inventory slip shall, at a minimum, include the following information:

(1) The name of the riverboat licensee.

(2) The date and time the inventory slip is generated.

(3) The shift and pit number.

(4) The live gaming device type and number.

(5) The denomination and total of all chips and tokens, or both, remaining at the live gaming device.

(6) The total dollar amount of all chips and tokens, or both, that are remaining at the live gaming device.

(7) The name, occupational license number, and signature of the individual generating the inventory slip.

(d) The riverboat licensee shall not accept chips or tokens from any other riverboat.

(e) Chips and tokens shall only be added or removed from the live gaming device inventory when one (1) or more of the following occurs:

(1) In exchange for cash, coupons, markers, or the equivalent presented by the player.

(2) For payment of winning wagers or collection of losing wagers made at the live gaming device.

(3) Through live gaming device fill and credit procedures.

(4) In exchange with players for gaming chips or tokens of equal value.

(f) The transfer or exchange of chips, tokens, and currency between live gaming devices is prohibited. *(Indiana Gaming Commission; 68 IAC 11-4-2; filed Sep 10, 1997, 3:00 p.m.: 21 IR 22; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)*

68 IAC 11-4-3 Opening of live gaming device

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 3. (a) Immediately prior to opening a live gaming device, a security officer shall obtain the key to the locked live gaming device tray lid from the main bank in accordance with 68 IAC 11-7. The security officer shall turn the key over to the pit boss or the equivalent who is designated to access the live gaming device tray.

(b) In the presence of the appropriate level of occupational licensee assigned to the live gaming device, the pit boss or the

equivalent shall unlock the transparent live gaming device tray lid.

(c) The occupational licensee assigned to the live gaming device shall count the chips and tokens by denomination in the presence of a pit boss or the equivalent and verify the count to the opening dollar amount of the opener removed from the live gaming device tray.

(d) The occupational licensee and the pit boss or the equivalent that observed the count of the contents of the tray shall sign the opener attesting to the accuracy of the information recorded on the opener.

(e) Once the opener is signed, the occupational licensee shall immediately deposit the opener into the drop box attached to the live gaming device.

(f) The riverboat licensee shall implement procedures to be followed when the counted inventory differs from the amount recorded on the opener. These procedures shall be completed prior to the opening of the live gaming device. These procedures shall include, at a minimum, the following:

(1) The preparation of an error form by the table games manager.

(2) The signatures required on the error form.

(3) The distribution of each part of the form.

(4) Ensuring that at least one (1) part is deposited in the drop box.

(g) The riverboat licensee shall notify the commission agent, in writing, immediately, upon the discovery of a live gaming device inventory or live gaming device tray that has been compromised, and provide a written explanation, including all conclusions to the commission agent and the executive director within twenty-four (24) hours. (*Indiana Gaming Commission; 68 IAC 11-4-3; filed Sep 10, 1997, 3:00 p.m.: 21 IR 23; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-4-4 Closing of live gaming device

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 4. (a) At any time when a live gaming device is closed, chips and tokens remaining at the live gaming device shall be counted by the appropriate level of occupational licensee assigned to the live gaming device and verified by the pit boss or the equivalent.

(b) A live gaming device inventory slip shall be prepared.

(c) The occupational licensee and the pit boss or the equivalent who observed the count of the contents of the tray shall sign the inventory slip at the time of closing the live gaming device attesting to the accuracy of the information recorded.

(d) The occupational licensee shall immediately deposit the closer in the drop box.

(e) The pit boss or the equivalent shall place the opener on the live gaming device tray in a manner that the amounts on the opener may be read through the cover, and lock the transparent live gaming device tray lid in place. (*Indiana Gaming Commission; 68 IAC 11-4-4; filed Sep 10, 1997, 3:00 p.m.: 21 IR 23; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

Rule 5. Chips and Tokens

68 IAC 11-5-1 General provisions

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 1. (a) This rule applies to all riverboat licensees.

(b) Riverboat licensees shall submit the procedures that the riverboat licensee shall implement to ensure that all tokens and chips are accurately and regularly counted to prevent the loss of assets.

(c) All racked tokens and primary chip inventories must be rotated and counted, at a minimum, on a daily basis. Secondary sets of chips and tokens shall be rotated and counted in accordance with 68 IAC 15-4-3.

(d) The riverboat licensee shall submit a list of the titles of employees authorized to participate in the chip and token rotation and count. These employees must hold an occupational license, Level 2 or higher. Amendments to the list of employees authorized to participate in the chip and token rotation and count must be submitted to the commission agent as the amendment occurs. The employee title must be submitted to the commission agent before an employee with the title participates in the chip and token rotation

and count.

(e) The riverboat licensee shall maintain the following information concerning chip and token rotations on a form approved by the commission:

- (1) The date and time that the chip or token rotation was performed.
- (2) The printed name of the occupational licensee who performed the chip or token rotation.
- (3) The signature of the occupational licensee who performed the chip or token rotation.
- (4) The occupational license number of the occupational licensee who performed the chip or token rotation.
- (5) Any discrepancies that were discovered as a result of the chip or token inventory.
- (6) The steps that were taken to investigate any discrepancies discovered as a result of the chip or token inventory.
- (7) The results of the investigation that was conducted concerning any discrepancies discovered as a result of the chip or token inventory.

(Indiana Gaming Commission; 68 IAC 11-5-1; filed Jan 30, 1998, 11:00 a.m.: 21 IR 2061; filed Dec 29, 1998, 10:27 a.m.: 22 IR 1420; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1066; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-5-2 Submission of internal control procedure

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 2. (a) In accordance with 68 IAC 11-1, the riverboat licensee or riverboat license applicant shall submit internal control procedures covering the rotation and counting of chips and tokens to the executive director.

(b) The internal control procedures for chip and token rotation and counts shall include, at a minimum, the following information:

- (1) The manner in which racked tokens and primary chip inventories will be rotated and counted.
- (2) The manner in which secondary chips will be rotated and counted.
- (3) The documentation the riverboat licensee will maintain to ensure the rotations and counts set forth in subdivisions (1) and (2) are conducted.
- (4) The occupational licensees who will be responsible for conducting the chip and racked token rotations and counts.

(Indiana Gaming Commission; 68 IAC 11-5-2; filed Jan 30, 1998, 11:00 a.m.: 21 IR 2061; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

Rule 6. Jet Sort Testing

68 IAC 11-6-1 General provisions

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 1. (a) This rule applies to all riverboat licensees.

(b) As used in this rule, "commission agent" means one (1) of the members of the Indiana state police department who is assigned to work with the commission and who is on duty.

(c) At least one (1) time each gaming day, every jet sort or the equivalent must be tested to verify its accuracy. Each jet sort or the equivalent must be tested with each denomination of token utilized by the riverboat licensee.

(d) If a jet sort or the equivalent does not accurately count any of the denominations of tokens, the riverboat licensee shall take the following steps:

- (1) Immediately remove the jet sort or the equivalent from service.
- (2) Immediately notify the commission agent.
- (3) Document the results of the following in accordance with subsection (f):
 - (A) The results of the jet sort or the equivalent test.
 - (B) The name, occupational license number, and signature of the individual who performed the test.
 - (C) The day, time, and shift that the jet sort or the equivalent test was completed.
 - (D) The jet sort or the equivalent identification number.

- (E) The location of the jet sort or the equivalent.
- (F) The name of the commission agent notified.
- (G) The corrective action taken.

(e) The riverboat licensee must have the jet sort or the equivalent serviced to correct the defect. Before the jet sort or the equivalent may be placed back into service, the riverboat licensee must demonstrate to a commission agent that the jet sort or the equivalent accurately counts each denomination of token utilized by the riverboat licensee. The riverboat licensee must document the following information in accordance with subsection (f):

- (1) The date, time, and shift that the jet sort or the equivalent is being placed back into service.
- (2) The jet sort or the equivalent identification number.
- (3) The location of the jet sort or the equivalent.
- (4) The name, occupational license number, and signature of the individual who performed the test.
- (5) The name and signature of the commission agent verifying the results of the test.
- (6) The results of the jet sort or the equivalent test performed on the jet sort or the equivalent.
- (7) The corrective action that was performed on the jet sort or the equivalent.

(f) The riverboat licensee shall document the results of each jet sort or the equivalent test conducted. The documentation shall include, at a minimum, the following information:

- (1) The date, time, and shift of the test.
- (2) The jet sort or the equivalent identification number.
- (3) The location of the jet sort or the equivalent.
- (4) The name, occupational license number, and signature of the individual performing the test.
- (5) The results of the jet sort or the equivalent test, by denomination.

All documentation required by this rule shall be maintained by the riverboat licensee for at least a period of one (1) year. (*Indiana Gaming Commission; 68 IAC 11-6-1; filed Jan 21, 1998, 10:30 a.m.: 21 IR 2054; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

Rule 7. Sensitive Key Control

68 IAC 11-7-1 General provisions

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 1. (a) This rule applies to riverboat licensees.

(b) The following definitions apply throughout this rule:

(1) "Commission agent" means one (1) of the members of the Indiana state police department who is assigned to work with the commission and who is on duty.

(2) "Sensitive keys" means keys that either management or the commission considers sensitive to the riverboat licensee's operation and therefore require strict control over custody and issuance. Sensitive keys include, but are not limited to, keys that will allow access to the following:

- (A) Currency.
- (B) Chips.
- (C) Tokens.
- (D) Electronic gaming devices.
- (E) Any item that would affect the integrity or outcome of a game.

(*Indiana Gaming Commission; 68 IAC 11-7-1; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3302; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-7-2 Submission of internal control procedure

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

INTERNAL CONTROL PROCEDURES

Sec. 2. (a) The riverboat licensee shall submit a list of authorized occupational licensees who have access to the sensitive keys box. These employees must hold an occupational license, Level 2 or higher. Amendments to the list of employees with authorized access must be submitted to the commission agent as the amendments occur.

(b) In accordance with 68 IAC 11-1, the riverboat license shall submit internal control procedures covering the control of sensitive keys to the executive director.

(c) The internal control procedures for control of sensitive keys shall include, but are not limited to, the following:

(1) The location of all sensitive keys boxes.

(2) The sensitive key name, location, custodian, and occupational licensees authorized to sign out each sensitive key.

(3) The location and custodian of duplicate sensitive keys.

(d) Each sensitive key box custodian shall be issued a sensitive key access list noting authorized occupational licensees, by title and occupational license level, who may access each sensitive key.

(e) Unless otherwise provided, whenever two (2) sensitive keys are required to access a controlled area, the keys shall be issued to different occupational licensees and each key shall be signed out independently.

(f) A sensitive keys access list shall be maintained at each sensitive keys box and a copy given to the commission agent. The sensitive keys access list shall include the following:

(1) Name of sensitive key.

(2) Location of sensitive key.

(3) Custodian of sensitive key.

(4) Quantity of sensitive keys.

(5) Level of occupational licensees authorized to sign out the sensitive key, and any applicable escort requirements and any specific limitations.

(6) Custodian of duplicate keys.

(g) If the executive director determines, at any time, that approved internal control procedures are not adequate to ensure compliance with the Act and this title, the executive director may direct the riverboat licensee, in writing, to amend its internal control procedure in accordance with 68 IAC 11-1-4. (*Indiana Gaming Commission; 68 IAC 11-7-2; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3302; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-7-3 Sensitive keys log

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 3. (a) The riverboat licensee shall maintain a sensitive keys log on a form approved by the commission. The sensitive keys log shall include, but not limited to, the following:

(1) The date.

(2) The time the key is signed in and out.

(3) The key name.

(4) The printed name, signature, and occupational license number of the occupational licensee obtaining and returning the key.

(b) Sensitive keys shall be returned to custody and signed in by the same occupational licensee they were issued to unless there is a documented change of shift.

(c) Sensitive keys that must be passed on at the change of shift must be identified by the riverboat licensee and indicate the procedural controls over the transfer of the sensitive keys. (*Indiana Gaming Commission; 68 IAC 11-7-3; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3303; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-7-4 Replacement of sensitive keys

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 4. (a) The riverboat licensee shall submit procedures relating to the replacement of broken, lost, or missing sensitive keys. These procedures shall include, at a minimum, the following:

(1) Identify those critical sensitive keys that require immediate changing of the locks.

- (2) If a sensitive key is broken, include procedures as to:
 - (A) which occupational licensee shall receive and replace the broken key; and
 - (B) disposition of the broken key.

(b) When a sensitive key is determined to have been lost, missing, or taken from the premises, the riverboat licensee shall perform an immediate investigation. The investigation will be documented on an incident record. A copy of the incident report shall be given to the commission agent immediately. The record shall be kept in accordance with section 5 of this rule.

(c) Only those individuals with an occupational license, Level 1 shall be authorized to have sensitive keys duplicated. (*Indiana Gaming Commission; 68 IAC 11-7-4; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3303; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-7-4.1 Maintenance of keys by master

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 4.1. (a) The riverboat licensee or riverboat license applicant shall submit, in writing, the manner in which the master of the vessel will maintain sensitive keys. The information to be submitted in the plan shall include, at a minimum, the following:

- (1) The titles and positions of those individuals on the navigational crew who must have access to the keys.
- (2) The location in which the keys will be maintained.
- (3) The manner in which access to the keys will be restricted to the individuals listed in subdivision (1).
- (4) The list of keys that will be maintained by the master.
- (5) The manner in which the master or the master's designee will gain access to the keys.
- (6) The documentation that will be maintained by the master, the riverboat licensee, or both, at any time that the master accesses the keys.
- (7) The manner in which the remaining keys will be secured after the master or his designee has gained access to the keys.
- (8) Any other information deemed necessary by the commission or the riverboat licensee to ensure compliance with the Act and this title.

(b) The executive director may, in writing, advise the riverboat licensee that the plan submitted in subsection (a) is not sufficient. The executive director shall advise the riverboat licensee of those areas of the submission that need to be modified. The riverboat licensee shall resubmit the plan. The same procedure shall be followed until an approved plan is achieved.

(c) The executive director may advise the riverboat licensee, at any time, after a plan is submitted, that revisions to the plan must be made if such revisions are necessary to ensure compliance with the Act and this title. (*Indiana Gaming Commission; 68 IAC 11-7-4.1; filed Aug 20, 1997, 7:11 a.m.: 21 IR 15; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

68 IAC 11-7-5 Records

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 5. (a) The riverboat licensee shall maintain the records required by this rule for a minimum of one (1) year.

(b) The riverboat licensee shall allow the commission access to or copies of the records maintained under this rule upon request by the commission. (*Indiana Gaming Commission; 68 IAC 11-7-5; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3303; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261*)

Rule 8. Handling of Cash at Gaming Tables

68 IAC 11-8-1 General provisions

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 1. (a) This rule applies to all riverboat licensees.

(b) As used in this rule, "cash" means the following:

- (1) Cash.
- (2) Cash equivalent.
- (3) A coupon issued by the riverboat licensee that may be exchanged for chips or tokens, or both.

(Indiana Gaming Commission; 68 IAC 11-8-1; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3303; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)

68 IAC 11-8-2 Presentation of cash or coupons

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 2. (a) Whenever cash or a coupon is presented by a player at a gaming table for exchange of gaming chips, the following procedures and requirements shall be observed:

(1) The cash shall be spread on the top of the gaming table by the dealer or box person accepting it in full view of the following:

- (A) The player who presented it.
- (B) The pit boss or the equivalent assigned to such gaming table.
- (C) The surveillance system.

(2) The cash value amount shall be verbalized by the dealer or box person accepting it in a tone of voice calculated to be heard by the player and the pit boss or the equivalent assigned to such gaming table.

(3) Immediately after the cash value is announced, the cash shall be moved away from the player and the dealer or box person shall display the equivalent amount of chips or tokens, or both, in full view of the following:

- (A) The player.
- (B) The pit boss or the equivalent assigned to such gaming table.
- (C) The surveillance system.

The chips or tokens, or both, shall then be presented to the player.

(4) Immediately after the chips or tokens, or both, have been presented to the player, the cash shall be taken from the top of the gaming table and placed by the dealer or box person into the drop box attached to the gaming table.

(b) No cash wagers shall be allowed to be placed at any gaming table. The cash shall be converted to chips prior to acceptance of a wager. *(Indiana Gaming Commission; 68 IAC 11-8-2; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3303; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)*

68 IAC 11-8-3 Voiding of coupons

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 3. A riverboat licensee shall require the coupon to be voided upon acceptance by the dealer or box person, in a manner approved by the commission, so as to preclude its subsequent use. *(Indiana Gaming Commission; 68 IAC 11-8-3; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3304; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261)*

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