



# **Mille Lacs Band of Ojibwe Indians**

*Gaming Regulatory Authority*

*Detailed Gaming Regulations*

**DGR-12b Standards for Drop and Count**

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## 1. General Drop Standards

1.1. Supervision must be provided over drop and count as needed by associates with authority greater than those being supervised.

1.2. The Gaming Enterprise shall develop a system of internal controls for the drop and count of non-gaming areas if they are a part of the drop and count process.

1.3. All table/card game drop boxes and Video Games of Chance (VGC) bill validator boxes (BVBs) shall be removed only at the time(s) as designated by the Gaming Enterprise and reported to the GRA, except for emergency, unscheduled or project drops (see Alternate Drop Standards Section 4).

1.4. The Gaming Enterprise shall develop a system of internal controls for conducting drops for table/card games and VGC.

1.5. All drop boxes and BVBs shall be posted with a number corresponding to a permanent number on the associated table/card game or VGC.

1.5.1. Alternatively, a smart can system that electronically identifies and tracks the VGC or table game number and facilitates the proper recognition of gaming revenue will satisfy the requirements of this section.

1.5.2. For drop boxes, the number on the drop box shall be a permanent number corresponding to the permanent number on the gaming table. The drop box number shall indicate the following:

- a. Game
- b. Table number

1.6. The VGC drop team associates shall always wear jumpsuits during the drop.

1.6.1. Jumpsuits shall be inspected daily by another department, independent of the drop, prior to and at the end of the drop.

1.6.2. Jumpsuits shall be stored in a designated area as approved by the GRA.

## 2. Drop Route and Drop Zone Standards

2.1. The GRA shall be notified of drop routes and/or changes to the drop routes for emergency situations and/or special events prior to any drop route changes implemented.

2.1.1. Special event notifications shall occur at least 48 hours in advance.

2.1.2. Emergency situation notifications shall be made to surveillance immediately prior to implementation to the emergency drop or emergency drop round.

2.2. The Gaming Enterprise shall develop a system of internal controls for drop zones within the drop route, which will include, but not be limited to the following:

2.2.1. Drop Team associates shall not be allowed to exit or enter the secured drop zone except for emergencies or schedule breaks.

2.2.1. The drop zone shall be delineated by the security escorts. Drop team members shall remain within the area outlined by the security escorts.

2.2.2. Security over drop zones shall be sufficient to provide line of sight over all drop activities within the zone.

### 3. Table/Card Games and Video Games of Chance Drop Standards

3.1. Surveillance shall be notified when each drop is to begin so that surveillance may monitor the activities. The drop shall begin with the removal of the first drop box or BVB.

3.2. All drop boxes and BVBs shall be removed from the tables or VGCs by a minimum of three associates independent of the gaming area being dropped, except for emergency drops.

3.3. Security shall be provided over the following:

3.3.1. Removal of BVBs from the VGCs

3.3.2. Drop boxes and BVBs until transported to the count room.

3.4. For table and card game drops, the following shall apply:

3.4.1. The setting out of empty table game drop boxes and the drop shall be a continuous process.

a. All locked table game drop boxes shall be removed from the tables by an associate independent of the department.

b. Each shift a separate drop box shall be placed on each table or the Gaming Enterprise may utilize a single drop box with separate openings and compartments for each shift.

3.5. Upon removal from the tables or VGC, drop boxes or BVBs shall be 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.

### 4. Alternate Drop Standards

4.1. Emergency drops are defined as drops performed outside of the normal drop/count process by associates independent of the count team and involve signing out a triple access content key and require access to drop box or BVB contents.

4.2. The Gaming Enterprise shall develop a system of internal controls for emergency drops for table/card games and VGC's that shall include, but not be limited to the following:

4.2.1. Requirement of three (3) associates from different departments, one of who is management.

4.2.2. Notification of the emergency drop to be made to the GRA within eight (8) hours.

4.2.3. Designation of associates required to be involved in the emergency drop.

4.2.4. Notification of Surveillance prior to commencement of the emergency drop.

4.2.5. Documentation requirements for emergency drops.

4.2.6. Requirement that drop boxes and BVBs shall be prohibited from being opened on the gaming floor.

- 4.2.7. Procedures for opening a drop box or BVB at other than scheduled count times.
- 4.2.8. Documentation requirements for opening a drop box or BVB at a time other than scheduled count times.
- 4.2.9. Procedures for complying with inspections standards.

4.3. Unscheduled drops or scheduled project drops are defined as any drop performed outside of the normal drop process that does not require access to the drop box or BVB contents. The gaming enterprise shall develop a system of internal controls for unscheduled drops and scheduled project drops which include, but are not limited to, the following.

- 4.3.1. Surveillance shall be notified prior to any drop.
- 4.3.2. Designation of associates authorized to perform the drop.
- 4.3.3. Designation of secured location drop boxes or BVB's will be stored.
- 4.3.4. Procedures for complying with inspection standards.
- 4.3.5. Documentation shall be retained according to approved retention period and be made available to the GRA upon request.

## 5. Count Room Standards

5.1. The table/card games, video games of chance and kiosk BVB soft count shall be performed in a soft count room.

5.2. Access to the count room during the count shall be restricted to the following:

- 5.2.1. Members of the drop and count teams
- 5.2.2. Authorized observers
- 5.2.3. Supervisors for resolution of problems
- 5.2.4. Authorized maintenance associate(s), including vendors.

5.3. Access to the count room(s) at other than scheduled count times shall be restricted to authorized associate(s), including vendors, as identified by the Gaming Enterprise and approved by the GRA.

5.4. Surveillance shall be notified whenever any associate enters or exits the count room.

5.5. The Gaming Enterprise shall develop a system of internal controls for the security of funds within the count room, including but not limited to the following:

- 5.5.1. All coin, tokens, chips, and cash inventory stored in the count room shall be secured from unauthorized access.
- 5.5.2. Controls shall be developed for inspection of extraneous items transported into and out of the count room. Extraneous items may include, but are not limited to the following:
  - a. Associate belongings
  - b. Toolboxes and other maintenance equipment
  - c. Beverage containers

d. Cleaning supplies

e. Count room trash

5.5.3. Controls shall be developed to ensure the security of stored full BVB's and drop boxes within the count room.

5.5.4. Controls for restricted access to stored full BVBs and drop boxes to the following individuals:

a. Authorized members of the drop and count teams

b. Authorized associates for the resolution of problem

5.5.5. Controls shall be developed to ensure the security of equipment within the count room.

5.5.6. Controls shall be developed for maintaining the count room, including regular cleaning, equipment maintenance, and other access to the count room at times other than the count. Controls for access at times other than the count shall include review of the room prior to access and upon completion of access.

## 6. Count Team Standards

6.1. The count team shall be independent of transactions being reviewed and counted.

6.1.1. The count team shall be independent of the cage/vault departments.

6.1.2. An accounting representative may be used if there is an independent audit of all soft count documentation.

6.1.3. The Count Team shall be prohibited from having access to amount-in or bill-in meter amounts.

6.2. The table/card game, VGC, and kiosk count shall be performed by a minimum of three count team members.

6.2.1. Count room members are not allowed to exit or enter the count room during the count except in the following circumstances to ensure all funds have been appropriately accounted for

a. Emergencies

b. Scheduled breaks

c. As approved by management and upon notification to surveillance

6.2.2. At no time during the count, shall there be fewer than three count team members in the count room until the drop proceeds have been accepted into cage accountability.

6.2.3. Count team members shall be rotated on a routine basis such that the count team is not consistently the same three associates more than four (4) days per week.

6.2.4. This standard shall not apply to gaming facilities that utilize a count team of more than three associates.

6.2.5. Functions performed by count team members shall be rotated on a routine basis.

6.3. Count Team members shall wear jumpsuits during the count.

6.3.1. Jumpsuits shall be inspected daily by another department, independent of the count, prior to and at the end of the count.

6.3.2. Jumpsuits shall be stored in a designated area as approved by the GRA.

## 7. Count Equipment Standards

7.1. In the event that currency counter interface is utilized, the following shall apply:

7.1.1. The currency counter interface shall be adequately restricted to prevent unauthorized access.

7.1.2. The currency drop figures shall be transferred via direct communications to the accounting department.

7.2. The Gaming Enterprise shall develop a system of internal controls for servicing and replacing equipment, which shall include documented testing prior to use.

7.3. The count equipment and systems shall be tested, and the results documented, prior to the first count of the day, to ensure the accuracy of the equipment.

7.3.1. Funds from within a drop box or BVB are prohibited from use during count equipment testing.

7.3.2. If the same currency counter is used for one revenue center (e.g., gaming or non-gaming revenue center) and then immediately used for a second revenue center performing the currency counter test once will satisfy the standard, provided the same count team associates complete one (1) count and then proceed to the other revenue center count.

## 8. Table/Card Games, Video Games of Chance, Kiosk Count Standards

8.1. The count of each drop box and BVB shall be recorded in ink or other permanent form of recordation.

8.2. The Gaming Enterprise shall develop a system of internal controls for the table/card games, VGC, and kiosk counts that shall include, but not be limited to, the following:

8.2.1. Procedures to prevent the commingling of funds from different revenue centers if counts from various revenue centers occur simultaneously in the count room.

8.2.2. Procedures to ensure that drop boxes and/or BVBs are individually emptied and counted in such a manner to prevent the commingling of funds between boxes and/or BVBs until the count of the box has been recorded. Drop boxes and BVBs, when empty, must be shown to another member of the count team, to another agent observing the count, and to surveillance, provided that the count is monitored in its entirety by an agent independent of the count.

8.2.3. Procedures to ensure that any corrections to information originally recorded by the count team on count documentation shall be made as follows, and in a legible manner:

a. Drawing a single line through the error.

b. Writing the correct figure above the original figure.

c. Obtaining the initials of at least two count team members who verified the change.

8.3. If currency counters are utilized and the count room table is used only to empty drop boxes and BVBs and sort/stack contents, a count team member shall be able to observe the loading and unloading of all currency at the currency counter, including rejected currency.

8.3.1. The Gaming Enterprise shall develop a system of internal controls for situations when the currency count equipment rejects the currency and does not record the amount of the rejected currency, including but not limited to the following:

- a. Dual verification of rejected funds and documentation of the amount on a count sheet.
- b. Posting of the rejected currency amount to the correct drop box or BVB the currency was removed from.
- c. Posting rejected currency to a nonexistent table, VGC or kiosk is prohibited.

8.4. If currency counters are not utilized, a second count shall be performed by count team member who did not perform the initial count. Separate counts of chips and tokens shall be performed by members of the count team.

8.5. Coupons or other promotional items not included in gross revenue may be recorded on a supplemental document by either the Count Team associates or accounting associates. All single-use coupons must be cancelled daily by either the Count Team associates or accounting associates to prevent recirculation.

8.6. The count sheet shall be reconciled to the total drop by a count team member who shall not function as the sole recorder, and currency variances must be reconciled and documented.

8.6.1. A final verification of the total drop proceeds, before transfer to cage/vault, shall be performed by at least two associates, one of whom is a supervisory count team member and the other a count team member.

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

8.6.1. Any unresolved variances shall be reconciled, documented, and investigated by Accounting/Revenue Audit.

8.6.2. All members of the count team shall sign the count document or a summary report to attest to their participation in the count.

8.7. 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 authorized associate independent of the revenue generation and the count process for verification.

8.7.1. The verifier shall certify by signature as to the amount of the drop proceeds delivered and received.

8.7.2. The individual performing the verification count shall not have prior knowledge of the results of previous count performed by the Count Team.

8.7.3. Any unresolved variances shall be reconciled, documented, and investigated.

8.8. The count sheet, with all supporting documents, shall be delivered to the accounting department by a count team member or an associate independent of the cage department. Alternatively, it may be adequately secured (e.g., locked container to which only an accounting associate can gain access) until retrieved by the accounting department.



## 9. Inspection Procedures

### 9.1. Inspection Requirements

9.1.1. Inspections will be performed by an associate independent of the drop or count function performed.

9.1.2. Inspections will take place in the man trap.

9.1.3. Inspections will include removing shoes and socks for associates wearing a jumpsuit.

9.1.4. Inspections will include emptying/checking pockets and clearing hands for any associates not wearing jumpsuits.

9.1.5. Inspections will include checking any paperwork or miscellaneous items that were in the count room while the count was taking place.

### 9.2. Associates shall comply with inspection procedures in the following situations:

9.2.1. All associates or vendors leaving the count room who were present while the count was occurring.

9.2.2. All associates involved in the VGC, kiosk, or table games drop.

9.2.3. Any member of the drop team leaving the drop before it is complete.

9.2.4. Any associates involved in an emergency drop, scheduled project drop, or unscheduled drop.

### 9.3. After the drop funds have been transferred to the main bank and the count team has been inspected out of the count room, a sweep will be conducted of the count room to ensure no funds are left unaccounted for or unsecured.

9.3.1. The sweep will be performed by two associates from a department independent of the drop and count process.

9.3.2. The associates performing the sweep will be inspected following procedures for emergency, unscheduled, and scheduled project drops.

9.3.3. After the sweep, associates and vendors entering the count room will not have to be inspected until funds are placed in the count room for unscheduled or emergency drops, or the drop and count team returns.

### History

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Prior versions of this Detailed Gaming Regulation are available upon request from the Gaming Regulatory Authority.

**Each Gaming Enterprise shall come into compliance with changes no later than October 1, 2023.**