



Mille Lacs Band of Ojibwe Indians
Gaming Regulatory Authority
Detailed Gaming Regulations

BINGO AND PULL TABS

Document No. DGR – 12

Effective: April 8, 2011

I. BINGO

Section 1. Scope. This section includes the Detailed Gaming Regulations for Bingo, to be regulated and played in Compliance with 15 MLBSA and DGR 12.

Section 2. Computer Applications. For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section will be acceptable. Any such documentation and/or procedures shall be provided to the GRA Board upon request.

Section 3. Inventory of Bingo Paper. The bingo paper inventory must be controlled so as to assure the integrity of the bingo paper being used as follows:

- A. When received, bingo paper must be inventoried and secured by an authorized employee(s) independent of bingo sales;
- B. The issue of bingo paper to the cashiers must be documented and signed for by the authorized employee(s) responsible for inventory control and a cashier. The bingo control log must include the series number of the bingo paper;
- C. The bingo control log must be utilized by the Gaming Enterprise to verify the integrity of the bingo paper being used; and
- D. Once each month, an authorized employee(s) independent of both bingo paper sales and bingo paper inventory control must verify the accuracy of the ending balance in the bingo control log by reconciling it with the bingo paper inventory.

Section 4. Bingo Sales.

- A. There must be an accurate accounting of all bingo sales.
- B. All bingo sales records must include the following information:
 1. Date;
 2. Time;
 3. Shift or session;
 4. Sales transaction identifiers, which may be the unique card identifier(s) sold or when electronic bingo card faces are sold, the unique identifiers of the card faces sold;
 5. Quantity of bingo cards sold;
 6. Dollar amount of bingo sales;
 7. Signature, initials, or identification of the employee or device who conducted the bingo sales; and
 8. When bingo sales are recorded manually, total sales are verified by an authorized employee independent of the bingo sales being verified and the signature, initials, or identification of the authorized employee who verified the bingo sales is recorded.
- C. No employee shall have unrestricted access to modify bingo sales records.
- D. An authorized employee independent of the seller must perform the following standards for each seller at the end of each session:
 1. Reconcile the documented total dollar amount of cards sold to the documented quantity of cards sold;
 2. Note any variances; and
 3. Appropriately investigate any noted variances with the results of the follow-up documented.



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- E. All gaming shall be conducted on a cash basis. This restriction shall not restrict the right of the Gaming Enterprise or any other person to offer check cashing or to install or accept bank card or credit card for transactions in the same manner as would be normally permitted at any retail business.

Section 5. Voiding Bingo Sales. Procedures must be established and implemented to prevent the voiding of card sales after the start of the calling of the game for which the bingo card was sold. Cards may not be voided after the start of a game for which the card was sold.

- A. When a bingo card must be voided the following controls must apply as relevant:
1. A non-electronic bingo card must be marked void; and
 2. The authorization of the void, by an authorized supervisor of the original sale transaction must be recorded either by signature on the bingo card or by electronically associating the void authorization to the sale transaction of the voided bingo card.
- B. Reissue of Previously Sold Bingo Cards. When one or more previously sold bingo cards need to be reissued, the following controls must apply:
1. The original sale of the bingo cards must be verified; and
 2. The reissue of the bingo cards must be documented, including the identity of the employee authorizing reissuance.

Section 6. Draw, Verification and Display. The Gaming Enterprise shall establish and implement procedures to ensure the identity of each object drawn is accurately recorded and transmitted to the participants. The procedures must identify the method used to ensure the identity of each object drawn.

- A. For all games offering a prize payout of \$1,200 or more, as the objects are drawn, the identity of the objects must be immediately recorded and maintained for a minimum of 24 hours.
- B. Controls must be present to ensure that all objects eligible for the draw are available to be drawn prior to the next draw.
- C. Each ball shall be shown to a camera immediately before it is called so that it is individually displayed to all patrons.
- D. For bingo games not verified by camera equipment, each ball drawn shall be verified by an employee independent of the bingo caller responsible for calling the bingo game.

Section 7. Segregation of Duties.

- A. The functions of sales and prize payout verification must be segregated, if performed manually. Employees who sell bingo cards on the floor must not verify bingo cards for prize payouts with bingo cards in their possession of the same type as the bingo card being verified for the game.
- B. Floor clerks who sell bingo cards on the floor are permitted to announce the identifiers of winning bingo cards.
- C. The Caller's Desk shall not have the ability to sell or modify sales information.

Section 8. Validation. Procedures must be established and implemented to determine the validity of the claim prior to the payment of a prize (i.e., bingo card was sold for the game played, not voided, etc.) by at least two employees.

Section 9. Verification. Procedures must be established and implemented to ensure that at least two employees verify the winning pattern has been achieved on the winning card prior to the payment of a prize.



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- A. Prize payouts of \$1,199.99 or less shall require the authorization and signature of at least two employees.
 - B. Prize payouts of \$1,200.00 to \$4,999.99, shall require the signature and verification of two employees, one of who must be a management employee authorizing and witnessing the prize payout.
 - C. Prize payouts \$5,000 or greater shall require the signature and verification of three employees, one of who must be a management employee and one who must be a Key employee independent of the Bingo Department.

Section 10. Operational Controls Procedures must be established and implemented with the intent to prevent unauthorized access to or fraudulent transactions involving cash or cash equivalents.

- A. Cash or cash equivalents exchanged between two employees must be counted independently by at least two employees and reconciled to the recorded amounts at the end of each shift or if applicable each session. Unexplained variances must be documented and maintained. Unverified transfers of cash or cash equivalents are prohibited.
- B. Procedures must be established and implemented to control cash or cash equivalents in accordance with this section and based on the amount of the transaction. These procedures include, but are not limited to, counting and recording on an accountability form by shift, session or relevant time period the following:
 - 1. Inventory, including any increases or decreases;
 - 2. Transfers;
 - 3. Exchanges, including acknowledging signatures or initials; and
 - 4. Resulting variances.
- C. Any change of control of accountability, exchange or transfer must require the cash or cash equivalents be counted and recorded independently by at least two employees and reconciled to the recorded amount.

Section 11. Gaming Equipment.

- A. The Gaming Enterprise shall establish and implement procedures that restrict access to employees for the controlled gaming equipment/components (e.g. draw objects and back-up draw objects).
- B. The game software components of a Class II gaming system will be identified in the test laboratory report. When initially received, the software must be verified to be authentic copies, as certified by the independent testing laboratory
- C. The GRA shall establish and implement procedures relating to the periodic inspection, maintenance, testing, and documentation of a random sampling of gaming equipment/components, including but not limited to:
 - 1. Software related to game outcome must be authenticated semi-annually by an employee independent of bingo operations by comparing signatures against the test laboratory letter on file with the tribal gaming regulatory authority for that version.
 - 2. The manufacturer must provide specialized equipment or the services of an independent technical expert to assist with the testing, examination and analysis.

Section 12. Player Tracking System. The following standards apply if a player tracking system is utilized:



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- A. The player tracking system shall be secured so as to prevent unauthorized access (e.g., changing passwords at least quarterly and physical access to computer hardware, etc.).
 - B. The addition of points to members' accounts other than through Bingo play shall be sufficiently documented (including substantiation of reasons for increases) and shall be
 - C. Authorized by a department independent of the player tracking and Bingo Department. Alternatively, addition of points to members' accounts may be authorized by Bingo supervisory employees if sufficient documentation is generated and it is randomly verified by employees independent of the Bingo Department on a quarterly basis.
 - D. Changes to the player tracking system parameters, such as point structures and employee access, shall be performed by supervisory employees independent of the Bingo Department. Alternatively, changes to player tracking system parameters may be performed by Bingo supervisory employees if sufficient documentation is generated and it is randomly verified by supervisory employees independent of the Bingo Department on a monthly basis. All other changes to the player tracking system shall be appropriately documented.

Section 13. Progressive Prize Pools.

- A. A display that shows the amount of the progressive prize must be conspicuously displayed at or near the player interface(s) to which the prize applies.
- B. At the end of each session, each Gaming Enterprise must record the total amount of each progressive prize pool offered at the Gaming Enterprise on the progressive log.
- C. When a manual payment for a progressive prize is made from a progressive prize pool, the amount must be recorded on the progressive log.
- D. Each Gaming Enterprise must record, on the progressive log, the base reset amount of each progressive prize the Gaming Enterprise offers.
- E. The Gaming Enterprise shall establish and implement procedures specific to the transfer of progressive amounts in excess of the base reset amount to other awards or prizes. Such procedures may also include other methods of distribution that accrue to the benefit of the gaming public.

Section 14. Disposal or Destruction of Bingo Equipment.

- A. Any Gaming Enterprise which wishes to destroy or otherwise dispose of Bingo Equipment shall obtain the written approval of the GRA Board or its designee prior to destroying or otherwise disposing of Bingo Equipment.
- B. The GRA Board may approve the destruction or disposal of Bingo Equipment when it finds that doing so protects the integrity of gaming at a Gaming Enterprise or is otherwise required by law.
- C. The Gaming Enterprise shall provide a written notice at least 10 days in advance to the Executive Director of the Office of Gaming Regulation and Compliance. The Executive Director shall present the notice to the GRA Board for its approval.
- D. The notice shall include the following:
 - 1. A brief written explanation for the proposed destruction or disposal.
 - 2. Identification of the equipment including:
 - (a) Type and amount of equipment to be destroyed, name of the manufacturer and model number (if applicable);
 - (b) Unique identification number (if applicable);



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- (c) Date and source of original acquisition.
- 3. Description of method of destruction or disposal including:
 - (a) Name of the employee responsible for destruction or disposal;
 - (b) Date, place and time of proposed destruction or disposal;
 - (c) Proposed method for destruction or disposal.
- E. The GRA Board may require an OGR&C representative or designee to be present at the destruction or disposal of the Bingo Equipment. In addition the Board may require the destruction of the Bingo Equipment to be video recorded.
- F. Once destruction or disposal is complete, written verification should be provided to the GRA Board.
- G. All documentation of destroyed and disposed Bingo Equipment shall be maintained for a period of at least two years by the Gaming Enterprise.

II. PULL TABS

Section 1. Scope. This section includes the Detailed Gaming Regulations for Pull Tabs, to be regulated and played in Compliance with 15 MLBSA and DGR 12.

Section 2. Computer Applications. For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section will be acceptable. Any such documentation and/or procedures shall be provided to the GRA upon request.

Section 3. Occupational Tax. The Band Gaming Enterprise must comply with IRS regulations and pay the occupational tax as imposed on those employees who receive wagers that are subject to tax. Such occupational tax must be paid prior to an employee accepting any wagers and then annually thereafter.

Section 4. Pull Tab Inventory. For any pull tabs played at a Band Gaming Enterprise, the following regulations shall apply:

- A. The pull tab inventory (including unused tickets) shall be controlled to assure the integrity of the pull tabs.
- B. Purchased pull tabs shall be inventoried and secured by an employee or employees independent of the pull tab sales.
- C. The issue of pull tabs to the cashier or sales location shall be documented and signed for by the employee responsible for inventory control and the cashier. The document log shall include the serial number of the pull tabs issued.
- D. Appropriate documentation shall be given to the redemption booth for purposes of determining if the winner purchased the pull tab from the pull tabs issued by the gaming operation. Electronic verification satisfies this requirement.

Section 5. Access. Access to pull tabs shall be restricted to authorized employees.

Section 6. Transfers. Transfers of pull tabs from storage to the sale location shall be secured and independently controlled.

Section 7. Winning Pull Tabs. Winning pull tabs shall be verified and paid as follows:

- A. Prize payouts of \$600 or more, or a lesser amount established by the Gaming Enterprise, shall be verified and documented by at least two employees one of whom must be a Key employee independent of the pull tab department.



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- B. Prize payouts of more than \$1,199.99 shall be verified and documented by at least two employees one of whom must be a supervisory or management employee from a department independent of the pull tab department.
 - C. Total payout shall be computed and recorded by shift.
 - D. The winning pull tabs shall be voided so that they cannot be presented for payment again.

Section 8. Accountability Form. All funds used to operate the pull tab game shall be recorded on an accountability form. All funds used to operate the pull tab game shall be counted independently by at least two employees and reconciled to the recorded amounts at the end of each shift or session.

Section 9. No Credit Extended. All gaming shall be conducted on a cash basis. This restriction shall not restrict the right of the Gaming Enterprise or any other person to offer check cashing or to install or accept bank card or credit card for transactions in the same manner as would be normally permitted at any retail business.

Section 10. Disposal or Destruction of Pull Tabs.

- A. The GRA Board may approve the destruction or disposal of Pull Tabs when it finds that doing so protects the integrity of gaming at a Gaming Enterprise or is otherwise required by law.
- B. The Gaming Enterprise shall submit written procedures for the destruction and disposal of pull tabs to the GRA Board for approval.
- C. The procedures for destruction of pull tabs shall include the following:
 - 1. A brief written explanation of the method of destruction.
 - 2. Name of employee or entity responsible for the destruction.
 - 3. Timelines for destruction for both winning and losing pull tabs.
- D. The procedures for disposal shall include:
 - 1. Written notification to the Executive Director of the Office of Gaming Regulations and Compliance prior to the disposal of pull tabs.
 - 2. Name of the Gaming Enterprise where the Pull Tabs are being disposed from.
 - 3. Type, amount and name of the manufacturer of the pull tabs.
 - 4. Unique identification number
 - 5. Date and source of original acquisition.
- E. The GRA Board may require an OGR&C representative to be present at the destruction or disposal of Pull Tabs. In addition the GRA Board may require the destruction of the pull tabs to be video recorded.
- F. All documentation of destroyed and disposed Pull Tabs shall be maintained for a period of at least two (2) years by the Gaming Enterprise.

History. Approved by the Gaming Regulatory Authority on April 8, 2011. **Effective date April 8, 2011.**