



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

DROP AND COUNT STANDARDS

Document No. DGR – 16

Effective: April 8, 2011

I. COMPUTER APPLICATIONS.

Section 1. 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, as approved by the Gaming Regulatory Authority Board (hereinafter “GRA Board”), will be acceptable.

II. SECURITY OF THE COUNT ROOMS

Section 1. Access to the count room(s) during the count shall be restricted to members of the drop and count teams, with the exception of authorized observers, supervisors for resolution of problems, and authorized maintenance personnel.

Section 2. Access to the count room(s) at other than scheduled count times shall be restricted to authorized personnel.

Section 3. Authorized personnel, observers, supervisors for resolution of problems, and authorized maintenance personnel shall comply with count room personnel inspection policies.

Section 4. Surveillance shall be notified whenever any person enters or exits the count room.

Section 5. All coin, tokens, chips and/or cash inventory stored in the count room shall be secured from unauthorized access at all times.

III. SOFT COUNT ROOM PERSONNEL.

Section 1. The table game drop box and gaming machine bill acceptor count shall be performed by a minimum of three employees.

Section 2. Count room personnel shall not be allowed to exit or enter the count room during the count except for emergencies or scheduled breaks. At no time during the count shall there be fewer than three employees in the count room until the drop proceeds have been accepted into cage/vault accountability. Surveillance shall be notified whenever count room personnel exit or enter the count room during the count.

Section 3. Count team members shall be rotated on a routine basis such that the count team is not consistently the same three persons more than four (4) days per week. This standard shall not apply to a Gaming Enterprise that utilizes a count team of more than three persons.

Section 4. The count team shall be independent of transactions being reviewed and counted. The count team shall be independent of the cage/vault departments.

Section 5. The count team members must wear jumpsuits while in the count rooms.

Section 6. The jumpsuits will be inspected on a daily basis by another department, independent of the count, prior to and at the end of the count.

Section 7. The jumpsuits will be stored in a designated area approved by the GRA Board, outside of the count rooms, and must be put on and taken off, prior to and at the commencement of the count team members shift.

Section 8. Count team personnel must remove shoes and socks in the man trap area and show the shoes and socks to a person independent of the drop process.

IV. HARD COUNT ROOM PERSONNEL.

Section 1. The weigh/count shall be performed by a minimum of three employees.

Section 2. At no time during the weigh/count shall there be fewer than three employees in the count room until the drop proceeds have been accepted into cage/vault accountability. Surveillance shall be notified whenever count room personnel exit or enter the count room during the count.



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Section 3. If the gaming machine count is conducted with a continuous mechanical count meter that is not reset during the count and is verified in writing by at least three employees at the start and end of each denomination count, then one employee may perform the wrap.

Section 4. Count team members shall be rotated on a routine basis such that the count team is not consistently the same three persons more than four (4) days per week. This standard shall not apply to Gaming Enterprises that utilize a count team of more than three persons.

Section 5. The count team shall be independent of transactions being reviewed and counted. The count team shall be independent of the cage/vault departments.

Section 6. The count team members must wear jumpsuits while in the count rooms.

Section 7. The jumpsuits will be inspected on a daily basis by another department, independent of the count, prior to and at the commencement of the count.

Section 8. The jumpsuits will be stored in a designated area approved by the GRA Board, outside of the count rooms, and must be put on and taken off, prior to and at the commencement of the count team members shift.

Section 9. Count team personnel must remove shoes and socks in the man trap and show the shoes and socks to a person independent of the drop process.

V. GAMING MACHINE DROP PERSONNEL.

Section 1. Gaming machine drop process shall be performed by a minimum of three employees.

Section 2. Drop team personnel shall not be allowed to exit or enter the secured drop zone except for emergencies or scheduled breaks.

Section 3. The drop team shall be independent of the gaming machine department with the exception of emergency drops.

Section 4. The drop team members must wear jumpsuits during the entire drop process.

Section 5. The jumpsuits will be inspected on a daily basis by another department, independent of the drop, prior to and at the end of the entire drop/count process.

Section 6. Drop team jumpsuits will be stored in the same manner as all other count jumpsuits.

Section 7. All Gaming Enterprise associates involved in the coin drop process shall be inspected by a person independent of the drop process at any time upon leaving the drop.

VI. TABLE GAME DROP STANDARDS.

Section 1. The setting out of empty table game drop boxes and the drop shall be a continuous process.

Section 2. At the end of each shift:

- A. A separate drop box shall be placed on each table opened at any time during each shift or a Gaming Enterprise may utilize a single drop box with separate openings and compartments for each shift;
- B. All locked table game drop boxes shall be removed from the tables by a person independent of the pit shift being dropped; and
- C. Upon removal from the tables, table game drop boxes 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.

Section 3. If drop boxes are not placed on all tables, then the pit department shall document which tables were open during the shift.



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Section 4. The transporting of table game drop boxes shall be performed by a minimum of two persons, at least one of whom is independent of the pit shift being dropped.

Section 5. All table game drop boxes shall be posted with a number corresponding to a permanent number on the gaming table and marked to indicate game, table number, and shift.

Section 6. Surveillance shall be notified when the drop is to begin so that Surveillance may monitor the activities. The drop begins with the removal of the first table game drop box.

VII. GAMING MACHINE BILL ACCEPTOR DROP STANDARDS.

Section 1. A minimum of three employees shall be involved in the removal of the gaming machine drop, all of whom are independent of the gaming machine department.

Section 2. All bill acceptor canisters shall be removed only at the time previously designated by the Gaming Enterprise and reported to the GRA Board, except for emergency drops.

Section 3. Surveillance shall be notified when the drop is to begin so that Surveillance may monitor the activities. The gaming machine bill acceptor drop begins when the first bill acceptor box is removed.

Section 4. The bill acceptor canisters shall be removed by a person independent of the gaming machine department and then transported directly to the count room or other equivalently secure area with comparable controls and locked in a secure manner until the count takes place.

A. Security shall be provided over the bill acceptor canisters removed from the gaming machines and awaiting transport to the count room.

B. The transporting of bill acceptor canisters shall be performed by a minimum of two persons, both of whom are independent of the gaming machine department.

Section 5. All bill acceptor canisters shall be posted with a number corresponding to a permanent number on the gaming machine. Alternatively, a smart can system that electronically identifies and tracks the gaming machine number, and facilitates the proper recognition of gaming revenue, shall satisfy the requirements of this paragraph.

VIII. TABLE GAME DROP BOX AND GAMING MACHINE BILL ACCEPTOR SOFT COUNT STANDARDS.

Section 1. The table game drop box and gaming machine bill acceptor count shall be performed in a soft count room or other equivalently secure area with comparable controls.

Section 2. If counts from various revenue centers occur simultaneously in the count room, procedures shall be in effect that prevent the commingling of funds from different revenue centers.

Section 3. The count team shall not have access to the bill-in meter amounts until after the count is completed and the drop proceeds are accepted into the cage/vault accountability. A count team member is allowed to read/record the amount from the bill-in meters provided the count team members do not have knowledge of the dollar amount of currency contained in the bill acceptor canisters pursuant to the bill-in meter during the count process.

Section 4. At least once weekly prior to the count at least two count team members shall verify the accuracy of the currency counter with previously counted currency for each denomination (i.e., test currency). The test currency shall be counted by the currency counter to ensure that the counter is functioning properly. The test results shall be documented and maintained.



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- A. The currency counter test shall be performed with the test currency rather than with currency from a drop box or canister.
 - B. If the same currency counter is used for one revenue center (e.g., gaming or nongaming 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 members complete one count and then proceed to the other revenue center count.

Section 5. The table game drop boxes and bill acceptor canisters shall be individually emptied and counted in such a manner to prevent the commingling of funds between boxes and/or canisters until the count of the box or canister has been recorded.

- A. The count of each box or canister shall be recorded in ink or other permanent form of recordation.
- B. For counts that do not utilize a currency counter, a second count shall be performed by an employee on the count team who did not perform the initial count. Separate counts of chips and tokens must always be performed by employees of the count team.
- C. Coupons or other promotional items not included in gross revenue may be recorded on a supplemental document by either the count team members or accounting personnel. All single-use coupons shall be cancelled daily by either the count team members or accounting personnel to prevent recirculation.
- D. If a currency counter interface is used it shall be adequately restricted (e.g., password, keys, etc.) so as to prevent unauthorized access. The currency drop figures shall be transferred via direct communications line or computer storage media to the accounting department.

Section 6. If currency counters are utilized and the count room table is used only to empty boxes and canisters 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.

Section 7. When the currency counter rejects currency but does not record the amount of rejected currency (re-run of rejected currency is permissible), procedures shall be developed and implemented to record the rejected currency amount by table game/gaming machine and to ensure that two counts of the rejected currency (by table game/gaming machine and in total) are performed to ensure the correct amount of the drop is recorded on the count sheet. Posting rejected currency to a nonexistent “dummy” table/gaming machine is prohibited.

Section 8. Table game drop boxes and gaming machine canisters, when empty, shall be shown to another member of the count team, or to another person who is observing the count, and to Surveillance, provided the count is monitored in its entirety by a person independent of the count.

Section 9. Fill/credit slips removed from the drop boxes shall be matched to the fill/credit slips obtained from the cage or otherwise reconciled by the count team members or accounting/revenue audit personnel to verify that the dollar amounts for the shift are identical. Fills and credits shall be traced to or recorded on the count sheet.

Section 10. The opening/closing table inventory forms (if applicable) shall either be:

- A. Examined and traced to or recorded on the count sheet; or
- B. If a computerized system is used, accounting personnel can trace the opening/closing table inventory forms to the count sheet. Discrepancies shall be investigated with the findings documented and maintained for inspection.

Section 11. To correct errors in soft count documentation, a single line shall be drawn through the error, and the correct figure entered above the original figure. The correction shall be initialed by



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at least two count team members verifying the change. If a currency interface is used, corrections to the table games count data shall be made using one of the following:

- A. Draw a single line through the error on the table games/gaming machine document, and write the correct figure above the original figure. The correction must be initialed by the two count team members verifying the change. If this procedure is used, an employee independent of the table games/gaming machine department and count team shall enter the correct figure into the computer system prior to the generation of related table games/gaming machine reports; or
- B. During the count process, correct the error in the computer system and enter the passwords of at least two count team employees. If this procedure is used, an exception report shall be generated by the computer system identifying the table games/gaming machine number, the error, the correction, and the count team employees attesting to the correction.
- C. If the computer system does not allow corrections as specified in (B), management shall develop and implement alternative procedures for documenting correcting to the soft count records and communicating the information to the accounting department.

Section 12. The count sheet shall be reconciled to the total drop by a count team member who shall not function as the sole recorder and variances shall be reconciled and documented.

Section 13. All members of the count team shall sign the count document or a summary report to attest to their participation in the count.

Section 14. All drop proceeds and cash equivalents that were counted shall be turned over to the cage or vault cashier (who shall be independent of the count team) or to an authorized person/employee independent of the revenue generation and the count process for verification. Such person shall certify by signature as to the amount of the drop proceeds delivered and received. The individual performing the verification count shall be precluded from having prior knowledge of the results of previous count performed by count team personnel. Any unresolved variances shall be reconciled, documented, and/or investigated by accounting/revenue audit.

Section 15. The count sheet, with all supporting documents, shall be delivered to the accounting department by a count team member or a person independent of the cashiers department.

Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.

Section 16. The cage/vault employee shall sign the count sheet, or other reconciling document, and thereby assume accountability of the currency drop proceeds, ending the count.

Section 17. Access to stored, full table game drop boxes and stored, full bill acceptor canisters shall be restricted to authorized members of the drop and count teams.

IX. GAMING MACHINE COIN DROP STANDARDS.

Section 1. A minimum of three employees shall be involved in the removal of the gaming machine drop, at least one of who is independent of the gaming machine department.

Section 2. All drop buckets shall be removed only at the time previously designated by the Gaming Enterprise and reported to the GRA Board, except for emergency drops.

Section 3. Surveillance shall be notified when the drop is to begin in order that Surveillance may monitor the activities. The gaming machine coin drop begins when the first drop bucket is removed.



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Section 4. Security shall be provided over the buckets removed from the gaming machine drop cabinets and awaiting transport to the count room.

Section 5. As each machine is opened, the contents shall be tagged with its respective machine number if the bucket is not permanently marked with the machine number. The contents shall be transported directly to the area designated for the counting of such drop proceeds. If more than one trip is required to remove the contents of the machines, the filled carts of coins shall be securely locked in the room designed for counting or in another equivalently secure area with comparable controls. There shall be a locked covering on any carts in which the drop route includes passage out of doors. Alternatively, a smart bucket system that electronically identifies and tracks the gaming machine number, and facilitates the proper recognition of gaming revenue, shall satisfy the requirements of this paragraph.

Section 6. Each drop bucket in use shall be:

- A. Housed in a locked compartment separate from any other compartment of the gaming machine and keyed differently than other gaming machine compartments; and
- B. Identifiable to the gaming machine from which it is removed. If the gaming machine is identified with a removable tag that is placed in the bucket, the tag shall be placed on top of the bucket when it is collected.

Section 7. Each gaming machine that accepts coins or tokens shall have drop buckets into which coins or tokens that are retained by the gaming machine are collected. Drop bucket contents shall not be used to make change or pay hand-paid payouts.

Section 8. The collection procedures may include procedures for dropping gaming machines that have trays instead of drop buckets.

X. EMERGENCY DROP PROCEDURES.

Section 1. The Gaming Enterprise shall establish and comply with procedures regarding emergency drops. An emergency drop is any drop outside of the normal scheduled drop times. The procedures at a minimum shall include:

- A. Notification to the GRA which shall include:
 - 1. Date and time;
 - 2. Location of table/gaming machine; and
 - 3. Reason;
- B. Notification to Surveillance;
- C. Authorized personnel; and
- D. Secured storage of funds.
- E. Inspection procedures

XI. GAMING MACHINE COIN COUNT AND WRAP STANDARDS.

Section 1. Coins shall include tokens.

Section 2. The gaming machine coin count and wrap shall be performed in a count room or other equivalently secure area with comparable controls.

Section 3. If counts from various revenue centers occur simultaneously in the count room, procedures shall be in effect that prevent the commingling of funds from different revenue centers.

Section 4. The following functions shall be performed in the counting of the gaming machine drop:



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- A. Recorder function, which involves the recording of the gaming machine count; and
- B. Count team supervisor function, which involves the control of the gaming machine weigh and wrap process. The supervisor shall not perform the initial recording of the weigh/count unless a weigh scale with a printer is used.

Section 5. The gaming machine drop shall be counted, wrapped, and reconciled in such a manner to prevent the commingling of gaming machine drop coin with coin (for each denomination) from the next gaming machine drop until the count of the gaming machine drop has been recorded. If the coins are not wrapped immediately after being weighed or counted, they shall be secured and not commingled with other coin.

Section 6. The amount of the gaming machine drop from each machine shall be recorded in ink or other permanent form of recordation on a gaming machine count document by the recorder or mechanically printed by the weigh scale. Additionally, if a weigh scale interface is used, the count figures shall be transferred via direct communications line or computer storage media to the accounting department.

Section 7. Corrections to information originally recorded by the count team on gaming machine count documentation shall be made by drawing a single line through the error, writing the correct figure above the original figure, and then obtaining the initials of at least two count team members who verified the change.

Section 8. If a weigh scale interface is used, corrections to gaming machine count data shall be made using one of the following:

- A. Drawing a single line through the error on the gaming machine document, writing the correct figure above the original figure, and then obtaining the initials of at least two count team employees. If this procedure is used, an employee independent of the gaming machine department and count team shall enter the correct figure into the computer system prior to the generation of related gaming machine reports; or
- B. During the count process, correct the error in the computer system and enter the passwords of at least two count team employees. If this procedure is used, an exception report shall be generated by the computer system identifying the gaming machine number, the error, the correction, and the count team employees attesting to the correction.

Section 9. If applicable, the weight shall be converted to dollar amounts prior to the reconciliation of the weigh to the wrap.

Section 10. If a coin meter is used, a count team member shall convert the coin count for each denomination into dollars and shall enter the results on a summary sheet.

Section 11. The recorder and at least one other count team member shall sign the weigh tape and the gaming machine count document attesting to the accuracy of the weigh/count.

Section 12. All members of the count team shall sign the count document or a summary report to attest to their participation in the count.

Section 13. All drop proceeds and cash equivalents that were counted shall be turned over to the cage or vault cashier (who shall be independent of the count team) or to an authorized person/employee independent of the revenue generation and the count process for verification. Such person shall certify by signature as to the accuracy of the drop proceeds delivered and received.

Section 14. All gaming machine count and wrap documentation, including any applicable computer storage media, shall be delivered to the accounting department by a count team member or a



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person independent of the cashier's department. Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.

Section 15. If the coins are transported off the property, a second (alternative) count procedure shall be performed before the coins leave the property. Any variances shall be documented.

Section 16. Variances. Large (by denomination, either \$1,000 or 2% of the drop, whichever is less) or unusual (e.g., zero for weigh/count or patterned for all counts) variances between the weigh/count and wrap shall be investigated by management personnel independent of the gaming machine department, count team, and the cage/vault functions on a timely basis. The results of such investigation shall be documented, maintained for inspection, and provided to the GRA Board in a timely manner.

XII. SECURITY OF THE COUNT ROOM INVENTORY DURING THE GAMING MACHINE COIN COUNT AND WRAP.

Section 1. All of the following requirements shall be completed, at the conclusion of the count:

- A. At least two members of the count/wrap team shall count the final wrapped gaming machine drop independently from each other;
- B. The counts shall be recorded on a summary report;
- C. Prior to verification of the count by cage/vault personnel, the same count team members (or the accounting department) shall compare the final wrap to the weigh/count, recording the comparison and noting any variances on the summary report;
- D. A member of the cage/vault department shall count the wrapped gaming machine drop by denomination and reconcile it to the weigh/count;
- E. At the conclusion of the reconciliation, at least two count team members and the cage/vault employee shall sign the summary report attesting to its accuracy; and
- F. The wrapped coins (exclusive of proper transfers) shall be transported to the cage, vault or coin vault after the reconciliation of the weigh/count to the wrap.
- G. The count team shall not have access to coin drop meter amounts until after the count is completed and the drop proceeds have been accepted into the cage/vault accountability. A count team member is allowed to read/record the amount from the coin-in meters provided the count team members do not have knowledge of the dollar amount of coin contained in the drop buckets pursuant to the coin-in meters during the count process.

XIII. TRANSFERS OF CURRENCY AND COIN DURING THE COUNT.

Section 1. The Gaming Enterprise shall establish and comply with procedures regarding transfers of currency and coin during the count and wrap process.

Section 2. Each transfer shall be recorded on a separate multi-part form with a preprinted or concurrently-printed form number that shall be subsequently reconciled by the accounting department.

Section 3. Each transfer must be counted and signed for by at least two members of the count team and by a person independent of the count team who is responsible for authorizing the transfer.

Section 4. At least one part of the transfer shall remain in the count room until the drop has been accepted into the cage/vault accountability. The other part of the transfer form shall accompany the funds transferred from the count room during the count.



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XIV. EQUIPMENT STANDARDS FOR GAMING MACHINE COUNT.

- Section 1.** A weigh scale calibration module shall be secured so as to prevent unauthorized access (e.g., prenumbered seal, lock and key, etc.).
- Section 2.** A person independent of the cage, vault, gaming machine, and count team functions shall be required to be present whenever the calibration module is accessed. Such access shall be documented and maintained.
- Section 3.** If a weigh scale interface is used, it shall be adequately restricted so as to prevent unauthorized access (passwords, keys, etc.).
- Section 4.** If the weigh scale has a zero adjustment mechanism, it shall be physically limited to minor adjustments (e.g., weight of a bucket) or physically situated such that any unnecessary adjustments to it during the weigh process would be observed by other count team members.
- Section 5.** The weigh scale and weigh scale interface (if applicable) shall be tested by a person or persons independent of the cage, vault, and gaming machine departments and count team at least quarterly. At least annually, this test shall be performed by internal audit in accordance with the internal audit standards. The result of these tests shall be documented and signed by the person or persons performing the test.
- Section 6.** Immediately prior to the gaming machine count, at least two employees shall verify the accuracy of the weigh scale with varying weights or with varying amounts of previously counted coin for each denomination to ensure the scale is properly calibrated (varying weights/coin from drop to drop is acceptable).

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