

# Regulatory Analysis Form

(Completed by Promulgating Agency)



# IRRC

Independent Regulatory Review Commission

## SECTION I: PROFILE

(1) Agency:

Pennsylvania Gaming Control Board

(2) Agency Number:

Identification Number: 125-145

IRRC Number: *2894*

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(3) Short Title:

Accounting and internal controls; Commencement of slot and table game operations

(4) PA Code Cite:

58 Pa.Code §§ 401a., 461a., 465a., 467a., 521 and 525

(5) Agency Contacts (List Telephone Number, Address, Fax Number and Email Address):

Primary Contact:

Susan A. Yocum  
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Secondary Contact:

N/A

(6) Primary Contact for Public Comments (List Telephone Number, Address, Fax Number and Email Address) – Complete if different from #5:

N/A

(All Comments will appear on IRRC'S website)

## Regulatory Analysis Form

(7) Type of Rulemaking (check applicable box):

- Proposed Regulation
- Final Regulation
- Final Omitted Regulation
- Emergency Certification Regulation;
  - Certification by the Governor
  - Certification by the Attorney General

(8) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

With this rulemaking, the Board is proposing to replace: the temporary regulation in section 521.3 (relating to table game surveillance requirements) by amending the existing permanent regulation in Chapter 465a. (relating to accounting and internal controls); the temporary regulation in section 521.11 (relating to table game floor plan changes) by amending the permanent regulation in Chapter 467a. (relating to commencement of slot and table game operations); and Chapter 525 (relating to table game internal controls) by amending Chapter 465a. of the permanent regulations.

This rulemaking will amend the internal control provisions and the provisions on the commencement of gaming operations so that the current requirements for slot operations will also be applicable to table game operations. This rulemaking will also provide some clarity, will delete some filings and update the regulations to reflect the Board's experience to date.

(9) Include a schedule for review of the regulation including:

- |   |                                    |
|---|------------------------------------|
| A. The date by which the agency must receive public comments:                               | <u>30 days after publication</u>   |
| B. The date or dates on which public meetings or hearings will be held:                     | <u>N/A</u>                         |
| C. The expected date of promulgation of the proposed regulation as a final-form regulation: | <u>3<sup>rd</sup> Quarter 2011</u> |
| D. The expected effective date of the final-form regulation:                                | <u>Upon publication</u>            |
| E. The date by which compliance with the final-form regulation will be required:            | <u>90 days after publication</u>   |
| F. The date by which required permits, licenses or other approvals must be obtained:        | <u>N/A</u>                         |

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(10) Provide the schedule for continual review of the regulation.

No formal review schedule has been established. Instead, the Board is constantly reviewing its regulations and proposing amendments as the need arises.

## **SECTION II: STATEMENT OF NEED**

(11) State the statutory authority for the regulation. Include specific statutory citation.

Section 1202(b)(30) (relating to general and specific powers) and specific authority contained in 4 Pa.C.S. §§ 1207, 1322, 13A02(1)-(6), 13A25 (relating to regulatory authority of the board; slot machine accounting controls and audits; regulatory authority; and table game accounting controls and audit protocols).

(12) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

There are no other applicable federal or state statutes, regulations or court decisions that mandate adoption of these changes contained in this rulemaking.

(13) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

Pursuant to the Act, the Board was tasked with promulgating regulations: establishing standards and procedures for table games and table game devices; establishing standards for the daily counting and recording of cash and cash equivalents received in the conduct of gaming; establishing minimum standards relating to the acceptance of tips; and requiring each licensee to provide detailed site plans, internal control systems and audit protocols for slot and table game operations.

With this rulemaking, certificate holders will have a clear understanding of the surveillance, staffing, count process and internal control requirements applicable to the operations within the licensed facility. These regulations are necessary to protect the integrity of gaming, the gaming public and to ensure the accurate collection and recording of revenue and taxes for the Commonwealth. Adequate surveillance coverage and staffing levels, for instance, are necessary to detect and deter cheating and theft, to reconstruct patron play in the event of a dispute or irregularity as well as for the protection of assets during the drop and count process.

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(14) If scientific data, studies, references are used to justify this regulation, please submit material with the regulatory package. Please provide full citation and/or links to internet source.

There are no studies or research upon which this rulemaking is based.

(15) Describe who and how many will be adversely affected by the regulation. How are they affected?

The Board does not anticipate that anyone will be adversely affected by this regulation.

(16) List the persons, groups or entities that will be required to comply with the regulation. Approximate the number of people who will be required to comply.

Slot machine licensees that elected to become certificate holders will be required to submit updated internal controls to reflect the amendments made in this rulemaking. Additionally, slot machine licensees that have not yet been issued a license as well as future successful applicants will be required to comply with the provisions contained in this rulemaking.

## SECTION III: COST AND IMPACT ANALYSIS

(17) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

The surveillance requirements contained in § 465a.9 will not impose any additional costs on the current certificate holders since the surveillance systems have already been updated prior to the commencement of table game operations. The operators did experience significant costs for: the installation of new cameras and other surveillance equipment; the reconfiguration of the gaming floor and positioning and repositioning of new and existing cameras; and the addition of new employees for their surveillance departments. The Board projected the costs related to surveillance requirements to be between \$150,000 to \$300,000 depending on the type of equipment purchased, the size of the gaming floor and the types of table games installed.

This rulemaking will combine into one chapter, two separate internal controls sections on slot operations



## Regulatory Analysis Form

and table game operations. Before authorized to commence table game operations, the certificate holder was required to expand and revise the scope of its internal controls. The revised costs were estimated at between \$20,000 and \$50,000 depending on the scope of the revisions and if the revisions were prepared internally. Although operators will again have to submit updated internal controls, those internal controls combine the separate sections that, for the most part, should already be written. These estimates are based on the costs associated with internal controls that were submitted when the licensees commenced slot operations.

Certificate holders were also required to hire and train additional staff to operate table games. To satisfy the minimum staffing requirements contained in the temporary rulemaking, operators collectively hired 12 key employees, 967 managers and supervisors, 3,264 dealers and 221 security guards for a total of 4,452 gaming employees. The cost for a gaming employee application is \$350 while the cost for key employee licenses is \$2,500. Although turnover in staff is expected, the Board does not have an estimate regarding the number of additional gaming and key employees an operator will be required to hire in the future to comply with the minimum staffing requirements contained within this rulemaking.

There will be some minor cost savings associated with floor plans and annual audits. Operators will no longer be required to submit large scale gaming floor plans with every petition to modify their gaming floor but may instead submit an electronic version. Additionally, operators will no longer be required to submit several reports with their audited financial statements.

(18) Provide a specific estimate of the costs and/or savings to **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

It is not anticipated that this regulation will require expenditures or provide savings to local governments; however, local governments will receive a local share assessment of the operator's revenue.

(19) Provide a specific estimate of the costs and/or savings to **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

It is not anticipated that this regulation will require expenditures or provide savings to state government; however, with the passage of table games, state government will receive 14% of a certificate holder's gross table game revenue for two years following the commencement of table game operations. After the first two years, the state will receive 12% of gross table game revenue.

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(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
<b>Regulated Community</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Local Government</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>State Government</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Savings</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>COSTS:</b>						
<b>Regulated Community</b>	\$3,988,200*	N/A	N/A	N/A	N/A	N/A
<b>Local Government</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>State Government</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Costs</b>	\$3,988,200					
<b>REVENUE LOSSES:</b>						
<b>Regulated Community</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Local Government</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>State Government</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Revenue Losses</b>	N/A	N/A	N/A	N/A	N/A	N/A

\*The surveillance equipment was purchased and installed, the internal controls were updated and staff was hired and trained in conformity with the temporary regulations that were promulgated during the 2009-2010 fiscal year.

(20a) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
PGCB Overall Budget	\$29,984,000	\$33,310,000	\$33,744,500 (inclusive of the amount below)	\$35,800,000 (inclusive of the amount below)
PGCB Budget for Table Games			\$1,100,000	\$2,700,000

## Regulatory Analysis Form

(21) Explain how the benefits of the regulation outweigh any cost and adverse effects.

The internal control requirements within these chapters are necessary for the protection of the gaming public, the accurate recording of revenues and taxes and the integrity of gaming in the Commonwealth. Surveillance coverage is necessary to detect and record cheating and theft, to reconstruct patron play in the event of a dispute or irregularity as well as for the protection of assets during the drop and count process. While surveillance is recording activity on the gaming floor, adequate supervisory staff can detect and deter cheating and theft on the gaming floor and can alert surveillance to direct camera coverage onto certain tables or individuals. On-the-floor staffing protects patrons and the integrity of gaming and the revenues generated from gaming. Although minimum staffing levels are specified, the regulation does allow certificate holders additional operating flexibility by allowing operators, with Board approval, to use a staffing plan that differs from what is specified in the regulation.

Adequate count room procedures are necessary for the safeguarding of assets and to deter or minimize employee theft from the count room. Additionally, standardized count room procedures ensures the consistent and accurate accounting of assets and revenue and makes it easier for the facility's surveillance department and the casino compliance representatives to detect and track irregularities in the count process.

(22) Describe the communications with and input from the public and any advisory council/group in the development and drafting of the regulation. List the specific persons and/or groups who were involved.

When the temporary regulations were promulgated, the Board provided for a 30 day public comment period whereby the industry was invited to provide suggestions for revision to the temporary regulations. Several of the suggestions received were incorporated into subsequent revisions to the temporary regulations while others were incorporated into this proposed rulemaking.

(23) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

No other regulatory schemes were considered.

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

There are no corresponding federal requirements.

## Regulatory Analysis Form

(25) How does this regulation compare with those of other states? How will this affect Pennsylvania's ability to compete with other states?

The regulations are consistent with the surveillance, staffing and internal control provisions in other gaming jurisdictions as well as the objectives and requirements of the Gaming Act. Therefore, these regulations should not affect Pennsylvania's ability to compete with other states.

(26) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

With this rulemaking, the Board is proposing to replace: the temporary regulation in section 521.3 (relating to table game surveillance requirements) by amending the existing permanent regulation in Chapter 465a. (relating to accounting and internal controls); the temporary regulation in section 521.11 (relating to table game floor plan changes) by amending the permanent regulation in Chapter 467a. (relating to commencement of slot and table game operations); and Chapter 525 (relating to table game internal controls) by amending Chapter 465a. of the permanent regulations.

(27) Submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

Regarding the amendments to Chapter 465a., within 90 days after publication as a final-form rulemaking operators will be required to update their internal controls. There is not a standardized format since internal controls vary by facility.

All applications for employees of the licensed facility are available on the PGCB website:  
<http://www.pgcb.state.pa.us/?p=77>

(28) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

No special provisions have been added.

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Copy below is hereby approved as to form and legality.  
Attorney General

By: *Amy M. Elliott*  
(Deputy Attorney General)  
**APR 28 2011**  
DATE OF APPROVAL

Check if applicable  
Copy not approved. Objections attached.

Copy below is hereby certified to be true and correct  
copy of a document issued, prescribed or promulgated  
by:

**Pennsylvania Gaming  
Control Board**

FISCAL NOTE NO.: 125-145

DATE OF ADOPTION: 3/23/11

By: *Gregory C. Fajt*  
(Gregory C. Fajt, CHAIRMAN)

Copy below is hereby approved as to form and legality  
Executive or Independent Agencies

BY: *R. Douglas Sherman*  
R. Douglas Sherman, Chief Counsel  
**3/23/11**  
DATE OF APPROVAL

(Deputy General Counsel)  
(Chief Counsel - Independent Agency)  
(Strike inapplicable title)

Check if applicable. No Attorney General Approval or  
objection within 30 days after submission.

**PROPOSED RULEMAKING  
COMMONWEALTH OF PENNSYLVANIA**

**58 PA. CODE, SUBPARTS A & E  
CHAPTERS 401a, 461a, 465a, 467a**

PROPOSED RULEMAKING

PENNSYLVANIA GAMING CONTROL BOARD

[58 PA.CODE CH. 401a., 461a., 465a., 467a., 521 and 525]

ACCOUNTING AND INTERNAL CONTROLS; COMMENCEMENT OF SLOT AND TABLE  
GAME OPERATIONS

The Pennsylvania Gaming Control Board (Board), under the general authority in 4 Pa.C.S. § 1202(b)(30) (relating to general and specific powers) and specific authority contained in 4 Pa.C.S. §§ 1207, 1322, 13A02(1)-(6), 13A25 (relating to regulatory authority of the board; slot machine accounting controls and audits; regulatory authority; and table game accounting controls and audit protocols) proposes to amend Chapters 401a., 461a., 465a. and 467a. to read as set forth in Annex A.

*Purpose of the Proposed Rulemaking*

Under 4 Pa.C.S. § 13A03 (relating to temporary regulations), the Board initially adopted temporary regulations in Chapter 521 at 40 Pa.B. 985 (February 20, 2010) and 40 Pa.B. 5167 (September 11, 2010) and Chapter 525 at 40 Pa.B. 2539 (May 15, 2010), 40 Pa.B. 2953 (June 5, 2010), 40 Pa.B. 3116 (June 12, 2010) and 40 Pa.B. 5167 (September 11, 2010).

With this rulemaking, the Board is proposing to replace: the temporary regulation in section 521.3 (relating to table game surveillance requirements) by amending the existing permanent regulation in Chapter 465a. (relating to accounting and internal controls); the temporary regulation in section 521.11 (relating to table game floor plan changes) by amending the permanent regulation in Chapter 467a. (relating to commencement of slot and table game operations); and Chapter 525 (relating to table game internal controls) by amending Chapter 465a. of the permanent regulations.

This rulemaking will amend the internal control provisions and the provisions on the commencement of gaming operations so the current requirements for slot operations will also be applicable to table game operations. This rulemaking will also provide some clarity, will delete some filings and update the regulations to reflect the Board's experience to date.

*Explanation of Amendments to Chapters 401a., 461a., 465a. and 467a.*

Throughout this rulemaking, the term "table games" has been added so that the operational requirements that were applicable to slot machines are now applicable to table game operations within the same licensed facility. The terms cashiers' cage or slot cage have been changed since there is not a separate slot cage or cashiers' cage but one cage or a main cage for facilities with satellite cages. Additionally, the term person has been changed to individual in many sections since person is a statutorily defined term that includes both individuals and entities.

In § 401a.3 (relating to definitions), the definition of complimentary service has been amended to clarify that it does not include points awarded to patrons who are members of a slot machine licensee's player rewards program or credits for free slot play. In many gaming jurisdictions, complimentaries and credits for free slots play are treated the same when calculating taxes due to the gaming jurisdiction. In Pennsylvania, credits for free slot play (which may be given directly or received in exchange for points earned in a player rewards program), or promotional play, may be deducted from the total of cash or cash equivalent wagers when calculating gross terminal revenue. The value of complimentaries including cash and non-cash gifts or reimbursements may not be deducted from gross terminal or gross table game revenue. The amended definition reflects this distinction.

The term "certificate holder" was added to the definition section and is used throughout the regulations to refer to those slot machine licensees that have been awarded a certificate to operate table games at the licensed facility.

The definition of gaming employee has been amended. Although the individuals listed in (i)(P) are directors or department heads, and were previously required to be licensed as key employees, the Board has determined that these individuals should be permitted as gaming employees. The directors of facilities and construction may access restricted areas in the licensed facility. Additionally, all three of these directors supervise employees who are required to be on the gaming floor. Employees who are on the gaming floor and contact electronic gaming tables, slot monitoring systems, casino management systems or player tracking systems are also required to be permitted as gaming employees, which was added in (ii). These positions were therefore removed from the definition of key employee in (ii).

In Chapter 461a. (relating to slot machine testing and control), the definition of cash equivalents has been update to reflect statutory amendments to the Gaming Act.

The term count team has been added to the definition section. The count team includes those individuals who count the contents of slot cash storage boxes and table game drop boxes while the drop team consists of those individuals who pick up the boxes from the gaming floor. Adding this definition does not imply that two separate teams are required since at most facilities, the drop team and the count team are comprised of the same individuals.

The gaming day was amended deleting the central control computer system (CCS) from the definition since the CCS does not calculate gross table game revenue.

The definition of gaming voucher has been amended allowing non-cashable credits to be used only on slot machines.

In section 461a.12(g) (relating to progressive slot machines), the term RAM clear (zeroing out of any meter) was added to the list of process that require testing by the Gaming Lab. This was added because the calculation of gross terminal revenue is calculated using the metered win so altering the meters requires testing by the lab. Additionally, examples of modifications that require lab testing were added to the end of subsection (g). One of the references to the progressive jackpot was deleted as unnecessary language in subsection (i) and the cross-reference was changed from (j) to the proper subsection (k).

In section 465a.2 (relating to internal control systems and audit protocols), applicants were removed from this section as applicants do not submit internal controls. Internal controls are submitted only by licensees prior to the commencement of slot or table game operations. The language in (a)(8) was amended for clarity. In subpart (b), competent person was changed to delegated individual because this responsibly should performed by someone who is authorized to sign on behalf of the chief executive officer or chief financial officer. The remaining changes to this section were made for clarity.

In section 465a.5 (relating to annual audit; other reports; suspicious activity and currency transaction reporting), the type of financial reports in (c), (e) and (f) are no longer required to be filed as part of the slot machine licensee's audited



financial statements. The reference to subsection (e) has therefore been deleted from the new (d). The remaining subsections were renumbered.

In the new subsection (c), the time period to file the audited financial statements was extended from 60 days to 90 days in conformity with statutory amendments to the Gaming Act.

In § 465a.6(c)(3), the retention period for voided gaming vouchers was reduced from 6 months to 30 days. Voided gaming voucher information can be obtained through the facility's computer system so retention of claimed gaming vouchers for 6 months is unnecessary. In subpart (4), fully automated electronic gaming tables was added since both slot and fully automated machines accept gaming vouchers.

In § 465a.7 (relating to complimentary services or items), subsection (a) has been amended to require Board approval of the internal controls related to authorization and issuance of complimentary services and items. Informal Board reviews of these internal controls developed by slot machine licensees to date have found that these internal controls, in some cases, are not adequate. Therefore, slot machine licensees will be required to submit their internal controls related to complementaries to the Board for review in the same manner as other internal controls.

Additionally, the general language in subsection (a) concerning the specific employees to whom these internal controls will apply has been deleted and replaced with a new, more detailed provision in subsection (b)(3) which requires the slot machine licensee to develop a matrix which shows which employees (by job title) are authorized to issue complimentary services or items including cash and non-cash reimbursements, which comps those employees are allowed to issue and at what value. Similarly, the general audit requirement in subsection (b)(4) has been revised to require the slot machine licensee's internal audit department to audit the issuance of complimentary services. These changes will make it clear which employees are authorized to issue complementaries and will strengthen the effectiveness of oversight on the issuance of complementaries. Finally, subsection (e) has been amended so the report required under subsection (e) will be submitted to the Bureau of Casino Compliance rather than the Bureau of Investigations and Enforcement.

Section 465a.8 (relating to licensed facility) has been amended so the Bureau of Casino Compliance, not the Bureau of Gaming Operations, is responsible for inspecting and approving various aspects of the licensed facility prior to the commencement of gaming operations including audible alarms, signage and the suitability of the casino compliance office.

In section 465a.9 (relating to surveillance system; surveillance department control; surveillance department restrictions), subsection (a) requires the Bureau of Casino Compliance instead of the Bureau of Investigations and Enforcement to review surveillance coverage. Subsection (c) was amended for clarity and to add the requirements for table game surveillance coverage. On table games that are not fully automated, operators are required to have a specific number of cameras, as specified in (c)(2), depending on the table game type. Fully automated electronic gaming tables are required to have the same camera coverage as slot machines. Adequate surveillance coverage is necessary to detect and record cheating and theft, to reconstruct patron play in the event of a dispute or irregularity as well as for the protection of assets during the drop and count process.

In subsection (e), the slot machine licensee is now required to continuously record the distribution, inspection and retrieval of cards, dice and tiles to and from the gaming pits. This is to ensure the integrity of the equipment used for play. Additionally, requiring the ATM machines to be equipped with a camera to record the face of each patron transacting business at the machine will be required since aerial shots do not adequately show the face of individuals transacting business at the ATMs.

Subsection (j), was updated to reflect the changes made in subsection (e). Operators will be required to retain for 30 days, the surveillance recordings relating to: transactions conducted at the main cage or satellite cage; the count process; armored car collection and delivery; operations conducted at ATM, coupon redemption units and jackpot payout machines; and entrances and exits. Only one retention period was extended from 7 days to 30 days and that was the counting of assets conducted in the count room. Based on the Board's experience to date, a seven-day retention period is not adequate to determine if theft or mishandling of funds in the count room was an isolated incident by one individual or a repeated course of conduct by many individuals. Subsection (m) was amended for clarity.

Section 465a.11 (relating to slot machine licensee's organization; Jobs compendium) adds additional surveillance requirements related to the operation of table games; requires credit to come under the director of finance; requires a certificate holder to have a table games department or a gaming department which includes both slot machine and table game operations; and updates the assets that the finance department is now responsible for.

Subsections (g)-(m) were added requiring a licensee to submit a jobs compendium which includes organization charts of each department or division and detailed job descriptions for each position. This information will be reviewed by the Board to ensure that there is a proper segregation of duties to protect the integrity of gaming and to verify that the proper licensing, permitting or registration requirements will be met. This section also sets forth the process to be used to amend the jobs compendium and requires that an updated jobs compendium be filed annually. The jobs compendium submission requirement is consistent with section 13A25(c) of the Gaming Act.

Section 465a.12 (relating to access badges and temporary access credentials) has been updated requiring operators to provide an access matrix containing all restricted areas and the employees who have access to those areas. This is necessary to ensure that only those employees who are authorized to be in certain areas of the licensed facility, such as the cage or storage areas, have access to those areas.

The cage characteristics in § 465a.15 and the accounting controls for the cage in § 465a.16 have been updated to reflect the additional types of assets that the cage is responsible for with the addition of table games. In 465a.15(b), the supervisor of the cage is no longer required to be licensed as a key employee but is permitted as a gaming employee. This is updated to reflect the statutory amendments to the Gaming Act.

Section 465a.17 (relating to bill validators, slot cash storage boxes and table game drop boxes) has been updated to include the key control and description of table game drop boxes. Since fully automated electronic gaming tables are equipped like a slot machine, the requirements for bill validators and key controls have been applied to fully automated electronic gaming tables in subsections (a)-(e). The requirements for table game

drop boxes from a table game that is not a fully automated electronic gaming table have been added in subsections (f)-(j). These requirements are necessary to ensure the protection of the assets contained within those slot cash storage boxes and table game drop boxes.

Section 465a.18 (relating to transportation of slot cash storage boxes and table game drop boxes to and from the gaming floor; storage) has been updated to add the requirements for the movement of table game drop boxes from the gaming floor. Table game drop boxes from fully automated electronic gaming tables may be collected at the same time as slot cash storage boxes. All table game drop boxes from fully automated and live play tables are required to be collected daily, regardless of whether the table was open for play. Requiring the drop of an empty drop box on a table that was not open for play is the easiest way to ensure that no boxes have gone missing and that all boxes containing funds were collected during a drop. Operators are required to file a schedule of which boxes are picked up daily, the route the drop team will take to and from the count room and which employees will have access to the keys to open the boxes. These are all requirements designed to protect the assets contained within the slot cash storage and table game drop boxes.

Section 465a.19 (relating to acceptance of tips and gratuities from patrons) has been updated to reflect the statutory amendments in § 13A02(6) of the Gaming Act. An operator is required to submit internal controls specifying its policy on tips and gratuities. The pooling of tips required under the Act reduces the likelihood of diverting chips into an employee's tip box since all chips for banked dealers are required to be distributed pro rata among all dealers. The Department of Revenue also has an interest in adequate tip procedures which ensure the proper reporting of income from employees, particularly dealers who derive a substantial portion of their pay through tips.

In § 465a.20 (relating to personal check cashing) the provision prohibiting a licensee from cashing a check or multiple checks totaling \$2,500 or more per day, found in subsection (b), will not apply to checks written in conjunction with a credit transaction authorized under the credit provisions found in Chapter 609a (relating to credit).

The section on cash equivalents has been updated. When the Gaming Act was amended, cash equivalent was defined to include chips or tokens as well as travelers checks, certified checks,

money orders and personal checks. Section 465a.22 (relating to cash equivalents) is applicable to checks and other types of cash equivalents but is not applicable to chips or tokens used for play at a gaming table. Subsection (a) was therefore added excluding gaming chips or plaques from the requirements on cash equivalents found in this section.

The count room characteristics were updated in § 465a.24 (relating to count room characteristics) to reflect the additional types of drop boxes that the count room is responsible for with the addition of table games.

The count process for the slot cash storage boxes and table game drop boxes in section 465a.25 (relating to counting and recording of slot cash storage boxes and table game drop boxes) has been updated. Although the amount of tax collected for the Commonwealth on slot revenue is based on the slot machine meters recorded by the CCS, the revenue for table game play is based on the unrecorded funds contained in the table game drop boxes that are then counted and recorded by the count team. Additional safeguards are therefore necessary to ensure the accurate counting and recording of table game drop boxes.

For clarity and to provide a logical flow of the count room process, the existing provisions, in their entirety, have been replaced. Operators are still required to submit internal controls, which were previously required in subsection (f), regarding the count process. The new (a) consolidates what must be contained in the internal controls. The workflow diagram in (a)(1) is a new requirement which provides an overview of where cash, cash equivalents and equipment should be during every step of the counting process. Having the diagram makes it easier for casino compliance representatives and the surveillance department, which is required to record the count, to trace irregularities in the count process.

The requirements in (a)(2) regarding a description of all equipment and files used to conduct the count was moved from the old subsection (g). Internal controls on the procedures the facility must utilize to empty and count the contents of storage and drop boxes found in (a)(3) has been updated so the requirements for slot cash storage boxes are also applicable to table game drop boxes. Several of the provisions in (a)(3) were moved from the deleted provisions in (b), (h) and (i).

The required procedures in (a)(4)-(5), regarding internal controls for scheduled breaks and the proper wearing of

jumpsuits, are designed to protect the assets removed from slot cash storage boxes and table game drop boxes and to deter or minimize employee theft from the count room. Jumpsuits were previously required under subsection (c).

The new subsection (b) was taken from the deleted subsection (a). Operators will file a schedule setting forth the times that the contents of the slot cash storage boxes and table game drop boxes will be counted. The Bureau of Casino Compliance is now required because the on-site casino compliance representatives participate in the table game count which occurs immediately after the drop.

The new subsection (c) was taken from the deleted subsection (e).

Subsection (d) permits only the individuals necessary to conduct the count in the count room. Additionally, individuals participating in the count may not access areas that are unnecessary to the count process. Subsection (e) requires the presence of a casino compliance representative in the count room prior to the commencement of the count of table game drop boxes from table games that are not fully automated electronic gaming tables. The casino compliance representative's presence is not required for the counting of table game drop boxes from fully automated electronic gaming tables since those tables, like slot machines, are connected to the CCS which determines the revenue, not the count.

Subsection (f) requires employees and the casino compliance representative observing the count to sign an attendance sheet. Subsection (g) describes the jumpsuit and which individuals must wear the jumpsuit during the count process. This was an existing requirement moved from the deleted subsection (c).

Subsection (h), regarding the carrying of bags into the count room and the proper procedure for clearing the hands of individuals involved in the count process, was moved from the deleted subsection (d). Subsection (i) was added permitting the doors of the count room to be opened for very limited purposes since the count room should be secure while assets are being counted. Requiring employees to clear their hands and having at least three employees in the count room during a count, as required in subsections (j) and (k), is intended to reduce the likelihood of employee theft or collusion.

Operators are currently not required to collect slot cash storage boxes from all slot machines on the gaming floor every day. However, table game drop boxes from all table games are required to be collected daily. Subsection (m) specifies that all table game drop boxes and the slot cash storage boxes that are collected from the gaming floor must be counted and recorded daily. The count for slot cash storage boxes, table game drop boxes from fully automated electronic gaming tables and table game drop boxes from table games that are not fully automated electronic gaming tables must all be counted and recorded separately. Subsection (n) does allow the main bank to buy the counted currency from slot cash storage boxes and table game drop boxes from fully automated electronic gaming tables together since, as mentioned above, the CCS determines the revenue to tax.

Additional requirements for the counting of table game drop boxes from tables that are not fully automated were added in subsection (o).

Since the CCS is not involved in the count of slot cash storage boxes or table game drop boxes from fully automated electronic gaming tables, the deleted section (j), which required the presence of a casino compliance representative if the CCS was not online, was therefore not moved into a new section. Instead, section (p) requires that if a problem occurs with the slot or table game count, the problem must be brought to the attention of the casino compliance representative and a written report must be filed with the casino compliance representatives within 24 hours of the conclusion of the count.

Operators may utilize, after submitting internal controls, an alternative procedure for the drop and count of Poker drop boxes. The count must be conducted in the presence of the casino compliance representative by two employees of the finance department with no incompatible duties. This area is required to be under surveillance and in a segregated area of the poker cage.

The procedures required in 465a.25 are necessary for the safeguarding of assets and to deter or minimize employee theft from the count room. Having standardized count room procedures ensures the consistent and accurate accounting of assets and revenue and makes it easier for the facility's surveillance department and the casino compliance representatives to detect and track irregularities in the count process.

Section 465a.26 (relating to jackpot and credit meter payouts) has been amended to include fully automated electronic

gaming tables which, like slot machines, have credit meters and jackpot payouts. Subsection (b) was updated to account for the different federal tax reporting requirements for slot machines versus table games. A player who wins \$1,200 or more on a single win at a slot machine is required to complete a W2G for the federal tax reporting of gambling winnings. A slot machine is therefore programmed to lock out at \$1,200. For table game play, a player must win \$600 or more, not including the amount of the initial wager, and the odds have to be at least 300 to 1 before a W2G is required to be completed. On the fully automated electronic gaming tables, only one optional side wager pays out at that amount and at those odds. The lock out amount on the fully automated electronic gaming tables has been set at \$5,000.

In section 465a.29 (relating to automated teller machines), language in subsection (a) has been added which prohibits the placement of automated teller machines that offer credit card advances on the gaming floor. This amendment is consistent with changes made to the Gaming Act, specifically § 13A27(a), which prohibits the placement of credit card advance machines on the gaming floor.

The provisions on the gaming day found in § 465a.31 have been amended. In subsection (b), unnecessary language has been deleted. In subsection (c), an operator is required to get the approval of the Board's Executive Director prior to changing the facility's hours of operation. This shouldn't be an issue since all slot machine licensees currently operate 24 hours a day.

In section 465a.32 (relating to signature), subsection (1) was amended to read Board-issued credential number since not all employees are licensed.

In consultation with the Department of Revenue (DOR) and the system operator, which is currently Gtech, section 465a.33 (relating to access to areas containing the central control computer equipment) was amended. The provisions now require a licensee to make arrangements with DOR and the system operator before accessing an area containing the CCS. The approval of the Board's Casino Compliance Representatives is no longer required. The director of security in subpart (3) was added because the director of security maintains the key to the area containing the CCS, which may be signed out to employees of DOR or the system operator only if the employee is on the authorized access list, which the director of security was previously not authorized to obtain.



In section 465a.34 (relating to automated gaming voucher and coupon redemption machine accounting controls), the incorrect cross reference in subsection (b)(4) was amended.

The remaining sections in Chapter 465a. are new provisions applicable to table game internal controls which were taken from the temporary regulations found in Chapter 525 (relating to table game internal controls).

Section 465a.35 (relating to personnel assigned to the operation and conduct of table games), sets forth minimum staffing requirements for the operation and supervision of table games. The staffing levels in this section are not applicable to fully automated electronic gaming tables, which do not have a live dealer.

Subsection (b) requires one pit clerk for all table game operations. The pit clerk may be responsible for requesting a fill/credit and participating in the issuance of counter checks for credit to patrons. Two dealers are required for a Baccarat table which seats up to fourteen players. Craps requires three dealers, one dealer to handle the dice (stickperson) and one dealer to handle patron's wagers at each end of the craps table.

While surveillance is recording activity on the gaming floor, adequate supervisory staff, which is specified in subsections (c), (e), (f) and (g), can detect and deter cheating and theft on the gaming floor and can alert surveillance to direct camera coverage onto certain tables or individuals. On-the-floor staffing protects patrons and the integrity of gaming and the revenues generated from gaming. These requirements are similar to requirements used in other gaming jurisdictions.

Although minimum staffing levels are specified, subsections (d) and (h) allow certificate holders additional operating flexibility. Subsection (d) permits the supervision of a greater number of table games per floorperson when electronic gaming tables that are not fully automated gaming tables are being used. Subsection (h) allows a certificate holder to file a written request with the Board's Executive Director to use a staffing plan that differs from what is required under this section. After reviewing the plan, the Executive Director sends a letter notifying the operator whether the plan has been approved, denied or conditioned.

Section 465a.36 (relating to table inventories), contains security requirements associated with table inventories;

articulates when gaming chips, coins and plaques may be added to or removed from a table inventory; and specifies the information that must be included on Table Inventory Slips. Table inventory slips are necessary and important since the opening and closing inventory paperwork is used to calculate gross table game revenue. For audit purposes, a table inventory slip is required to be completed once each gaming day, irrespective of whether the table was open for gaming, since all table game drop boxes, which contain a copy of the table inventory slip, are collected each gaming day. Subsection (d) is a segregation of duties requirement which ensures asset protection.

Section 465a.37 (relating to procedures for opening table games) addresses the procedures that must be followed when a table is being opened for gaming. The dealer or floorperson assigned to the table shall count the table inventory and compare their count to the totals on the Table Inventory Slip included in the table inventory. If the totals agree, the dealer or boxperson and supervising floorperson shall sign the Table Inventory Slip and place it in the drop box at the gaming table. If there is a discrepancy, notice must be made to the appropriate parties and a written report must be prepared explaining the cause of the discrepancy. Opening inventory is an essential component in calculating gross table game revenue.

Section 465a.38 (relating to procedures for distributing value chips, coins and plaques to gaming tables) sets forth the procedures for adding value chips, coins or plaques to a gaming table to replenish the table inventory. A Fill Request Slip is made out specifying what value chips, coins or plaques are needed for the replenishment and that form is transported to the chip bank. The personnel in the chip bank will fill the request and complete a Fill Slip which is used to verify that the request has been fulfilled and that the requested amount of value chips, coins or plaques are delivered to the gaming table. This section specifies the information and signatures that must be on the Fill Request Slip and Fill Slip and how the copies of these forms are to be distributed. For audit purposes, the Fill Slip is required to be a three-part form so the chip bank that fills the request has a copy of what left the chip bank, the security employee who accepted the chips from the chip bank and transported them to the floor has a copy and the table that added the chips to the inventory has a copy. All copies of Fill Request and Fill Slips are reconciled in accounting daily. Fills are also a component in calculating gross table game revenue.

Section 465a.39 (relating to procedures for removing value chips, coins and plaques from gaming tables) establishes the procedures to be used when excess value chips or plaques in a table inventory need to be sent back to the chip bank. Like the process for requesting fills, a Credit Request Slip is made out specifying which value chips, coins or plaques are being returned. That form is transported to the chip bank along with the value chips or plaques. The personnel in the chip bank count the value chips, coins or plaques being returned and complete a three-part Credit Slip which is used to verify that the value chips or plaques being returned. The accounting and drop box copies of the Credit slip will be returned to the gaming table to obtain the required signatures. After the appropriate signatures are obtained, the drop box copy of the Credit Slip must be placed in the table game drop box and the accounting copy must be returned by the security employee to the cage. The chip bank copy is maintained by the chip bank employee who accepted the chips back into the chip bank inventory. All copies of Credit Request and Credit Slips are reconciled in accounting daily. Credits are also a component in calculating gross table game revenue.

Section 465a.40 (relating to procedures for accepting cash for gaming chips, plaques or electronic wagering credits at table games) outlines the procedures that a dealer or boxperson shall use when a patron asks to exchange cash for gaming chips or electronic credits. These procedures are designed to insure that the process is captured by the surveillance department and to avoid errors or disputes associated with the exchange. The cash accepted and deposited in the drop box is collected and recorded daily and is a component in calculating gross table game revenue.

Section 465a.41 (relating to procedures for drops at open table games) establishes a procedure for recording the table inventory at a gaming table that is open when the drop occurs. The count of the table inventory just prior to the removal of the drop box is necessary so that the daily revenue for that gaming table can be calculated.

Section 465a.42 (relating to procedures for closing table games) sets forth the procedures that must be followed when a gaming table is being closed. The dealer or boxperson and the floorperson assigned to the gaming table shall be required to complete a Table Inventory Slip which will be used to calculate the gaming revenue from that table and is used to verify the contents of the table inventory when the table is reopened. Additionally, this section requires that table inventory be

secured in a container that is attached to the table or that is returned to the cage.

Section 465a.43 (relating to table inventories for Poker tables) gives certificate holders the option of using dealer impressed table inventories for Poker tables. Because the rake will be deposited in the drop box at Poker tables, rather than following the procedures in §§ 465a.36, 465a.37, 465a.41 and 465a.42, a certificate holder may want to have its Poker dealers use an impressed table inventory that only the dealer will be responsible for and that will have to be balanced at the end of the dealer's shift.

Section 465a.44 (relating to table inventory counts on a per shift basis) gives certificate holders that use drop boxes that segregate the contents by shift the option of adopting procedures which would require the completion of a new Table Inventory Slip at the close of each shift in addition to the other times a Table Inventory Slip is required to be completed under this chapter.

In Chapter 467a.1 (relating to gaming floor plan), operators that have already submitted an initial gaming floor plan will no longer be required to submit paper copies of revised gaming floor plans. Electronic submissions will now be accepted provided that there is enough detail in the electronic submission to read the information when enlarged. Electronic submissions will now be accepted since floor plan changes to move slot machines or table games to other parts of the licensed facility do not typically necessitate fully renderings. The Board staff, however, reserves the authority to request paper submissions, which may be necessary in cases of a facility expansion or a relocation of large banks of machines or gaming pits. Since operators will no longer be required to regularly submit paper renderings of floor plans, the Board will need a yearly paper submission of the facility's gaming floor. Operators will file the yearly submission 12 months after the commencement of slot operations and every 12 months thereafter.

In (a)(3), the language was changed which allowed underage individuals to traverse the gaming floor. These individuals may use areas adjacent to the gaming floor to access amenities, such as restaurants and shops, but may not be on or cross the gaming floor. Operators must include these areas in the depictions of their floor plans as well as the areas they have designated as smoking and nonsmoking.

The Board, at its July 29, 2010 meeting, delegated authority to the Executive Director to approve certain table game floor plan changes that involve less than 10% of the certificate holder's approved table games. Section 467a.1(c) codifies that delegation of authority.

Subsection (d) was amended to provide clarity to operators as to what information must be submitted to the Board or Executive Director before the makeup or configuration of the gaming floor plan may be changed. Operators are now required to include in a petition or request: the distribution and collection routes for table game drop boxes and slot cash storage boxes; the table game and pit number or slot machine area affected; the type, location or number of slots or table games affected; updates to staffing plans; and updates to surveillance.

In accordance with administrative law, an operator may appeal a decision of Board staff to the Board. The Executive Director was therefore added in subsection (e).

#### *Affected Parties*

Slot machine licensees that elected to become certificate holders will be required to submit updated internal controls to reflect the amendments made in this rulemaking. Additionally, slot machine licensees that have not yet been issued a license as well as successful future applicants will be required to comply with the provisions contained in this rulemaking.

The Board will experience increased regulatory demands to review the revised internal controls that are submitted by the current operators.

#### *Fiscal Impact*

#### *Commonwealth*

The Board will experience increased regulatory demands to review the new and revised internal controls submitted by the operators. These reviews will be conducted by existing Bureau of Gaming Operations staff so the Board does not expect that it will incur any cost increases as a result of this rulemaking.

#### *Political Subdivisions*

This proposed rulemaking will have no direct fiscal impact on political subdivisions of this Commonwealth.

### *Private Sector*

The surveillance requirements contained in § 465a.9 will not impose any additional costs on the current certificate holders since the surveillance systems have already been updated prior to the commencement of table game operations. The operators did experience significant costs for: the installation of new cameras and other surveillance equipment; the reconfiguration of the gaming floor and positioning and repositioning of new and existing cameras; and the addition of new employees for their surveillance departments. The Board projected the costs related to surveillance requirements to be in the \$150,000 to \$300,000 range depending on the type of equipment purchased, the size of the gaming floor and the types of table games installed.

This rulemaking will combine into one chapter, two separate internal controls sections on slot operations and table game operations. Before authorized to commence table game operations, the certificate holder was required to expand and revise the scope of its internal controls. The revised costs were estimated at between \$20,000 and \$50,000 depending on the scope of the revisions and if the revisions were prepared internally. Although operators will again have to submit updated internal controls, those internal controls combine the separate sections that, for the most part, should already be written.

Certificate holders were also required to hire and train additional staff to operate table games. To satisfy the minimum staffing requirements contained in the temporary rulemaking, operators hired 12 key employees, 967 managers and supervisors, 3,264 dealers and 221 security guards. The cost for a gaming employee application is \$350 while the cost for key employee licenses is \$2,500. Although turnover in staff is expected, the Board does not have an estimate regarding the number of additional gaming and key employees an operator will be required to hire in the future to comply with the minimum staffing requirements contained in this rulemaking.

### *General Public*

This proposed rulemaking will have no fiscal impact on the general public.

### *Paperwork requirements*

This rulemaking will require certificate holders to draft and submit revised internal controls. Several reports were deleted and are no longer required to be filed as part of the operator's annual audit. Additionally, with this rulemaking operators will no longer be required to submit large scale gaming floor plans with every petition to modify the gaming floor but may now submit an electronic version.

### *Effective Date*

The proposed rulemaking will become effective upon final-form publication in the *Pennsylvania Bulletin*. However, operators will have 90 days from the date of publication as a final-form rulemaking to submit their updated internal controls.

### *Public Comments*

Interested persons are invited to submit written comments, suggestions or objections regarding the proposed rulemaking, within 30 days after the date of publication in the *Pennsylvania Bulletin* to Susan Yocum, Assistant Chief Counsel, Pennsylvania Gaming Control Board, P.O. Box 69060, Harrisburg, PA 17106-9060, Attention: Public Comment on Regulation #125-145.

### *Contact Person*

The contact person for questions about this proposed rulemaking is Susan Yocum, Assistant Chief Counsel, at (717) 265-8356.

### *Regulatory Review*

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on May 3, 2011, the Board submitted a copy of this proposed rulemaking and a copy of the Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Gaming Oversight Committee and the Senate Community, Economic and Recreational Development Committee. A copy of this material is available to the public upon request and is available on the Board's website at [www.pgcb.state.pa.us](http://www.pgcb.state.pa.us).

Under section 5(g) of the Regulatory Review Act, IRRC may convey any comments, recommendations or objections to the

proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections must specify the regulatory review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly and the Governor of comments, recommendations or objections raised.

Gregory C. Fajt,  
Chairman



Annex A

TITLE 58. RECREATION

PART VII. GAMING CONTROL BOARD

Subpart A. GENERAL PROVISIONS

CHAPTER 401a. PRELIMINARY PROVISIONS

§ 401a.3. Definitions.

The following words and terms, when used in this part, have the following meanings, unless the context clearly indicates otherwise:

\* \* \* \* \*

*Complimentary [service]—*

(i) Any lodging, service or item, **including a cash and non-cash gift or reimbursement**, which is provided directly or indirectly to an individual at no cost or at a reduced cost which is not generally available to the public.

(ii) The term includes **[a]** lodging provided to **[a person] an individual** at a reduced price due to the anticipated or actual gaming activities of that **[person] individual**. Group rates, including convention and government rates, shall be deemed generally available to the public.

(iii) The term does not include points that are awarded to patrons of a licensed facility who are members

of the licensed facility's player rewards program or credits for free slot play.

*Certificate holder* - a slot machine licensee that was awarded a certificate to operate table games.

\* \* \* \* \*

*Gaming employee*-

(i) An employee of a slot machine licensee, including:

\* \* \* \* \*

(P) Directors of the following departments:

(I) Food and Beverage.

(II) Facilities.

(III) Construction.

\* \* \* \* \*

(ii) Employees of a licensed supplier, manufacturer, [or] manufacturer designee, **gaming service provider or gaming related gaming service provider** whose duties:

(A) [are] Are directly involved with the repair, service or distribution of slot machines [and], **table game devices or** associated equipment sold or provided to a licensed facility within this Commonwealth.

(B) **Affect or require contact with electronic gaming table or slot monitoring systems, casino**

management systems, player tracking systems and wide-area progressive systems for use or play in this Commonwealth, whether or not the individual is assigned to gaming operations in this Commonwealth.

\* \* \* \* \*

(iv) Other employees or individuals [that] who the Board determines, after a review of the work being performed, require a permit for the protection of the integrity of gaming.

\* \* \* \* \*

*Key employee*--An individual who is:

\* \* \* \* \*

(ii) [Employed by a slot machine licensee, manufacturer licensee, or supplier licensee, whose duties affect or require contact with slot machines, slot monitoring systems, casino management systems, player tracking systems and wide-area progressive systems for use or play in this Commonwealth, whether or not the individual is assigned to gaming operations in this Commonwealth.

(iii)] A sales representative seeking to sell slot machines, **table game devices** and associated equipment for use in this Commonwealth on behalf of a licensed manufacturer, manufacturer designee or supplier.

[(iv)] (iii) Employed in other positions which the Board will determine based on detailed analyses of the employee's duties or the job descriptions.

\* \* \* \* \*

**Subpart E. SLOT MACHINES AND ASSOCIATED EQUIPMENT**

**CHAPTER 461a. SLOT MACHINE TESTING AND CONTROL**

**§ 461a.1. Definitions.**

The following words and terms, when used in this subpart, have the following meanings, unless the context clearly indicates otherwise:

*Cash equivalents*--Instruments with a value equal to United States currency or coin including **gaming chips and plaques, counter checks**, certified checks, cashiers checks, travelers' checks, money orders, gaming vouchers or coupons.

*Count team*--The group of employees of a slot machine licensee who are responsible for counting the contents of slot cash storage boxes and table game drop boxes.

*Drop team*--The group of employees of a slot machine licensee who **[participate in the]** are responsible for **collecting and transporting [transportation of]** slot cash storage boxes and **table game** drop boxes.

*Fill*--The distribution of gaming chips, coins and plaques to a gaming table to replenish the table inventory.

*Finance department*--The department that is responsible for the management of the financial and accounting activities relating to slot machines **and table games** being utilized **[on an approved gaming floor] in a licensed facility.**

*Gaming day*--A period of time not to exceed 24 hours corresponding to the beginning and ending times of gaming activities for the purpose of accounting reports and determination **[by the central control computer system]** of gross terminal **and gross table game** revenue.

*Gaming voucher*--An instrument that upon insertion into a **[slot machine]** bill validator entitles the patron inserting the gaming voucher to cashable or noncashable credits on a slot machine **and cashable credits on an electronic gaming table** corresponding to the value printed on the gaming voucher. **A gaming voucher that contains non-cashable credits may be used only for the purpose of slot machine gaming.**

\* \* \* \* \*

**§ 461a.12. Progressive slot machines.**

(g) A slot machine that offers either a new progressive jackpot or **undergoes** a modification **or RAM clear** of an existing progressive jackpot may not be made

available for play by the public until the slot machine has been tested and certified by the Bureau of Gaming Laboratory Operations. **For purposes of this subsection, a modification shall include any change in the software, hardware, including controllers, and any associated equipment that relates to progressive functionality.**

\* \* \* \* \*

(i) Once an amount appears on a progressive meter, the probability of hitting the combination that will award the progressive jackpot may not be decreased unless the progressive jackpot has been won by a patron **[or the progressive jackpot]** has been transferred to another progressive slot machine or wide area progressive system or **has been** removed in accordance with subsection **[(j)] (k)**.

\* \* \* \* \*

#### **CHAPTER 465a. ACCOUNTING AND INTERNAL CONTROLS**

Sec.

465a.1. Accounting records.

465a.2. Internal control systems and audit protocols.

465a.3. Forms, records and documents.

465a.4. Standard financial and statistical reports.

465a.5. Annual audit; other reports; suspicious activity and currency transaction reporting.

- 465a.6. Retention, storage and destruction of books, records and documents.
- 465a.7. Complimentary services or items.
- 465a.8. Licensed facility.
- 465a.9. Surveillance system; surveillance department control; surveillance department restrictions.
- 465a.10. Surveillance system recording formats.
- 465a.11. Slot machine licensee's organization; **Jobs compendium.**
- 465a.12. Access badges and temporary access credentials.
- 465a.13. Possession of weapons within a licensed facility.
- 465a.14. Security department minimum staffing.
- 465a.15. **[Cashiers' cage] Cage characteristics.**
- 465a.16. Accounting controls for the **[cashiers']** cage.
- 465a.17. Bill validators, **[and]** slot cash storage boxes **and table game drop boxes.**
- 465a.18. Transportation of slot cash storage boxes **and table game drop boxes** to and from **[bill validators]** the **gaming floor;** storage.
- 465a.19. Acceptance of tips or gratuities from patrons.
- 465a.20. Personal check cashing.
- 465a.21. Wire transfers.
- 465a.22. Cash equivalents.
- 465a.23. Customer deposits.

- 465a.24. Count room characteristics.
- 465a.25. Counting and recording of slot cash storage boxes  
**and table game drop boxes.**
- 465a.26. Jackpot and credit meter payouts.
- 465a.27. Annuity jackpots.
- 465a.28. Merchandise jackpots.
- 465a.29. Automated teller machines.
- 465a.30. Waiver of requirements.
- 465a.31. Gaming day.
- 465a.32. Signature.
- 465a.33. Access to areas containing central control  
computer equipment.
- 465a.34. Automated gaming voucher and coupon redemption  
machine accounting controls.
- 465a.35. Personnel assigned to the operation and conduct of  
table games.**
- 465a.36. Table inventories.**
- 465a.37. Procedures for opening table games.**
- 465a.38. Procedures for distributing value chips, coins and  
plaques to gaming tables.**
- 465a.39. Procedures for removing value chips, coins and  
plaques from gaming tables.**
- 465a.40. Procedures for accepting cash for gaming chips or  
plaques at table games.**



**465a.41. Procedures for drops at open table games.**

**465a.42. Procedures for closing table games.**

**465a.43. Table inventories for Poker tables.**

**465a.44. Table inventory counts on a per shift basis.**

**§ 465a.1. Accounting records.**

(a) A slot machine licensee shall maintain complete, accurate and legible records of all transactions pertaining to the revenues and expenses of each licensed facility.

(b) General accounting records shall be maintained on a double entry system of accounting with transactions recorded on a basis consistent with generally accepted accounting principles in the United States. Detailed, supporting and subsidiary records sufficient to meet the requirements of subsection (c) shall also be maintained in accordance with the requirements of this chapter.

(c) The detailed, supporting and subsidiary records include:

(1) Records pertaining to revenue that is taxable or subject to taxation under the act.

(2) Records pertaining to the financial statements and all transactions impacting the financial statements of the slot machine licensee including contracts or agreements with licensed manufacturers, suppliers,

junket enterprises, certified and registered gaming service providers, contractors, consultants, management companies, attorneys and law firms, accountants and accounting firms, insurance companies, and financial institutions, including statements and reconciliations related thereto.

(3) Records **[which] that** identify the handle, payout, actual win amounts and percentages, theoretical win amounts and percentages, and differences between theoretical and actual win amounts and percentages, for each slot machine **and table game** on a week-to-date, month-to-date and year-to-date basis.

(4) Records documenting the costs of complimentary services and items as defined in § 401a.3 (relating to definitions).

(5) Records of loans and other amounts payable by the slot machine licensee.

(6) Records of investments, advances, loan and receivable balances due to the slot machine licensee.

(7) Records created in connection with the system of internal controls submitted to the Board under § 465a.2 (relating to internal control systems and audit protocols).

(8) Records of returned checks.

**§ 465a.2. Internal control systems and audit protocols.**

(a) **[An applicant for, or holder of, a] A slot machine [license] licensee** shall submit to the Board and the Department a written description of its initial system of administrative and accounting procedures, including its internal control systems and audit protocols (collectively referred to as its ''internal controls'') at least 90 days before **[gaming] slot or table game** operations are to commence. A written system of internal controls must include:

(1) Records of direct and indirect ownership in the **[proposed] slot machine [license] licensee**, its affiliates, intermediaries, subsidiaries or holding companies.

(2) Organization charts depicting segregation of functions and responsibilities.

(3) A description of the duties and responsibilities of each licensed or permitted position shown on the organization charts and their respective lines of authority.

(4) A detailed narrative description of the administrative and accounting procedures designed to satisfy the requirements of this subpart.

(5) A record retention policy in accordance with § 465a.6 (relating to retention, storage and destruction of books, records and documents).

(6) Procedures to ensure that assets are safeguarded and counted in conformance with effective count procedures.

(7) Procedures governing the conduct of all gaming related promotions to be offered by the slot machine licensee.

(8) Procedures to ensure compliance with section 1513 of the act (relating to political influence) to:

(i) Prevent political contributions.

(ii) Provide an annual certification that the slot machine licensee has conducted a good faith investigation that has not revealed any violations **[and to the Department of State's Bureau of Commissions, Elections and Legislation]** of section 1513 of the act.

(9) Procedures to ensure that the slot machine licensee's employees comply with Chapter 435a (relating to employees).

(10) Other items the Board may request in writing to be included in the internal controls.

(b) A submission must be accompanied by the following:

(1) An attestation by the chief executive officer or other **[competent person] delegated individual** with a direct reporting relationship to the chief executive officer attesting that the officer believes, in good faith, that the submitted internal controls conform to the requirements of the act and this subpart.

(2) An attestation by the chief financial officer or other **[competent person] delegated individual** with a direct reporting relationship to the chief financial officer attesting that the officer believes, in good faith, that the submitted internal controls are designed to provide reasonable assurance that the financial reporting conforms to generally accepted accounting principles in the United States and complies with applicable laws and regulations, including the act and this subpart.

(c) The initial submission must also be accompanied by a report from an independent registered public accounting firm, licensed to practice in this Commonwealth. The report should express an opinion as to the effectiveness of the design of the submitted system of internal controls over financial reporting and should further express an opinion as to whether the submitted system of internal controls materially deviates from the requirements of applicable laws and regulations, including the act and this subpart.

(d) A submission by a slot machine licensee [**or applicant**] must include, at a minimum, the following:

(1) Administrative controls which include the procedures and records that relate to the decision making processes leading to management's authorization of transactions.

(2) Accounting controls [**which have as their primary objectives the safeguarding of**] that **safeguard** assets and revenues and **ensure** the reliability of financial records. The accounting controls must be designed to provide reasonable assurance that:

(i) Transactions or financial events which occur in the operation of a slot machine **or table game** are executed in accordance with management's general and specific authorization.

(ii) Transactions or financial events which occur in the operation of a slot machine **or table game** are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles in the United States, the act and this subpart.

(iii) Transactions or financial events which occur in the operation of a slot machine **or table game** are recorded in a manner which provides reliable records, accounts and reports, including the recording of cash and

evidences of indebtedness, for use in the preparation of reports to the Board related to slot machines **or table games**.

(iv) Transactions or financial events which occur in the operation of a slot machine **or table game** are recorded to **ensure accountability for assets and to permit the proper and timely reporting[, and the calculation]** of gross terminal **and gross table game** revenue, fees and taxes[, **and to maintain accountability for assets**].

(v) Access to assets is permitted only in accordance with management's general and specific authorization.

(vi) The recorded accountability for assets is compared with existing physical assets at reasonable intervals and **that** appropriate action is taken with respect to any discrepancies.

(3) Procedures and controls for ensuring, in accordance with section 1323 of the act (relating to the central control computer system), that each slot machine **and fully automated electronic gaming table** directly provides and communicates all required activities and financial details to the central control computer system as set by the Board.

(4) Procedures and controls for ensuring that all functions, duties and responsibilities are segregated and performed in accordance with sound financial practices by qualified personnel.

(5) Procedures and controls for ensuring, through the use of surveillance and security departments, that the licensed facility is secure during normal operations and during any emergencies due to malfunctioning equipment, loss of power, natural disaster or any other cause.

(e) The Board, in consultation with the Department, will review each initial submission made under subsection (a) and determine whether it conforms to the requirements of the act and this subpart and provides adequate and effective controls to insure the integrity of the operation of slot machines **and table games** at a licensed facility. If the Board determines that the submission is deficient in any area, the Board will provide **[a]** written notice of the deficiency to the slot machine **[applicant or]** licensee and allow the slot machine **[applicant or]** licensee to submit a revision to its submission. A slot machine licensee is prohibited from commencing **[gaming] slot or table game** operations until its system of internal controls is approved by the Board.



(f) If a slot machine licensee intends to make a change or amendment to its system of internal controls, it shall submit the change or amendment electronically to the Bureau of Gaming Operations using the Internal Controls Amendment Request Form posted on the Board's web site ([www.pgcb.state.pa.us](http://www.pgcb.state.pa.us)). A request for a change or amendment must include electronic copies of the attestations required under subsection (b)(1) and (2). The slot machine licensee may implement the change or amendment upon receipt of written notice of approval from the Board's Executive Director or on the 30th calendar day following the filing of a complete submission unless the slot machine licensee receives **[a] written notice [under subsection (g)]** tolling the change or amendment **in accordance with subsection (g)** or written notice **[of disapproval]** from the Board's Executive Director **rejecting the change or amendment.**

(g) If during the 30-day review period in subsection (f), the Bureau of Gaming Operations preliminarily determines that a procedure in a submission contains **[a substantial and material] an** insufficiency likely to **[have a direct and materially adverse impact on] negatively affect** the integrity of slot **or table game** operations or the control of gross terminal **or gross table game** revenue,

the Bureau of Gaming Operations, by written notice to the slot machine licensee, will:

(1) Specify the nature of the insufficiency and, when possible, an acceptable alternative procedure.

(2) Direct that the 30 calendar day review period in subsection (f) be tolled and that any internal controls at issue not be implemented until approved under subsection (i).

(h) Examples of submissions that may **[be determined to] contain [a substantial and material] an** insufficiency likely to **[have a direct and materially adverse impact on] negatively affect** the integrity of slot **or table game** operations or the control of gross terminal **or gross table game** revenue may include the following:

(1) Submissions that fail to provide an audit trail sufficient to permit the review of gaming operations or the reconstruction of gross terminal **or gross table game** revenue transactions.

(2) Submissions that fail to provide for the segregation of incompatible functions so that no employee is in a position **[both] to both** commit an error or **[to]** perpetrate a fraud and to conceal the error or fraud in the normal course of the employee's duties.

(3) Submissions that do not include forms or other materials referenced in the submission or required by the act or this part **[that are essential elements of the internal controls]**.

(4) Submissions that would implement operations or accounting procedures not authorized by the act or this part.

(5) Submissions that are dependent upon the use of equipment or related devices or software not approved by the Board, unless the submissions are required as part of an authorized test of the equipment or related device or software.

(i) When a change or amendment has been tolled under subsection (g), the slot machine licensee may submit a revised change or amendment within 30 days of receipt of the written notice from the Bureau of Gaming Operations. The slot machine licensee may implement the revised change or amendment upon receipt of written notice of approval from the Board's Executive Director or on the 30th calendar day following the filing of the revision unless **[it] the slot machine licensee** receives written notice **[under subsection (g)]** tolling the change or amendment **in accordance with subsection (g)** or written notice **[of**

**disapproval]** from the Board's Executive Director **rejecting the change or amendment.**

(j) A current version of the internal controls of a slot machine licensee shall be maintained in or made available in electronic form through secure computer access to the accounting and surveillance departments of the slot machine licensee and the Board's onsite facilities required under § 465a.8 (relating to licensed facility). The slot machine licensee shall also maintain a copy, either in paper or electronic form, of any superseded internal control procedures for a minimum of 5 years. The original signed two attestations required under subsections (b)(1) and (2) shall also be maintained for a minimum of 5 years. Each page of the internal controls must indicate the date on which it was approved by the Board.

**§ 465a.3. Forms, records and documents.**

(a) Information required by this part to be placed on any form, record or document and in stored data shall be recorded on the form, record or document and in stored data in ink or other permanent **[form] manner.**

(b) Whenever duplicate or triplicate copies are required of a form, record or document, the original, duplicate and triplicate copies must have the name of the **[recipient] department** receiving the copy preprinted on the

bottom of that copy so as to differentiate between the copies.

(c) Whenever under this part, forms or serial numbers are required to be accounted for and an exception is noted, the exceptions shall be reported in writing to the slot machine licensee's internal audit department within 2 days of identification of the exception or upon its confirmation, whichever occurs earlier.

(d) Unless otherwise specified in this part, all forms, records, documents and stored data required to be prepared, maintained and controlled by this chapter must have the name of the licensed facility and the title of the form, record, document and, for stored data, the date imprinted or preprinted thereon.

(e) Nothing in this chapter shall be construed as prohibiting a slot machine licensee from preparing more copies of any form, record or document than those prescribed by this chapter.

\* \* \* \* \*

**§ 465a.5. Annual audit; other reports; suspicious activity and currency transaction reporting.**

(a) A slot machine licensee shall, at its own expense, **[cause] have** its annual financial statements **[to be]** audited in accordance with generally accepted auditing

standards (when applicable, the Standards of the Public Company Accounting Oversight Board (United States)) by an independent certified public accountant or, when appropriate, an independent registered public accounting firm, licensed to practice in this Commonwealth.

(b) The annual financial statements shall be prepared on a comparative basis for the current and prior fiscal year and present **the** financial position and results of operations in conformity with generally accepted accounting principles in the United States.

(c) **[The financial statements required by this section must include a footnote reconciling and explaining any differences between the financial statements included in any annual report filed in conformity with § 465a.4 (relating to standard financial and statistical reports) and the audited financial statements. The footnote must, at a minimum, disclose the effect of adjustments on:**

- (1) Revenue from the operation of slot machines.
- (2) Slot machine revenue net of expenses for complimentary services or items.
- (3) Total costs and expenses.
- (4) Income before extraordinary items.
- (5) Net income.

(d)] One copy of the audited financial statements, together with any management letter or report prepared thereon by the slot machine licensee's independent certified public accountant or independent registered public accounting firm, shall be filed with the Bureau of Licensing not later than [60] 90 days after the end of the licensee's fiscal year.

[(e) The slot machine licensee shall require the independent certified public accountant or independent registered public accounting firm auditing its financial statements to render the following additional reports:

(1) A report on material weaknesses or significant deficiencies in the system of internal controls noted in the course of the examination of the financial statements.

(2) A report expressing the opinion of the independent certified public accountant or independent registered public accounting firm as to the adequacy of the slot machine licensee's system of internal controls over financial reporting based upon the description of the system of internal controls approved for the slot machine licensee under § 465a.2 (relating to internal control systems and audit protocols). When appropriate, the report

should make specific recommendations regarding improvements in the system of internal controls.

(f) The slot machine licensee shall prepare a written response to the independent certified public accountant's or independent registered public accounting firm's reports required by subsection (e)(1) and (2). The response must indicate, in detail, corrective actions taken. The slot machine licensee shall submit a copy of the response to the Bureau of Licensing within 90 days of receipt of the reports.

(g) (d) The slot machine licensee shall file with the Bureau of Licensing one copy of [the reports required by subsection (e), and one copies of] any other reports on internal controls, administrative controls, or other matters relative to the slot machine licensee's accounting or operating procedures rendered by the licensee's independent certified public accountant or independent registered public accounting firm within 120 days following the end of the licensee's fiscal year or upon receipt, whichever is earlier.

[(h)] (e) If the slot machine licensee, or a licensed holding company, licensed intermediary or licensed principal entity of the slot machine licensee, is publicly held, the slot machine licensee shall submit a notice to



the Bureau of Licensing when it files any report, including forms S-1, 8-K, 10-Q, 10-K, proxy or information statements and registration statements, required to be filed by the slot machine licensee, licensed holding company, licensed intermediary or licensed principal entity of the slot machine licensee, with the SEC or other domestic or foreign securities regulatory agency. The notice must include a listing of the reports or forms filed and the date of the filing. The notice to the Bureau of Licensing shall be made within 10 **business** days of the time of filing with the applicable Commission or regulatory agency.

~~[(i)]~~ ~~(f)~~ If an independent certified public accountant or independent registered public accounting firm ~~[who] that~~ was previously engaged as the principal accountant to audit the slot machine licensee's financial statements resigns or is dismissed as the slot machine licensee's principal accountant, or another independent certified public accountant or independent registered public accounting firm is engaged as principal accountant, the slot machine licensee shall file a report with the Bureau of Licensing within 10 **business** days following the end of the month in which the event occurs, setting forth the following:

(1) The date of the resignation, dismissal or engagement.

(2) Whether in connection with the audits of the 2 most recent years preceding a resignation, dismissal or engagement there were any disagreements with the former accountant on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, including a description of each disagreement. The disagreements to be reported include those resolved and those not resolved.

(3) Whether the principal accountant's report on the financial statements for either of the past 2 years contained an adverse opinion or disclaimer of opinion or was qualified. The nature of the adverse opinion, disclaimer of opinion or qualification shall be described.

**[(j)] (g)** The slot machine licensee shall request the former accountant to furnish to the slot machine licensee a letter addressed to the Bureau of Licensing stating whether he agrees with the statements made by the slot machine licensee in response to subsection **[(i)(2)] (f)(2)**. The letter shall be filed with the Bureau of Licensing as an exhibit to the report required by subsection **[(i)(2)] (f)**.

**[(k)] (h)** The slot machine licensee shall file with BIE a copy of any Suspicious Activity Report-Casino (SARC)

**[it] that the slot machine licensee** is required to file under 31 CFR 103.21 (relating to reports by casinos of suspicious transactions). Each SARC shall be filed with BIE concurrently with the Federal filing.

**[(1)] (i)** A slot machine licensee, director, officer, employee or agent who reports a suspicious activity under subsection **[(k)] (h)** may not notify any person involved in the suspicious activity that the suspicious activity has been reported.

**[(m)] (j)** The slot machine licensee shall file with BIE a copy of any Currency Transaction Report by Casino (CTRC) **[it] that the slot machine licensee** is required to file under 31 CFR 103.22 (relating to reports of transactions in currency). Each CTRC shall be filed with BIE concurrently with the Federal filing.

**[(n)] (k)** Prior to commencing gaming operations, a slot machine licensee shall file with the Bureau of Gaming Operations, in a manner **[to be]** prescribed by Bureau of Gaming Operations, a copy of **[its] the slot machine licensee's** compliance program required under 31 CFR 103.64 (relating to special rules for casinos). Thereafter, a slot machine licensee shall file with the Bureau of Gaming Operations any amendment or supplement to **[its] the**

compliance program on or before the effective date of the amendment or supplement.

**§ 465a.6. Retention, storage and destruction of books, records and documents.**

(a) For the purposes of this section, 'books, records and documents' means any book, record or document pertaining to, prepared in or generated by the operation of the licensed facility including all forms, reports, accounting records, ledgers, subsidiary records, computer generated data, internal audit records, correspondence and personnel records required to be generated and maintained under § 451a.1 (relating to recordkeeping generally) or this part. This definition applies without regard to the medium through which the record is generated or maintained, for example, paper, magnetic media or encoded disk.

(b) Original books, records and documents pertaining to the operation of a licensed facility shall be:

(1) Prepared and maintained in a complete, accurate and legible form. Electronic data must be stored in a format that ensures readability, regardless of whether the technology or software that created or maintained it has become obsolete.

(2) Retained in a secure location in the licensed facility that is equipped with a fire suppression system or at another location approved under subsection (d).

(3) **[Kept immediately] Made** available for inspection by agents of the Board, the Department and the Pennsylvania State Police during all hours of operation.

(4) Organized and indexed in a manner to provide immediate accessibility to agents of the Board, the Department and the Pennsylvania State Police.

(5) Destroyed only after expiration of the minimum retention period specified in subsection (c), except that the Board may, upon the written request of a slot machine licensee and for good cause shown, permit the destruction at an earlier date.

(c) Original books, records and documents shall be retained by a slot machine licensee for a minimum of 5 years with the following exceptions:

(1) Documentation with regard to gaming vouchers reported to the Board as possibly counterfeit, altered or tampered with should be retained for a minimum of 2 years.

(2) Coupons entitling patrons to cash or slot machine credits, whether unused, voided or redeemed shall be retained for a minimum of 6 months.

(3) Voided gaming vouchers and gaming vouchers redeemed at a location other than a slot machine shall be retained for a minimum of **[6 months] 30 days**.

(4) Gaming vouchers redeemed at a slot machine **or fully automated electronic gaming table** shall be retained for a minimum of 7 days.

(d) A slot machine licensee may request, in writing, that the **[Bureau of Gaming Operations] Board's Executive Director** approve a location outside the licensed facility to store original books, records and documents. The request must include the following:

(1) A detailed description of the proposed location, including security and fire suppression systems.

(2) The procedures under which the Board, the Department and the Pennsylvania State Police will be able to gain access to the original books, records and documents retained at the location outside the licensed facility.

(e) A slot machine licensee may request, in writing, that the Board approve a microfilm, microfiche or other suitable media system for the copying and storage of original books, records and documents. The request must include representations regarding:

(1) The processing, preservation and maintenance methods which will be employed to insure that the books,

records and documents are available in a format which makes them readily available for review and copying.

(2) The inspection and quality control methods which will be employed to insure that microfilm, microfiche or other media when displayed on a reader/viewer or reproduced on paper exhibits a high degree of legibility and readability.

(3) The availability of a reader/printer for use by the Board, the Department and the Pennsylvania State Police at the licensed facility or other location approved by the Board and the readiness with which the books, records or documents being stored on microfilm, microfiche or other media can be located, read and reproduced.

(4) The availability of a detailed index of all microfilmed, microfiched or other stored data maintained and arranged in a manner to permit the immediate location of any particular book, record or document.

(f) Nothing herein shall be construed as relieving a slot machine licensee from meeting any obligation to prepare or maintain any book, record or document required by any other Federal, State or local governmental body, authority or agency.

**§ 465a.7. Complimentary services or items.**

(a) A slot machine licensee shall develop, maintain and apply adequate internal controls over the authorization and issuance of complimentary services or items as defined in § 401a.3 (relating to definitions). The slot machine licensee shall **[maintain a written record of the internal controls under this section and the specific employees to whom they apply. Slot machine licensees are not required to obtain Board approval of the internal controls under this section]** submit internal controls for complimentary services and items to the Board for approval under § 465a.2 (relating to internal control systems and audit protocols).

(b) The internal controls must include the following:

(1) The procedures by which the slot machine licensee delegates to its employees the authority to approve the issuance of complimentary services or items.

(2) The procedures by which the slot machine licensee establishes, **[or]** modifies **[any conditions]** or limits**[, to]** delegated authority, including limits based on relationships between the authorizer and recipient.

(3) **[The provisions employed to insure the auditing of complimentary services or items]** A matrix of job titles authorized to issue complimentary services or items and what complimentary services and items or the



maximum dollar value of complimentary services or items each job title is authorized to issue.

(4) The procedures to be followed by the slot machine licensee's internal audit department to audit the issuance of complimentary services or items.

(c) Complimentary services or items shall be recorded as follows:

(1) A complimentary service or item provided directly to a patron in the normal course of a slot machine licensee's business shall be recorded at an amount based upon the full retail price normally charged for the service or item by the licensee.

(2) A complimentary service or item not offered for sale to a patron in the normal course of a slot machine licensee's business but provided directly by the slot machine licensee shall be recorded at an amount based upon the actual cost to the slot machine licensee of providing the service or item.

(3) A complimentary service or item provided directly or indirectly to a patron on behalf of a slot machine licensee by a third party not affiliated with the slot machine licensee shall be recorded at an amount based upon the actual cost to the **slot machine** licensee of having the third party provide the service or item.

(4) A complimentary service or item provided directly or indirectly to a patron on behalf of a slot machine licensee by a third party who is affiliated with the **slot machine** licensee shall be recorded by the **slot machine** licensee in accordance with this section as if the affiliated third party were the licensee.

(d) If a slot machine licensee provides complimentary cash and noncash gifts **or reimbursements** recorded at a value of \$10,000 or more to a **[person] patron** and the **[person's] patron's** guests within a consecutive 5-day period, the slot machine licensee shall record the reason why the gifts were provided, **shall [and]** maintain **the records and make them [the records]** available for inspection by the Board and the Pennsylvania State Police. When the reason complimentary cash and noncash gifts were provided involves the **[person's] patron's** player rating, that rating must be based upon an evaluation of the amount and frequency of play by the **[person] patron** as recorded in the slot machine licensee's player rating system. For the purposes of this section, "guest" means any **[person] patron** who receives complimentary services or items as a result of his relationship with the **[person] patron** receiving the primary complimentary services or items.

(e) A slot machine licensee shall submit to **[BIE]** the **Bureau of Casino Compliance** a report listing each **[person] patron** who, under subsection (d), received \$10,000 or more in complimentary cash and noncash gifts **or reimbursements** within a consecutive 5-day period ending during the preceding month. The report shall be filed by the last day of the month following the month in which the complimentary cash and noncash gifts **or reimbursements** were issued and include the total amount of complimentary cash or noncash gifts **or reimbursements** provided to each **[person] patron** broken down into categories for food and beverage, hotel accommodations, travel, **reimbursements** and other services.

**§ 465a.8. Licensed facility.**

(a) A licensed facility must be equipped with a surveillance system configured and approved in accordance with §§ 465a.9 and 465a.10 (relating to the surveillance system; surveillance department control; surveillance department restrictions; and surveillance system recording formats). Except as otherwise provided in subsection (d)(1), the surveillance system shall be under the exclusive control of the surveillance department.

(b) Restricted areas within the licensed facility shall be designated for the repair and storage of slot machines **and table games**. Areas approved and utilized

within the licensed facility for slot machine **and table game** repair shall be covered by the approved surveillance system.

(c) Emergency exits from the gaming floor and any other doors designated by the Bureau of **[Gaming Operations] Casino Compliance** must be equipped with an audible alarm system that produces a loud, distinguishable warning sound, discernable in the vicinity of the exit, whenever the emergency door is opened. The alarm system shall be designed to require deactivation and reset by means of a key. The key is to be maintained by the security department.

(d) Slot machine licensees shall, in accordance with section 1207(13) of the act (relating to regulatory authority of board), provide for and maintain onsite facilities for use by the Board, the Department and the Pennsylvania State Police for the purpose of carrying out their respective responsibilities (collectively referred to as the ''onsite facilities''). The onsite facilities must be located in the same building as the gaming floor, in locations approved by the Bureau of **[Gaming Operations] Casino Compliance** and include suitable office space, equipment, partitions and supplies to meet the continuing

needs of the Board, the Department and the Pennsylvania State Police at the facility including the following:

(1) A surveillance system monitoring room, located within the onsite facilities, with full camera control capability for the reception of transmissions generated by each camera approved for use as part of the slot machine licensee's surveillance system. Full camera control capability includes the ability to override the camera control capability of the slot machine licensee's surveillance system.

(2) An area for the detention of individuals detained or taken into custody by the Pennsylvania State Police. The detention area must be located within the onsite facilities and consist of a bench or other apparatus which is permanently affixed to the wall or floor to which the **[person] individual** in custody can be handcuffed with as little discomfort to that **[person] individual** as is possible under the circumstances.

(3) A fingerprinting and photographing facility for use by the Pennsylvania State Police located in conformance with and outfitted in compliance with specifications established by the Pennsylvania State Police.

(4) Adequate computer, telephone and copying capability to meet the Board's, the Department's and the Pennsylvania State Police's continuing data processing and related needs.

(5) Direct telephone connections between the onsite facilities and the slot machine licensee's surveillance monitoring room and its security department.

(6) Computer terminals providing read only access to any computerized slot monitoring system or casino management system, or both, used by the slot machine licensee in its gaming operations.

(7) An area for the operation and storage of the central control computer equipment which must be equipped with an uninterruptible power supply.

(8) Signs indicating the location of the Board's office. The size, location and design of the signs must be approved by the Bureau of **[Gaming Operations] Casino Compliance**.

(e) Keys or alternative locking mechanisms securing access to the onsite facilities shall be under the exclusive custody and control of the Board, the Department or the Pennsylvania State Police respectively.

(f) Slot machine licensees shall provide additional accommodations within the licensed facility upon receipt of

a written request from the Board, the Department or the Pennsylvania State Police to accommodate periodic audit, compliance or investigative reviews at the licensed facility.

(g) Slot machine licensees shall provide adequate parking spaces adjacent or proximate to the onsite facilities, clearly marked for the Board, the Department or Pennsylvania State Police use only.

(h) Slot machine licensees shall equip licensed facilities with communication systems necessary to insure communication between the licensed facility and the Board, the Department, the Pennsylvania State Police, any applicable local law enforcement agency or emergency first responders.

**§ 465a.9. Surveillance system; surveillance department control; surveillance department restrictions.**

(a) The surveillance system of a licensed facility must comply with 18 Pa.C.S. section 1522 (relating to Wiretapping and Electronic Surveillance Control Act) and section 1522 of the act (relating to interception of oral communications) and shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols). The Bureau **of Casino Compliance** will review surveillance system specifications,

inclusive of the camera configuration and any changes or modifications to the system specifications, to determine whether the system provides the adequate and effective surveillance of activities inside and outside the licensed facility mandated by section 1207(11) of the act (relating to regulatory authority of board). A slot machine licensee may not commence gaming operations until its surveillance system is approved by the Board.

(b) A slot machine licensee shall at all times provide the Board and the Pennsylvania State Police with access to its surveillance system and its transmissions. Each member of its surveillance department shall comply with any request made by the Board or the Pennsylvania State Police to:

(1) Use, as necessary, any surveillance monitoring room in the licensed facility.

(2) Display on the monitors in the monitoring room any event capable of being monitored by the surveillance system.

(3) Make a video and, if applicable, audio recording of, and take a still photograph of, any event capable of being monitored by the surveillance system.

(i) The slot machine licensee shall preserve and store each recording or photograph in accordance with



the directions of the Board or the Pennsylvania State Police.

(ii) The Board and the Pennsylvania State Police shall have unfettered access to each recording or photograph. **[and, at] At** the request of the Board or Pennsylvania State Police, access to a recording or photograph may be denied to a particular employee or department of the slot machine licensee.

(c) The surveillance system required in this section must include **[the following]**:

(1) Light sensitive cameras with lenses of sufficient magnification **and 360° pan, tilt and zoom capabilities, without camera stops,** to allow the operator **[to read information on a slot machine reel strip and credit meter and equipped with 360° pan, tilt and zoom capabilities, without camera stops,]** to clandestinely monitor in detail and from various vantage points**[, including]** the following:

(i) The gaming conducted at the slot machines **and fully automated electronic gaming tables** in the licensed facility **with sufficient clarity to read information on a reel strip or electronic table layout and the credit meter.**

(ii) **The gaming conducted at each table game that is not a fully automated electronic gaming table in the licensed facility with sufficient clarity to identify patrons and dealers and sufficient coverage to simultaneously view the table and determine the configuration of wagers, card, dice and tile values and game outcomes.**

~~[(ii)]~~ (iii) The operations conducted at and in the ~~[cashiers']~~ **main** cage and any satellite cage.

~~[(iii)]~~ (iv) The operations conducted at automated bill breaker machines, automated gaming voucher and coupon redemption machines, automated jackpot payout machines and automated teller machines.

~~[(iv)]~~ (v) The count processes conducted in the count room.

~~[(v)]~~ (vi) The movement of cash, **gaming chips and plaques, tip boxes, table game drop boxes** and slot cash storage boxes within the licensed facility.

~~[(vi)]~~ (vii) The entrances and exits to the licensed facility, the gaming floor and the count room.

(viii) **Any other activity or areas designated by the Bureau of Casino Compliance.**

(2) The following number of cameras dedicated to table games that are not fully automated electronic gaming tables:

(i) At least one stationary camera for each table game offered by the licensed facility except Craps, Baccarat, Roulette and Big Six Wheel.

(ii) At least two stationary cameras for each Craps table, with one camera covering each end of the table.

(iii) At least two stationary cameras for each Baccarat table, with one camera covering each end of the table.

(iv) At least two stationary cameras for each Roulette table, with one camera covering the Roulette wheel and one camera covering the Roulette table layout.

(v) At least two stationary cameras for each Big Six Wheel, with one camera covering the Big Six Wheel wheel and one camera covering the Big Six Wheel table layout.

(3) Additional cameras as required by the Bureau of Casino Compliance. The additional cameras may include cameras with 360° pan, tilt and zoom capabilities.

[(2)] (4) Video recording equipment which, at a minimum, must:

(i) Permit the preservation and viewing of a clear copy of the transmission produced by any camera connected to the surveillance system.

(ii) Be capable of superimposing the time and date of the transmission on each recording made by the video recording equipment.

(iii) Enable the operator to identify and locate, through the use of a meter, counter or other device or method, a particular event which was recorded.

**[(3)] (5)** Recording media which shall be replaced immediately upon the manifestation of significant degradation in the quality of the images or sound, if applicable, recorded thereon. If videotape is utilized, it may be used for no more than 1 year.

**[(4)] (6)** One or more monitoring rooms in the licensed facility which shall be staffed by employees of the slot machine licensee's surveillance department who shall at all times monitor the activities enumerated in **[paragraph] paragraphs (1), (2) and (3)**. Each monitoring room shall be equipped with or serviced by:

(i) A communication system capable of monitoring all of the licensed facility's security department activities.

(ii) Computer terminals which provide read only access to any computerized slot monitoring system or casino management system, or both, used by the slot machine licensee in its gaming operation.

(iii) Connections to all casino alarm systems. The systems must provide a visible, audible or combination signal. A robbery, fire or emergency alarm must be perceptually distinguishable from all nonemergency alarms.

(iv) An updated photo library, consisting of photographs that are no more than 4 years old, of all current employees of the slot machine licensee and a separate photo library that contains the photographs of individuals who are on the Board's self-exclusion list. These photo libraries shall be available to the Board and the State Police.

(v) Contain and have readily available current copies of the following:

(A) An operational blueprint of the gaming floor and all areas of the licensed facility subject to camera coverage.

(B) Operating procedures addressing the evacuation of the licensed facility in the event of fire or other emergency.

(C) A contingency plan addressing a planned shutdown of the surveillance system and the contingency plan required by subsection (g) addressing any equipment failure that affects the slot machine licensee's monitoring room together with an emergency contact listing with telephone numbers for persons required to be notified of those events.

[(5)] (7) An emergency power system, tested at intervals not to exceed 6 months, which can be used to operate the surveillance system in the event of a power failure.

[(6)] (8) A preventive maintenance program, implemented by technicians assigned to the surveillance department, which insures that the entire surveillance system is maintained in proper working order and that the covers over the cameras are cleaned in accordance with a routine maintenance schedule.

(d) Areas subject to camera coverage under this section must contain continuous lighting that is of sufficient quality to produce clear video recordings and still picture reproductions.

(e) A slot machine licensee's surveillance system must continuously record[, **during the times and in the manner indicated in this subsection,**] transmissions from cameras

used to observe the following locations, **[persons]**  
**individuals**, activities **[or] and** transactions:

(1) Each transaction conducted on the gaming floor or at a **[cashiers'] main** cage or satellite cage. Coverage of the transaction must include, but not be limited to, recording transmissions from cameras used to observe the face of each patron transacting business at a **[cashiers'] main** cage or satellite cage from the direction of the cashier.

(2) **The gaming conducted at all slot machines and table games.**

**[(2)] (3)** The main bank, vault and other areas specified **[in writing]** by the Board.

**[(3)] (4)** The collection of **tip boxes**, slot cash storage boxes **and table game drop boxes.**

(5) **The distribution of cards, dice and tiles to gaming pits.**

(6) **The inspection of cards, dice and tiles in the gaming pits and at the gaming tables.**

(7) **The retrieval of cards, dice and tiles from the gaming pits at the end of the gaming day and the delivery of the cards, dice and tiles to the location designated and approved by the Bureau of Casino Compliance**

**for the inspection, cancellation, destruction or, if applicable, packaging for reuse.**

[(4)] (8) The count procedures conducted in the count room.

[(5)] (9) Any armored car collection or delivery.

[(6)] (10) The operations conducted at automated bill breaker machines, automated gaming voucher and coupon redemption machines, automated jackpot payout machines and automated teller machines. **Coverage shall include a camera contained within the machine that records the face of each patron transacting business at the machine.**

[(7)] (11) The entrances and exits to the licensed facility, the gaming floor, the main bank, the vault, the **[cashiers'] main** cage and any satellite cage and the count room.

**[(8) The gaming conducted at slot machines.]**

(f) Slot machine licensees shall maintain a surveillance log of all surveillance activities in the monitoring room. The log shall be maintained by monitoring room personnel in a book with bound numbered pages that cannot be readily removed or shall be maintained in an electronic format which has an audit function that prevents modification of information after the information has been entered into the system. The log shall be stored and



retained in accordance with § 465a.6 (relating to retention, storage and destruction of books, records and documents). The following information shall be recorded in a surveillance log:

(1) The date and time each surveillance event commenced.

(2) The name and Board issued credential number of each **[person] individual** who initiates, performs or supervises the surveillance.

(3) When suspicious activity, suspected or alleged regulatory violations or suspected or alleged criminal activity is involved, the reason for the surveillance, including the name, if known, alias or description of each individual being monitored, and a brief description of the activity in which the **[person] individual** being monitoring is engaged. This entry should also include a notation of the reading on the meter, counter or device specified in subsection **[(c)(2)(iii)] (c)(4)(iii)** that identifies the point on the video recording at which the event was recorded.

(4) The time at which each video recording is commenced and terminated, if different than when surveillance commenced or terminated.

(5) Time each surveillance event terminated.

(6) A summary of the results of the surveillance.

(7) A complete description of the time, date and, if known, the cause of any equipment or camera malfunctions, and the time at which the security department was apprised of the malfunction in accordance with the casino licensee's internal controls submitted under § 465a.2(d)(5).

(g) In accordance with § 465a.2(d)(5), each slot machine licensee shall have a contingency plan, to be utilized whenever there is an equipment failure that affects the slot machine licensee's monitoring room or other aspect of its surveillance system or operations.

(h) The casino compliance representatives at the licensed facility shall be notified within 30 minutes of any incident of equipment failure as noted in subsection (f) including the time and cause of the malfunction, if known, the time the slot machine licensee's security department was notified of the malfunction and the nature of communications with the security department relating to the malfunction.

(i) The casino compliance supervisor at the licensed facility shall be notified at least 48 hours in advance of the following:

(1) Relocation of an approved camera.

(2) Change in an approved camera's specifications.

(3) Change in lighting for areas required to be subject to camera coverage.

(4) Addition or change to the surveillance system.

(j) The surveillance recordings required under subsection (e) (1), [(5), (6) and (7)] (8), (9), (10) and (11) shall be retained for a minimum of 30 days. All other surveillance recordings shall be retained for a minimum of 7 days. Surveillance recordings shall be made available for review upon request by the Board or the Pennsylvania State Police.

(k) Any recording determined by the Board or the Pennsylvania State Police as being of potential evidentiary value shall be stored in accordance with Board or Pennsylvania State Police directives or turned over to the Board or the Pennsylvania State Police upon request. At the request and expense of the slot machine licensee, a copy of any recording turned over to the Board or the Pennsylvania State Police may be made available to the slot machine licensee.

(l) A surveillance employee assigned to the monitoring room shall work from the employee's own monitoring station.

(m) [In accordance with § 465a.2(a)(5), each slot machine licensee shall be required to submit, for Board approval, a minimum staffing submission with regard to its surveillance monitor rooms. The minimum staffing submission must consider the size and layout of the licensed facility as well as the number of slot machines and must at all times provide for surveillance of activities inside and outside the licensed facility. A slot machine licensee may not implement a change or amendment in its surveillance monitor room minimum staffing submission without prior Board approval of the change or amendment.] In accordance with § 465a.11(b)(1) (relating to slot machine licensee's organization), each slot machine licensee shall submit for Board approval a minimum surveillance room staffing plan. The surveillance room staffing plan must provide for the continuous monitoring of activities inside and outside the licensed facility taking into account the size and layout of the licensed facility as well as the number and location of slot machines and table games on the gaming floor. A slot machine licensee may not implement a change to its surveillance room staffing plan without prior approval of the Board.

(n) A slot machine licensee's surveillance department employees shall be independent of all other departments.

(o) A present or former surveillance department employee may not accept employment as a key employee or gaming employee with the same slot machine licensee for whom he was previously employed as a surveillance department employee unless 1 year has passed since the former surveillance department employee worked in the surveillance department. The present or former surveillance department employee may file a written petition as required under § 493a.4 (relating to petitions generally) requesting the Board to waive this restriction and permit the employment of a present or former surveillance department employee in a particular position. The Board may grant or deny the waiver upon consideration of the following factors:

(1) Whether the former surveillance department employee will be employed in a department or area of operation that the surveillance department monitors.

(2) Whether the surveillance and security systems of the slot machine licensee will be jeopardized or compromised by the employment of the former surveillance department employee in the particular position.

(3) Whether the former surveillance department employee's knowledge of the procedures of the surveillance department would facilitate the commission by any **[person]**

**individual** of irregularities or illegal acts or the concealment of any actions or errors.

(p) Entrances to the surveillance monitoring rooms may not be visible from the gaming floor. **[A person] An individual** entering the surveillance monitoring room who is not an employee of the surveillance department assigned to the monitoring room on the particular shift corresponding to the time of entry shall sign a monitoring room entry log upon entering the monitoring room. The monitoring room entry log shall be:

(1) Maintained in the monitoring room by monitoring room personnel and retained in accordance with § 465a.6 (relating to retention, storage and destruction of books, records and documents).

(2) Maintained in a book with bound numbered pages that cannot be readily removed or shall be maintained in an electronic format which has an audit function that prevents modification of information after the information has been entered into the system.

(3) Signed by each **[person] individual** entering the monitoring room, with each entry containing the following:

(i) The date and time of each entry.

(ii) The entering **[person's] individual's** name, Board-issued credential number and department or affiliation.

(iii) The reason for entering the monitoring room.

(iv) The name of the **[person] individual** authorizing the **[person's]** entry into the monitoring room.

(v) The date and time of exiting the monitoring room.

(4) Made available for inspection by the Board and the Pennsylvania State Police.

\* \* \* \* \*

**§ 465a.11. Slot machine licensee's organization; Jobs compendium.**

(a) Slot machine licensees' systems of internal controls must, in accordance with section 1322 of the act (relating to slot machine accounting controls and audits) and § 465a.2 (relating to internal control systems and audit protocols), include organization charts depicting segregation of functions and responsibilities and descriptions of the duties and responsibilities for each position shown on each organization chart. Slot machine licensees shall be permitted, except as otherwise provided in this section, to tailor organizational structures to

meet the needs or policies of a particular management philosophy. A slot machine licensee's organization charts must provide for:

(1) A system of personnel and chain of command which permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility.

(2) The segregation of incompatible functions, duties and responsibilities so that no employee is in a position **[both]** to **both** commit an error or **[to]** perpetrate a fraud and to conceal the error or fraud in the normal course of the employee's duties.

(3) The performance of all functions, duties and responsibilities in accordance with sound financial practices by qualified personnel.

(4) The areas of responsibility which are not so extensive as to be impractical for one person to monitor.

(5) A chief executive officer. For the purposes of this section, a "chief executive officer" means the **[person] individual** located at the licensed facility who is ultimately responsible for the daily conduct of the slot machine licensee's gaming business regardless of the form of business association of the slot machine licensee **[or applicant]** or the particular title which that **[person]**



**individual** or any other **[person] individual** holds. A slot machine licensee's organization chart may also include an assistant chief executive officer who is responsible for the daily conduct of the slot machine licensee's gaming business during the chief executive officer's absence. However, the assistant chief executive officer may not be the department head of one of the departments required **[by] under** subsection (b). Each supervisor of a department required **[by] under** subsection (b) shall report directly to the chief executive officer or assistant chief executive officer of the slot machine licensee regarding administrative matters and daily operations. The slot machine licensee's organization charts must designate which positions, in the absence of the chief executive officer and the assistant chief executive officer, shall be designated as having responsibility for the daily conduct of the slot machine licensee's gaming business.

(b) A slot machine licensee's system of internal controls must also include, at a minimum, the following departments and supervisory positions, each of which must be categorized as mandatory and must cooperate with, yet perform independently of, other mandatory departments and supervisory positions of the slot machine licensee.

Notwithstanding the foregoing, a department or supervisor

of a slot machine licensee that is not required or authorized by this section may operate under or in conjunction with a mandatory department or supervisor provided the organizational structure is consistent with the standards contained within the act and subsection (a). Mandatory departments and supervisory positions are:

(1) A surveillance department supervised by **[a person] an individual** located at the licensed facility who functions, for regulatory purposes, as the director of surveillance. The director of surveillance shall be subject to the reporting requirements specified in subsection (c) and shall be licensed as a key employee. The surveillance department shall be responsible for the following:

(i) The clandestine surveillance of the operation of, and gaming conducted at, slot machines **and table games**.

(ii) The clandestine surveillance of the operation of automated bill breaker, gaming voucher, coupon redemption and jackpot payout machines.

(iii) The clandestine surveillance of the operation of the **[cashiers'] main cage, Poker room cage** and any satellite cage.

(iv) The video recording of activities in the count room and the video recording of movements of

cash, **[and]** slot cash storage boxes **and table game drop boxes.**

(v) **The clandestine surveillance of areas used for the storage of gaming chips, plaques, cards, dice, Sic Bo shakers, Roulette balls, Pai Gow tiles and other equipment used to conduct table games.**

**[(v)] (vi)** The detection of cheating, theft, embezzlement and other illegal activities within the licensed facility.

**[(vi)] (vii)** The detection of the presence of any **[person] individual** who may or is required to be excluded or ejected from the licensed facility under section 1514 or 1515 of the act (relating to regulation requiring exclusion of certain persons; repeat offenders excludable from licensed gaming facility) and Chapters 511a and 513a (relating to persons required to be excluded; and underage gaming), or is self excluded from the gaming floor and gaming activities at all licensed facilities under section 1516 of the act (relating to list of persons self excluded from gaming activities) and Chapter 503a (relating to self exclusion).

**[(vii)] (viii)** The video recording of those locations, **[persons] individuals,** activities or transactions required under § 465a.9(e) (relating to

surveillance system; surveillance department control; surveillance department restrictions) and of any illegal and unusual activities monitored by the surveillance department.

**[(viii)] (ix)** The provision of immediate notice to supervisors designated in the internal controls, the casino compliance representatives and the Pennsylvania State Police at the licensed facility upon detecting, and also upon commencing video recording of, **[a person] an individual** who is engaging in or attempting to engage in, or who is suspected of cheating, theft, embezzlement, a violation of this part or other illegal activities, including **[a person] an individual** who is required to be excluded or ejected from the licensed facility under section 1514 of the act, who may or is required to be excluded or ejected from the licensed facility under section 1514 or 1515 of the act and Chapters 511a or 513a or is self-excluded from the gaming floor and gaming activities at all licensed facilities under section 1516 of the act and Chapter 503a.

**[(ix)] (x)** The clandestine surveillance of any slot computer system or equipment designated for coverage by the Board in conjunction with the approval of a slot machine system, including a slot monitoring system,

**electronic gaming table system, casino management system, wide area progressive system, gaming voucher system and any communication equipment with the central control computer.**

**(xi) The installation, maintenance and repair of the surveillance system equipment used by the surveillance department.**

**(xii) The submission of a surveillance staffing plan as part of the slot machine licensee's internal controls detailing the minimum staffing and the manner in which the responsibilities of this subsection shall be met.**

(2) An internal audit department supervised by **[a person] an individual** located at the licensed facility who functions, for regulatory purposes, as the director of internal audit. The director of internal audit shall be subject to the reporting requirements specified in subsection (c) and shall be licensed as a key employee.

(3) An information technology department supervised by a person located at the licensed facility who functions, for regulatory purposes, as the information technology director. The information technology director shall be licensed as a key employee and be responsible for the quality, reliability and accuracy of all slot computer systems used by the slot machine licensee regardless of

whether data, software or systems are located within or outside the licensed facility. The information technology director shall further be responsible for the security and physical integrity of, and the accountability and maintenance of, the following:

(i) Access codes and other security controls used to insure limited access to computer software and the system wide reliability of data.

(ii) Computer tapes, disks or other electronic storage media containing data relevant to the slot machine licensee's operations.

(iii) Computer hardware, communications equipment and software used in the conduct of the slot machine licensee's operations.

(iv) The computerized slot monitoring system utilized by the slot machine licensee. **[In specific, the]**  
**The** information technology director shall ensure that:

(A) Slot machines **and fully automated electronic gaming tables** located on the gaming floor are connected electronically to the slot machine licensee's computerized slot monitoring system and to the Commonwealth's central control computer in accordance with section 1323 (relating to central control computer system).

(B) The security features of the computerized slot monitoring system prohibit, at a minimum, the deletion, creation or modification of any data unless a permanent record is created that sets forth:

(I) The original information.

(II) Modifications to the original information.

(III) The identity of the employee making the modification.

(IV) The identity of each employee authorizing the modification, if applicable.

(C) Computerized jackpot payout systems utilized by the slot machine licensee are configured to require that any modification of \$100 or more to the original amount recorded on a computerized jackpot payout or system override is authorized by two finance department employees, one of whom is in a position of greater authority than the individual preparing the jackpot payout.

(D) Procedures and controls are in place that define and limit interaction between both the slot operations department and finance department and the computerized slot monitoring system including access to system menus, the establishment of slot machine **and fully automated electronic gaming table** profile parameters, and

the ability of each department to access, delete, create or modify information contained in the slot monitoring system.

(4) **Except as provided in subsection (8), [A] a slot operations department supervised by [a person] an individual** located at the licensed facility who functions, for regulatory purposes, as the director of slot operations. The director of slot operations shall be licensed as a key employee and be responsible for the operation of, and conduct of gaming at, slot machines **and fully automated electronic gaming tables** within the licensed facility.

(5) A security department supervised by **[a person] an individual** located at the licensed facility who functions, for regulatory purposes, as the director of security. The director of the security department shall be licensed as a key employee and be responsible for the overall security of the licensed facility including the following:

(i) The physical safety of **[natural persons] individuals.**

(ii) The physical safeguarding of assets.

(iii) The protection of the property of both the patron and the slot machine licensee from illegal activity.



(iv) In collaboration with the human resources department or its functional equivalent, the design, implementation and enforcement of a system for the issuance of access badges.

(v) The design, implementation and enforcement of a system for the issuance of temporary access credentials.

(vi) The recording of any unusual incidents within the licensed facility in which the security department is involved. Each incident shall be recorded by security department personnel in a book with bound numbered pages that cannot be readily removed or be maintained in an electronic format which has an audit function that prevents modification of information after the information has been entered into the system. The log shall be stored and retained in accordance with § 465a.6 (relating to retention, storage and destruction of books, records and documents). The following information shall be recorded:

(I) The assignment number of the incident.

(II) The date and time.

(III) The nature of the incident.

(IV) The persons involved in the incident.

(V) The security department employees assigned to cover the incident.

(vii) The identification and removal of any **[person] individual** who is required to be excluded or ejected from the licensed facility under section 1514 of the act, who may be excluded or ejected from the licensed facility under section 1515 of the act or is self excluded from the gaming floor and gaming activities at all licensed facilities under section 1516 of the act.

(viii) The performance of the duties and responsibilities required under the system of internal controls submitted and approved under § 465a.2.

(ix) The provision of immediate notice to the Pennsylvania State Police upon detecting the presence in the licensed facility of a person possessing a weapon in violation of § 465a.13 (relating to possession of weapons within a licensed facility).

(x) The provision of immediate notice to supervisors designated in the internal controls and the casino compliance representatives and the Pennsylvania State Police at the licensed facility upon detecting any **[person] individual** who is engaging in or attempting to engage in, or who is suspected of cheating, theft,

embezzlement, a violation of this part or other illegal activities.

(xi) The provision of immediate notice to supervisors designated in the internal controls and the casino compliance representatives and the Pennsylvania State Police at the licensed facility upon detecting any **[person] individual** who is required to be excluded or ejected from the licensed facility under section 1514 or 1515 of the act and Chapter 511a or 513a or is self-excluded from the gaming floor and gaming activities at all licensed facilities under section 1516 of the act and Chapter 503a.

(6) A finance department supervised by **[a person] an individual** located at the licensed facility who functions, for regulatory purposes, as the director of finance. The director of finance shall be licensed as a key employee and shall be responsible for all finance functions including the preparation and control of records and data, the control of stored data, the control of unused forms, the accounting for and comparison of operational data and forms, and the control and supervision of the **inventory of gaming chips, the issuance of credit, the [cashiers'] main cage, Poker room cages,** satellite cages and the count room. **The employee responsible for the supervision and issuance**

of credit shall report directly to the director of finance. [In addition to the requirement that the director of finance be licensed as a key employee, the] The supervisor of the [cashiers'] cage shall, on all shifts, be [licensed] permitted as a [key] gaming employee.

(7) Except as provided in subsection (8), a slot machine licensee that has a certificate to operate table games shall have a table games department supervised by an individual located at the licensed facility who functions, for regulatory purposes, as the director of table games. The director of table games shall be licensed as a key employee and shall be responsible for all table game functions including the inventory of table game equipment.

(8) In lieu of separate slot and table games departments, a slot machine licensee may elect to have a gaming department supervised by an individual located at the licensed facility who functions, for regulatory purposes, as the director of gaming. The director of gaming shall be licensed as a key employee and shall be responsible for the overall operation and conduct of gaming at slot machines and table games within the licensed facility. A slot machine licensee may also elect to have a director of table games and a director of slot operations who report to the director of gaming.

(c) The supervisors of the surveillance and internal audit departments required by subsection (b) shall report directly to one of the following persons or entities regarding matters of policy, purpose, responsibility and authority, which persons or entities shall also control the hiring, termination and salary of each supervisor:

(1) The independent audit committee of the slot machine licensee's board of directors.

(2) The independent audit committee of the board of directors of any holding or intermediary company of the slot machine licensee which has authority to direct the operations of the slot machine licensee.

(3) The senior surveillance or internal audit executives of any holding or intermediate company included in paragraph (2) if the most senior executive in the reporting line reports directly to the independent audit committee of the board of directors of the holding or intermediary company.

(4) For slot machine licensees or holding companies **[which] that** are not corporate entities, the non-corporate equivalent of any of the persons or entities listed in paragraphs (1)--(3).

(5) An independent audit committee or other persons designated by the Board in the slot machine

licensee's Statement of Conditions under § 423a.6 (relating to license, permit, registration and certification issuance and statement of conditions).

(d) The slot machine licensee's personnel shall be trained in all policies, procedures and internal controls relevant to each employee's individual function. Special instructional programs shall be developed by the slot machine licensee in addition to any on-the-job instruction sufficient to enable all members of the departments required by this section to be thoroughly conversant in, and knowledgeable of, the required manner of performance of all transactions relating to their functions.

(e) Notwithstanding other provisions to the contrary, a slot machine licensee may designate and assign more than one **[person] individual** to serve jointly as the supervisor of a department required by this section. Each **[person] individual** approved to serve as a joint supervisor of a mandatory department shall be located at the licensed facility and shall be individually and jointly accountable and responsible for the operations of that department.

(f) In the event of a vacancy in the chief executive officer position or any mandatory department supervisory position required by subsection (b), the following apply:

(1) The slot machine licensee shall notify the Board within 5 days from the date of vacancy. The notice must be in writing and indicate the following information:

(i) The vacant position.

(ii) The date on which the position will become or became vacant.

(iii) The date on which it is anticipated that the vacancy will be filled on a permanent basis.

(2) The slot machine licensee shall designate **[a person] an individual** to assume the duties and responsibilities of the vacant position within 30 days after the date of vacancy. The **[person] individual** may assume the duties and responsibilities of the vacant position on a temporary basis, provided that:

(i) The **[person] individual** does not also function as the department supervisor for any other mandatory department required by this section.

(ii) The **[person's] individual's** areas of responsibility will not be so extensive as to be impractical for one **[person] individual** to monitor.

(iii) The position shall be filled on a permanent basis within 120 days of the original date of vacancy.

(3) Within 5 days of filling a vacancy under paragraph (2), the slot machine licensee shall notify the Board thereof. The notice must be in writing and indicate the following:

(i) The position.

(ii) The name of the **[person] individual** designated.

(iii) The date that the vacancy was filled.

(iv) An indication of whether the position has been filled on a temporary or permanent basis.

(4) The notices required in this subsection shall be directed to the Bureau of Licensing.

**(g) Each slot machine licensee shall prepare and maintain a jobs compendium consistent with the requirements of this section detailing job descriptions and lines of authority for all personnel employed by the slot machine licensee. The jobs compendium shall be submitted to the Board for approval as part of the slot machine licensee's internal controls required under § 465a.2 (relating to internal control systems and audit protocols) at least 90 days prior to the commencement of slot or table game operations. The Board will review the jobs compendium to determine whether the job descriptions and the organizational charts contained therein conform to the**



licensing, permitting and registration requirements and chain-of-command and segregation of duties requirements of the act and the Board's regulations as part of the Board's review of the slot machine licensee's internal controls required under § 465a.2.

(h) A jobs compendium must include the following sections:

(1) An alphabetical table of contents listing the position title, job code department for each job description and the page number on which the corresponding job description may be found.

(2) An organizational chart for each department or division, including all positions and illustrating by position title, the direct and indirect lines of authority within the department or division. Each page of an organizational chart shall specify the following:

(i) The date the organizational chart was approved.

(ii) The effective date of the previously submitted organizational chart that the revised organizational chart supersedes.

(iii) A unique title or other identifying designation for that organizational chart.

(3) Job descriptions of each employee position that accurately correspond to a position title listed in the organizational charts and in the alphabetical table of contents. Each job description must be contained on a separate page, organized by departments or divisions, and include, at a minimum, the following:

(i) The job title and corresponding department.

(ii) Job duties and responsibilities.

(iii) Detailed descriptions of experience or educational requirements.

(iv) The type of license, permit or registration required by the act and the Board's regulations.

(v) The date of submission of each employee job description and the date of any prior job description it supersedes.

(vi) The page number of each organizational chart on which the employee job title is included.

(vii) The access code that will be assigned to the employee job description for the access badge required under § 465a.12 (relating to access badges).

(i) Any proposed amendment to a previously approved jobs compendium, including any amendment to an

organizational chart, which involves the departments listed in § 465a.11(b) (relating to slot machine licensee's organization; jobs compendium) shall be submitted as an amendment to the slot machine licensee's internal controls in accordance with § 465a.2 (relating to internal controls and audit protocols). Amendments that are required to be submitted under this subsection may be implemented by the slot machine licensee prior to approval of the amendment, if:

(1) The amendment is immediately recorded in the copy of the jobs compendium maintained by the slot machine licensee on its premises.

(2) The amendment is submitted to the Bureau of Gaming Operations by the end of the business day on the date of implementation, including at a minimum, the proposed changes to the information required by subsection (h), including the corresponding revised job descriptions and organizational charts, contained on pages which may be used to substitute for those sections of the jobs compendium previously approved by the Board.

(j) For departments that are not listed in § 465a.11(b), unless otherwise directed by the Board, a slot machine licensee will not be required to submit amendments to its jobs compendium for approval. Instead, the

certificate holder will be required to notify the Bureau of Licensing by the end of the business day on the date of implementation for newly created positions or changes to job descriptions and tables of organizations. The notification must include properly formatted job descriptions and organization charts for the affected departments. After the notification has been submitted, the Bureau of Licensing may require changes to the job descriptions and organizational charts to ensure compliance with licensing, permitting or registration requirements.

(k) Notwithstanding other requirements of this section, each certificate holder shall submit a complete and up-to-date jobs compendium to the Bureau of Gaming Operations and the Bureau of Licensing 12 months after its receipt of authorization to commence slot operations and every 12 months thereafter.

(l) Each slot machine licensee shall maintain on its premises a complete, updated copy of its jobs compendium, in a written or electronic form, which shall be made available for review upon request of the Board, the Department or the Pennsylvania State Police.

(m) No provision in this section shall be construed so as to limit a slot machine licensee's discretion in

**utilizing a particular job title for any position in its jobs compendium.**

**§ 465a.12. Access badges and temporary access credentials.**

(a) Slot machine licensees shall develop an access control matrix indicating the restricted areas in a licensed facility that an employee may access for each employee job description. Access to restricted areas by an employee shall be limited to the restricted areas that the employee needs to access in the course of the performance of the employee's normal duties listed in the employee's job description.

(b) In the internal controls required to be submitted under § 465a.2 (relating to internal control systems and audit protocols), the slot machine licensee shall designate the individuals who shall be responsible for determining the appropriate level of access for each job description and updating the level of access when a job description changes. The level of access information for each employee shall be transmitted to the individual or individuals designated in subsection (c).

(c) In the internal controls required to be submitted under § 465a.2, the slot machine licensee shall designate the individuals who shall develop and maintain an electronic database system, or its functional equivalent,

which contains the access level of all employees of the slot machine licensee. The electronic database system must be capable of tracking who enters or changes the access level assigned to each employee.

(d) In the internal controls required to be submitted under § 465a.2, the slot machine licensee shall designate the individuals who shall be responsible for entering or making changes to the access level of employees of the slot machine licensee in the electronic database system.

**(e) In the internal controls required to be submitted under § 465a.2, the slot machine licensee shall include an access matrix containing all restricted areas and all employees, and their position title and department, who have access to those restricted areas.**

**[(e)] (f)** Read-only access to the electronic database system shall be made available through secure computer access to the Board's representatives at the licensed facility.

**[(f)] (g)** Slot machine licensees shall develop an access badge system consisting of a badge that contains the employee's name and a color, code or symbol that indicates the areas in the licensed facility that the employee is allowed to access.

**[(g)] (h)** Employees of a slot machine licensee shall be required to wear an access badge in a visible location at all times while they are working in a licensed facility.

\* \* \* \* \*

**§ 465a.14. Security department minimum staffing.**

(a) In accordance with § 465a.2(d)(5) (relating to internal control systems and audit protocols), slot machine licensees shall be required to submit a minimum staffing submission with regard to its security department. The minimum staffing submission must consider the size and layout of the licensed facility as well as the number and configuration of slot machines **and table games** on the gaming floor and must at all times provide for security of the gaming floor and restricted areas servicing the gaming operation. A slot machine licensee may not implement a change or amendment in its security department minimum staffing submission without Board approval of the change or amendment.

(b) A slot machine licensee may not employ off-duty law enforcement officers to provide security related services in the licensed facility or in any manner in connection with the conduct of slot machine operations.

**§ 465a.15. [Cashiers' cage] Cage characteristics.**

(a) A licensed facility shall have on, immediately adjacent or proximate to the gaming floor, a physical structure known as a **[cashiers']** cage to house the cashiers and to serve as the central location in the licensed facility for:

(1) The custody of the cage inventory comprised of cash (currency or coin), **gaming chips, plaques** and the forms, documents and records normally associated with the operation of a **[slot]** cage.

(2) **[The initial financial consolidation of all transactions relating to slot machine and table game activity.**

(3) **Other]** The functions normally associated with the operation of a **[cashiers']** cage.

(b) The supervisor of the **[cashiers']** cage shall, regardless of shift, be **[licensed] permitted** as a **[key] gaming** employee.

(c) The **[cashiers']** cage must be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein. Its design and construction must include:

(1) Manually triggered silent alarm systems located at the cashiers' window, vault and in ancillary office space adjacent or proximate thereto. The systems



must be connected directly to the monitoring room of the surveillance department and to the security department.

(2) A double door entry and exit system that will not permit a person to pass through the second door until the first door is securely locked. In addition, the following apply:

(i) The first door leading from the gaming floor of the double door entry and exit system must be controlled by the security department or the surveillance department.

(ii) The second door of the double door entry and exit system must be controlled by the **[cashiers']** cage, security department or the surveillance department, provided that the first and second door may not be controlled by the same department.

(iii) The double door entry and exit system must have surveillance coverage which shall be monitored by the surveillance department.

(iv) An entrance to the **[cashiers']** cage that is not a double door entry and exit system must be an alarmed emergency exit door only.

(3) If manual locks are used to secure each door of the double door entry and exit system, the keys to each door must be different from each other.

(4) A slot machine licensee may use a Board-approved computerized access system to meet the double door entry system requirements in paragraph (2) if:

(i) The computerized access system provides a functionally equivalent level of security.

(ii) The slot machine licensee includes provisions in the slot machine licensee's internal controls which will provide a functionally equivalent level of security when the computerized access system is not functioning.

(d) A licensed facility may also have one or more satellite cages separate and apart from the **[cashiers'] main** cage, established to maximize security, efficient operations or patron convenience. A satellite cage may perform all of the functions of the **[cashiers'] main** cage and must be equipped with an alarm system in compliance with subsection (c)(1). The functions which are conducted in a satellite cage shall be subject to the accounting controls applicable to a **[cashiers'] main** cage set forth in this subpart.

(e) A slot machine licensee shall maintain, immediately available to the Board and the Pennsylvania State Police, a current list, with **Board** credential numbers, of all persons:

(1) Possessing the combination or keys to the locks securing the double door entry and exit system restricting access to the **[cashiers'] main** cage and any satellite cage and the vault.

(2) Possessing the ability to activate or deactivate alarm systems for the **[cashiers'] main** cage, any satellite cage and vault.

**§ 465a.16. Accounting controls for the [cashiers'] cage.**

(a) The assets for which cage cashiers are responsible shall be maintained on an imprest basis. At the end of each shift, cage cashiers assigned to the outgoing shift shall record on a cashiers' count sheet the face value of each cage inventory item counted and the total of the opening and closing cage inventories and shall reconcile the total closing inventory with the total opening inventory. Each cashier's count sheet shall be signed by the preparing cage cashier attesting to the accuracy of the information thereon.

(b) At the opening of every shift, in addition to the imprest funds normally maintained by cage cashiers, each slot machine licensee shall have in the **[cashiers'] main** cage, a reserve cash bankroll sufficient to pay winning patrons.

(c) The **[cashiers'] main** cage and any satellite cage shall be physically segregated by personnel and function as follows:

(1) Cage cashiers shall operate with individual imprest inventories of cash and their functions include the following:

(i) The receipt of cash, **value chips, plaques** and **other** cash equivalents from patrons in exchange for cash **[under § 465a.22 (relating to cash equivalents)]**.

(ii) The receipt of personal checks for gaming purposes from patrons in exchange for cash, subject to the limitations on amount **[required by the Board]** under § 465a.20 (relating to personal check cashing).

(iii) The receipt of cash, **value chips, plaques and other** cash equivalents, checks issued by the slot machine licensee, annuity jackpot checks, wire transfers and cashless funds transfers from patrons to establish a customer deposit under § 465a.23 (relating to customer deposits).

(iv) The receipt of customer deposit forms from patrons in exchange for cash under § 465a.23.

(v) The preparation of jackpot payout slips in accordance with this subpart and technical standards adopted by the Board under § 465a.26 (relating to jackpot

payouts).

(vi) The receipt of gaming vouchers from patrons, or from authorized employees who received gaming vouchers as gratuities, in exchange for cash.

(vii) Issuance, receipt and reconciliation of imprest funds used by slot attendants, including an imprest change/pouch payout fund.

(viii) The issuance of gaming vouchers.

(2) Main bank cashier functions include the following:

(i) The receipt of cash, **value chips, plaques**, cash equivalents, gaming vouchers, jackpot payout slips and personal checks received for gaming purposes from cage cashiers in exchange for cash.

(ii) The receipt of cash from the count rooms.

(iii) The receipt of personal checks accepted for gaming purposes from cage cashiers for deposit.

(iv) The preparation of the overall cage reconciliation and accounting records.

(v) The preparation of the daily bank deposit for cash, cash equivalents, **counter checks** and personal checks.

(vi) The issuance, receipt and reconciliation of imprest funds used by slot attendants.

(vii) The receipt from cage cashiers of documentation with signatures thereon, required to be prepared for the segregation of functions in the **[cashiers']** cage.

(viii) The responsibility for the reserve cash bankroll.

(ix) The receipt of unsecured currency and unsecured gaming vouchers and preparation of reports thereon.

(x) The issuance, receipt and reconciliation of cash and gaming vouchers to and from automated bill breaker, automated gaming voucher, and coupon redemption and automated jackpot payout machines and preparation of related documentation.

(d) At the end of the gaming day a copy of the cage cashiers' count sheets and related documentation shall be forwarded to the accounting department for agreement of opening and closing inventories, agreement of amounts thereon to other forms, records and documents required by this subpart and recording of transactions.

**§ 465a.17. Bill validators, [and] slot cash storage boxes and table game drop boxes.**

(a) Slot machines **and fully automated electronic gaming tables** must be equipped with a bill validator configured to accept any combination of currency, gaming vouchers, coupons and other instruments authorized by the Board for incrementing credits on a slot machine **or fully automated electronic gaming table**.

(b) Access to the bill validator must be controlled by at least one lock, the key to which shall be controlled by the slot operations department.

(c) The bill validator in a slot machine **or fully automated electronic gaming table** must contain a secure tamper resistant container known as a slot cash storage box **or table game drop box**. Currency, gaming vouchers, coupons and Board-approved instruments inserted into the bill validator shall be deposited into the slot cash storage box **or table game drop box**.

(d) The slot cash storage box **or table game drop box** must be secured to the bill validator by two separate locks, the keys to which shall be different from each other, one of which may be the lock to the belly door or main door of the slot machine **or fully automated electronic gaming table** and a second of which is the lock on the release mechanism on the slot cash storage box **or table game drop box**. If there is not a full door on the bill

validator, the lock on the release mechanism on the slot cash storage box **or table game drop box** must detect and display whether it is locked or unlocked and communicate whether it is locked or unlocked to a slot monitoring system. The keys shall be maintained and controlled as follows:

(1) The key to the belly door or main door of the slot machine **or fully automated electronic gaming table** shall be maintained and controlled by the slot operations department.

(2) The key to the lock securing the release mechanism on the slot cash storage box **or table game drop box** shall be maintained and controlled by the security department. The security department shall establish a sign-out and sign-in procedure with regard to this key which includes documentation of this transfer.

(e) A slot cash storage box **or table game drop box** **from a fully automated electronic gaming table** must:

(1) Have at least one lock securing the contents of the slot cash storage box **or table game drop box**, the key to which shall be maintained and controlled by the finance department.



(2) Have a slot opening through which currency, gaming vouchers and coupons can be inserted into the slot cash storage box **or table game drop box**.

(3) Have a mechanical arrangement or device that prohibits removal of currency, gaming vouchers and coupons from the slot opening whenever the slot cash storage box **or table game drop box** is removed from the bill validator.

(4) Be fully enclosed, except for openings that may be required for the operation of the bill validator or the slot cash storage box **or table game drop box**. However, the location and size of the openings may not affect the security of the slot cash storage box, **the table game drop box**, its contents or the bill validator.

(5) Have an asset number that is permanently imprinted, affixed or impressed on the outside of the slot cash storage box **or table game drop box** which corresponds to the asset number of the slot machine **or fully automated electronic gaming table** to which the bill validator has been attached. In lieu of the asset number, a slot machine licensee may develop and maintain, with prior Board approval, a system for assigning a unique identification number to its slot cash storage boxes **or table game drop boxes**. The system must ensure that each slot cash storage box **or table game drop box** can readily be identified,

either manually or by computer, when in use with, attached to, and removed from a particular bill validator. Each unique identification number must be permanently imprinted, affixed or impressed on the outside of each slot cash storage box **or table game drop box** that does not otherwise bear an asset number. The asset number or unique identification number must be conspicuous and clearly visible to persons involved in removing or replacing the slot cash storage box **or table game drop box** in the bill validator and through the slot machine licensee's surveillance system. Notwithstanding the foregoing, emergency slot cash storage boxes **and emergency table game drop boxes for fully automated electronic gaming tables** may be maintained without an asset number or a unique identification number, provided the word 'emergency' is permanently imprinted, affixed or impressed thereon, and when put into use, are temporarily marked with the asset number of the slot machine **or fully automated electronic gaming table** to which the bill validator is attached.

(6) Be designed and installed in a manner that renders the slot machine **or fully automated electronic gaming table** inoperable in the event of the removal or absence of the slot cash storage box **or table game drop box**.

(f) Each table game in a licensed facility that is not a fully automated electronic gaming table must have a secure tamper-resistant table game drop box attached to it, in which shall be deposited all cash exchanged at the gaming table for gaming chips and plaques, issuance copies of Counter Checks exchanged at the gaming table for gaming chips and plaques, copies of Fill Request Slips, Fill Slips, Credit Request Slips, Credit Slips and Table Inventory Slips.

(g) Each table game drop box from a table game that is not a fully automated electronic gaming table must have:

(1) Two separate locks securing the contents placed into the table game drop box, the keys to which must be different from each other.

(2) A separate lock securing the table game drop box to the gaming table, the key to which must be different from each of the keys to the locks securing the contents of the table game drop box.

(3) A slot opening through which currency, value chips or poker rake chips for nonbanking games, and required forms and documents can be inserted into the table game drop box.

(4) A mechanical device that will automatically close and lock the slot opening upon removal of the table game drop box from the gaming table.

(5) Permanently imprinted or impressed thereon, and clearly visible, either:

(i) A number corresponding to a unique permanent number on the gaming table to which the table game drop box is attached and a letter or letters which indicate the type of game.

(ii) The word "emergency."

(6) In addition to the information required under paragraph (5)(i), each table game drop box may also be identified by a bar code label that is securely affixed to the table game drop box. Each bar code label affixed to a table game drop box must be:

(i) Encoded, at a minimum, with the information required under paragraph (5)(i).

(ii) Prepared in accordance with the slot machine licensee's approved internal controls.

(h) The key utilized to unlock the table game drop boxes from table games that are not fully automated electronic gaming tables shall be maintained and controlled by the security department.

(i) The key to one of the locks securing the contents of a table game drop box from a table game that not a fully automated electronic gaming table shall be maintained and controlled by the finance department. The key to the second lock securing the contents of the table game drop box from a table game that is not a fully automated electronic gaming table shall be maintained and controlled by the casino compliance representatives.

(j) Prior to using a table game drop box labeled "Emergency" for a table game that is not a fully automated electronic gaming table, the certificate holder shall:

(1) Notify and obtain the verbal approval of the casino compliance representatives.

(2) Temporarily mark the emergency table game drop box with the number of the gaming table and a letter or letters that indicate the type of game.

§ 465a.18. Transportation of slot cash storage boxes and table game drop boxes to and from [bill validators] the gaming floor; storage.

(a) Slot machine licensees shall [file with the Bureau of Gaming Operations a schedule setting forth the specific times at which slot cash storage boxes will be brought to or removed from the bill validators along with specifications as to what areas of the gaming floor will be

dropped on each pick-up day and the specific transportation route to be utilized from the gaming floor to the count room.] submit and obtain the approval of the Bureau of Casino Compliance the plan for the distribution and collection of slot cash storage boxes and table game drop boxes. The plan must:

(1) Provide for the separate distribution and collection of table game drop boxes from table games that are not fully automated electronic gaming tables from slot cash storage boxes and table game drop boxes from table games that are fully automated electronic gaming tables.

(2) Include the time the distribution and collection of table game drop boxes from table games that are not fully automated electronic gaming tables, slot cash storage boxes and table game drop boxes from table games that are fully automated electronic gaming tables will begin.

(3) Specify which slot cash storage boxes will be picked up on each pick-up day.

(4) Specify the order in which the slot cash storage boxes and table game drop boxes will be distributed and collected.

(5) Specify the route that the drop team will utilize from the gaming floor to the count room.

(b) Slot machine licensees shall maintain **and make [immediately]** available to the Bureau of **[Gaming Operations] Casino Compliance** and the Pennsylvania State Police, a current list, with **Board** credential numbers, of all employees participating in the transportation of slot cash storage boxes **and table game drop boxes to and from the gaming floor.** **[Any deviation from the schedule setting forth the specific times at which slot cash storage boxes will be brought to or removed from the bill validators, change in the areas to be dropped or the transportation route to the count room shall be noticed to the Bureau of Gaming Operations in advance.]** The slot machine licensee shall file notice with the Bureau of Casino Compliance and shall obtain verbal approval from the casino compliance supervisor at the licensed facility prior to:

(1) Deviating from the schedule setting forth the specific times at which slot cash storage boxes or table game drop boxes are brought to or removed from the gaming floor.

(2) Changing which slot cash storage boxes will be picked up on each pick-up day.

(3) Altering the route to the count room.

(c) Table game drop boxes shall be removed from all gaming tables and fully automated electronic gaming tables

once each gaming day regardless of whether or not the gaming table was open or closed during that gaming day. Table game drop boxes from table games that are not fully automated electronic gaming tables shall be collected separately from slot cash storage boxes and table game drop boxes from fully automated electronic gaming tables.

~~[(c)]~~ (d) Slot cash storage boxes ~~[removed from bill validators]~~ and table game drop boxes removed from bill validators or gaming tables shall be transported directly to, and secured in, the count room or a trolley storage area located immediately adjacent thereto, configured and secured by a minimum of three employees, at least one of which is a member of the security department and at least one of which is a member of the finance department.

(1) Upon its removal from a bill validator or gaming table, a slot cash storage box or table game drop box shall immediately be placed ~~[immediately]~~ in an enclosed trolley which is secured by two separately keyed locks. The ~~[keys shall be maintained and controlled as follows:~~

(i) The key to one lock shall be maintained and controlled by the finance department.

(ii) The key to the second lock shall be maintained and controlled by the security department] key



to one lock shall be maintained and controlled by the security department. The key to the other lock shall be maintained and controlled by the finance department. Access to the [security department's key] keys shall be controlled, at a minimum, by a sign-out and sign-in procedure contained in the slot machine licensee's internal controls. [The security department key shall be returned to its secure location immediately upon the completion of the collection and transportation of the slot cash storage boxes.] The security department key and the key controlled by finance shall be returned to its secure location after completion of the slot and table game count.

(2) Prior to the movement of any trolley, which contains [containing] slot cash storage boxes or table game drop boxes, from the gaming floor into the count room, the drop team supervisor shall verify that the number of slot cash storage boxes and table game drop boxes [being transported] removed from the gaming floor equals the number of slot cash storage boxes and table game drop boxes scheduled to be collected that day and that the locks controlled by security and the finance department have been locked. For table game drop boxes removed from table games that are not fully automated electronic gaming tables, a floorperson or above may verify the number of table game

**drop boxes removed from the gaming floor instead of the drop team supervisor.**

(3) A slot cash storage box or table game drop box being replaced by an emergency slot cash storage box or table game drop box shall be transported, using a trolley, directly to[,] and secured in[,] the count room by [a minimum of three employees,] at least one [of which is a] member of the finance department and [at least] one [of which is a] member of the security department.

(d) Slot cash storage boxes and table game drop boxes [not contained in a bill validator] that are not secured to a bill validator or a gaming table, including emergency slot cash storage boxes and table game drop boxes that are not actively in use, shall be stored in the count room or other secure area [outside the count room approved by the Board,] specified in the slot machine licensee's internal controls. These slot cash storage boxes and table game drop boxes shall be stored in an enclosed [storage] cabinet or trolley and secured in the cabinet or trolley by a separately keyed, double locking system. The [keys] key to one lock shall be maintained and controlled by the security department and the key to the other lock shall be maintained and controlled by the finance department [as follows:

(1) The key to one lock shall be maintained and controlled by the finance department.

(2) The key to the second lock shall be maintained and controlled by the security department].

Access to the [security department's key] keys shall be controlled, at a minimum, by a signout and sign-in procedure contained in the slot machine licensee's internal controls.

(e) Notwithstanding subsection (c), the security department may, immediately prior to the commencement of the count process, issue its key to the storage cabinet or trolley to a count room supervisor for the purpose of [allowing count room personnel to gain] gaining access to the slot cash storage boxes and table game drop boxes to be counted. A key transferred from the custody of the security department to the count room supervisor shall be returned immediately following the conclusion of the count of the slot cash storage boxes and table game drop boxes and the return of the empty emergency drop boxes and slot cash storage boxes or table game drop boxes to their respective storage cabinet or trolley by the count room supervisor. The security department shall establish in its internal controls a sign-out and sign-in procedure which includes documentation of] documenting this transfer and a procedure

governing the control of the key during any breaks taken by count room personnel.

(f) [If the central computer control system is not online prior to commencement of the drop of the slot cash storage boxes, a drop team supervisor shall contact the casino compliance representatives at the licensed facility to witness and certify the drop. The drop may not commence until a casino compliance representative is present.] When a gaming table on the gaming floor is not in use, the table game drop box for that table shall remain attached to the gaming table.

(g) Prior to changing the type of table game offered or removing a slot machine or table game from the gaming floor, at least one security department employee and one finance department employee shall conduct an emergency drop.

§ 465a.19. Acceptance of tips or gratuities from patrons.

(a) Notwithstanding the requirements of § 461a.8(n) (relating to gaming vouchers), a key employee, **box person**, **floorperson** or **any other** gaming employee who serves in a supervisory position is prohibited from soliciting or accepting, and no other gaming employee may solicit, a tip or gratuity from a patron of the slot machine licensee

[where he is employed]. The slot machine licensee may not permit any practices prohibited by this section.

(b) The slot machine licensee shall submit internal controls relating to the acceptance of tips or gratuities by dealers at banking and nonbanking table games.

(c) Except as permitted under subsection (g), all tips and gratuities received by dealers in a licensed facility shall be:

(1) Immediately deposited in a transparent locked box reserved for tips and gratuities. If Roulette chips are received as tips or gratuities at a roulette table, the marker button indicating the specific value of the Roulette chips may not be removed until after the dealer, in the presence of a floorperson or above, has expeditiously converted the Roulette chips into value chips which shall then be immediately deposited in the transparent locked box reserved for tips and gratuities.

(2) Collected and accounted for at least once each gaming day.

(3) Placed in a common pool for distribution pro rata among all dealers in accordance with subsection (e).

(d) Upon receipt from a patron of a tip or gratuity, a dealer shall extend his arm in an overt motion, and deposit

the tip or gratuity in the locked box reserved for tips and gratuities.

(e) Tips and gratuities placed in a common pool shall be distributed pro rata among all the dealers in the pool based upon the number of hours worked. In determining the number of hours which an employee has worked for purposes of tip pool distribution, a slot machine licensee may establish standards for distribution which include hours of vacation time, personal leave time or any other authorized leave of absence in the number of hours worked by each employee. These standards shall apply uniformly to all employees, except that a slot machine licensee may establish different standards for full-time or part-time employees.

(f) Any distribution of tips and gratuities from a common tip pool under this section must occur no more than once every 7 calendar days.

(g) Notwithstanding the requirements in subsection (c), a certificate holder that offers the game of Poker may either:

(1) Establish a separate common pool for tips and gratuities received by its Poker dealers.

(2) Permit each Poker dealer to retain his own tips and gratuities, in which case the tips and gratuities

received by each Poker dealer shall be deposited, in accordance with procedures in subsection (d), in a transparent locked box assigned to the particular dealer. The box shall be moved from table to table with the dealer.

(h) When a slot machine licensee elects to use the option in subsection (g)(2), at the end of the Poker dealer's shift, the dealer shall take the transparent locked box assigned to the dealer to a cage cashier. The cage cashier shall open the container and count the tips and gratuities in the presence of the Poker dealer and record the total amount of the tips and gratuities received by the dealer and either:

(1) Return the tips and gratuities to the dealer.

(2) Retain all or a portion of the tips and gratuities for inclusion in the dealer's paycheck.

(i) Each certificate holder shall develop procedures for the reporting of dealer tips and gratuities to the Internal Revenue Service.

#### § 465a.20. Personal check cashing.

(a) Personal checks accepted by a slot machine licensee under § 501a.6 (relating to check cashing) to enable a patron to take part in gaming must be:

(1) Drawn on a commercial bank, savings bank, saving and loan association or credit union and payable on demand.

(2) Drawn for a specific amount.

(3) Made payable to the slot machine licensee.

(4) Currently dated, but not postdated.

(b) Personal checks accepted under subsection (a) shall be presented by the patron directly to a **[slot] cage** cashier who shall:

(1) **[Restrictively endorse] Endorse** the check 'for deposit only' to the bank account designated by the slot machine licensee.

(2) Initial the check.

(3) Date and time stamp the check.

(4) Verify that the signature of the patron on the personal check and the patron's physical appearance agree with information recorded in a patron signature file created and maintained by the slot machine licensee in accordance with subsection (c) or with the signature and photograph or physical description contained on a government-issued identification presented by the patron. The slot cashier shall document how the signature verification was performed in connection with the acceptance of each personal check.



(5) For personal checks equaling or exceeding \$500, verify the validity of the check directly with the commercial bank, savings bank, saving and loan association or credit union upon which it is drawn or obtain an authorization and guarantee of the check from a check verification and warranty service certified as a gaming service provider by the Board. The **[slot] cage** cashier shall document how the check verification was performed in connection with the acceptance of each personal check.

(6) Immediately exchange the personal check for cash in an amount equal to the amount for which the check is drawn or place the amount in a customer deposit account under § 465a.23 (relating to customer deposits) for subsequent use at the licensed facility. A slot machine licensee may not accept a check or multiple checks which in the aggregate exceed \$2,500 per patron per gaming day, **except as permitted in §§ 609a.15(c) and 609a.16(b) (relating to redemption of counter checks; substitution of counter checks).**

(c) To record a patron's signature in a patron signature file, a **[slot] cage** cashier shall require the person for whom the file is to be created to present for examination the following:

(1) If the identity of the patron is to be confirmed in accordance with subsection (d)(1), one identification.

(2) If the identity of the patron is to be confirmed in accordance with subsection (d)(2), two forms of identification, at least one of which must contain a photograph or general physical description of the patron.

(d) Before a slot machine licensee may use a signature recorded in a patron signature file to verify the identity of a patron or the validity of a signature on a document, the slot machine licensee shall confirm the identity of the patron by either:

(1) Comparing the signature on the identification presented by the patron under subsection (c)(1) with the signature obtained from the patron and verifying the address of the patron's residence with a credit bureau, commercial bank or, if neither of these sources has the person's address on file or will not provide the information, with an alternative source, which does not include any **identification credentials or other** documentation presented by the patron at the **[cashiers']** cage.

(2) Comparing the signature on each of two forms of the identification presented by the patron under

subsection (c)(2) with the signature obtained from the patron and comparing the photograph or general physical description contained on at least one of the forms of identification with the patron's actual physical appearance.

(e) A patron signature file established and maintained by a slot machine licensee under subsection (c) must include, in addition to the patron's signature, the following:

(1) The patron's name.

(2) The address of the patron's residence.

(3) The types of identification examined under subsection (d) and an indication whether the identification contained a photograph or physical description of the patron.

(4) For the purposes of this section, a physical description of the patron which includes:

(i) Date of birth.

(ii) Approximate height.

(iii) Approximate weight.

(iv) Hair color.

(v) Eye color.

(5) The date and time that the patron signature file was established.

(6) The procedure by which the identity of the patron was confirmed under subsection (d), including:

(i) The source of confirmation, date and time if confirmed under subsection (d)(1).

(ii) The date and time of confirmation if confirmed under subsection (d)(2).

(7) The signature of the **[slot] cage** cashier or **[cashiers']** cage supervisor who examined the identification of the patron and established the patron signature file. The signature will evidence that:

(i) The signature of the patron recorded in the patron signature file is consistent with the signature on each form of identification that was examined.

(ii) The physical description recorded in the patron signature file is consistent with both the actual appearance of the patron and any photograph or physical description that may be contained on an identification that was examined.

(f) A slot machine licensee that charges a fee for cashing checks shall comply with the Check Casher Licensing Act (63 P.S. §§ 2301 - 2334).

(g) Prior to accepting personal checks, each slot machine licensee shall establish a comprehensive system of internal controls applicable to the acceptance of personal

checks. The internal controls shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols). The internal controls submitted by the slot machine licensee must address procedures for complying with this section including the dollar limitation per gaming day contained in subsection (b) (6).

**§ 465a.21. Wire transfers.**

(a) A wire transfer accepted by a slot machine licensee on behalf of a patron under § 501a.6 (relating to check cashing) to enable a patron to take part in gaming shall be recorded in the slot machine licensee's **[cashiers']** cage accountability no later than the next gaming day.

(b) Prior to commencing acceptance of wire transfers for gaming purposes, a slot machine licensee shall establish a comprehensive system of internal controls addressing the acceptance, verification, accounting for and sending of wire transfers. The internal controls shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols).

(c) The internal control procedures developed and implemented by the slot machine licensee under subsection (b) must include:

(1) A **[cashiers']** cage log to record the following information with regard to wire transfers accepted:

(i) A sequential number assigned by the slot machine licensee to the wire transfer transaction.

(ii) The date and time of notification.

(iii) The name of the financial institution and account number to which the funds were transferred.

(iv) The amount of funds transferred.

(v) The name of the patron for whose benefit the funds were transferred.

(vi) The name and address of the financial institution from which the funds were transferred and the account number from which the funds were debited.

(vii) The method by which the slot machine licensee was notified of the receipt of the wire transfer and, if noticed by telephone, the name and title of the person providing notice.

(viii) The signature of the **[cashiers']** cage employee receiving and recording the information required by this subsection.

(ix) A notation that the wire transfer has been reversed under subsection (d), when applicable.

(2) A requirement that a **[cashiers']** cage supervisor other than the **[cashiers']** cage employee who initially documented receipt of the wire transfer verify receipt of the wire transfer.

(3) A requirement that the **[cashiers']** cage supervisor verifying receipt of the wire transfer document the verification process performed in the log required under paragraph (1) including:

(i) The method by which the receipt of the wire transfer was verified and, if verified by telephone, the name and title of the person providing the verification.

(ii) The date and time of verification.

(iii) The signature of the **[cashiers']** cage supervisor verifying receipt of the wire transfer.

(4) The procedures used to:

(i) Establish, verify and document the identity of the patron.

(ii) Make the wire transfer proceeds available to the patron at the **[cashiers']** cage.

(iii) Adjust the **[cashiers']** cage accountability.

(5) A **[cashiers']** cage log to record the following information with regard to wire transfers sent on behalf of a patron:

(i) The name of the patron.

(ii) The date of the transaction.

(iii) The amount of funds transferred.

(iv) The source of funds transferred (cash, cash equivalent, jackpot payout).

(v) The name and address of the financial institution to which the funds will be transferred and the account number to which the funds will be credited.

(vi) The signature of the patron if the request to send a wire transfer is made in person at the **[cashiers']** cage.

(vii) Documentation supporting the receipt of a request by the slot machine licensee to send a wire transfer on behalf of a patron if the request was not made in person at the **[cashiers']** cage.

(viii) The signature of the **[cashiers']** cage employee receiving and recording the information required by this subsection.

(ix) The signature of the **[cashiers']** cage supervisor or accounting department supervisor authorizing the wire transfer.



(6) When sending a wire transfer on behalf of a patron, the procedures used to:

(i) Verify and document the identity of the patron.

(ii) Adjust the **[cashiers']** cage accountability.

(d) A slot machine licensee, on the next gaming day, shall take all steps necessary to return to a patron by wire transfer an amount initially accepted by wire transfer if, at the expiration of 14 gaming days following the deposit into its operating account of a wire transfer which has no documented business purpose other than having been accepted to enable a patron to take part in gaming, both of the following circumstances exist:

(1) The wired funds remain in a slot machine licensee's operating account or **[cashiers']** cage accountability.

(2) The patron has engaged in minimal or no slot **or table game** play.

(e) The wire transfer returned under subsection (d) shall be sent to the financial institution from which the funds were debited. This reversal of the wire transfer shall be recorded in the wire transfer log maintained under subsection (c)(1).

**§ 465a.22. Cash equivalents.**

(a) **The requirements in this subsection are not applicable to gaming chips or plaques.**

**[(a)] (b)** Prior to accepting cash equivalents for gaming purposes as permitted under § 501a.6 (relating to check cashing), a slot machine licensee shall establish a comprehensive system of internal controls addressing the acceptance and verification of cash equivalents. The internal controls shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols).

**[(b)] (c)** The internal control procedures developed and implemented by the slot machine licensee under subsection (a) must include:

(1) A requirement that **[cashiers']** cage employees perform the specific verification procedures required by the issuer of each cash equivalent accepted. The slot machine licensee shall retain adequate documentation evidencing the verification of each cash equivalent.

(2) A requirement that **[cashiers']** cage employees examine each cash equivalent for counterfeiting, forgery or alteration.

(3) When a slot machine licensee elects to incorporate into its verification procedures a level of

reliance on previously accepted cash equivalents, the procedures must articulate the general parameters governing the reliance.

(4) Criteria for **[cashiers']** cage supervisor involvement in the verification process.

(5) Procedures for verifying any patron signature on the cash equivalent. Signature verification must be accomplished in accordance with the signature verification procedures in § 465a.20 (relating to personal check cashing). The slot machine licensee shall retain adequate documentation evidencing how each signature was verified.

**§ 465a.23. Customer deposits.**

(a) At the request of a patron, a slot machine licensee may hold cash, funds accepted by means of personal check in accordance with § 465a.20 (relating to personal check cashing) or wire transfer in accordance with § 465a.21 (relating to wire transfers) or cash equivalents accepted in accordance with § 465a.22 (relating to cash equivalents) for a patron's subsequent use at the licensed facility. For the purposes of this section, after complying with this chapter for acceptance and verification, non-cash items shall be considered converted to cash and deposited as cash for credit to the patron in a customer deposit account maintained in the **[cashiers']** cage.

(b) Prior to agreeing to hold a patron's cash, funds accepted by means of personal check in accordance with § 465a.20 or wire transfer in accordance with § 465a.21 or cash equivalents accepted in accordance with § 465a.22 for a patron's subsequent use at the licensed facility, each slot machine licensee shall establish a comprehensive system of internal controls addressing the receipt and withdrawal of a customer deposit. The internal controls shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols).

(c) The internal control procedures developed and implemented by the slot machine licensee under subsection (b) must include:

(1) A requirement that customer deposits be accepted at the **[cashiers']** cage.

(2) A requirement that customer deposits be withdrawn by the patron at the **[cashiers']** cage or upon receipt by the slot machine licensee of a written request for withdrawal whose validity has been established.

(3) A requirement that the patron receive a receipt for any customer deposit accepted reflecting the total amount deposited, the date of the deposit and the

signature of the [**cashiers'**] cage employee accepting the customer deposit.

(4) Procedures for verifying the identity of the patron at the time of withdrawal. Signature verification must be accomplished in accordance with the signature verification procedures under § 465a.20 (relating to personal check cashing). The slot machine licensee shall maintain adequate documentation evidencing the patron identification process and how the signature was verified.

**§ 465a.24. Count room characteristics.**

(a) A slot machine licensee shall have adjacent or proximate to the [**cashiers'**] cage a room, to be known as a count room, specifically designated, designed and used for counting the contents of slot cash storage boxes **and table game drop boxes**.

(b) The count room shall be designed and constructed to provide maximum security for the materials housed therein and for the activities conducted therein. Each slot machine licensee shall design and construct a count room with the following security measures:

(1) A metal door installed on each entrance and exit equipped with an alarm device which audibly signals the surveillance department monitoring room and the security department whenever a door to the count room is

opened at times other than those times for which the slot machine licensee has provided prior notice under § 465a.25 (relating to counting and recording of slot cash storage boxes).

(2) Each entrance and exit door must be equipped with two separate locks, the keys to which must be different from each other and different from the lock securing the contents of each slot cash storage box. The keys shall be maintained and controlled as follows:

(i) The key to one of the locks shall be maintained and controlled by the security department.

(ii) The key to the other lock shall be maintained and controlled by finance.

(iii) Sign-out and sign-in procedures shall be established for both keys.

(c) The following must be located within the count room:

(1) A table constructed of clear glass or similar material for the emptying, counting and recording of the contents of slot cash storage boxes **and table game drop boxes**.

(2) Surveillance cameras capable of video monitoring of:

(i) The entire count process.

(ii) The interior of the count room, including any storage cabinets or trolleys used to store slot cash storage boxes **and table game drop boxes** and any Board-approved trolley storage area located adjacent to the count room.

**§ 465a.25. Counting and recording of slot cash storage boxes and table game drop boxes.**

[(a) A slot machine licensee shall file with the Bureau of Gaming Operations a schedule setting forth the specific times during which the contents of slot cash storage boxes are to be counted and recorded. Any deviation from the schedule shall be noticed to the Bureau Gaming Operations and the casino compliance supervisor at the licensed facility in advance.

(b) Computerized equipment utilized to count and strap currency, gaming vouchers and coupons must:

(1) Automatically provide two separate counts of the funds at different stages of the count process and, if the separate counts are not in agreement, document the discrepancy.

(2) Be capable of determining the value of a gaming voucher or coupon by independently examining information printed on the gaming voucher or coupon. The information is used by the counting equipment to either

calculate the value internally or obtain the value directly from the gaming voucher system or coupon system in a secure manner. If the gaming voucher system is utilized to obtain the value of a gaming voucher or coupon, the gaming voucher system must perform a calculation or integrity check to ensure that the value has not been altered in the system in any manner since the time of issuance.

(c) Persons accessing the count room when uncounted funds are present shall wear clothing without any pockets or other compartments with the exception of representatives of the Board, the Department, the Pennsylvania State Police, the security department and the internal audit department.

(d) Persons present in the count room may not:

(1) Carry a handbag or other container unless it is transparent.

(2) Remove their hands from or return them to a position on or above the count table or counting equipment unless the backs and palms of the hands are first held straight out and exposed to the view of other members of the count team and a surveillance camera.

(e) Immediately prior to the commencement of the count, a count room employee shall notify the surveillance department that the count is about to begin to facilitate



the recording, under § 465a.9(e) (relating to surveillance system; surveillance department control; surveillance department restrictions), of the entire count process.

(f) Prior to commencing gaming operations, a slot machine licensee shall establish a comprehensive system of internal controls addressing the opening, counting and recording of the contents of slot cash storage boxes. The internal controls shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols).

(g) The internal controls developed and implemented by the slot machine licensee under subsection (f) must include a description of all computer equipment used in the counting and recording process and other systems, if any, that communicate with that computer equipment for purposes related to the counting of gross terminal revenue.

(h) A gaming voucher or coupon deposited in a slot cash storage box shall be counted and included in the calculation of gross terminal revenue without regard to the validity of the gaming voucher or coupon.

(i) A coupon which has not already been canceled upon acceptance or during the count shall be canceled prior to the conclusion of the count.

(j) If the central computer control system is not online prior to commencement of the count of the slot cash storage boxes, a count room employee shall contact the casino compliance representatives at the licensed facility to witness and certify the count. The count may not commence until a casino compliance representative or other BIE employee is present.]

(a) Prior to commencing gaming operations, a slot machine licensee shall establish a comprehensive system of internal controls addressing the opening, counting and recording of the contents of slot cash storage boxes and table game drop boxes. The internal controls shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols) and must include:

(1) A workflow diagram which indicates the location of all equipment used in the count, including tables, baskets and bins, and the flow of all currency and paperwork from the start of the count to the conclusion of the count. The approved workflow diagram shall also be filed with the surveillance department.

(2) A description of all computer equipment, any software, files or reports used in the counting and recording process and all other systems, if any, that

communicate with that computer equipment. The submission must include:

(i) The names of all revenue files, who has access and what type of access they have to these files.

(ii) Controls to prevent access to any count room information by anyone outside of the count room until the entire count process is concluded.

(3) The procedures for conducting each required count, which must include, at a minimum, the following:

(i) In full view of the surveillance cameras, the contents of each slot cash storage box or table game drop box shall be emptied on the count table and either manually counted separately on the count table or counted in a currency counting machine which is located in a conspicuous location on, near or adjacent to the count table.

(ii) After the contents of each slot cash storage box or table game drop box have been emptied on the count table, the inside of the slot cash storage box or table game drop box shall be held up to the full view of the surveillance cameras to assure that all contents of the slot cash storage box or table game drop box have been removed, after which the slot cash storage box or table

game drop box shall be locked and placed in the storage area.

(iii) The contents of each slot cash storage box or table game drop box shall be segregated by a count team member into separate stacks on the count table by each denomination of currency and by the type of required forms or documents, except that the Bureau of Gaming Operations may permit the utilization of a machine to automatically sort currency by denomination.

(iv) Mutilated or torn currency shall be separated by denomination and recorded as revenue if the bill includes one entire serial number and one letter and number of the serial number from the other half of the bill.

(v) Mutilated or torn currency that is not recorded as revenue shall be placed in a sealed transparent envelope or container and transferred to the main bank by the main bank cashier or cage supervisor at the end of the count.

(vi) Except as provided in paragraph (vii), each denomination of currency shall be counted separately by one count team member who shall place individual bills of the same denomination on the count table in full view of the surveillance cameras. The currency shall then be

counted by a second count team member who is unaware of the result of the original count and who, after completing this count, shall confirm the accuracy of the total, either verbally or in writing, with that reached by the first count team member.

(vii) A slot machine licensee may, with approval of the Bureau of Gaming Operations, aggregate counts by denomination of all currency collected in substitution of the second count required under paragraph (vi), if the original counts are being performed automatically by a machine that counts and automatically records the value of currency, and the accuracy of the machine has been suitably tested and proven in accordance with paragraph (viii).

(viii) Currency counting machines utilized to count and strap currency, gaming vouchers and coupons may be used if:

(A) Prior to the start of each slot or table game count, the counting machine is tested in accordance with the procedures contained in the slot machine licensee's internal controls to verify the accuracy of the counting machine.

(B) They automatically provide two separate counts of the funds at different stages of the

count process and, if the separate counts are not in agreement, document the discrepancy.

(C) They are capable of determining the value of a gaming voucher or coupon by independently examining information printed on the gaming voucher or coupon. The information is used by the counting equipment to either calculate the value internally or obtain the value directly from the gaming voucher system or coupon system in a secure manner. If the gaming voucher system is utilized to obtain the value of a gaming voucher or coupon, the gaming voucher system must perform a calculation or integrity check to ensure that the value has not been altered in the system in any manner since the time of issuance.

(ix) A gaming voucher or coupon deposited in a slot cash storage box or table game drop box shall be counted and included in the calculation of revenue without regard to the validity of the gaming voucher or coupon.

(x) A coupon that has not already been canceled upon acceptance or during the count shall be canceled prior to the conclusion of the count.

(4) Procedures for scheduled breaks to be taken by the count team members during the count. This submission

must also address the use of any restroom facilities that are located in the count room.

(5) Procedures governing the proper wearing and immediate inspection of jumpsuits worn by the count team members to ensure that there are no items being taken from the count room without proper authority and that the jumpsuits have not been altered in any way. The count team is prohibited from removing the jumpsuits from the licensed facility.

(b) A slot machine licensee shall file with the Bureau of Casino Compliance a schedule setting forth the times during which the contents of slot cash storage boxes, table game drop boxes from games that are not fully automated electronic gaming tables and table game drop boxes from table games that are fully automated electronic gaming tables are to be counted and recorded. The slot machine licensee shall file notice with the Bureau of Casino Compliance and shall obtain verbal approval from the casino compliance supervisor at the licensed facility prior to deviating from the count schedule.

(c) Immediately prior to the commencement of the count, a count room employee shall notify the surveillance department that the count is about to begin so that surveillance can record the entire count process as

required under § 465a.9(e)(8) (relating to surveillance system; surveillance department control; surveillance department restrictions).

(d) Except as otherwise provided in this section, access to the count room during the counting process shall be limited to the count team and those individuals whose presence is necessary to complete the count. The count team shall consist of at least three employees. Employees in the count room who are conducting the count may not, during the counting process, enter a storage area for slot cash storage boxes, table game drop boxes or other items that are part of the count room to perform any function that is not directly related to the counting process.

(e) The opening, counting, and recording of the contents of table game drop boxes from table games that are not fully automated electronic gaming tables may not commence until a casino compliance representative is present in the count room. If the casino compliance representative has to leave the count room during the table game count, the count will be suspended and all personnel in the count room shall vacate the count room until a casino compliance representative is available to observe the resumption of the count.



(f) All count team members and the casino compliance representative observing a count shall sign a Count Room Attendance Sheet. Any individual who enters or leaves the count room due to an emergency shall sign and record the time of entry or exit on the Count Room Attendance Sheet; except that if the individual exiting the count room is unable to sign the document due to the emergency, the count room supervisor shall record the individual's name and time of exit and a notation describing the emergency on the Count Room Attendance Sheet. At the conclusion of the count, a copy of the Count Room Attendance Sheet shall be given to the casino compliance representative.

(g) Individuals who are in or who enter the count room when uncounted funds are present shall wear a full-length, one-piece, pocketless jumpsuit with the exception of representatives of the Board, the Department, the Pennsylvania State Police, the security department and the internal audit department.

(h) Individuals present in the count room when uncounted funds are present may not:

(1) Carry a handbag or other container unless it is transparent.

(2) Remove their hands from or return them to a position on or above the count table or counting equipment

unless the backs and palms of the hands are first held straight out and exposed to the view of other members of the count team and a surveillance camera.

(i) Once the counting process has started, the doors to the count room shall only be opened for one of the following purposes:

(1) To allow the entire count team to take a scheduled work break.

(2) To allow for a change of casino compliance representatives.

(3) To allow a main bank cashier or cage supervisor to enter the count room to perform the responsibilities in subsection (n) or (o)(6).

(4) To allow the placement of a slot cash storage box or table game drop box or to remove a trolley, empty slot cash storage boxes or table game drop boxes from the count room.

(5) To allow the count team and the casino compliance representative to exit the room at the conclusion of the count.

(6) In the event of an emergency.

(j) If any individual enters or leaves the count room during the counting process, employees remaining in the count room shall be required to display their hands and to

step away from the count table, banking table and counting equipment until the individual has entered or left the count room.

(k) The counting and recording process shall be discontinued whenever less than three count team members are present in the count room. When the entire count team takes a scheduled break, all cash that has been removed from the slot cash storage boxes or table game drop boxes shall be counted at least once and secured in a manner approved by the Bureau of Casino Compliance before any member of the count team may leave the count room.

(l) Once the counting process has been started, a member of the count team shall notify surveillance whenever the count room door will be opened.

(m) All table game drop boxes and designated slot cash storage boxes shall be counted and recorded, at a minimum, once each gaming day. Slot cash storage boxes, table game drop boxes from table games that are not fully automated electronic gaming tables, and table game drop boxes from fully automated electronic gaming tables shall all be counted and recorded separately.

(n) After the contents of slot cash storage boxes and table game drop boxes from fully automated electronic gaming tables have been removed and counted, a count team

member shall present the currency to a main bank cashier or cage supervisor in the count room who shall recount, either manually or mechanically, the currency prior to having access to the information recorded by the count team.

(o) Table game drop boxes from table games that are not fully automated electronic gaming tables shall be counted and recorded as follows:

(1) As the contents of each table game drop box are counted, a count team member shall manually record the results of the count on the Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report or a computer system. The Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report must be a three-part form consisting of an original and two duplicates. The distribution of the Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report shall be as follows:

(i) The original shall be delivered to revenue audit by the count room supervisor immediately after leaving the count room at the conclusion of the count.

(ii) The second copy shall be retained by the casino compliance representative observing the count.

(iii) The third copy shall be retained by the cage supervisor or main bank cashier.

(2) After the contents of each table game drop box from a banking table game are counted, a member of the count team shall record, manually on the Daily Banking Table Game Count Report or electronically on a computer system, the following information for each banking table game drop box:

(i) The value of each denomination of currency counted.

(ii) The total value of all denominations of currency counted.

(iii) The gaming date of the items being recorded, the total number of banking table game drop boxes opened and counted and the date that the Daily Banking Table Game Count Report is being prepared or generated.

(3) After the contents of each table game drop box from a nonbanking table game are counted, a member of the count team shall record, manually on the Daily Nonbanking Table Game Count Report or electronically on a computer system, the following information for each nonbanking table game drop box:

(i) The value of Poker Rake chips counted.

(ii) The value of value chips counted.

(iii) The total value of Poker Rake chips and value chips counted.

(iv) The gaming date of the items being recorded, the total number of nonbanking table game drop boxes opened and counted and the date that the Daily Nonbanking Table Game Count Report is being prepared or generated.

(4) After preparation of the Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report or the electronic equivalents prepared on a computer system, the count team members and the count room supervisor shall sign the reports attesting to the accuracy of information recorded thereon. The count room supervisor shall verify that all of the table game drop boxes from table games that are not fully automated electronic gaming tables that were collected and opened by count team members have been recorded on the reports.

(5) Once all currency has been counted and the final count totals have been obtained, employees may not be permitted to leave the count room, except in an emergency, until the recount and presentation procedures in subsection (6) have been completed.

(6) After the contents of all table game drop boxes from table games that are not fully automated

electronic gaming tables have been removed and counted, all cash, value chips and Poker rake chips shall be presented in the count room by a count team member to a main bank cashier or cage supervisor who, prior to having access to the information recorded on the Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report or electronic equivalents and in the presence of the count team members and the casino compliance representative, shall recount, either manually or mechanically, the currency, value chips and Poker rake chips presented in accordance with the following requirements:

(i) The main bank cashier or cage supervisor shall have physical access to all currency, value chips and Poker rake chips presented for recounting and no currency, value chips or Poker rake chips for recounting shall be wrapped or placed in any sealed bag or container until the entire recount has been completed and the Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report or electronic equivalents have been signed by the entire count team, the count room supervisor, the main bank cashier or cage supervisor and the casino compliance representative.

(ii) The main bank cashier or cage supervisor may bulk count all strapped currency.

(iii) All partial straps, loose currency, mutilated or torn currency, value chips and Poker rake chips must be recounted by the main bank cashier or cage supervisor either by hand or with an approved counting device.

(iv) The casino compliance representative may direct that currency straps of any denomination be recounted by the main bank cashier or cage supervisor either by hand or by counting equipment, if a discrepancy either in denomination total or grand total is discovered during the initial bulk recount.

(v) Upon completion of the recount, the main bank cashier or cage supervisor shall attest by signature on the Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report or electronic equivalents the amounts of currency, value chips and Poker rake chips counted, after which the casino compliance representative shall sign the report evidencing his presence during the count and the fact that both the main bank cashier or cage supervisor and count team have agreed on the total amounts of currency, value chips and Poker rake chips counted.



(vi) Once all required signatures have been obtained, the second copy of the Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report or electronic equivalents shall be given to the casino compliance representative and the third copy shall be retained by the cage supervisor or main bank cashier.

(vii) The original Daily Banking Table Game Count Report and the Daily Nonbanking Table Game Count Report or electronic equivalents, the Requests for Fills, the Fill Slips, the Requests for Credits, the Credit Slips, the issuance copy of the Counter Checks, the Table Inventory Slips and any other supporting documentation shall be transported directly to the accounting department and may not be available to cage personnel.

(7) A count room employee, in the presence of the casino compliance representative who observed the count, shall conduct a thorough inspection of the entire count room and all counting equipment located therein to verify that no currency, value chips, Poker rake chips, Counter Checks or supporting documentation remains in the room.

(p) If any problems occur with the slot or table count procedures or machines (for example, computer interface malfunctions or strap overages or shortages), the problems shall be brought to the immediate attention of a casino

compliance representative and a detailed written report explaining the problem, the reason for the problem and the corrective action taken shall be filed by the count room supervisor or above with the casino compliance representatives within 24 hours of the conclusion of the count.

(q) A slot machine licensee may submit, as part of its internal controls, alternate procedures for the separate collection, distribution, opening, counting and recording the contents of nonbanking table game drop boxes which do not have to meet all of the requirements in § 465a.18 (relating to transportation of slot cash storage boxes and table game drop boxes to and from the gaming floor; storage) and this section. The alternate procedures must, at a minimum, include requirements that:

(1) The count shall be conducted:

(i) In the count room at a time during which neither the count for banking table games or slot machines is being conducted.

(ii) In a room, other than the count room, with dual access controlled by the security department and the finance department and which is covered by the slot machine licensee's surveillance system.

(2) The count shall be conducted by at least two employees of the finance department with no incompatible duties.

(3) The opening, counting, and recording of the contents of nonbanking table game drop boxes may not commence until a casino compliance representative is present.

**§ 465a.26. Jackpot and credit meter payouts.**

(a) Prior to commencing gaming operations, a slot machine licensee shall establish a comprehensive system of internal controls addressing jackpot and credit meter payouts that are not paid directly from a slot machine **or fully automated electronic gaming table**. The internal controls shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols).

(b) The internal control procedures **[developed and implemented by the slot machine licensee under subsection (a)]** must, at a minimum, include:

(1) The use of a two-part electronically generated jackpot/credit meter payout slip created by a slot attendant or slot supervisor or higher slot operations department employee, verifying the winning **wager or winning** combination of characters or a code corresponding to the

winning combination of characters on the slot machine **or fully automated electronic gaming table** and the amount of the jackpot or credit meter payout based on the observed winning **wager or winning** combinations.

(2) A requirement that if the jackpot or credit meter payout **on a slot machine** is equal to or between \$1,200 and \$9,999.99, a security department member or a slot operations department member other than the preparer, shall sign the jackpot/credit meter payout slip verifying the winning combination of characters or a code corresponding to the winning combination of characters on the slot machine, the amount of the jackpot or credit meter payout and the payment of the jackpot or credit meter payout to the patron.

(3) A requirement that if the jackpot or credit meter payout is equal to or between \$10,000 and \$24,999.99 **on a slot machine, or between \$5,000 and \$24,999.99 on a fully automated electronic gaming table**, a security department member, a slot supervisor or other employee holding the same or greater level of authority than a slot supervisor shall sign the jackpot/credit meter payout slip verifying the winning **wager or winning** combination of characters or a code corresponding to the winning combination of characters on the slot machine **or fully**

**automated electronic gaming table**, the amount of the jackpot or credit meter payout and the payment of the jackpot or credit meter payout to the patron. If the two-part electronically generated jackpot/credit meter payout slip required under paragraph (1) is created by a slot supervisor or higher slot operations department employee, the verification required by this paragraph may be completed by a slot attendant, security department member, a slot supervisor or other employee holding the same or greater level of authority than a slot supervisor.

(4) A requirement that if the jackpot or credit meter payout **[amount] on a slot machine or fully automated electronic gaming table** is \$25,000 or more, a slot shift manager or other employee holding the same or greater level of authority than a slot shift manager shall sign the jackpot/credit meter payout slip verifying the winning **wager or winning** combination of characters or a code corresponding to the winning combination of characters on the slot machine **or fully automated electronic gaming table**, the amount of the jackpot or credit meter payout and the payment of the jackpot or credit meter payout to the patron. If the two-part electronically generated jackpot/credit meter payout slip required under paragraph (1) is created by a slot supervisor or higher slot

operations department employee, the verification required by this paragraph may be completed by a slot attendant, security department member, a slot supervisor or other employee holding the same or greater level of authority than a slot supervisor.

(5) A requirement that the following information be on all two-part electronically generated jackpot/credit meter payout slips:

(i) The date and time of the jackpot or credit meter payout.

(ii) The asset number of the slot machine **or fully automated electronic gaming table** on which the jackpot or credit meter payout was registered.

(iii) The winning **wager or winning** combination of characters constituting the jackpot or a code corresponding to the winning combination of characters constituting the jackpot.

(iv) The type of win (that is, progressive, jackpot or credit meter payout).

(v) The amount that is to be paid to the winning patron. This amount may, at the slot machine licensee's discretion, be rounded up to the nearest whole dollar.

(vi) A unique number generated by the slot monitoring system.

(vii) The signature or identification code of the preparer.

(viii) The signature or identification code of the witness when the amount is equal to or greater than \$1,200.

(ix) The signature or identification code of the cashier providing the funds to the preparer, if applicable.

(6) A requirement that the two-part electronically generated jackpot/credit meter payout slip not be susceptible to any changes or deletion from the slot monitoring system by any personnel after preparation.

(7) A requirement that whenever a winning patron is paid directly by a slot attendant's imprest fund, a two-part manual jackpot/credit meter payout slip is completed that contains the following information:

(i) The date and time of the jackpot or credit meter payout.

(ii) The asset number of the slot machine **or fully automated electronic gaming table** on which the jackpot or credit meter payout was registered.

(iii) The winning **wager or winning** combination of characters constituting the jackpot or a code corresponding to the winning combination of characters constituting the jackpot.

(iv) The type of win (that is, progressive, jackpot or credit meter payout).

(v) The amount paid to the winning patron. This amount may, at the slot machine licensee's discretion, be rounded up to the nearest whole dollar.

(vi) The signature or identification code of the preparer.

(vii) The signature or identification code of the witness when the amount is equal to or greater than \$1200.

(8) When jackpot or credit meter payouts are made from slot attendants' imprest funds, procedures for the replenishment of the imprest funds and the reconciliation process to be used by the slot attendants.

(9) A requirement that the slot machine licensee's accounting department perform, at the conclusion of each gaming day, effective audit procedures over the issuance of jackpot and credit meter payouts including adequate comparisons to the slot monitoring system.



(10) Detailed procedures on the processing of all system overrides or adjustments to jackpot or credit meter payouts. All jackpot or credit meter payouts that do not match the payout amount electronically sent from the slot machine **or fully automated electronic gaming table** to the slot monitoring system require an override.

(11) Detailed procedures for the processing of all voided jackpot/credit meter payout slips.

(12) Detailed procedures for the processing of unclaimed taxable jackpot payouts. The procedure must include notice to the casino compliance representatives at the licensed facility when an unclaimed taxable jackpot payout or credit meter payout occurs.

(13) Back-up procedures that will be used when the slot monitoring system is offline or an electronic jackpot payout slip can not be created, including the use of a three-part manual jackpot or credit meter payout book or equivalent. The three-part manual jackpot payout book or equivalent must contain preprinted, serial numbered three-part manual jackpot/credit meter payout slips that include the following information:

(i) Preprinted serial numbers.

(ii) The date and time of the jackpot or credit meter payout.

(iii) The asset number of the slot machine **or fully automated electronic gaming table** on which the jackpot or credit meter payout was registered.

(iv) The amount of the jackpot or credit meter payout.

(v) The method of payment requested by the patron.

(vi) The signature or identification code of the preparer.

(vii) The signature or identification code of the witness when the amount is equal to or greater than \$1200.

(14) A requirement that the unused manual jackpot payout books or equivalent be maintained in a secured locked cabinet, that the key to the cabinet be controlled by the security department or the finance department and that the manual jackpot payout books or equivalent can only be signed out by a slot supervisor when the slot monitoring system is offline.

(15) A requirement that the surveillance department be verbally notified of all jackpot or credit meter payouts when the amount of the jackpot or credit meter payout is \$5,000 or more. The surveillance department

shall log all calls regarding jackpot or credit meter payouts in the surveillance log.

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**§ 465a.29. Automated teller machines.**

(a) Automated teller machines may be placed at any location within a licensed facility **except automated teller machines that offer credit card advances, which may not be placed on the gaming floor.**

(b) An automated teller machine must have a label on the top **[of the automated teller machine]** and **[on the]** front of the automated teller machine that displays a unique identification number of the automated teller machine. The labels must have white lettering on a black background or other color combination approved by the Bureau of **[Gaming Operations] Casino Compliance**, may not be easily removed and must be easily visible to the surveillance department. The label on the top of the automated teller machine must be at least 1.5 inches by 5.5 inches and the label on the front of the automated teller machine must be at least 1 inch by 2.5 inches.

**§ 465a.30. Waiver of requirements.**

(a) The Board may, on its own initiative, waive one or more of the requirements of this chapter or technical standards applicable to accounting and internal controls

adopted by the Board and published in the Pennsylvania Bulletin and posted on the Board's website upon a determination that the nonconforming control or procedure nonetheless meets the operational integrity requirements of the act, this subpart and technical standards adopted by the Board **[and published in the Pennsylvania Bulletin and posted on the Board's website]**.

(b) A slot machine licensee may submit a request to the Board for a waiver for one or more of the requirements in this chapter or the technical standards applicable to accounting and internal controls adopted by the Board **[and published in the Pennsylvania Bulletin and posted on the Board's web site]**. The request must:

(1) Be filed as a petition under § 493a.4 (relating to petitions generally).

(2) Include supporting documentation demonstrating how the accounting and internal controls for which the waiver has been requested will still meet the operational integrity requirements of the act, this subpart and technical standards adopted by the Board **[and published in the Pennsylvania Bulletin and posted on the Board's web site]**.

(3) Be approved by the Board.

**§ 465a.31. Gaming day.**

(a) **For the purposes of determining gross terminal and gross table game revenue, the [The]** beginning and ending times of the gaming day will be 6:00 a.m. to 5:59.59 a.m..

(b) Prior to commencing **[gaming] slot or table game** operations, each slot machine licensee shall submit to the Board, in writing, its hours of operation**[, which times must correspond to the portion of its gaming day it will be open to the public for the purpose of gaming activities]**. A slot machine licensee may not commence gaming operations until its hours of operation are approved by the Board.

(c) Any change in a slot machine licensee's hours of operation shall be submitted as a change to the slot machine licensee's internal controls in accordance with the requirements in § 465a.2(f) (relating to internal control systems and audit protocols) **[at least 72 hours in advance of the change]** and may not be implemented until approved by **the Board's Executive Director.**

**§ 465a.32. Signature.**

An employee signature may be in either of the following formats:

(1) The employee's first initial, last name and **Board-issued credential [license]** number, written by the employee, immediately adjacent to or above the clearly printed or preprinted title of the employee.

(2) The employee's unique identification number or other computer identification code issued to the employee by the slot machine licensee, if the document to be signed is authorized by the Board to be generated by a [slot] computer system and the method of signature is approved or required by the Board.

**§ 465a.33. Access to areas containing central control computer equipment.**

A slot machine licensee shall develop and submit to the Board and the Department, as part of the submission required under § 465a.2 (relating to internal control systems and audit protocols), procedures for safeguarding and limiting access to the central control computer (CCC) equipment housed within the licensed facility. At a minimum, these procedures must include the following requirements:

(1) The area containing CCC equipment must:

(i) Be secured with a manual key lock system, the keys to which must be different from any other keys used in the licensed facility.

(ii) Have a door, that when opened, audibly signals the surveillance monitoring room.

(iii) Have adequate surveillance camera coverage to record all activity in the area.

(2) Access to the area containing the CCC system equipment may not be permitted unless prior arrangements have been made with the **Department and the** operator of the CCC system **[and the casino compliance representatives at the licensed facility]**.

(3) All keys which access the area containing CCC equipment shall be maintained by the slot machine licensee's security department. The keys may only be signed out by the director of security or the security shift manager to employees of the Department or the operator of the CCC system who are on the authorized access list. The authorized access list shall be obtained from the Department and made available to the casino compliance representatives **and the director of security** at the licensed facility. A verbal notification shall be made to the surveillance monitoring room, the operator of the CCC system and the casino compliance representatives at the licensed facility prior to signing out the keys.

(4) The slot machine licensee shall maintain an access log for the area containing CCC equipment. The log shall be maintained in a book with bound numbered pages that cannot be readily removed and placed in close proximity to the CCC equipment. Casino compliance representatives at the licensed facility may review the log

upon request **with prior approval of the Department and the operator of the CCC system**. The log shall be stored and retained in accordance with § 465a.6 (relating to retention, storage and destruction of books, records and documents). The following information shall be recorded in a log:

(i) The date and time of each entry.

(ii) The entering **[person's] individual's** name, Board-issued credential number and department or affiliation.

(iii) The reason for entering the area containing CCC equipment.

(iv) The name of the **[person] individual** authorizing **[the person's]** entry into the area containing CCC equipment.

(v) The date and time of exiting the area containing the CCC equipment.

(5) Individuals who are not authorized to have access to the area containing CCC equipment may only be granted access for emergency situations requiring environmental adjustments, such as electrical, plumbing or HVAC malfunctions, with a security escort. When emergency access is granted, the slot machine licensee shall provide notice **immediately** to the Department, **the operator of the**



**CCC system** and the casino compliance representatives at the licensed facility prior to permitting entry to the area containing CCC equipment.

**§ 465a.34. Automated gaming voucher and coupon redemption machine accounting controls.**

(a) Prior to commencing use of an automated gaming voucher redemption machine, an automated coupon redemption machine, bill breaker or some combination thereof, a slot machine licensee shall establish a comprehensive system of internal controls. The internal controls shall be submitted to, and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols).

(b) The internal controls required by subsection (a) shall include procedures which:

(1) Address the distribution of currency or coin, or both, to the machines, the removal of gaming vouchers, coupons or currency accepted by the machines and the reconciliations associated therewith.

(2) Require that the key to the lock securing the compartment housing the storage box in the automated gaming voucher redemption machine, automated coupon redemption machine, bill breaker or combination thereof shall be controlled by the slot operations or security department and that the key to the lock securing the storage box

within the compartment shall be controlled by the finance department.

(3) Require that the key to the lock securing the compartment housing the currency cassettes in the automated gaming voucher redemption machine, automated coupon redemption machine, bill breaker or combination thereof shall be controlled by the finance department.

(4) Require that the lock securing the contents of the storage box in the automated gaming voucher redemption machine, automated coupon redemption machine, bill breaker or combination thereof, the key to which must be different from the keys referenced in paragraphs **[(1) and] (2) and (3)**, be controlled by an employee of the finance department other than the employee controlling the keys referenced in paragraphs **[(1) and] (2) and (3)**.

(5) Require that the keys to the locks securing the contents of the currency cassettes in the automated gaming voucher redemption machine, automated coupon redemption machine, bill breaker or combination thereof be controlled by the finance department.

(6) Require either the finance department or slot operations department to clear the error conditions listed in § 461a.10(o) (relating to automated gaming voucher and coupon redemption machines).

§ 465a.35. Personnel assigned to the operation and conduct of table games.

(a) The following personnel shall be used to operate table games that are not fully automated electronic gaming tables in a licensed facility:

- (1) Pit clerks.
- (2) Dealers.
- (3) Stickpersons.
- (4) Boypersons.
- (5) Floorpersons
- (6) Pit managers.
- (7) Poker shift managers.
- (8) Assistant table games shift managers.
- (9) Table games shift managers.

(b) Certificate holders shall maintain the following minimum levels of staffing whenever table games are being operated:

- (1) One pit clerk.
- (2) One dealer for any table game other than Craps or Baccarat.
- (3) Two dealers for each Baccarat table.
- (4) Three dealers for each Craps table, one of whom shall act as the stickperson.
- (5) One boxperson for each craps table.

(c) Certificate holders shall provide a sufficient number of floorpersons to supervise the operation of table games in accordance with the standards set forth in this subsection. A floorperson may not supervise more than the number of tables specified in one of the following paragraphs:

(1) Four tables comprised of any combination of banking table games excluding:

- (i) Baccarat.
- (ii) Midibaccarat.
- (iii) Craps.
- (iv) Mini-Craps.
- (v) Pai Gow.

(2) One Baccarat table.

(3) Two Midibaccarat.

(4) One Midibaccarat table and one table of any other banking table game excluding Baccarat, Craps, Mini-Craps and Pai Gow.

(5) Three Craps tables.

(6) One Craps table and one table of any other banking table game excluding Baccarat, Midibaccarat, Mini-Craps and Pai Gow.

(7) One Mini-Craps table, if only one dealer is assigned to the table.

(8) Two Mini-Craps tables, if there is a dealer and a stickperson assigned to the tables.

(9) Two Pai Gow tables, if the tables are in a side-by-side configuration.

(10) One Pai Gow table and one table of any other banking table game excluding Baccarat, Midibaccarat, Craps and Mini-Craps.

(11) Eight Poker tables.

(12) Ten Poker tables, if no floorperson assigned to Poker has any responsibilities for seating players.

(d) If the gaming tables being supervised by a floorperson are electronic gaming tables other than fully automated electronic gaming tables, the maximum number of gaming tables that the floorperson may supervise may be increased by 50%. For example, under subsection (c)(1) the floorperson would be allowed to supervise six banking gaming tables instead of four.

(e) Certificate holders shall provide a sufficient number of pit managers or assistant table games shift managers to supervise the operation of table games subject to the limitation that a pit manager or assistant table games shift manager may not directly supervise more than six floorpersons.

(f) Certificate holders shall provide a Poker shift manager to supervise all open Poker tables. If no more than three Poker tables are open, a floorperson shall not be required.

(g) Certificate holders shall provide a table games shift manager to supervise the operation of table games during every shift. An assistant table games shift manager may be designated to act as the table games shift manager in the table games shift manager's absence, but that assistant table games shift manager may not be counted toward the number of pit managers or assistant table games shift managers required under subsection (e).

(h) A certificate holder may request to use a staffing plan that differs from the minimum standards set forth in this section by filing a written Alternate Minimum Staffing Plan with the Board's Executive Director. The Alternate Minimum Staffing Plan must, at a minimum, include:

(1) The pit number and configuration of any pit affected.

(2) The type, location and table number of any table affected.

(3) The standard staffing level required for the gaming table or tables by this section and the proposed alternative staffing.

(4) The days, shifts or times during which the alternative staffing would be in effect.

(5) A narrative explaining the rationale for the proposed alternative staffing and how the alternative staffing will protect the integrity of gaming at the affected gaming tables.

(i) A certificate holder that has filed a request to use an Alternate Minimum Staffing Plan may not implement that plan until the certificate holder has received written approval from the Board's Executive Director.

(j) Nothing in this section limits a certificate holder from utilizing personnel in addition to those described in this section nor limits the discretion of the Board to order the utilization of additional personnel in the operation and conduct of table games.

§ 465a.36. Table inventories.

(a) Whenever a table game that is not a fully automated electronic gaming table is opened for gaming, operations shall commence with an amount of gaming chips, coins and plaques to be known as the table inventory.

(b) A certificate holder may not cause or permit gaming chips, coins or plaques to be added to, or removed from, the table inventory during the gaming day except:

(1) In exchange for cash.

(2) In exchange for the issuance copies of Counter Checks presented by patrons.

(3) For the payment of winning wagers and collection of losing wagers made at the gaming table.

(4) In exchange for gaming chips or plaques received from a patron having an equal aggregate face value.

(5) In conformity with the fill and credit procedures described in §§ 465a.38 and 465a.39 (relating to procedures for distributing gaming chips and plaques to gaming tables; and procedures for removing gaming chips and plaques from gaming tables).

(6) For the collection of vigorish.

(c) Whenever a table game is not open for gaming activity, the table inventory and a Table Inventory Slip prepared in conformity with §§ 465a.37, 465a.42 and 465a.44 (relating to procedures for opening table games; procedures for closing table games; and table inventory counts on a per shift basis) shall be stored in a locked container which shall be clearly marked on the outside with the game and the gaming table number to which it corresponds. A Table Inventory Slip must be completed on a table game that is not open for gaming activity at least once per gaming day. The information on the Table Inventory Slip must be



visible from the outside of the container. Containers shall be stored either in the cage or secured to the gaming table, in a manner approved by the Bureau of Casino Compliance.

(d) The keys to the locked containers containing the table inventories shall be maintained and controlled by the table games department and may not be made accessible to cage personnel or to any employee responsible for transporting the table inventories to or from the gaming tables.

(e) Table Inventory Slips must be two-part forms upon which the following is recorded:

(1) The date and identification of the shift ended.

(2) The game and table number.

(3) The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table.

(4) The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(5) The signatures of the dealer or boxperson and floorperson assigned to the gaming table who conducted the

count of the table inventory when the gaming table was closed and when the gaming table was opened.

§ 465a.37. Procedures for opening table games.

(a) Whenever a table game that is not a fully automated electronic gaming table is to be opened for gaming activity, the locked container with the table inventory and the duplicate copy of the Table Inventory Slip, if not already attached to the gaming table, shall be transported directly from the cage to the gaming table by a security department member.

(b) Immediately prior to opening the table game for gaming, the floorperson assigned to the gaming table shall unlock the container with the table inventory after assuring that it is the proper container for that gaming table.

(c) The dealer or boxperson assigned to the gaming table shall count the contents of the container with the table inventory in the presence of the floorperson assigned to the gaming table and reconcile the count to the totals on the duplicate copy of the Table Inventory Slip removed from the container.

(d) Signatures attesting to the accuracy of the information recorded on the duplicate copy of the Table Inventory Slip shall be placed on the duplicate copy of the

Table Inventory Slip by the dealer or boxperson assigned to the table and the floorperson that observed the dealer or boxperson count the contents of the container.

(e) After the count of the table inventory and the duplicate copy of the Table Inventory Slip has been signed as required under subsection (d), the slip shall be immediately deposited in the table game drop box attached to the gaming table by the dealer or boxperson.

(f) If there is a discrepancy between the amount of gaming chips and plaques counted and the amount of the gaming chips and plaques recorded on the duplicate copy of the Table Inventory Slip:

(1) The discrepancy shall be immediately verbally reported to the pit manager or above, the security department and the casino compliance representatives.

(2) The dealer or boxperson assigned to the table, in the presence of the pit manager or above and a security department employee, shall recount the table inventory and complete a new Table Inventory Slip reflecting the results of the dealer's or boxperson's recount of the table inventory.

(3) The pit manager or above shall:

(i) Prepare an Error Notification Slip, which must be a three-part form containing the following information:

- (A) The date and time.
- (B) The type of game.
- (C) The table number and pit.
- (D) An explanation of the error.

(ii) Write "Incorrect Copy" on the copy of the Table Inventory Slip that was in the table inventory.

(iii) Sign the "Incorrect Copy."

(iv) Write "Correct Copy" on both copies of the Table Inventory Slip required to be prepared by the dealer or boxperson under paragraph (2).

(4) The "Correct Copy" shall be signed by the dealer or boxperson who recounted the table inventory, the security department employee who witnessed the recount and the pit manager or above.

(5) After the signatures required under paragraph (4) have been obtained, the "Incorrect Copy" Table Inventory Slip, both copies of the "Correct Copy" Table Inventory Slip and the first copy of the Error Notification Slip shall be deposited by the dealer or boxperson in the drop box.

(g) The second copy of the Error Notification Slip shall be given to the pit clerk and the third copy of the Error Notification Slip shall be delivered to the casino compliance representatives.

(h) For any discrepancy greater than \$10, the security department shall investigate the discrepancy and, within 24 hours, complete a standard written incident report on a form approved by the Bureau of Gaming Operations and immediately forward a copy of the incident report to the casino compliance representatives.

§ 465a.38. Procedures for distributing value chips, coins and plaques to gaming tables.

(a) A request for a fill to add value chips, coins and plaques to table games that are not fully automated electronic gaming tables shall be prepared by a pit clerk or floorperson or above using a Fill Request Slip. Access to the blank Fill Request Slips shall be restricted to pit clerks and floorpersons or above.

(b) A Fill Request Slip shall be a two-part form on which the following information shall be recorded:

- (1) The date, time and shift of preparation.
- (2) The denomination of value chips, coins and plaques to be distributed to the gaming table.

(3) The total amount of each denomination of value chips, coins and plaques to be distributed to the gaming table.

(4) The game and table number to which the value chips, coins and plaques are to be distributed.

(5) The signature of the floorperson or above requesting the fill.

(c) After the preparation of the Fill Request Slip, the chip bank copy of the Fill Request Slip shall be transported directly to the chip bank by a security department employee.

(d) The drop box copy of the Fill Request Slip shall be placed by the dealer or boxperson in view of the slot machine licensee's surveillance system on the gaming table to which value chips, coins and plaques are to be received.

(e) Notwithstanding the requirements of subsections (a) - (d), a request for a fill may be prepared electronically if the input data for preparation of the fill is entered by, and ability to input data is restricted to, the pit clerk or a floorperson or above, and a Fill Slip is generated in the chip bank, as a direct result of the input.

(f) A Fill Slip shall be prepared by a chip bank cashier or, if the required information was input in

conformity with subsection (e), the Fill Slip may be electronically generated in the chip bank.

(g) Fill Slips shall be serially prenumbered forms. Each series of Fill Slips shall be used in sequential order, and the series number of all Fill Slips received by a certificate holder shall be accounted for by employees with no incompatible functions. All copies of voided Fill Slips shall be marked "Void" and require the signature of the preparer.

(h) When Fill Slips are manually prepared, the following procedures and requirements shall be observed:

(1) Each series of Fill Slips shall be a three-part form and shall be inserted in a locked dispenser or bound in a Fill Slip form book that will permit an individual Fill Slip in the series and its copies to be written upon simultaneously while still locked in the dispenser or bound in the Fill Slip form book.

(2) The Fill Slip dispenser shall discharge the drop box copy and accounting copy of the Fill Slip while the chip bank copy remains in a continuous, unbroken form in the dispenser. If a Fill Slip form book is utilized, the chip bank copy shall remain in the bound Fill Slip form book until removed in accordance with subsection (3).

(3) Access to the triplicate copies of the Fill Slips shall be maintained and controlled by finance department employees with no incompatible functions who shall be responsible for controlling and accounting for the unused supply of Fill Slips, placing Fill Slips in the dispensers, and removing the chip bank copies of the Fill Slips from the dispensers or Fill Slip form book each gaming day.

(i) When Fill Slips are electronically prepared, each series of Fill Slips must be a three-part form and:

(1) Be inserted in a printer that will simultaneously print a drop box, accounting and chip bank copy of the Fill Slip in the chip bank.

(2) Store, in machine readable form, the information printed on the drop box, chip bank and accounting copies of the Fill Slips. The stored data may not be susceptible to change or removal by any personnel involved in the preparation of a Fill Slip after the Fill Slip has been prepared.

(j) Copies of a Fill Slip, and when applicable, the stored data, must contain, at a minimum, the following information:

(1) The denominations of the value chips, coins and plaques being distributed.



(2) The total amount of each denomination of value chips, coins and plaques being distributed.

(3) The total amount of all denominations of value chips, coins and plaques being distributed.

(4) The game and table number to which the value chips, coins and plaques are being distributed.

(5) The date and shift during which the distribution of value chips, coins and plaques occurs.

(6) The signature of the preparer or, if electronically prepared, the identification code of the preparer.

(k) The time of preparation of the Fill Slip shall be recorded on the drop box, chip bank and accounting copies of the Fill Slip upon preparation.

(l) All value chips, coins and plaques distributed to the gaming tables from the chip bank shall be transported directly to the gaming tables from the chip bank by a security department employee. The security department employee shall compare the Fill Request Slip to the Fill Slip and sign the drop box copy and accounting copy of the Fill Slip attesting to the accuracy of the fill.

(m) Signatures on the drop box copy and accounting copy of the Fill Slip attesting to the accuracy of the

information contained on a Fill Slip shall be required of the following employees at the following times:

(1) The chip bank cashier upon preparation.

(2) The security department employee transporting the value chips, coins and plaques to the gaming table upon receipt from the cashier of the value chips, coins and plaques to be transported.

(3) The dealer or boxperson assigned to the gaming table upon receipt and verification of the amounts of the value chips, coins and plaques at the gaming table from the security department employee.

(4) The floorperson assigned to the gaming table upon receipt and verification of the amounts of the value chips, coins and plaques at the gaming table.

(n) After meeting the signature requirements in subsection (m), the security department employee that transported the value chips, coins and plaques and the drop box copy and accounting copy of the Fill Slip to the gaming table shall observe the immediate placement by the dealer or boxperson of the drop box copy of the Fill Slip and the drop box copy of the Fill Request Slip in the drop box attached to the gaming table to which the value chips, coins and plaques were transported. The security department employee shall then return the accounting copy of the Fill

Slip to the cage where it shall be inserted into a locked accounting box. The chip bank copies of the Fill Request Slip and Fill Slip shall be maintained together by the chip bank cashier until forwarded to the finance department.

(o) All parts of voided Fill Slips, as well as the chip bank copies of Fill Request Slips and the accounting and chip bank copies of the Fill Slips that are maintained and controlled in conformity with subsection (n), shall be forwarded to the finance department for agreement, on a daily basis, with the drop box copies of the Fill Request Slips and Fill Slips removed from the drop box on the gaming table.

§ 465a.39. Procedures for removing value chips, coins and plaques from gaming tables.

(a) A request for a credit to remove value chips, coins and plaques from table games that are not fully automated electronic gaming tables shall be prepared by a pit clerk or floorperson or above, using a Credit Request Slip. Access to blank Credit Request Slips shall be restricted to pit clerks and floorpersons or above.

(b) A Credit Request Slip must be a two-part form on which the following information shall be recorded:

(1) The date, time and shift of preparation.

(2) The denomination of chips, coins and plaques to be removed from the gaming table.

(3) The total amount of each denomination of value chips, coins and plaques to be removed from the gaming table.

(4) The game and table number from which the value chips, coins and plaques are to be removed.

(5) The signatures of the dealer or boxperson and the floorperson or above assigned to the gaming table from which the value chips, coins and plaques are to be removed.

(c) After the preparation of a Credit Request Slip but prior to the transfer of the value chips, coins and plaques to a security department employee, a floorperson or above shall obtain on the drop box copy of the Credit Request Slip, the signature of the security department employee to which the value chips and plaques are being transferred. The dealer or boxperson assigned to the gaming table shall place the drop box copy of the Credit Request Slip in view of the slot machine licensee's surveillance system on the gaming table from which the value chips, coins and plaques were removed. The drop box copy of the Credit Request Slip may not be removed until a Credit Slip is received from the chip bank at which time the drop box copy of the Credit

Request Slip and Credit Slip are to be deposited in the drop box attached to the gaming table.

(d) The chip bank copy of the Credit Request Slip and the value chips, coins and plaques removed from the gaming table shall be transported directly to the chip bank by the security department employee.

(e) Notwithstanding the requirements of subsections (a) - (d), a request for a credit may be prepared electronically if the input data for preparation of the credit is entered by, and ability to input data is restricted to, the pit clerk or a floorperson or above, and a Credit Slip is generated in the chip bank, as a direct result of the input.

(f) A Credit Slip shall be prepared by a chip bank cashier or, if the required information was input in conformity with subsection (e), the Credit Slip may be electronically generated in the chip bank.

(g) Credit Slips must be serially prenumbered forms. Each series of Credit Slips shall be used in sequential order, and the series numbers of all Credit Slips received by a certificate holder shall be accounted for by employees with no incompatible functions. All copies of voided Credit Slips shall be marked "Void" and require the signature of the preparer.

(h) When Credit Slips are manually prepared, the following procedures and requirements shall be observed:

(1) Each series of Credit Slips must be a three-part form and shall be inserted in a locked dispenser or bound in a Credit Slip form book that will permit an individual Credit Slip in the series and its copies to be written upon simultaneously while still locked in the dispenser or bound in the Credit Slip form book.

(2) The Credit Slip dispenser must discharge the drop box copy and accounting copy of the Credit Slip while the chip bank copy of the Credit Slip remains in a continuous, unbroken form in the dispenser. If a Credit Slip form book is utilized, the chip bank copy shall remain in the bound Credit Slip form book until removed in accordance with subsection (c).

(3) Access to the triplicate copies of the Credit Slips shall be maintained and controlled by finance department employees with no incompatible functions who shall be responsible for controlling and accounting for the unused supply of the Credit Slips, placing Credit Slips in the dispensers, and removing the chip bank copies of the Credit Slips from the dispensers or Credit Slip form book each gaming day.

(i) When Credit Slips are electronically prepared, each series of Credit Slips must be a three-part form and:

(1) Be inserted in a printer that will simultaneously print a drop box, accounting and chip bank copy of the Credit Slip in the chip bank.

(2) Store, in machine-readable form, the information printed on the drop box, accounting and chip bank copies of the Credit Slip. The stored data may not be susceptible to change or removal by any personnel after the preparation of a Credit Slip.

(j) Copies of the Credit Slip, and where applicable, the stored data, must contain, at a minimum, the following information:

(1) The denominations of the value chips, coins and plaques being returned.

(2) The total amount of each denomination of value chips, coins and plaques being returned.

(3) The total amount of all denominations of value chips, coins and plaques being returned.

(4) The game and table number from which the value chips, coins and plaques are being returned.

(5) The date and shift during which the removal of value chips, coins and plaques occurs.

(6) The signature of the preparer or, if electronically prepared, the identification code of the preparer.

(k) The time of preparation of the Credit Slip shall be recorded on the drop box, accounting and chip bank copies of the Credit Slip upon preparation.

(l) After the Credit Slip has been prepared by the chip bank cashier or has been printed in the chip bank as a result of the information being input electronically by a pit clerk or floorperson or above and the value chips, coins and plaques from a gaming table have been returned to the chip bank, the security department employee shall transport the drop box copy and the accounting copy of the Credit Slip to the gaming table from which the value chips, coins and plaques were removed.

(m) Signatures on the drop box copy and accounting copy of a Credit Slip attesting to the accuracy of the information contained on the Credit Slip shall be required of the following employees at the following times:

- (1) The chip bank cashier upon preparation.
- (2) The security department employee returning the value chips, coins and plaques to the chip bank.



(3) The dealer or boxperson assigned to the gaming table upon receipt of the Credit Slip at the gaming table from the security department employee.

(4) The floorperson assigned to the gaming table upon receipt of the Credit Slip at the gaming table from the security department employee.

(n) After meeting the signature requirements required under subsection (m), the security department employee returning the drop box copy and accounting copy of the Credit Slip to the gaming table, shall observe the immediate placement by the dealer or boxperson of the drop box copy of the Credit Slip and the drop box copy of the Credit Request Slip in the drop box attached to the gaming table from which the value chips, coins and plaques were removed. The security department member shall then return the accounting copy of the Credit Slip to the cage where it shall be inserted into a locked accounting box. The chip bank copies of the Credit Request Slip and Credit Slip shall be maintained together by the chip bank cashier until forwarded to the finance department.

(o) All parts of voided Credit Slips, as well as the chip bank copies of Credit Request Slips and the accounting and chip bank copies of the Credit Slips that are maintained and controlled in conformity with subsection

(n), shall be forwarded to the finance department for agreement, on a daily basis, with the drop box copies of the Credit Request Slips and Credit Slips removed from the drop box on the gaming table.

§ 465a.40. Procedures for accepting cash for gaming chips plaques or electronic wagering credits at table games.

Whenever cash is presented by a patron at a table game that is not a fully automated electronic gaming table for exchange for gaming chips, plaques or electronic wagering credits:

(1) The cash shall be spread on the top of the gaming table by the dealer or boxperson accepting it in full view of the patron who presented it, the floorperson assigned to the gaming table and the slot machine licensee's surveillance system.

(2) The amount of cash shall be verbalized by the dealer or boxperson accepting it in a tone of voice to be heard by the patron who presented it and the floorperson assigned to the gaming table.

(3) Immediately after an equivalent amount of gaming chips, plaques or electronic wagering credits have been given to the patron, the cash shall be taken from the top of the gaming table and placed by the dealer or boxperson into the drop box attached to the gaming table.

§ 465a.41. Procedures for drops at open table games.

(a) When a table game that is not a fully automated electronic gaming table is being dropped is to remain open for gaming activity, the value chips, coins and plaques remaining in the table inventory at the time of the drop shall be counted by the dealer or boxperson assigned to the gaming table and recorded on a Table Inventory Slip.

(b) The count required under subsection (a) shall be observed by the floorperson who is responsible for supervising the table game at the time of the drop.

(c) Signatures attesting to the accuracy of the information recorded on the Table Inventory Slip shall be placed on both copies of the Table Inventory Slip by the dealer or boxperson assigned to the table and the floorperson that observed the dealer or boxperson count the contents of the table inventory.

(d) After meeting the signature requirements in subsection (c), the original copy of the Table Inventory Slip shall be deposited in the drop box that is attached to the gaming table immediately before the drop box is removed from the gaming table as part of the drop. The duplicate copy of the Table Inventory Slip shall be deposited in the drop box that is attached to the gaming table immediately

following the removal of the drop box that is removed from the gaming table as part of the drop.

§ 465a.42. Procedures for closing table games.

(a) When gaming activity at a table game that is not a fully automated electronic gaming table is concluded, the value chips, coins and plaques remaining at the gaming table shall be counted by the dealer or boxperson assigned to the gaming table in the presence of the floorperson assigned to the gaming table.

(b) The amounts of the value chips, coins and plaques counted shall be recorded on the Table Inventory Slip by the floorperson assigned to the gaming table and the original copy of the Table Inventory Slip shall be signed by the dealer or boxperson who counted the table inventory and the floorperson who observed the dealer or boxperson count the contents of the table inventory.

(c) After the original copy of the Table Inventory Slip has been signed as required under subsection (b), the original copy of the Table Inventory Slip shall be immediately deposited in the table game drop box attached to the gaming table.

(d) After the original copy of the table inventory slip has been deposited in the table game drop box attached to the gaming table, the duplicate copy of the table

inventory slip and the value chips, coins and plaques remaining at the gaming table shall be placed in the container required under § 465a.36 (relating to table inventories), after which the container shall be locked and either transported directly to the cage by a security department member or secured to the gaming table.

(e) If the locked containers are transported to the cage, a cage supervisor shall determine that all locked containers have been returned.

(f) If the locked containers are secured to the gaming table, a pit manager or above shall verify that all the containers are locked.

§ 465a.43. Table inventories for Poker tables.

(a) Notwithstanding the requirements in §§ 465a.36, 465a.37, 465a.41 and 465a.42 (relating to table inventories; procedures for opening table games; procedures for drops at open table games; and procedures for closing table games), a certificate holder may establish procedures for the issuance of table inventories that are maintained by Poker dealers on an imprest basis.

(b) The procedures developed under subsection (a) shall be submitted as part of the certificate holder's internal controls.

§ 465a.44. Table inventory counts on a per shift basis.

(a) In addition to the requirements in §§ 465a.37, 465a.41 and 465a.42 (relating to procedures for opening table games; procedures for drops at open table games; and procedures for closing table games), a certificate holder may establish procedures for the use of a three-compartment drop box which requires the preparation of a Table Inventory Slip at least once each gaming day.

(b) The procedures developed under subsection (a) shall be submitted as part of the certificate holder's internal controls.

\* \* \* \* \*

**CHAPTER 467a. COMMENCEMENT OF SLOT AND TABLE GAME  
OPERATIONS**

467a.1. Gaming floor plan.

467a.2. Commencement of slot and table game operations generally.

**§ 467a.1. Gaming floor plan.**

(a) An applicant for, or holder of a slot machine license, shall submit to the Board a floor plan of its gaming floor and the restricted areas servicing [the] slot [operation] and table game operations. Initial gaming floor plans must be drawn to 1/8 inch scale, unless another scale is approved by the Board. Revised gaming floor plans may be submitted electronically, unless otherwise requested

by Board staff, provided there is sufficient detail when enlarged to read the information in the electronic submission. A slot machine licensee shall submit to the Board an up-to-date floor plan, drawn to 1/8 inch scale, 12 months after its receipt of authorization to commence slot operations and every 12 months thereafter. A floor plan must [be]:

(1) [Drawn to 1/8 inch scale, unless another scale is approved by the Board

(2)] Be [Certified] certified by an architect licensed to practice in this Commonwealth, [and depict] unless Board staff indicates otherwise.

(2) Depict the following:

(i) The gaming floor with notations as to:

(A) Proposed total square footage.

(B) The perimeter of the gaming floor.

(C) A clearly delineated route for underage [persons] individuals to [transverse] access areas adjacent to the gaming floor.

(D) Designated smoking and nonsmoking areas.

(ii) Each slot machine area and table game pit on the gaming floor and each slot machine and table game located [location] within each slot machine area and table game pit. Slot machine and table game locations shall be

identified by number in accordance with § 463a.3 (relating to slot machine location).

(iii) The number of slot machines **and table games** on the gaming floor in compliance with section 1210 **and 13A11(b)** of the act (relating to number of slot machines; **number of authorized gaming tables**), in total and by slot area **or table game pit**.

(iv) Each slot **machine or table game** seat on the gaming floor [**in compliance with § 461a.7(s) (relating to slot machine minimum design standards)**].

(v) Each surveillance camera installed in compliance with § 465a.9(a) (relating to surveillance system; surveillance department control, surveillance department restrictions), noting its type and camera number.

(vi) The [**cashiers'**] **main** cage and any satellite [**cashiers'**] cage, inclusive of each [**cashiers'**] cage window and window number, ancillary offices and areas.

(vii) Each count room and any trolley storage area.

(viii) Each automated bill breaker, gaming voucher redemption, coupon redemption and jackpot payout machine.

(ix) Each automated teller machine.



(x) Each area designated for the storage or repair of slot machines **or table games**.

(xi) Vault and armored car bay locations.

(xii) Additional documentation requested by the Board **or Board staff** relating to the floor plan for the gaming floor.

(b) A slot machine licensee may not commence slot **or table game** operations until the floor plan depicting its gaming floor and all restricted areas servicing slot **[operation] and table game operations** has been approved **[in writing]** by the Board. The approval by the Board will expressly authorize:

(1) **[the] The** maximum square footage of gaming floor.

(2) **The [and]** maximum number of slot machines **and table games** which may be operated by the slot machine licensee.

(c) **Requests** for changes to the **approved** gaming floor plan **[approved under subsection (b)]** which **[involve a change an] will increase or decrease: [of more than] the square footage of the gaming floor by more than 2%; [of the square footage of the gaming floor or which involve a change of more than 2% in]** the number of slot machines on the gaming floor **by more than 2%; or the number of table**

**games on the gaming floor by more than 10%** require Board approval and must be submitted to the Board as a petition under § 493a.4 (relating to petitions generally). Requests for all other changes to the gaming floor, **including the type of table games**, must be submitted in writing **[to the Office of the Clerk as a request for changes to the gaming floor and approved]** and will be considered for approval by the Board's Executive Director. The approval of the Board or the Executive Director may include conditions that must be met by the slot machine licensee **[as part of the changes] prior to the commencement of operations.**

(d) A petition or request for changes to the gaming floor must, at a minimum, include:

(1) A narrative description of the proposed changes.

(2) A revised gaming floor plan **in accordance with § 467a.1 (relating to gaming floor plan).**

(3) **[A timetable for completion of the proposed changes]** A revised plan for the distribution and collection of slot cash storage boxes and table game drop boxes as required under §465a.18(a)(relating to transportation of slot cash storage boxes and table game drop boxes to and from the gaming floor; storage).

(4) The table game pit number or slot machine area and the proposed configuration of any table game pit or slot machine area affected.

(5) The type, location and table number of any gaming table affected.

[(4)] (6) An updated slot machine master list as required under § 463a.5 (relating to slot machine master lists).

(7) The proposed amendments to the standard or alternative staffing levels required under § 465a.35 (relating to personnel assigned to the operation and conduct of table games).

(8) The proposed amendments to surveillance required under § 465a.9 (relating to surveillance system; surveillance department control; surveillance department restrictions).

(9) A timetable for the completion of the proposed changes.

(e) If a slot machine licensee objects to the **Executive Director's** disapproval of a request for changes to the gaming floor or conditions imposed on the approval of a request for changes to the gaming floor, the slot machine licensee may file **with the Board** a **[request]**

**petition** for reconsideration **[as a petition under]** in accordance with § 493a.4.

**§ 467a.2. Commencement of slot and table game operations generally.**

(a) Prior to the commencement of slot **or table game** operations at a licensed facility a slot machine licensee shall demonstrate that:

(1) The licensed facility, including the gaming floor and restricted areas servicing **[the] slot [operation] and table game operations**, complies in all respects with the act, this subpart and technical standards adopted by the Board **[and published in the *Pennsylvania Bulletin* and posted on the Board's website]**.

(2) Slot machines, **table games** and associated equipment installed in the licensed facility and utilized in the conduct of slot machine **and table game** operations have been tested and approved by the Board in compliance with the act, this subpart and technical standards adopted by the Board **[and published in the *Pennsylvania Bulletin* and posted on the Board's website]**.

(3) The gaming floor plan required under § 467a.1(a) (relating to gaming floor plan) has been approved by the Board in compliance with the act, this subpart and technical standards adopted by the Board **[and published in**

**the *Pennsylvania Bulletin* and posted on the Board's website].**

(4) The slot machine licensee's proposed site plan and internal control systems and audit protocols have been approved by the Board in compliance with the act, this subpart and technical standards adopted by the Board **[and published in the *Pennsylvania Bulletin* and posted on the Board's website].**

(5) The slot machine licensee is prepared to implement necessary management controls, surveillance and security precautions to insure the efficient conduct of slot **and table game** operations.

(6) The slot machine licensee's employees are licensed or permitted by the Board and trained in the performance of their responsibilities.

(7) The slot machine licensee has complied with any conditions prerequisite to commencement of slot **or table game** operations contained in the Statement of Conditions executed under § 423a.6 (relating to license, permit, registration and certification issuance and statement of conditions).

(8) The licensed facility is prepared in all respects to receive the public.

(9) The slot machine licensee has successfully completed a test period.

(10) For Category 1 licensees, the slot machine licensee has a written live racing agreement as required under section 1303(d) of the act (relating to additional category 1 slot machine license requirements).

(b) Upon a slot machine licensee's successful demonstration of the criteria enumerated in subsection (a), the Board may authorize the date and time at which the slot machine licensee may commence slot **and table game** operations at the licensed facility and will fix the maximum square footage of gaming floor and maximum number of slot machines **and table games** which may be operated by the slot machine licensee pursuant to that authorization.

\* \* \* \* \*

#### **Subpart K. TABLE GAMES**

##### **CHAPTER 521. GENERAL PROVISIONS**

521.3. (Reserved)

521.11. (Reserved)

##### **CHAPTER 525. TABLE GAME INTERNAL CONTROLS**

525.1 - 525.20. (Reserved)

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE  
REGULATORY REVIEW ACT**

**I.D. NUMBER:** 125-145

**DATE:** 5/3/11

**SUBJECT:** Subparts A & E, Chapters 401a, 461a, 465a, 467a

**AGENCY:** Pennsylvania Gaming Control Board (PGCB)

**TYPE OF REGULATION**

- Proposed Regulation
- Final-Form Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
  - a. With Revisions
  - b. Without Revisions

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**FILING OF REGULATION**

<u>DATE</u>	<u>SIGNATURE</u>	<u>DESIGNATION</u>
1. <u>5-3-11</u>	<u>Elysha Sclat</u> Senator Jane Earl	Senate Community, Economic & Recreational Development
2. <u>5/3/11</u>	<u>debbie Mackenzie</u> Senator Wayne Fontana	Senate Community, Economic & Recreational Development
3. <u>5/3/11</u>	<u>Carolyn May</u> Representative Curt Schroder	House Gaming Oversight
4. <u>5/3/11</u>	<u>Kendalle D. Wicks</u> Representative Rosita Youngblood	House Gaming Oversight
5. <u>5/3/11</u>	<u>Kathy Cooper</u>	Independent Regulatory Review Commission
6. _____	_____	Attorney General
7. <u>5/3/11</u>	<u>Nicole Nichols</u>	Legislative Reference Bureau