

STATE OF NEVADA
GAMING CONTROL BOARD
INTERNAL CONTROL PROCEDURES

CAGE AND CREDIT

- Note 1: If a licensee makes no adjustments for returned checks or cage credit on their NGC-1's, only procedures 1 through 12 are applicable.
- Note 2: For any Board-authorized computer applications pursuant to Regulation 14, alternate documentation and/or controls that provide at least the level of control described by these procedures will be acceptable.
- Note 3: The following procedures represent minimum acceptable credit procedures. The requirements of Regulation 6.120 must also be met if credit issuances are to be excluded from gross gaming revenue.
- Note 4: As it applies to the procedures below, a patron's driver's license is the preferred method for verifying the patron's identity. If a driver's license cannot be obtained, a passport, non-resident alien card, other government issued identification credential or another picture identification credential normally accepted as a means of identification when cashing checks is acceptable.

Miscellaneous

1. Signature files for all employees responsible for signing gaming documents/records will be maintained for at least 5 years.

Casino Accountability

2. Increases and decreases to casino accountability are supported by documentation. The documentation indicates the date and shift, the purpose of the increase/decrease, the employee(s) completing the transaction, and for decreases indicate the person or department receiving the cage funds.

Note: A form is not required to be completed when the funds for an even-money exchange are transferred from one bank to another bank instantaneously.

3. All transactions that flow through the casino are summarized on an accountability form on a per shift basis.
4. The casino accountability is counted, recorded and signed by at least two persons on an accountability form:
 - a. At the end of each shift during which activity took place.
 - b. At least once daily for those areas which no activity took place.

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5. ~~The contents of bagged coin are verified by an individual independent of the person who created the bagged coin as follows:~~
- ~~a. On at least a monthly basis, a sample of bagged coin in each applicable area is weighed or counted and compared to the dollar amount indicated on the bag. Adequate documentation evidencing the performance of this procedure as well as the results is created and maintained.~~
 - ~~b. All bagged coin being used as a fill bag for a slot machine hopper fill is weighed or counted prior to being placed into a slot machine hopper.~~
 - ~~c. Any variances of 1% or more of the bag amount is documented and investigated.~~
 - ~~d. Any fill bag with a dollar amount variance is adjusted to the correct bag amount prior to being used as a fill for a slot machine hopper.~~
5. **For all bill dispenser safes, at least weekly:**
- a. Two employees remove the remaining cash from the safe (if any) and print out the detail report of the payments made from the safe.**
 - b. These same two employees then reconcile the remaining cash to the detail report. The reconciliation is documented and both employees sign the documentation.**
 - c. The reconciliation is transferred to the accounting department, and accounting personnel investigate any variances. The results of the investigation are documented.**
6. Cashless wagering systems generate reports that indicate the dollar amount of active wagering instruments and wagering account transactions (i.e., deposits, withdrawals, and account adjustments) that should be reflected in each cashier's accountability. Such reports are utilized at the conclusion of each shift in the reconciling of funds.
7. Casino accountability is summarized and posted or reconciled to the general ledger on at least a monthly basis.
- Customer Deposits and Safe Deposit Boxes*
8. The receipt or disbursement of a customer deposit is evidenced by at least a two-part document with one copy going to the customer and one copy remaining in the cage file.

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9. The multi-part form contains the following information:
- a. Same preprinted number on all copies.
 - b. Customer's name and signature.
 - c. Date of deposit or disbursement.
 - d. Dollar amount of deposit or disbursement.
 - e. Type of deposit or disbursement (e.g., cash, check, chips).
10. Procedures are established to:
- a. Maintain a detailed record by patron name and date of all funds on deposit.
 - b. Maintain a current balance of all customer deposits which are in the cage inventory or casino accountability.
 - c. Reconcile this current balance with the deposits and disbursements at least daily.
11. The issuance and closure of a patron's safe deposit box is evidenced by a document that includes the following information:
- a. Safe deposit box number.
 - b. Date of issuance and closure.
 - c. Patron's name and signature.
 - d. Type of identification credential, credential number, expiration date of credential, and date credential was examined.
 - e. Employee's name and signature that issued or closed safe deposit box.
12. Procedures are established to maintain a detail record of all safe deposit boxes and the current status of each box (e.g., issued, not issued).
- Authorization and Extension of Credit*
13. At least the following information is recorded and maintained for patrons who have established credit limits or are issued credit:
- a. Patron's name, current address, and signature.
 - b. Type of identification credential, credential number, expiration date of credential, and date credential was examined.
 - c. Authorized credit limit.
 - d. Documentation of credit worthiness using a method permissible under Regulation 6.120(2)(a).
 - e. Signature/initials of an individual designated by management to approve credit limits. For computerized systems, a credit limit approval controlled through system passwords is adequate.
 - f. Date, time and amount of credit issuances and payments.
 - g. Amount of available credit.

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14. Prior to the issuance of gaming credit to a patron, the employee issuing the credit:
 - a. Determines whether the credit limit is properly authorized.
 - b. Determines whether the available credit is sufficient to cover the issuance.
 - c. Verifies the patron's identity by examining the patron's identification credential (except for patrons that are known).
15. Proper authorization of credit extension over the previously established limit is documented in accordance with ICP #13e.
16. Cage marker forms are at least two parts (the original marker and a payment slip), prenumbered by the printer or concurrently numbered by the computerized system, and utilized in numerical sequence.
17. The original cage marker contains at least the following information: marker number, patron's name and signature, amount of credit issued (both alpha and numeric), the date and time of issuance, and the signature or initials of the employee issuing the credit.
18. The payment slip includes the same marker number as the original, date and time of payment, amount of payment, nature of settlement (cash, chips, etc.), and signature or initials of employee receiving the payment.
19. When counter checks are issued, the following is included on the check:
 - a. The patron's name and signature.
 - b. The dollar amount of credit issued (both alpha and numeric).
 - c. Date and time of issuance.
 - d. Signature or initials of the employee approving the credit extension.
20. Voided markers contain the following information:
 - a. "Void" written across all parts of the marker along with the reason for the void.
 - b. Date and time of void.
 - c. Signature or initials of the employee issuing the credit and a supervisor.
21. All parts of voided markers are submitted to accounting for retention and accountability.
22. Cage markers cannot be voided after the chips or cash have been issued to the patron.
23. When travelers' checks/guaranteed drafts are presented, all issuance and acceptance procedures are adhered to by the drawee and the employee(s).

Collection Procedures

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24. If outstanding credit instruments are transferred to collection agencies or other collection representatives, a copy of the credit instrument and a receipt from the collection representative are obtained and maintained until such time as the credit instrument is returned or payment is received.
25. If outstanding credit instruments are transferred to a law enforcement agency (e.g., district attorney's office), a copy of the credit instrument and documentation from the law enforcement agency is maintained stating that the original credit instrument is in their possession.
26. A detailed listing is maintained to document all outstanding credit instruments that have been transferred to other agencies or representatives.
27. The above listing is prepared or reviewed and signed by management personnel.

Payment Procedures

28. All payments received on outstanding credit instruments are permanently recorded in the licensee's records.
29. When partial payments are made on credit instruments, and the original instruments are not replaced with a marker for the remaining balance, they are evidenced by a multi-part receipt (or another equivalent document) which contains:
 - a. The same receipt number on all copies.
 - b. Patron's name.
 - c. Date of payment.
 - d. Dollar amount of payment.
 - e. Signature or initials of individual receiving payment.
 - f. Number of credit instrument on which payment is being made.

Access to Credit Information / Documentation

30. Access to credit information is restricted to those positions that require access and are so authorized by management.
31. Access to outstanding credit instruments is restricted to persons authorized by management.
32. Access to written-off credit instruments is further restricted to individuals specified by management.
33. All issuances of cage credit and subsequent payments are documented on a credit instrument control document by cage personnel.
34. Records of all correspondence, transfers to and from outside agencies, and other documents related to issued credit instruments are maintained.

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Write-Off and Settlement Procedures

- 35. Written-off or settled credit instruments are authorized in writing.
- 36. Written-off or settled credit instrument approvals are made by a licensee, or a licensed key employee and a supervisor.
- 37. The individuals approving the write-off or settlement must sign a document indicating their authorization.

Cage/Accounting Procedures

Note: The term "casino accounts receivable", as used in these procedures, includes any item adjusted for on the NGC tax returns.

- 38. All net changes in outstanding casino receivables are summarized on a casino accountability form or similar document at least once daily.
- 39. A trial balance of casino accounts receivable, including the name of patron and current balance, is prepared at least:
 - a. Monthly in the case of active accounts.
 - b. Quarterly in the case of inactive, settled or written-off accounts.
Note: A listing of written-off items, i.e., worthless items at the time of write-off, and another listing of payments on items previously written-off are acceptable.
- 40. The trial balance of casino accounts receivable is reconciled to the general ledger at least quarterly.