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Note 1: For any Board-authorized computer applications, alternate documentation and/or procedures which provide at least the level of control described by these MICS as determined by the Audit Division will be acceptable, and a MICS variation pursuant to Regulation 6.090 will be unnecessary.

Note 2: The term "shift" as used in these MICS refers to an interval of 8 hours, 24 hours or other division of a 24-hour day. The length of the shift used in the card games area must be delineated within the card games section of the written system of internal control pursuant to Regulation 6.090.

Note 3: These MICS apply to any Board approved inter-casino linked system. The operator of the inter-casino linked system and the licensee may share responsibility for compliance, with some procedures performed by the licensee and others performed by the operator. All required procedures must be delineated within the card games section of the written system of internal control pursuant to Regulation 6.090, including the specific procedures performed by the operator.

Note 4: A "signature" on a document provides evidence of the person's involvement and/or authorization of the intentions reflected in the document. A signature is either handwritten or electronic.

- A "handwritten signature" is typically in the form of a stylized script associated with a person. The stylized script "signature" may include the first letter of the person's first name along with the person's full last name. The "initials" of the person would not meet the requirement of a "signature."
- An "electronic signature" is defined in NRS 719. The "electronic signature" is to be linked with an electronic document which uniquely identifies the individual (e.g., employee or patron) entering the "signature." Additionally, the use of an "electronic signature" must comply with the applicable IT MICS.

The type of signatures used (i.e., handwritten or electronic) must be delineated within the card games section of the written system of internal control pursuant to Regulation 6.090.

Note 5: For an "electronic signature," procedures must be implemented to provide at least the same level of control as described by these MICS.

Note 6: For gaming devices which offer wagers attributable to multiple gaming areas (e.g., slot play and live card game play), procedures are established and will include at a minimum how revenue is accounted for, reconciled, and recorded. The use of these gaming devices and the established procedures must be delineated within the specific sections of the written system of internal control pursuant to Regulation 6.090.

Supervision

1. Supervision is provided at all times, in each card room that is in operation, by supervisory-level personnel with authority equal to or greater than those being supervised.

   Note: Provided the games are recorded by the surveillance department and retained for a minimum of seven days:

   - A supervisor may function as a dealer without any other supervision for a period of time of less than one hour and disputes are resolved by pit supervisory personnel; or
   - A dealer may function as a supervisor if not dealing the game.

2. Transfers between table banks and the main card room bank are authorized by a supervisor and evidenced by the use of lammer buttons. Lammer buttons are not required if the exchange of chips, tokens, and/or currency takes place at the table. If table banks are maintained at an imprest level and runners are used for the exchanges at the table, no supervisory authorization is required.

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3. Transfers between the main card room bank and the table banks are verified by the card room dealer and the runner.

   Note: For MICS #2 and #3, a casino cage may function as a main card room bank for compliance purposes within these MICS pursuant to Regulation 23.040.

4. Transfers between the main card room bank and the casino cage are authorized by a supervisor and documented.

5. The transfer documentation between the main card room bank and the casino cage must be retained for at least 24 hours.

6. A rake must be collected in accordance with the posted rules unless authorized by a supervisor.

Drop and Count Standards

7. The procedures for the collection of card games drop boxes, the count of the contents thereof, and the related key controls comply with the MICS applicable to the table game drop.

Access to Playing Cards

8. New and used playing cards to be issued to a table are maintained in a secure location to prevent unauthorized access and reduce the possibility of tampering. Used playing cards that are not to be re-used are properly canceled and removed from service.

Reconciliation of Banks

9. The amount of the main card room bank is counted, recorded, and reconciled at least once every eight hours.

   Note: For card games not operated on a daily basis (e.g., card game tables opened for play only during the weekend), the main card room bank may be counted, recorded and reconciled prior to opening card games, every eight hours of card games operation, and immediately after closing card games. During the period the card games are not opened, the main card room bank funds are to be secured from unauthorized access (i.e., key is required to access funds) and maintained in an area requiring surveillance coverage pursuant to Regulation 5.160, as applicable to the licensee.

10. For banks that remain on the card tables, at least once every eight hours the table banks are counted, recorded, and reconciled by a dealer (or other individual if the table is closed) and a supervisor (or an employee independent of the card games department), and attested to by signing the checkout form. For imprest banks that remain with the dealer, the banks are counted, recorded and reconciled upon issuance and return by the dealer and a supervisor (or an employee independent of the card games department), and attested to by signing the checkout form.

Shill Standards

11. Issuance of shill funds are recorded on a shill sign-out form and have the written approval of the supervisor.

12. Returned shill funds are recorded on a shill sign-out form and verified by a supervisor who signs the form.

13. The replenishment of shill funds is documented.

Promotional Pool, Progressives, Drawings, and Giveaway Programs

Note 1: A Promotional pool, as defined in Regulation 23.020, is the total funds contributed by the licensee and collected from card game promotional rake-offs which are used to fund all types of card room promotions. The

promotional pool must be given back to the licensee's card game patrons and are to be used solely for card room promotions.

Note 2: A progressive is, pursuant to Regulation 23.020, a progressive payoff schedule and must not be eliminated unless in accordance with Regulation 5.110.

14. The dollar amount of funds contributed by players into the promotional pool or progressive(s) is returned when won in accordance with the posted rules with no commission or administrative fee withheld.

    Note 1: The payout may be in the form of personal property (e.g., car).

    Note 2: A combination of a promotional pool and progressive(s) may be offered.

15. The conditions for participating in a promotional pool, progressive, and any other promotion, including those as a result of drawings and giveaway programs, are prominently displayed or available for patron review at the licensed location.

16. Payouts for a promotional pool, progressives, and any other promotion, including those as a result of drawings and giveaway programs, that are greater than or equal to $500 are documented at the time of the payout to include the following:

    a. Date and time.

    b. Dollar amount of payout or description of personal property (e.g., car).

    c. Reason for payout (e.g., promotion name).

    d. Signature of one employee verifying, authorizing, and completing the promotional payout with the patron.

    e. Patron's name (for drawings only).

    Note 1: MICS #16 documentation may be prepared by an individual who is not a card game department employee as long as the required signature is that of the employee completing the payout with the patron.

    Note 2: Payouts for progressives must be documented on a preprinted or concurrently-printed sequentially numbered form.

17. If the cash (or cash equivalent) payout for the promotional pool, progressives, or other promotion, including a payout resulting from a drawing or giveaway program, is less than $500, documentation is created to support bank accountability from which the payout was made.

    Note 1: Required documentation may consist of a line item on a card games or cage accountability document (e.g., "43 $10 card games giveaway coupons = $430").

    Note 2: Payouts for progressives must be documented on a preprinted or concurrently-printed sequentially numbered form.

18. Rules governing the promotional pool and progressives are conspicuously posted within the card room and/or available in writing for patron review and designate:

    a. For progressives:

        1) The amount of funds to be contributed from each pot.

2) How/when the contributed funds are added to the progressive.

3) What outcome it takes to win the progressive.

4) The percentages used to calculate the payout amounts.

5) Amount/percentage of funds allocated to primary and secondary (reset) progressives, if applicable.

b. For a promotional pool:

1) The amount of funds to be contributed from each pot.

2) What types of promotions the funds will be used for.

Note: Each promotion that the funds are used for must have specific rules posted that include how the funds are given back to the card games patron(s).

19. Promotional pool and progressive contributions are not placed in or near the rake circle, in the drop box, or commingled with gaming revenue from card games or any other gambling game.

20. Promotional pool and progressive funds removed from the card game are placed in a promotional drop box in plain view of the public (e.g., a separate locked container affixed to a card game table used solely for promotional pool and progressive funds).

Note: Separate promotional drop boxes must be used for promotional pool and progressive contributions. Alternatively, a single promotional drop box with separate compartments may be used.

21. Persons authorized to transport the promotional drop box are precluded from having access to the contents keys.

22. The promotional drop box contents key is maintained by a department independent of the card room.

23. At least once a day, the promotional drop box is removed by two individuals, one of whom is independent of the card games department, and transported directly to the count room, casino cage, or other secure room to be counted.

24. If the funds are maintained in the cage, the contents are counted, recorded, and verified prior to accepting the funds into the cage accountability.

25. The dollar amount of progressives must be conspicuously displayed in the card room. At least once a day the progressive payoff schedule is increased based upon the amount of cash previously counted or received by the cage for the progressive.

Contests/Tournaments

26. All contest/tournament entry fees, rebuys, and payouts (including mail transactions) are summarized on a cash accountability document on a daily basis.

27. When contest/tournament entry fees, rebuys, and payouts are transacted, the transactions are recorded on a document which contains:

a. Patron’s name.

b. Date of entry/rebuy/payout.

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c. Dollar amount of entry fee/rebuy/payout (both alpha and numeric or unalterable numeric) and/or nature and dollar value of any noncash payout.

d. Signature of individual completing the transaction attesting to the receipt or disbursement of the entry fee/rebuy/payout with the patron.

Note: When online registration is utilized, entry fees may be collected through a computerized system, provided the system creates a record which includes at a minimum: a timestamp of the transaction, a unique transaction code, and the patron's name. The system must also provide the patron with a receipt (e.g., e-mailed electronic receipt).

e. Name of contest/tournament.

28. A monthly log is maintained which lists all contests/tournaments (including free contests/tournaments) held during the month, summarizing total entry fees/rebuys and total payouts (cash and non-cash prizes) to participants by individual contest/tournament.

29. For contest/tournament prize pools that have the amount of the pool determined through patron contributions from card game pots, daily, MICS #19 - #24 are followed for such contest/tournament pool contributions.

30. The contest/tournament entry fees, rebuys, and payouts are summarized and posted to the accounting records on at least a monthly basis.

31. Contest/tournament rules are included on all entry forms/brochures and are prominently displayed or available for patron review at the licensed location. The rules must include at a minimum:

a. All conditions patrons must meet to qualify for entry into, and advancement through, the contest/tournament.

b. Specific information pertaining to any single contest/tournament, including the dollar amount of money placed into the prize pool.

c. The distribution of funds based on specific outcomes.

d. The name of the organizations (or persons) registered pursuant to NRS 463.169 that conducted the contest/tournament on behalf of, or in conjunction with, the licensee if applicable.

32. Results of each contest/tournament are recorded and available for participants to review. The recording includes the name of the event, date(s) of event, total number of entries, dollar amount of entry fees/rebuys, total prize pool, and the dollar amount paid for each winning category. The name of each winner is recorded and maintained but not made available to the participants unless authorized by management personnel. Two employees, one of whom is independent of the collection of entry fees/rebuys, reconcile the total amount of chips issued for the contest/tournament in exchange for entry fees/rebuys to the final chip count at the end of the contest/tournament. The reconciliation is documented and signed by the employees.

Note: For free tournaments (i.e., patron does not pay an entry fee/rebuy), the information required by the above MICS must be recorded except for the number of entries, dollar amount of entry fees/rebuys, and total prize pool.

33. For contest/tournament prize pools where the amount of the pool is determined through patron contributions from card game pots, the daily contributions, and the total contributions are included in the results documentation required in MICS #32.

34. The aforementioned contest/tournament records are maintained for each event.

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Computerized Player Tracking Systems

Note 1: Compliance with MICS #35 - #41 is required only for computerized player tracking systems that accumulate points that are subsequently redeemed by the patron for cash, merchandise, etc. These MICS do not apply to player rating only systems (i.e., the evaluation of a patron's play and the choice and/or dollar amount of complimentaries provided to a patron are solely the result of an employee's judgment).

Note 2: As used in these Card Games MICS, the term "point" or "points" is a generic term and refers to a representative of value awarded to a patron based upon specific criterion established by the licensee. Commonly, points are earned by patrons placing wagers or purchasing room, food, beverage, or entertainment admissions. Patron accounts in a player tracking system are used to track points earned/awarded to patrons.

35. The addition/deletion of points to player tracking accounts other than through an automated process related to actual play must be sufficiently documented (including substantiation of reasons for increases) and authorized/performed by supervisory personnel of the player tracking, promotions, or card games departments. The addition/deletion of points to player tracking accounts authorized by supervisory personnel is documented and is randomly verified by accounting/audit personnel on a quarterly basis.

    Note: The above MICS does not apply to the deletion of points related to inactive or closed accounts through an automated process.

36. Patron computerized player tracking accounts (active, inactive, and closed) are controlled in a manner that precludes any one individual from misappropriating the points. Such procedures must be delineated within the card games section of the written system of internal control pursuant to Regulation 6.090.

    Note: Procedures may include, but are not limited to, controls around the creation of player's club cards, resetting of the password/PIN, and/or establishment of user provisioning for proper segregation of duties.

37. The licensee shall establish procedures for reactivating inactive or closed patron computerized player tracking accounts which requires the involvement of at least two employees. Documentation evidencing the involvement of two employees is created and maintained for each account reactivated. Such procedures must be delineated within the card games section of the written system of internal control pursuant to Regulation 6.090.

38. Patron identification is required when redeeming points without a player tracking card.

39. Changes to the player tracking system parameters, such as point structures and employee access, must be performed by supervisory personnel independent of the card games department. Alternatively, changes to player tracking system parameters may be performed by card games supervisory personnel if sufficient documentation is generated and the propriety of the changes are randomly verified by personnel independent of the card games department on a quarterly basis.

40. All other changes to the player tracking system must be appropriately documented.

41. Rules and policies for player tracking accounts including the awarding, redeeming, and expiration of points are prominently displayed or available for patron review at the licensed location.

Accounting/Audit Standards

42. The card games audit is conducted by someone independent of the card games operation.

    Note: MICS #43 and #44 also apply to an inter-casino linked system with a progressive, for affiliates.

43. On a daily basis, audit/accounting personnel perform the following procedures:

a. Reconcile the amount indicated on the progressive payoff schedule to the cash counted or received by the cage and the payouts made for each progressive. This reconciliation must be sufficiently documented (including substantiation of differences, adjustments, etc.).

b. Record the increases/decreases in the promotional pool fund in a promotional funds log, including the following:

   1) The amount of funds counted or received by the cage and added to the promotional pool;

   2) Amount of funds used for payouts of card games promotions (including the name of the promotion);

   3) Daily balance of the promotional pool funds.

44. On a daily basis for each progressive, audit/accounting personnel create and maintain progressive logs, which include at a minimum:

    a. Date the progressive was placed on the floor.

    b. Base amount of the progressive payoff schedule when first exposed for play.

    c. Current amount of each progressive payoff schedule.

    d. Explanation of each payout supporting a decrease to the payoff schedule:

       1) Date;

       2) Amount; and

       3) Payoff form number.

    e. Investigate any variances noted and document and maintain the results of the investigation.

45. The following procedures are performed by accounting/audit personnel using the master games summary prepared by the count team members for each day:

    a. Reconcile the dollar amount of drop proceeds on the master games summary to the dollar amount recorded in the applicable accountability document using, if applicable, the transfer forms indicating all transfers in/out of the count room, both during and at the end of the count. Investigate and document any variance noted.

    b. Recalculate card game proceeds (all funds received by the licensee as compensation for conducting the game) in total and by shift.

    Note: For computerized master games summaries that total the count proceeds from each box, accounting personnel are to recalculate rake in total and by shift for one day each month, rather than daily.

    c. Verify that the correct total of card game proceeds on the master games summary is recorded in the accounting records used to prepare the NGC tax returns.

    d. Examine for propriety of signatures.

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46. A monthly card games recap report is prepared which includes the daily and month-to-date card game gross revenue (per Regulation 6.110) information used to prepare the NGC tax returns.

47. Monthly, accounting/audit personnel reconcile gross revenue from the monthly card games recap report and the general ledger to the monthly NGC tax returns. This reconciliation is documented and maintained. All variances are reviewed, documented, and maintained. The following adjustments, with supporting documents, may need to be reflected in this reconciliation:

    - Contest/tournament revenue by event.
    - Promotions.
    - Pro rata share of an inter-casino linked system payout.
    - Revenue resulting from a gaming device attributable to multiple gaming areas.
    - Other allowable adjustments impacting reported card games revenue.

48. Prior to submission of the NGC tax returns for the month, the reconciliation required by MICS #47 is completed, and any follow-up performed is documented and maintained. Any variances noted are resolved prior to submission of the tax returns.

49. Monthly, accounting/audit personnel review all contest, tournament, promotional payouts [promotional pool, progressives, or other promotions (including payouts from computerized player tracking activity)], drawing, and giveaway program documentation to determine proper accounting treatment and proper card games gross revenue computation.

50. Monthly, accounting/audit personnel perform procedures to ensure that contests, tournaments, promotional payouts [(promotional pool, progressives, or other promotions (including payouts from computerized player tracking activity)], drawings, and giveaway programs are conducted in accordance with the conditions provided to the patrons. The procedures must include a review of documents, interviews of employees on the property, and on premise observations of the licensed establishment. The results of the review, interviews, and observations must be documented and maintained.

    Note: Interviews and observations are still required to be performed even if no such promotions are generally offered as to ensure all promotions are captured, properly accounted for, and conducted in accordance with the conditions provided to patrons.

51. Daily, accounting/audit personnel reconcile all contest/tournament entry, rebuy, and payout forms to the dollar amounts recorded in the appropriate accountability document.

52. For all contests, tournaments, promotional payouts [promotional pool, progressives, or other promotions (including payouts from computerized player tracking activity)], drawings, and giveaway programs the following documentation is maintained:

    a. Copies of the information provided to the patrons describing the contests, tournaments, promotional payouts, drawings, and giveaway programs (e.g., brochures or flyers).

    b. Effective dates.

    c. Accounting treatment, including general ledger accounts, if applicable.

    d. For tournaments and contests, the name of the organizations (or persons) registered pursuant to NRS 463.169 that conducted the contest/tournament on behalf of, or in conjunction with, the licensee, if any. The extent of responsibilities (including MICS compliance responsibilities) each organization and the licensee had in the contest/tournament (e.g., ABC nonprofit is to receive 100% of the entry fees and provide noncash prizes to the

winners with the licensee collecting entry fees, dealing the tournament and distributing prizes to winners) will also be documented.

53. When payment is made to the winners of a contest/tournament, accounting/audit personnel will reconcile the contest/tournament entry fees/rebuys collected to the actual contest/tournament payouts made. This reconciliation is to determine whether, based on the entry fees/rebuys collected, the payouts made and the amounts withheld by the gaming establishment, if applicable, were distributed in accordance with the contest/tournament rules.

54. For computerized player tracking systems, an accounting/audit employee shall perform the following procedures at least one day per quarter:

    a. Review all point addition/deletion authorization documentation, other than for point additions/deletions made through an automated process, for propriety.

    b. Review exception reports for propriety of transactions and unusual occurrences. The review should include, but is not limited to, transfers between accounts.

    c. Review the documentation related to reactivating inactive and closed accounts created in MICS #37 for the involvement of two employees.

55. At least annually, the computerized card games player tracking system (in-house developed and purchased systems) is reviewed by personnel independent of the individuals that set up or make changes to the system parameters. The review is performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization (e.g., verify the accuracy of the awarding of points based on the dollar amount wagered). The system should also be tested, if possible, to further verify the accuracy of the configuration parameters (e.g., simulate activity to verify the accuracy of the amount of points awarded). The test results are documented and maintained.

56. Documentation (e.g., log, checklist, notation on reports, and tapes attached to original documents) is maintained evidencing the performance of card games audit procedures, including any reviews, the exceptions noted, and follow-up of all card games audit exceptions.

Inter-Casino Linked System for Affiliates

Note: MICS #57 - #59 apply to the operator/hub of the inter-casino linked system.

57. Monthly, accounting/audit personnel:

    a. Foot all invoices/contribution reports prepared by the operator/hub of the inter-casino linked system and trace to each payout.

    b. Foot all NGC tax return deductions by participating licensed affiliates to the total amount calculated by the operator/hub.

58. Quarterly, accounting/audit personnel:

    a. Review changes to the rate of progression pursuant to Regulation 5.112.

    b. Review all limits placed on progressive payoff schedules. Perform observations of the casino floor to ensure proper notices have been placed at or near each game to which the limit applies.

59. For all progressive payoff schedules that have been reduced or eliminated, ensure compliance with Regulation 5.112.