SECTION 5

TABLE GAMES, SLOT AND KIOSK DROP AND COUNT PROCEDURES

A. GENERAL

Drop and Count Team Members

The drop and count teams may not be under the direct control of the accounting personnel performing the audit of gaming revenue. This requirement is to ensure the proper segregation of duties. The drop and count functions must be separate and distinct from the cage since the cage personnel count, verify and accept the count funds. The actions of the drop and count team and the cage are reviewed by the accounting department. It is acceptable that the three departments answer to one entity but not to each other.

Accounting personnel are prohibited from participating in any drop and/or count. The gaming manager is not allowed to participate on the soft (table games) count team, or allowed in the count room during the soft (table games) count.

No more than one member of the drop and/or count team can be an owner, partner, person with 5% or more equity in the licensee, or an immediate family member (as defined in section 12-47.1-103, C.R.S.) of the owner(s), partners, or persons with 5% or more equity.

Key Control

Licensees must have processes in place for appropriate key control. Throughout this section when reference is made to locked key box(s), this reference also incorporates automated key tracking systems (AKTS).

Breaks

For any break taken either prior to or during a drop and/or count, the following procedures apply. All keys are checked back into the two keyed locked boxes and at the conclusion of the break all keys are checked out again. Alternatively, the keys may be maintained by at least three drop/count team members who are required to stay together and are under surveillance at all times.

If the count team consists of more than three team members, a team member may leave the count room as long as three team members remain in the count room. Before a team member leaves the room, the other team members must stop what they are doing and observe the other team member leave. Upon returning to the count room, the remaining team members in the count room must stop what they are doing, allow the team member into the count room, and observe the team member enter. The count keys are retained in the count room with the remaining count team members at all times.

If all members of the table games, kiosk, or slot count team leave the count room during the count for a break, funds and paperwork must be secured to prevent unauthorized access. Only the count team may have access to the funds and paperwork and all team members must be present to access the count room, funds, and paperwork at all times during the count and through completion of the count.

Extraneous Items in Count Rooms

During the drop and/or count, no extraneous items are allowed in the count room. Count team members may not have any personal currency/coins on his/her person. Licensees may allow a boom box, tapes and CDs in the count room for use by the count team. Count team members and the cashier accepting the count proceeds are allowed to have extra garments in the count room (e.g., long sleeve shirts, sweaters, sweatshirts, etc.). Security must check these items as they are brought into the count room or removed from the count room to reduce the risk of theft utilizing any such items.

If count team members have beverage containers and/or trash cans in the count room, management must ensure that appropriate written policies and controls are in place to prevent any theft of monies utilizing any such containers.

Count Area

Access to the count room while the count is being performed is restricted to the count team members, a supervisor to resolve discrepancies that have to be resolved immediately in order to satisfactorily complete the count, other authorized personnel as approved by the Division (e.g., independent auditors, etc.) and authorized maintenance people needed to repair equipment so the count may continue. At no time will preventative or scheduled maintenance on equipment be performed during a count. Access to the count room during a count to repair equipment necessary to complete the count does not require the count monies to be secured. The count team must stop all count activity and observe the repair person upon entering the count room. The repair person may remain in the room after the repair is completed, for a reasonable amount of time, to verify the machine is operating correctly during the count. At least three members of the count team must be present in the count room at all times until the entire drop is counted.

Count Order

Drop and count consists of several different processes (e.g., table games drop and count, kiosk drop and count, slot machine drop and count). The times of the drops and counts are submitted to the Division on the drop and count schedule. The intent is to segregate and not commingle the funds from the different types of counts. Slot funds must be attributed to the slot machine from which the funds were derived, kiosk funds must be attributed to the kiosk device from which the funds were derived, and table games must be attributed to the table game from which the funds were derived.

Test Money

It is an acceptable procedure to allow test money to be maintained in the count room. A set amount of bills and/or tickets may be used by the count team to facilitate the testing of the currency counter. The test money is a predetermined constant dollar amount and is located in a secure area within the count room or checked out of and back into the cashier cage for this purpose. The key(s) to the secure location of the test money is checked out with the rest of the count keys. The key(s) to the test money can be maintained in the Drop Key Box with the rest of the count team keys. If the Drop Key Box is not used, the key(s) to the test money is maintained in a secure location other than box 1 or 2.

Testing of Counting Devices

For multiple types of counts (table games, kiosk, slot, and hopper) one test of the count equipment is sufficient so long as the counts are from the same counter, successive, contiguous, and conducted by the same team. If a count immediately follows another count process in which the currency counter was tested and the count was performed by the same team members, the count team indicates such on the count paperwork and is not required to retest the currency counter. Counting devices used to count or weigh coin and/or tokens must be tested prior to utilization. All testing must be documented. Each count machine must be individually tested and the test documented. Prior to running any specific denomination of bills or tickets through a counting machine, the machine must be tested by one count team member with a predetermined number of bills or amount to ensure accuracy of the machine and proper sorting by denomination. Another team member records the number of bills or amount used to test the machine, the number of bills or amount counted by the machine, and any discrepancies. Both members sign the appropriate paperwork (e.g., Master Games Sheet and/or Bill Validator (BV) Summary) to document the testing process. If a currency counter is not used, mark this section N/A. In the event the currency counting machine is not functioning properly, the licensee must document the event. If the currency counting machine is not functioning and the licensee chooses to continue with the count, procedures must be in place to ensure an accurate count is performed. If at any time the accuracy of the count equipment is in question it must be retested, (e.g., excessive misreads, after cleaning or repair, etc.).

Cashier Acceptance of Count Funds

The cashier accepting the funds from any drop/count process must be independent of that drop/count process.

If the table games count is performed and completed at a time when the cashier is not available to accept the funds, the table games count team secures the table count funds and paperwork in the drop box rack or another secure area under lock and key in the count room, until the cashier is available to accept the funds. When the funds and paperwork are secured, the table games count keys are immediately checked back into the locked key box(s). The keys necessary for the acceptance of the table count funds are checked out from the locked key box(s) just prior to the

cashier acceptance of the funds. Upon completion of the cashier acceptance, the keys are immediately checked back into the locked key box(s).

This same process applies if the slot or kiosk counts are completed at a time when the cashier is not available to accept the funds. The funds and paperwork for the slot count are locked in a secure area, separate from other count funds, in the count room. The funds and paperwork for the kiosk count are locked in a secure area, separate from other count funds, in the count room. The slot and kiosk count funds and paperwork must not be commingled. If alternative secure areas are used, each area must be keyed differently.

For example, the cashier can accept the kiosk and table games count funds prior to the slot count or subsequent to the slot count as long as the funds of each type are independently secure and only the key(s) to access the funds being accepted are checked out at the time.

The cashier's acceptance of the count funds must be at the end of all counts or after the completion of a count. The cashier's acceptance of funds must not interrupt any other count.

If multiple counts (table games, kiosk, slot) occur on the same day, the cashier may accept the funds from each count at the conclusion of all the counts; however, the unverified funds must be individually locked and not commingled in any manner. At the completion of each team count and prior to cashier verification and acceptance, the funds and paperwork are locked in separate locations within the count room. Only the funds, paperwork, and keys associated with the count funds being accepted by the cashier are available to the count team members and the cashier accepting the funds.

An example of the above process follows:

- Table games count is conducted at 2:30 a.m. and upon completion of the count the funds and paperwork are secured in the drop box rack. The keys associated with the table games count are checked back into the locked key box(s).
- Kiosk count is conducted next at 3:30 a.m. Upon completion of the count, the funds and paperwork are secured in the kiosk rack and the associated keys are checked back into the locked key box(s).
- Slot count is conducted next at 5:00 a.m. Upon completion of the slot count, the cashier enters the count room to verify and accept the slot funds. Upon completion of accepting the slot funds, the count team immediately checks the keys back into the locked key box(s) and a count team member forwards the paperwork to accounting.
- The count team members transferring the table games funds to the cashier then check out the necessary keys and enter the count room with the cashier. The count team retrieves the table games count funds and paperwork from the drop box rack. Upon completion of accepting the table games count funds, the count team immediately checks the keys back into the locked key box(s) and a count team member forwards the paperwork to accounting.
- The kiosk count team members transferring the funds to the cashier then check out the necessary keys and enter the count room with the cashier. The count team retrieves the

kiosk count funds and paperwork from the kiosk rack. Upon completion of accepting the kiosk count funds, the count team immediately checks the keys back into the locked key box(s) and a count team member forwards the paperwork to accounting.

- The intent is to ensure each verification and acceptance of count proceeds (table games, kiosk, slot) is performed and accepted independently from each other.

In the event that the paperwork has been forwarded to accounting but the funds are not transferred to the cage after each verification and acceptance of funds, the verified and accepted funds for table games, kiosks, and slots must be physically segregated in the count room.

Cashier Verification Process

At the completion of the count team's count, the count team leader and another team member transfer accountability of the count funds to the cashier. This accountability transfer and cashier verification process must take place in the count room. Each type of unverified count funds (table games, kiosk and slot) are segregated, secured, counted and accepted individually. The cashier verifies the total by independently piece counting the funds. Under no circumstance will funds be commingled and funds must be maintained in separate locked cabinets/racks prior to verification and acceptance by the cashier, if the cashier does not immediately accept the funds.

The cashier's count of the table games, kiosk, and slot proceeds consists of the following for each type:

- The cashier will piece count all $100's, $50's and partial straps.
- At a minimum, the cashier will piece count one of every five straps of $20's, $10's, $5's and $1's.
- The cashier will count the remaining funds by strap to arrive at the total being accepted.
- If there are any differences between the cashier's count and the count team's count by strap or in total, the cashier will recount, by piece, all funds until all discrepancies are resolved.

Until the cashier accepts the funds, which is indicated by the completion and signing of all paperwork, at least two count team members must remain with the funds.

To indicate the acceptance of the funds from the count team, the cashier signs the corresponding paperwork. The paperwork for table games funds includes the master games sheet. The paperwork for kiosk funds includes the Kiosk Count Form. The paperwork for slot funds includes the Slot Summary Report, the Count (Weigh)/Wrap Variance Report, and/or the BV Summary. The count funds are recorded on the Daily Cash Summary as applicable. Each count process is complete when the cashier verifies the funds and accepts accountability of the funds. As each count process is completed all documentation from the count, including all tickets and slot coupons, must be **immediately** delivered directly to accounting personnel, or deposited in a locked accounting box by a count team member.

Count Room (Monies not Secured)

If the count room serves as a coin room and the coin room inventory is not secured to preclude access by the drop/count team, an inventory of the monies must be performed prior to the start of drop procedures including preparation time before the official start of the drop and count. The coin room inventory must be counted by at least two persons, one of whom is a member of the drop and/or count team and the other who is independent of the drop and/or count process (typically a cashier). The count is recorded on an appropriate form. Both individuals performing the count must sign the inventory form attesting to the amount counted. Upon completion of the count, the ending coin room inventory must be counted by at least two persons, one of whom is a member of the drop and/or count team and the other who is independent of the drop and count process. This inventory must be compared to the beginning inventory and any discrepancies resolved. The individuals performing the ending inventory of unsecured monies must also sign the inventory form attesting to the amount counted. The inventory form must be included with the count paperwork.

B. TABLE GAMES DROP AND COUNT

Table Games Drop Team Requirements

The drop team consists of:

- Drop team leader, and
- Two team members, one of which must be from security

The table drop team cannot consist of any members from the table count team. At least one drop team member must be independent of table game transactions being dropped.

Table Games Drop Procedures

Drop procedures are performed at the end of each shift and at times which have previously been submitted to the Division on a Drop and Count Schedule. Licensees must have a minimum of one table game shift for each twenty-four hour period. The term “shift” for table games drop and count refers to the licensee’s established shifts, which would be the entire gaming day if only one shift is conducted. Table drops must commence no more than one hour after the scheduled times submitted to the Division on the Drop and Count Schedule.

Access to stored drop boxes, full or empty, is restricted to authorized members of the drop and count teams through appropriate key controls. The gaming manager must authorize access to the drop boxes for the performance of maintenance. Drop box racks for empty and full table and poker jackpot award drop boxes are located in a locked and secured area where access is restricted (in the drop box rack in the count room).

If the drop team accidentally attaches the wrong box to a table, an identification tag showing the correct table number, game type, and shift must be securely attached to the box. This

identification must be left on the drop box until the count of that shift is finished. The incident is also noted on the Table Games Activity Log.

The drop team members obtain the table and poker jackpot award drop box(s) (jackpot drop box(s)), table drop box release keys, the count room key, and the table drop box rack key(s). The drop box rack is the secure enclosure in which the boxes are kept when not attached to the table.

After table inventory procedures are completed, a drop team member must exchange the full drop boxes with empty drop boxes. Another drop team member must physically verify that the empty drop boxes are securely locked into place on the tables.

When the exchange of boxes is complete, the entire drop team transports the table and jackpot drop boxes directly to the table drop box rack. One team member locks the full drop boxes in the rack. Another team member physically verifies the rack is securely locked. Boxes remain in the locked rack until the count takes place.

At the conclusion of the drop, the drop team members, along with a member from security, immediately return the drop keys to the corresponding locked key box(s).

Persons authorized to remove the drop boxes from each table must not have access to table drop box content keys during the transfer of the boxes. The gaming manager must not have access to the table and jackpot award drop box contents key during the drop.

If a drop box cannot be removed from the table during the drop due to mechanical difficulties, all play must stop until the mechanical difficulty is rectified, the box is removed and the drop box for the next shift is put into place. If the table or poker jackpot award drop box cannot be removed from the table and the situation cannot be rectified, the licensee must notify the Division for disposition.

Table Games Drop – Multi-Shift Drop Boxes

A multiple compartment table game drop box may be used when more than one shift is used in a day, which will result in multiple shifts with only one table games drop box removal each day. After table inventory procedures are completed, multi-shift drop boxes are not removed from the table and replaced with a new drop box during shift change (unless it is the last shift of the gaming day). For shift change, the drop team consists of one licensed individual who obtains the table multi-shift drop box shift change key and proceeds to the pit. The drop person cannot participate on the soft count team. The table multi-shift drop box shift change key may not be keyed the same as the table drop box release key or the table drop box content key.

Upon completion of the table game inventory and dropping the closer inventory slip in the appropriate shift compartment, the drop person switches the box to the next shift position using the table multi-shift drop box shift change key. The pit supervisor verifies the correct shift compartment is open by inserting the drop paddle into the slot of the drop box and verifying all remaining slots are closed. The opening inventory slip is dropped into the next shift

compartment of the box. The table multi-shift drop box shift change key is immediately returned to the locked key box upon completion of the boxes being switched.

Normal drop procedures apply for the end of the gaming day drop.

Emergency Drop Procedures

The drop team requirements for emergency drops are the same as for a regularly scheduled drop.

The drop box is tagged with the table number, drop team signatures, the date, shift, and indicating "emergency drop funds". The funds are immediately taken to the count room and secured in the drop box rack.

The funds must be secured at all times until counted in accordance with ICMP count procedures.

Early Table Games Drop Procedures

If a licensee is closing the pit early **and** performs the soft drop at a time other than the regularly scheduled time, the Early Table Drop Log must be completed with the following information:

1. Date,
2. Day,
3. Time of the table drop,
4. Time pit closed,
5. Names of team members participating in the drop,
6. Reason for early closing.

The Early Table Drop Log is forwarded to accounting upon completion and at least at the end of the month, whichever occurs first.

Table Games Count Team Requirements

The table games count team consists of:

- A count team leader, and
- Two or more count team members.

The count team members are rotated on a routine basis. Rotation of count team members must be such that the count team does not consist of the same three individuals for more than five consecutive counts.

The count team must be independent of the transactions being reviewed, dropped, counted, and the subsequent accountability of the drop proceeds.

The table count team cannot consist of the same members as the table drop team.

Table Games Count Procedures

Count procedures are performed only at times previously submitted to the Division on a drop and count schedule. Count should commence at the previously designated time; however, count may commence at any time up to one hour after the previously designated time. No such window will be allowed prior to the scheduled count time. Permanent changes to the count time must be submitted prior to the requested change date. Such designation is made to the Division prior to opening gaming operations and prior to making changes to drop and count times previously submitted to the Division. All unscheduled counts (i.e., temporary changes) must be tracked and documented, in writing, throughout the month. See additional instructions on the form at the end of this section. Count team requirements for unscheduled counts are the same as for any regularly scheduled count.

The count team leader, escorted by the gaming manager and security, obtains the count keys. The count keys include table drop box content key(s), count room key, table drop box release key, the table drop box rack key, and table multi-shift drop box shift change key (if applicable). All keys must remain on the count table in full view when not in use.

Each box is individually counted and the funds attributed to the proper table. Under no circumstances shall more than one box be opened or counted at any one time.

For multi-shift drop boxes, the count team may count the contents of each box (graveyard, day and swing shifts, if applicable) prior to proceeding to the next drop box. The count team must ensure the monies for each shift, if applicable, are segregated through out the count process. The count team must ensure the monies counted are documented and attributed to the correct table and shift, if applicable.

The opener unlocks the drop box, empties the funds from the box, and shows the verifier and the camera that the box is empty. The verifier acknowledges that the box is empty. The acknowledgment must be obvious when reviewing surveillance, such as looking into the box and nodding the head. The recorder must be independent of the first count processes.

The opener ensures the proper drop slot on the drop box is open and relocks the box.

Two count team members (other than the recorder) sort the slips, chips and monies from the drop box. The recorder may participate in the sorting of slips; however, he/she cannot participate in the sorting or counting of any currency and/or chips/tokens.

All slips and other forms, other than cash and chips, are given to the recorder to be examined for correctness and recorded on the master games sheet. Cash and chips are placed in the center of the count table, prior to sorting. No sorting may take place until all money and chips are placed in the center of the table.

The total face value of coupons used must be recorded on the soft count card and included in the drop portion of the Master Games Sheet.

The total value of non-cashable chips must be recorded on the soft count card and included in the drop portion of the Master Games Sheet.

All currency, chips and tokens are then sorted and independently counted by denomination by two count team members, other than the recorder. The count date and the amounts by denomination are recorded on the soft count card for the table drop boxes, or the poker jackpot count card for the jackpot drop boxes, by the recorder. The total value of non-cashable chips must be recorded on the soft card and included in the drop portion of the Master Games Sheet. No counting may take place until all bills from the drop box are sorted by denomination. However, if a currency counter that discriminates by denomination is used, the team may sort into denominations after the dual count. The total count per count card is calculated and compared to a second total physical count conducted by the second count team member. If the amounts agree, the total count of currency, chips, and tokens is recorded as the drop amount for that particular table on the Soft Count Card and the Master Games Sheet by the recorder.

If a licensee has more than one jackpot drop box for a particular award, it must ensure that all boxes are counted and amounts from those boxes are added together to arrive at the incremental change of each respective liability. The increase in the jackpot liability is the total jackpot rake.

A Soft Count Card is required to be completed for each box unless a currency counter produces an individual tape for each box. In this case, the tape may replace the Soft Count Card. Each tape must reflect the same information required on the Soft Count Card and must be signed by the recorder. If the currency counter tape is used in addition to the Soft Count Card, it is attached to the Soft Count Card.

The recorder completes the Master Games Sheet prior to capturing the count team members' signatures. Accounting may complete the AGP and hold percentage calculation on the summary. If accounting completes this information, a different color of ink must be used and the accounting personnel must initial and date next to the appropriate section on the form.

At the end of the count for each shift, two team members independently verify the currency, chips and tokens counted for that shift, one of which can be the recorder. If a currency counter that discriminates and sorts the bills is used, only one count of the currency for the shift is required. If any discrepancies are noted between the final count for the shift and the calculated total for the shift, the funds must be recounted until all discrepancies are resolved prior to transferring the accountability of the count funds to the cashier.

At the completion of the count, all count team members sign the Master Games Sheet attesting to their participation on the count and accuracy of the count funds documented on the paperwork. Additionally, if a currency counter is used, and it produces a summary page of the count, or is used to verify the total count, all count team members must sign and date this page of the currency counter tape.

One count team member locks the drop box racks containing the empty drop boxes. Another team member physically verifies the drop box racks are securely locked. When the count is complete, the count team leader must ensure that the count keys are returned to the designated locked key boxes pursuant to standard key check in/out procedures. Refer to the Key Control section for additional information.

At the completion of the count, the count team leader and another team member transfer accountability of the funds to the cashier. The cashier verifies the total by independently counting the funds. The cashier accepting the drop proceeds must not have participated in the count. The cashier signs the Master Games Sheets attesting to the accuracy of the monies received, that it agrees to the count paperwork and immediately returns the Master Games Sheets to the count team leader. The count team leader and another team member are present during the cashier verification process.

If Poker Jackpot Count Cards were completed, the copy (yellow) of the cards must be delivered by a count team member to the cashier who retains them until retrieved by the person designated to update the jackpot liability. Alternatively, a count team member may deliver the copy (yellow) of the Jackpot Count Cards directly to the designated person responsible for updating the liability.

At the completion of the count, the funds are receipted into the cashier cage and the accountability on the Daily Cash Summary is increased. The table games count proceeds may also be secured in the vault and recorded as a vault transfer from the cage to the vault.

At the completion of the count, all keys checked out to complete the count are immediately returned to the corresponding locked key box(s).

All documents from the table drop boxes and all documents generated during the count, except the copy (yellow) of the Poker Jackpot Count Cards, are immediately forwarded directly to accounting by a count team member. This may be achieved by the count team member placing the documentation in an accounting locked box or by delivering it immediately to accounting personnel after the documents are fully completed and all necessary signatures have been obtained. In no case will these documents be accessible to cashier personnel**,** except for the express purpose of providing required signatures on gaming documents, and then only in the presence of the count team leader.

C. SLOT MACHINE DROP AND COUNT

The slot drop and count team members must be rotated on a routine basis. Rotation is such that the teams are rotated a minimum of one drop and one count a month. Rotation is achieved when at least one team member is different. Additionally, at least one team member must be independent of transactions being reviewed, dropped, (i.e., this member cannot participate in jackpot payouts, fills, etc.) and the subsequent accountability of the proceeds.

Slot drops must be conducted at the scheduled times which have been previously submitted to the Division on the Drop and Count Schedule (see form at the end of this section). Slot drop must commence at the previously designated time; however, drop may commence at any time up to one hour after the previously designated time. No such window will be allowed prior to the scheduled slot drop time. Permanent changes to the drop time are to be submitted prior to the requested change date. All unscheduled drops/counts (i.e., temporary changes) must be tracked and documented, in writing, throughout the month. See additional instructions on the Drop and Count Schedule at the end of this section. Drop and count team requirements for unscheduled drops and counts are the same as for any regularly scheduled drop and count.

Licensees are required to develop, maintain and adhere to a drop plan as defined in Slot Drop Procedures.

The slot count must be performed immediately following the slot drop, allowing for a reasonable amount of time for break purposes.

A drop includes removing and not replacing funds from a slot machine. Any time a drop is performed, all statistical reports must be prepared and must accurately reflect metered to actual information for whatever funds are dropped. BV boxes may be dropped more frequently than the coin drop buckets. For example, drops that include only BV contents must have accurate statistical reports that include a comparison of metered bill/ticket/slot coupon drop to actual bill/ticket/slot coupon drop. All applicable statistical reports must be prepared and the Monthly Slot Revenue Summary updated to include the drop period information. The last drop of the month must include both coin and BV drop.

Emergency Drop Procedures

The drop team requirements for emergency drops are the same as for a regularly scheduled drop.

If the funds are not immediately taken to the count room to be counted, they may be placed in an emergency drop cabinet. The emergency drop cabinet is a single keyed compartment located in the count room, or a two keyed compartment located on the floor under surveillance. If a single keyed cabinet is used, the key is maintained in locked box 1 and/or the Drop Key Box. For a two keyed cabinet, one key is maintained in locked box 1. The second key is maintained in locked box 2 and/or in the Drop Key Box. When these two keys are checked out, two separate licensed individuals must maintain them.

To perform the emergency drop of funds to be placed in the emergency drop cabinet, the drop team checks out the necessary keys, including the emergency drop cabinet key. The coin funds are removed from the machine and placed in a bag. The BV box is also removed from the machine and placed in a bag. The coin bag and BV bag are sealed to prevent unauthorized access. The coin bag and the BV bag are tagged with the machine number, the machine denomination, drop team signatures, the date, and indicating “drop funds”. The tagged coin bag and BV bag are taken to and secured in the emergency drop cabinet.

If the machine remains on the floor and attached to the drop cabinet, the bagged funds may be stored in the drop cabinet and retrieved by the drop team during the next scheduled drop. If the machine is being removed from the floor, the proceeds may be stored in the drop cabinet of a neighboring machine. The funds must be secured at all times until counted in accordance with ICMP count procedures.

In the case where the hopper funds are also removed, the hopper funds are bagged and tagged as noted above, except recorded as "hopper funds". Drop funds shall not be commingled with hopper funds.

Restricted Access to Drop/Count Funds

Access to unverified drop/count funds must be restricted to drop and count team members only. All drop funds must be secured from the beginning of the drop process through the time the cashier accepts the funds. Uncounted drop monies must be secured in the count room. No one is allowed access to the count room during the drop team's and count team's break periods. All BV boxes must have a lock to restrict access to the box contents. This lock must be keyed differently than the BV release key. The drop team secures the uncounted buckets and BV boxes by locking the count room. In addition, BV boxes must be secured in a locked rack.

Meter Readings

Meters must be captured in conjunction with each drop, immediately before or after the drop and before gaming commences on the slot machine being dropped. Licensees who have successfully tested their slot monitoring system and submitted the acknowledgement letter or who have received written approval from the Division for the use of their slot monitoring system may utilize system meter readings. Licensees without an approved system must manually record the meter readings. If the meters are read manually, the licensed employee responsible for reading the meters must be completely independent of the functions related to the generation and subsequent accountability of any slot related transaction or revenue, independent of the entire drop and count function or have only acted as a verifier on jackpots and fills and not a drop or count team member for the associated drop. The meter readings are transferred to accounting immediately after they are completed.

When the casino is open, the person reading and manually recording meters in conjunction with drop for non-communicating machines, system testing, and/or new machine testing, may enter the drop area as defined in the Licensee's drop plan. Refer to Slot Drop Procedures for drop plan component requirements. The person recording the meters must exit the drop area at the completion of that function. The licensee must establish internal procedures to be able to distinguish the person recording meters from the drop team members.

Slot Drop Team Requirements

The slot drop team consists of:

- A drop team leader,

- At least one other drop team member, and
- One or more observers (person who is physically present on the floor and observes but does not participate in the drop except to assist the team with the transportation of the drop cart; this must not interfere with his/her ability to perform the observation function). The observer(s) watches the other drop team members and ensures that all removed drop buckets and/or BV boxes are placed on the cart. The observer(s) guards the cart containing the removed drop buckets and/or BV boxes.

A licensee is responsible for meeting the above requirements and, based upon the operations, must have procedures in place to ensure no access is allowed to the slot drop funds by non-drop team members or patrons.

The slot drop team may consist of the same individuals as the slot count team.

Drop Key Procedures

Drop officially begins when either the slot drop or BV release keys are checked out. The drop team leader escorted by security obtains the drop keys (drop keys do not include the BV content key). The keys must be maintained and secured by the drop team at all times. When the drop is complete or during breaks, the drop team leader must ensure the drop keys are returned to the designated locked key boxes pursuant to standard key check in/out procedures. Refer to the Key Control section for additional information. The drop keys include the slot machine drop key, count room key, BV rack key, BV release key, and emergency drop cabinet key(s) (if applicable). In order to access the BV box on some slot machines, the drop team needs access to the slot machine door key. The slot drop team may not use the slot machine door key for any reason other than to drop the machines that require this key to access the BV box.

Slot Drop Procedure

All team members must remain within full view of each other throughout the slot drop process including transporting the drop buckets and BV boxes from the floor to the count room. While performing slot drop duties, the team members are precluded from performing any other gaming activities.

A licensee is required to develop, maintain and adhere to a slot drop plan that defines:

- the slot drop area. The slot drop area may be secured with the use of a designated observer(s) and/or distinctly defining the slot drop area with the use of ropes or other such physical segregation.
- procedures to ensure non-drop team members and patrons do not enter the defined slot drop area;
- procedures to adequately and timely secure machines prior to allowing patrons to resume gaming including times when the drop team has been unable to secure the machine;
- procedures for transporting slot drop funds from the machines being dropped to the cart;

- procedures to ensure slot drop funds are secured while being transported from the casino floor to the count room; and
- the process to ensure licensee regularly reviews the slot drop process and records any exceptions or variations to their established procedures.

If a patron is playing a slot machine that is being dropped, the patron must be asked to step away from the slot machine and out of the drop area until the drop of the machine(s) is completed. If a patron is playing a slot machine that is in a bonus round, the licensee may drop that machine at the completion of the bonus round so as to not interrupt the play of the bonus round.

The casino must ensure all coin buckets and BV boxes dropped are associated with the machine in which they are housed. The slot count must immediately follow the slot drop, allowing a reasonable amount of time for break purposes.

Scale Maintenance

The weigh scale located in the count room must be secure, and the calibration module sealed in a manner to prevent tampering and is accessible only by the calibrator. If the seal is broken, the scale must be recalibrated by an authorized technician prior to using the scale for count.

Whenever the calibration module is accessed, such access must be documented and the documentation signed by the manufacturer's representative and maintained by the licensee. The scale must be secured in a manner to prevent unauthorized access. This can be accomplished by using either a pre-numbered seal or a lock and key. If the licensee uses a pre-numbered seal, a log must be maintained and reconciled which lists the seal number, when it was applied, who applied it, when it was removed, who removed it, and the reason for scale access. If the licensee elects to secure the scale with a lock and key, the manufacturer or the manufacturer's representative must maintain the key. Alternatively, the key may be maintained in the locked key box(s), with only the manufacturer or manufacturer's representative having authority to obtain the key. The key control log must be completed each time the key is checked out.

Someone independent of the cashier cage, vault, slot, and count team functions (preferably accounting personnel or internal compliance officer) is required to be present whenever the calibration module is accessed.

The proper operation and maintenance of the weigh scale is the responsibility of each licensee. Employees operating weigh scales must be familiar with the proper operation procedures for their scale. In addition, they must be familiar with factors that may interfere with the accuracy of the scale.

The licensee's internal auditors or someone who is independent of the cashier cage, vault, slot department, and count team, at least on a quarterly basis shall test the weigh scale. The test results must be documented.

Slot Count Team Requirements

The slot count team consists of:

- Count team leader, and
- At least two other count team members. One of the three team members must be the recorder.

One count team member must obtain all the necessary documents to perform the count. At all times during the count, team members must be aware of the actions of the other team members to ensure safeguarding of the assets and reducing the risk of theft. The team members must be in view of each other and the funds. Prior to the count, the count team checks out the necessary keys to conduct the slot machine count. The count keys include the count room key, BV rack key, and BV content key. If emergency drops were conducted during the drop period, the count team may need to also check out the restricted key(s) to the cabinet containing the bags and BV box(s) dropped during the emergency drop(s). If the count team uses "test money", which is a predetermined amount of money and/or tickets, and the test money is maintained in the count room in a sealed compartment for the purpose of testing the currency counter, the count team also obtains the key to access the test money.

Coin Count Procedures

Prior to running each denomination through the count machine, a team member must test the machine with a predetermined number of coins or calibration weights. Another team member records the number of coins or amount/weight used to test the machine, number of coins or amount/weight counted by the machine, and any discrepancies. Both team members sign the Slot Summary Report to document the testing process. In the event that the scale is not functioning properly, the licensee must document the event.

The contents of each slot machine's drop bucket must be counted. The recorder must ensure the funds from the buckets are attributed to the correct machine. The recorder ensures the amount of drop per machine, total for each denomination, and the grand total is documented on the Slot Summary Report. If a weigh/scale tape is produced, the count team members sign and date the tape when the weigh/count is complete.

The coin is wrapped and/or bagged. During this process, at least two team members must be present. When the wrapping or bagging of coins and tokens is complete, the recorder counts all the wrapped or bagged coin and records the results by denomination on the Count (Weigh)/Wrap Variance Report and Slot Summary Report. Variances between the weigh and the wrap or bags count are calculated and documented on the Count (Weigh)/Wrap Variance Report and Slot Summary Report. The count team must investigate variances of 1% or more for coin by denomination and total and the results of the investigation must be documented. At least one team member, in addition to the recorder, must independently recount the wrap and verify the total on the Slot Summary Report.

All team members must sign the Slot Summary Report and Count (Weigh)/Wrap Variance Report as evidence of participation on the count team. The count team leader signs the Slot Summary Report as a team member and the count team leader must sign the certification section of the Slot Summary Report, certifying the transfer of the proceeds to the cashier. If count team members leave the room prior to the completion of the count, they must still sign the paperwork attesting to the weigh of the coin.

Bill Count Procedures

For the purpose of this subsection only, any reference to tickets also includes slot coupons.

The contents of each box must be individually counted and the funds must be attributed to the proper machines. These uncounted funds must be easily distinguishable by surveillance at all times and protected to ensure the funds are not misplaced, lost, misappropriated, or left uncounted. Under no circumstances may the funds from multiple boxes be commingled prior to the individual box count.

The counting of the boxes may be accomplished by:

1. Opening, extracting, and counting the contents of one box at a time, or
2. Opening multiple boxes at one time as long as the funds are physically segregated to prevent commingling of the funds until the contents of each box are individually counted. Examples of adequate physical segregation include:
    a. Rubber banding individual box contents with the box designation,
    b. Utilizing a divided container to hold the funds and the box designation for each box,
    c. Funds placed in a clear container using an automated count machine's header cards to distinguish the contents of each box.

The opener removes the funds from the BV box, and shows the verifier and surveillance that the box is empty. The verifier acknowledges that the box is empty. The acknowledgment must be obvious when reviewing surveillance, such as looking at the box and nodding the head. A count team member other than the recorder performs the first count of the money.

The recorder does not participate in counting the contents of the individual BV boxes. The recorder's duties are to ensure the proper recording of the BV contents and attributing them to the correct slot machine.

The recorder calculates and records the dollar amount of each denomination, and the dollar amount of the tickets (if applicable), on the BV Summary for each BV box. If the currency counter tape is used in addition to the BV Summary, it is attached to the BV Summary form and only grand totals must be entered on the BV Summary.

If a licensee utilizes an automated count machine, one which links the funds to the proper slot machine via scanning a count machine header card, the recorder is the individual that operates the counter and ensures that any rejected bills or tickets are attributed to the correct slot machine.

If a currency counter that discriminates bill denominations is used, a verification of the first count is not required. Otherwise, the verifier performs an independent second count of the bills and tickets for each BV box. The verifier verbally compares this amount with the recorder's amount. If there are any discrepancies between these two amounts, the verifier must recount the bills and/or tickets and the recorder must recalculate the amounts on the BV Summary. This procedure must be performed until all discrepancies are resolved. BV boxes must be secured upon completion of the individual BV box count.

At the end of the individual BV box count, all monies and tickets counted are independently counted by two count team members, one of who can be the recorder. If a currency counter that discriminates bill denominations is used, only one count of all monies for all boxes is required; otherwise, two separate counts must be performed.

If a licensee utilizes an automated count machine that performs a dual count (one by box and one in total) in one pass, then a count in total is not required; however, verification is required to replace the count in total. This is achieved by performing a bulk (brick, strap and loose) verification and comparing that total to the automated counter grand total. This total is traced to the total on the BV Summary.

If any discrepancies are noted between the counts, the bills, tickets and slot coupons must be recounted until all discrepancies are resolved prior to transferring the count to the cashier.

All team members must sign the BV Summary attesting to their participation in the count. The count team leader signs the BV Summary as a team member and the count team leader must sign the certification section of the BV Summary, certifying the transfer of the proceeds to the cashier. Additionally, if a currency counter is used, and it produces a summary page of the count, or is used to verify the total count, all count team members must sign and date this page of the currency counter tape.

At the completion of the count, the count team leader and another team member transfer accountability of the drop proceeds (coin and currency) to the cashier. See Cashier Verification Process subsection.

At the completion of the count, all keys checked out to complete the count are immediately returned to the corresponding locked key box(s).

All documents from the count are immediately forwarded directly to accounting by a count team member. This may be achieved by the count team member placing the documentation in the accounting locked box or by delivering it immediately to accounting personnel after the documents are fully completed and all necessary signatures have been obtained. In no case will these documents be accessible to cashier personnel**,** except for the express purpose of providing required signatures on gaming documents, and then only in the presence of the count team leader.

TITO Count Procedures

Tickets and coupons redeemed at the TITO device are dropped and counted as part of the regular slot drop and count procedures. For the purpose of this subsection only, any reference to tickets also includes coupons.

Prior to running tickets through the count machine, the machine must be tested by two count team members with a predetermined number of and/or dollar value of tickets to ensure accuracy of the machine. Each function of the count machine must be tested. If the count machine counts the number of tickets, then the number of tickets is tested. If the count machine counts the dollar value of the tickets, then the dollar value of the tickets is tested. The team members record the number and/or dollar value of tickets used to test the count machine, the number of and/or dollar value of tickets counted by the count machine, and any discrepancies. This test is documented on the BV Summary Report. Both team members sign the BV Summary to certify the testing process. In the event the count machine is not functioning properly, the licensee must document this event and attempt to resolve the malfunction.

Each BV must be individually counted and the tickets attributed to the TITO device that redeemed the tickets. The tickets and bills from the BV must be separated. This can be done by manually sorting the tickets and bills, or by running the bills and tickets through a count machine that distinguishes between the two. If the count machine can only provide the number of tickets in addition to the bill count for each slot machine, the tickets for each slot machine must be kept separate until counted. This can be accomplished by writing the slot machine number on the last or first ticket for that machine's stack of tickets, placing a divider (with the slot machine number) between each batch of tickets, or in a similar fashion which ensures the tickets are not commingled prior to the count of the tickets.

The count team **must produce a piece count and a dollar amount** of the tickets by TITO device and grand total. The counts by TITO device must be documented and the count team members must sign all such documentation. This can be accomplished by documenting the counts on the BV Summary, a currency counter tape, a calculator tape, or a ticketing system report generated by the count team. The tickets can be counted in the following ways:

- Manually by recording each ticket,
- Manually by utilizing a calculator tape,
- A currency counter machine that can read the ticket's bar code and produce a tape,
- A currency counter machine that can count the number of tickets and produce a tape,
- A scanner that can read the ticket's bar code and produce a tape or report,
- Entering the validation number from the ticket's bar code and producing a tape or report.

NOTE: It may be necessary to combine any of the above to produce both the piece count and the dollar amount.

If the licensee utilizes a count machine that communicates with the TITO system, and compares the tickets the system has recorded with the tickets counted during the count process, the tickets only need to be counted or scanned once by the count team members.

If the licensee does not utilize a count machine that communicates with the TITO system, the count team must perform two independent counts of the tickets. If there are any discrepancies between these two counts, the count team must investigate and document the results.

The recorder verifies the TITO device number and ticket amounts (piece count and dollar amount) were recorded or captured correctly during the first count.

Any problems encountered with the ticket count process must be documented by the count team and forwarded to accounting immediately following the count process.

The count team must produce the system generated Tickets from Slot Device Counted by Count Team Report.

If the count machine is not functioning correctly, the count team must perform a manual count of the tickets. When the tickets are counted manually, two independent counts of the tickets are required, one by the opener and one by the verifier.

All team members must sign all the paperwork produced by the count team regarding the counting of the tickets, i.e. counting machine tapes, system reports, calculator tapes, BV Summary Reports, etc. All ticketing count paperwork and tickets are immediately forwarded to accounting by a count team member at the conclusion of the count.

D. KIOSK DROP AND COUNT

The kiosk drop and count procedures outlined below are in addition to the procedures outlined for the slot drop and count.

Drop

Accounting personnel are prohibited from participating in the kiosk drop and/or count. A minimum of three licensed employees are required to perform the kiosk stacker drop. At least one drop team member must be independent of the kiosk transactions. For the purpose of this subsection only, any reference to tickets also includes slot coupons.

Kiosk stacker drops may be performed in conjunction with the licensee's slot machine drop, or more frequently, at scheduled times that have been previously submitted to the Division on the Drop and Count Schedule (see form in the Drop and Count section). Kiosk drop must commence no more than one hour after the scheduled times submitted to the Division on the Drop and Count Schedule. All unscheduled drops/counts (i.e., temporary changes) must be tracked and documented, in writing, throughout the month. See additional instructions on the Drop and Count Schedule.

Stackers must be dropped and secured in such a manner that access is restricted to authorized members of the drop and count teams through appropriate key controls. Access to the contents of the stacker is limited to the count team until the count is ready to be transferred to the cashier cage. Stacker racks shall be located in a locked and secured area where access is restricted.

Any time a kiosk drop is performed, and prior to any transactions being processed through the kiosk, someone independent of the count must run a kiosk report that reflects the total value of all tickets accepted by the kiosk, referred to as the Total In, and the total value of all payments issued by the kiosk, referred to as the Total Out. This report is immediately forwarded to accounting. This report must not be accessible by the count team.

On at least a monthly basis the cassettes and hopper funds must be removed from the kiosk and counted. Two licensed employees must count the funds. The count may be performed in the count room or the cage. This count is used for the kiosk reconciliation and does not affect gaming revenues. The cassettes and hoppers are then filled or replaced with an imprest amount and placed in the kiosk.

Count

Three count team members are required to perform the kiosk stacker count. The count team members are rotated on a routine basis. Rotation of count team members must be such that the count team does not consist of the same three individuals for more than five consecutive counts.

The count must be completed in the count room. The count can be performed daily or in conjunction with the slot machine counts. See TITO Count Procedures above for ticket counter testing and ticket count procedures.

The count team must produce the system generated Tickets from Kiosk Counted by Count Team Report.

The design of the Kiosk Count Form is at the licensee's discretion; however, at a minimum, the Kiosk Count Form must include the same information that is required on the BV Summary.

E. HOPPER DROP AND COUNT

The standard drop and count requirements discussed above apply to hopper drops and counts, except that a hopper summary report is used instead of the slot summary report.

Proper support for, and documentation of, all hopper adjustments must be maintained. See the end of this section for an example of a Hopper Summary Report that is used to document a hopper count. If the hopper drop and count is performed at the same time a regular drop and count is conducted, then the licensee must not commingle hopper funds with any other funds. The funds, as well as corresponding accountability, must remain separate.

Hopper adjustments must be made:

- When the denomination of the hopper is changed for a machine,
- When the machine's ticket functionality is activated,
- When moving a machine from one establishment to another establishment (i.e., different licensee, off-sight storage, etc.),
- When there is a change in ownership (i.e., when a new license is issued),
- When a business closes, or
- When the machine is removed from the floor.

Refer to the ICMP Section 11 Accounting for a discussion of the accounting treatment for hopper funds.

FORMS

Following is a description of the forms discussed in this section. In some cases, sample forms are provided. **It is the licensee's responsibility to ensure that all forms meet ICMP requirements.** See General section for further clarification.

Drop/Count, Operating Hours and Gaming Day Schedule

This form is completed each time a permanent change is made to either the drop and/or count scheduled times or days, operating hours or end of the gaming day prior to the requested date change. This form is emailed to **Casinos@spike.dor.state.co.us.**

Early Table Drop Log

The early table drop log is completed when the licensee is closing the pit early **and** is performing the table drop earlier than scheduled. The log is forwarded to accounting upon completion and at least at the end of the month by depositing the page in the locked accounting box.

Master Games Sheet

The master games sheet is used to record the information obtained during the table games count. Each shift has a separate master games sheet. The "gaming date" recorded on this form represents the actual date the gaming proceeds were generated. The "date counted" represents the actual date the gaming proceeds were counted and recorded.

Master Games Continuation Sheet

The master games continuation sheet is used to record multiple fills or credits to tables. The totals from the continuation sheet are carried forward to the master games sheet.

Poker Jackpot Count Card

The poker jackpot count card is a two-part form used to record the poker jackpot drop from each jackpot drop box during table games count. The total from each card is recorded on the master games sheet as total jackpot drop for that table.

Soft Count Card

The soft count card is used to record the drop from each table drop box during the table games count. The total from each card is recorded on the master games sheet as the drop for that table.

Bill Validator Summary & Continuation Page

This form is used to record the contents of the bill validator boxes. The "gaming date" recorded on this form represents the actual date(s) the gaming proceeds were generated. The "date counted" represents the actual date the gaming proceeds were counted and recorded.

Count (Weigh)/Wrap Variance Report

The count (weigh)/wrap variance report is used to record the slot count wrap and calculate the variance between the count (weigh) and wrap by denomination.

Hopper Summary Report and Continuation Page

This form is used to document hopper counts.

Meter Reading Summary (Bill)

The bill validator meter reading summary is used to record bill meter readings. Bill validator meter readings must be taken just prior to dropping the bill validator boxes, or after the bill validator drop but prior to gaming commencing.

Meter Reading Summary (Soft)

The soft meter reading summary is used to record the soft meter readings which are taken just prior to the slot drop, or after the slot drop but prior to gaming commencing.

Slot Summary Report & Continuation Page

The slot summary report is used to record the slot drop proceeds by slot machine, and the total amount transferred to the cashier cage. The “gaming date” recorded on this form represents the actual date(s) the gaming proceeds were generated. The “dated counted” represents the actual date the gaming proceeds were counted and recorded.