

CHAPTER 45

ACCOUNTING AND INTERNAL CONTROLS

Authority

N.J.S.A. 5:12-63(c) and (f), 69, 70(g), (j), (l) through (n), 99 and 101.

Source and Effective Date

R.2002 d.300, effective August 15, 2002.
See: 34 N.J.R. 1773(a), 34 N.J.R. 3287(a).

Chapter Expiration Date

Chapter 45, Accounting and Internal Controls, expires on August 15, 2007.

Chapter Historical Note

Chapter 45, Accounting And Internal Controls, was adopted as R.1978 d.178, effective May 25, 1978. See: 10 N.J.R. 212(a), 10 N.J.R. 306(d). Chapter 45 was amended by R.1975 d.172, effective June 19, 1975. See: 7 N.J.R. 343(a); R.1979 d.336, effective August 22, 1978. See: 11 N.J.R. 307(a), 11 N.J.R. 530(d); R.1980 d.504, effective on November 18, 1980. See: 12 N.J.R. 447(b), 13 N.J.R. 48(a); R.1981 d.272, effective August 16 and September 10, 1981. See: 13 N.J.R. 47(c), 13 N.J.R. 628(a), 13 N.J.R. 541(a); R.1981 d.437, effective November 16, 1981. See: 13 N.J.R. 534(b), 13 N.J.R. 848(b); R.1982 d.171, effective June 7, 1982. See: 13 N.J.R. 534(b), 14 N.J.R. 582(a); R.1982 d.189, effective June 21, 1982. See: 14 N.J.R. 381(a), 14 N.J.R. 664(c); R.1982 d.206, effective July 6, 1982. See: 13 N.J.R. 534(b), 14 N.J.R. 710(d); R.1982 d.171, effective June 7, 1982 (operative July 15, 1982). See: 13 N.J.R. 534(b), 14 N.J.R. 582(a), 14 N.J.R. 848(b); R.1982 d.189, effective June 21, 1982. See: 14 N.J.R. 381(a), 14 N.J.R. 664(c); R.1982 d.293, effective September 7, 1982. See: 14 N.J.R. 559(a), 14 N.J.R. 983(b); R.1982 d.329, effective October 4, 1982. See: 14 N.J.R. 708(a), 14 N.J.R. 1101(c); R.1983 d.112, effective March 29, 1983. See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).

Pursuant to Executive Order 66(1978), Chapter 45, Accounting and Internal Controls, was readopted as R.1983 d.125, effective April 7, 1983. See: 15 N.J.R. 240(a), 15 N.J.R. 699(a). Chapter 45 was amended by R.1983 d.239, effective June 30, 1983. See: 14 N.J.R. 1052(a), 15 N.J.R. 1040(b); R.1983 d.300, effective August 1, 1983. See: 14 N.J.R. 1053(a), 15 N.J.R. 1259(a); R.1984 d.135, effective April 16, 1984. See: 16 N.J.R. 361(a), 16 N.J.R. 927(a); R.1984 d.623, effective January 21, 1985. See: 16 N.J.R. 2075(b), 17 N.J.R. 211(b); R.1984 d.624, effective January 21, 1985 (operative September 30, 1985). See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a), 17 N.J.R. 1917(b); as R.1985 d.41, effective February 19, 1985. See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c); R.1985 d.229, effective May 20, 1985 (operative December 1, 1985). See: 17 N.J.R. 181(a), 17 N.J.R. 1327(a); R.1985 d.493, effective October 7, 1985 (operative December 1, 1985). See: 17 N.J.R. 1254(a), 17 N.J.R. 2456(a); R.1986 d.36, effective February 18, 1986 (operative March 1, 1986). See: 17 N.J.R. 2970(a), 18 N.J.R. 428(b); R.1986 d.77, effective April 7, 1986. See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b); R.1986 d.212, effective June 16, 1986. See: 17 N.J.R. 2969(a), 18 N.J.R. 1312(a); R.1986 d.240, effective July 7, 1986. See: 17 N.J.R. 2747(a), 18 N.J.R. 1402(c); R.1986 d.302, effective October 6, 1986. See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a); R.1986 d.308, effective August 4, 1986. See: 18 N.J.R. 1096(a), 18 N.J.R. 1614(b); R.1986 d.365, effective September 8, 1986. See: 18 N.J.R. 935(b), 18 N.J.R. 1839(b); R.1987 d.277, effective July 6, 1987 (operative November 1, 1987). See: 18 N.J.R. 1929(a), 19 N.J.R. 1237(a), 19 N.J.R. 1656(a); R.1987 d.302, effective July 20, 1987. See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a); R.1987 d.395, effective October 5, 1987. See: 19 N.J.R. 54(b), 19 N.J.R. 1826(b); R.1987 d.428, effective November 2, 1987. See: 19 N.J.R. 923(a), 19 N.J.R. 2065(a); R.1987

d.457, effective November 16, 1987. See: 19 N.J.R. 1290(a), 19 N.J.R. 2202(a); R.1988 d.34, effective January 19, 1988. See: 19 N.J.R. 1890(a), 20 N.J.R. 205(a).

Pursuant to the Executive Order 66(1978), Chapter 45, Accounting and Internal Controls, was readopted as R.1988 d.178, effective March 24, 1988. See: 20 N.J.R. 382(a), 20 N.J.R. 930(a).

Petition for Rulemaking: proposing new rule, N.J.A.C. 19:45-1.26A, regarding the redemption of checks and counterchecks by authorized agents for casino licensees. See: 21 N.J.R. 3677(b).

Pursuant to Executive Order No. 66(1978), Chapter 45, Accounting and Internal Controls, was readopted as R.1993 d.147, effective March 5, 1993. See: 25 N.J.R. 277(a), 25 N.J.R. 1519(a).

Pursuant to Executive Order No. 66(1978), Chapter 45, Accounting and Internal Controls, was readopted as R.1997 d.374, effective August 15, 1997. See: 29 N.J.R. 2629(b), 29 N.J.R. 4139(b).

Chapter 45, Accounting and Internal Controls, was readopted as R.2002 d.300, effective August 15, 2002. See: Source and Effective Date.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

| | |
|-------------|--|
| 19:45-1.1 | Definitions |
| 19:45-1.1A | Gaming day |
| 19:45-1.2 | Accounting records |
| 19:45-1.3 | Licensee's system of internal controls |
| 19:45-1.4 | Records regarding ownership |
| 19:45-1.5 | Forms, records and documents |
| 19:45-1.5A | Patron signature file |
| 19:45-1.6 | Standard financial and statistical reports |
| 19:45-1.7 | Annual audit and other reports |
| 19:45-1.8 | Retention, storage and destruction of books, records and documents |
| 19:45-1.9 | Complimentary services or items |
| 19:45-1.9A | Procedures for transportation expense reimbursements |
| 19:45-1.9B | Procedures for complimentary cash and noncash gifts |
| 19:45-1.9C | Alternative reporting procedures; accessible complimentaries database |
| 19:45-1.10 | Closed circuit television system; surveillance department control; surveillance department restrictions |
| 19:45-1.11 | Casino licensee's organization |
| 19:45-1.11A | Jobs compendium submission |
| 19:45-1.12 | Personnel assigned to the operation and conduct of gaming |
| 19:45-1.12A | Internal control procedures for access badge system and issuance of temporary license credentials |
| 19:45-1.13 | Firearms; possession within casino or casino simulcast-ing facility |
| 19:45-1.14 | Cashiers' cage; satellite cages; master coin bank; coin vaults |
| 19:45-1.14A | Simulcast counter |
| 19:45-1.15 | Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults |
| 19:45-1.15A | Accounting controls within the simulcast counter |
| 19:45-1.16 | Drop boxes and slot cash storage boxes |
| 19:45-1.17 | Drop boxes, transportation to and from gaming tables; slot cash storage boxes, transportation to and from bill changers; storage |
| 19:45-1.18 | Procedures for accepting cash and coupons at gaming tables |
| 19:45-1.18A | Presentation of recognized credit card or debit card in exchange for gaming chips or plaques |
| 19:45-1.19 | Acceptance of tips or gratuities from patrons |
| 19:45-1.20 | Table inventories |
| 19:45-1.21 | Procedure for opening tables for gaming |

- 19:45-1.22 Procedure for distributing gaming chips, coins and plaques to gaming tables
- 19:45-1.23 Procedure for removing gaming chips, coins and plaques from gaming tables
- 19:45-1.24 Procedure for acceptance, accounting for and redemption of patron cash deposits
- 19:45-1.24A Procedures for accepting, verifying and accounting for wire transfers and electronic fund transfers; wire transfer and electronic fund transfer fees
- 19:45-1.24B Procedure for sending funds by wire transfer or electronic fund transfer
- 19:45-1.25 Procedure for exchange of checks submitted by gaming or simulcast wagering patrons; repurchase of cash equivalents
- 19:45-1.25A Procedure for exchange of slot counter checks by slot patrons
- 19:45-1.26 Substitution, redemption and consolidation of patron checks at the cashiers' cage; initiation of transactions by mail
- 19:45-1.26A Acceptance of payments toward outstanding patron checks
- 19:45-1.27 Procedures for granting credit, and recording checks exchanged, redeemed or consolidated
- 19:45-1.27A Patron request for suspension of credit privileges
- 19:45-1.28 Procedure for depositing checks received from gaming patrons
- 19:45-1.29 Procedure for collecting and recording checks returned to the casino after deposit
- 19:45-1.30 Procedure for shift changes at gaming tables
- 19:45-1.31 Procedure for closing gaming tables
- 19:45-1.32 Count rooms; characteristics
- 19:45-1.33 Procedure for opening, counting and recording contents of drop boxes and slot cash storage boxes and the recording of keno revenue
- 19:45-1.34 Slot booths
- 19:45-1.35 Accounting controls for slot booths and change machines
- 19:45-1.36 Slot machines and bill changers; coin and slot token containers; slot cash storage boxes; entry authorization logs
- 19:45-1.36A Slot machines; hopper storage areas
- 19:45-1.37 Slot machines and bill changers; electronically erasable/programmable storage media; identifications; signs; meters
- 19:44-1.37A Electronic transfer credit systems
- 19:45-1.37B Slot machine tower light
- 19:45-1.37C Slot machines; tokenization; residual slot credit
- 19:45-1.38 Slot machines and bill changers; authorized locations; movements
- 19:45-1.39 Progressive slot machine jackpots
- 19:45-1.39A Linked slot machines interconnected in more than one casino; computer monitoring room
- 19:45-1.39B Table game progressive payout wagers
- 19:45-1.40 Jackpot payouts that are not paid directly from the slot machine
- 19:45-1.40A Jackpot payouts of merchandise or other things of value; cash jackpot payouts offered together with or as an alternative to jackpot payouts of merchandise or other things of value
- 19:45-1.40B Jackpot payouts in the form of an annuity
- 19:45-1.40C Multi-casino slot system jackpot payouts of cash
- 19:45-1.40D Inspection of slot machine jackpots
- 19:45-1.40E Jackpot payouts of cash by a slot attendant from an imprest pouch
- 19:45-1.41 Procedure for filling payout reserve containers of slot machines and hopper storage areas
- 19:45-1.41A Procedures governing the removal of coin, slot tokens and slugs from a slot machine hopper
- 19:45-1.42 Removal of slot drop buckets, slot drop boxes and slot cash storage boxes; unsecured currency; meter readings
- 19:45-1.43 Procedure for counting and recording contents of slot drop buckets and slot drop boxes
- 19:45-1.44 Commission-controlled keys for dual locks; casino licensee-controlled keys and locks; notice to the Commission and surveillance department upon malfunction and repair, maintenance or replacement of alarms
- 19:45-1.45 Signature
- 19:45-1.46 Procedures for control of coupon redemption and other complimentary distribution programs
- 19:45-1.46A Procedures and requirements for the use of an automated coupon redemption machine
- 19:45-1.46B Procedures and requirements for a bill changer which can accept coupons
- 19:45-1.47 Keno booths; satellite keno booths; keno lockers; roving keno work stations
- 19:45-1.47A Keno runners
- 19:45-1.47B Public keno areas
- 19:45-1.48 Accounting controls for the operation of keno booths, keno lockers and keno work stations
- 19:45-1.49 Keno drawer fill procedures
- 19:45-1.50 Keno drawer credit procedures
- 19:45-1.51 Keno computer system
- 19:45-1.52 Payment of table game progressive payout wagers
- 19:45-1.53 Accounting controls for chippers and chip carts
- 19:45-1.54 Gaming vouchers; physical characteristics; procedures for issuance and redemption
- 19:45-1.55 Computerized gaming voucher systems; required procedures

SUBCHAPTER 2. CASINO COMPUTER SYSTEMS

- 19:45-2.1 Definitions
- 19:45-2.2 Casino computer systems; authorized locations

SUBCHAPTER 1. GENERAL PROVISIONS

19:45-1.1 Definitions

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

“Annuity jackpot trust check” means a check issued by an annuity jackpot trust, as defined in N.J.S.A. 5:12-2.2, in payment of winnings from an annuity jackpot. An annuity jackpot trust check shall be made payable only to the person presenting the check and shall not contain any other endorsements.

“Asset number” means a unique number permanently assigned to a slot machine and a slot cash storage box for purposes of tracking that machine and storage box while owned by a casino licensee.

“Automated coupon redemption machine” means any mechanical, electrical or other device which operates independently of a slot machine and which, upon insertion of a valid casino coupon or currency, dispenses an amount of coin or slot tokens equivalent to the face value of the coupon or currency, and which immediately upon exchange cancels the coupon.

“Authorized instrument” means a cash equivalent, a casino check, a casino affiliate check, an annuity jackpot trust check or a replacement check.

"Bank" is defined in N.J.A.C. 19:45-1.25.

"Cage cashier" is defined in N.J.A.C. 19:45-1.15.

"Cage supervisor" means any person holding a license as required by the casino licensee's approved jobs compendium which allows that person to supervise personnel and functions within the cashier's cage.

"Cash" means currency or coin.

"Cash equivalent" means a:

1. Certified check, cashiers check, treasurers check, recognized travelers check or recognized money order that:

i. Is made payable to the casino licensee where presented, a holding company of the casino licensee, "bearer" or "cash";

ii. Is dated, but not postdated; and

iii. Does not contain any endorsement;

2. Certified check, cashiers check, treasurers check or recognized money order that:

i. Is made payable to the presenting patron;

ii. Is endorsed in blank by the presenting patron;

iii. Is dated but not postdated; and

iv. Does not contain any endorsement other than that of the presenting patron; or

3. Recognized credit card or debit card presented by a patron in accordance with the provisions of N.J.A.C. 19:45-1.18A or 1.25(i).

"Cash equivalent value of any merchandise or thing of value" is defined in N.J.A.C. 19:45-1.40A.

"Cashiers' cage" is defined in N.J.A.C. 19:45-1.14.

"Casino Accounting Department" (accounting department) is defined in N.J.A.C. 19:45-1.11.

"Casino clerk (Pit clerk)" is defined in N.J.A.C. 19:45-1.12.

"Casino supervisor" means a person employed in the operation of a casino or of the authorized games in a casino simulcasting facility in a supervisory capacity or empowered to make discretionary decisions which regulate casino operations, including but not limited to, boxpersons, floorpersons, pit bosses, poker shift supervisors, table games shift managers, the assistant casino manager, and the casino manager.

"Check" is defined in N.J.A.C. 19:45-1.25.

"Check credit slip" is defined in N.J.A.C. 19:45-1.25.

"Checking account" is defined in N.J.A.C. 19:45-1.25.

"Chief gaming executive" means the natural person located at a single casino hotel facility who is responsible for the daily conduct of an applicant's or casino licensee's gaming business including, except as otherwise specified therein, the direct or indirect supervision of the departments required or authorized by N.J.A.C. 19:45-1.11, regardless of the applicant's or casino licensee's form of business association or the particular title which that person or any other person holds. Unless the chief gaming executive also serves as the "chief executive officer" of the applicant or casino licensee in the manner authorized by N.J.A.C. 19:40-1.2, the chief gaming executive shall report directly to the chief executive officer of the applicant or casino licensee.

"Closer" means the original of the Table Inventory Slip upon which each table inventory is recorded at the end of each shift.

"Coin vault" is defined in N.J.A.C. 19:45-1.14.

"Commission inspector" means any authorized representative of the Commission.

"Compensation" means direct or indirect payments for services performed including, but not limited to, salary, wages, bonuses, deferred payments, and overtime and premium payments.

"Complimentary distribution program" is defined in N.J.A.C. 19:45-1.46.

"Complimentary services or items" is defined in N.J.A.C. 19:45-1.9.

"Complimentary Vigorish Form" is defined in N.J.A.C. 19:47-3.3(c)3i and 7.3(c)3i.

"Counter Check" is defined in N.J.A.C. 19:45-1.25.

"Coupon" means a document which is issued in accordance with the coupon redemption and complimentary distribution programs in N.J.A.C. 19:45-1.46(a), and includes a match play coupon and a progressive wager coupon.

"Credit card cash transaction" means a transaction in which a patron obtains cash or slot tokens from a cashier by presenting a recognized credit card in accordance with the provisions of N.J.A.C. 19:45-1.25(i).

"Credit Slip" is known as a "Credit" and is defined in N.J.A.C. 19:45-1.23.

"Debit card cash transaction" means a transaction in which a patron obtains cash or slot tokens from a cashier by presenting a recognized debit card in accordance with the provisions of N.J.A.C. 19:45-1.25(i).

"Denomination," when used in conjunction with or in reference to a slot machine, means the value of the lowest wager that can be placed on the slot machine.

"Derogatory information" is defined in N.J.A.C. 19:45-1.27(c)2iii.

"Drop box" is defined in N.J.A.C. 19:45-1.16.

"Electronic fund transfer" means a transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. For the purposes herein, the term does not include a debit card cash transaction as defined in this section, a debit card chip transaction as defined in N.J.A.C. 19:45-1.18A(a), or any transactions exempt, by statute or regulation, from the provisions of Title IX of the Federal Consumer Protection Act, 15 U.S.C. § 1693.

"Fill Slip" is known as a "Fill" and is defined in N.J.A.C. 19:45-1.22.

"Gaming voucher credit" means the equivalent value of coins or slot tokens registered on the credit meter of a slot machine as a result of a patron inserting a gaming voucher into the slot machine, which value shall also be recorded on the value voucher in meter.

"Gaming voucher system" is defined in N.J.A.C. 19:45-1.55.

"Handle" means the total value of coins, slot tokens, including foreign slot tokens, currency, coupons, gaming vouchers, and electronic credits invested by a patron to activate the play of a slot machine.

"Hopper fill" is defined in N.J.A.C. 19:45-1.41.

"Hopper inventory level" means the total dollar value of the initial fill of a slot machine hopper or an adjusted total that includes any subsequent increases in the total dollar value of the initial fill.

"Hopper storage area" is defined in N.J.A.C. 19:45-1.36A.

"Identification credential" means a valid credit card, driver license, passport or other document generally accepted in business as a form of identification and which contains, at a minimum, the person signature. A personal reference does not constitute an identification credential.

"Imprest basis" means the basis on which cashiers' cage and slot booth funds are replenished from time to time in exactly the value of the net of expenditures made from the funds and value received. A review is made by a higher authority of the propriety of the expenditures before the replenishment.

"Incompatible function" means a function, for accounting control purposes, that places any person or department, in a position to both perpetrate and conceal errors or irregularities in the normal course of his duties. Anyone recording transactions and having access to assets ordinarily is in a position to perpetrate errors or irregularities. Persons may have incompatible functions if such persons are members of departments which have supervisors not independent of each other.

"Jackpot Payout Receipt" is defined in N.J.A.C. 19:45-1.40.

"Jackpot Payout Slip" is defined in N.J.A.C. 19:45-1.40.

"Keno booth" is defined in N.J.A.C. 19:45-1.47.

"Keno drawer" is defined in N.J.A.C. 19:45-1.48.

"Keno drop" means the sum of the total value of currency, coin, gaming chips, coupons and slot tokens wagered on keno tickets.

"Keno payout" means the currency, coin or casino check paid to a player in exchange for a winning keno ticket.

"Keno request" is defined in N.J.A.C. 19:47-15.1.

"Keno ticket" is defined in N.J.A.C. 19:47-15.1.

"Keno win or loss" means the total value of currency, coin, gaming chips, coupons and slot tokens wagered by patrons at keno less the total value of currency and coin paid to patrons for winning keno wagers.

"Keno work station" is defined in N.J.A.C. 19:45-1.47.

"Master coin bank cashier" is defined in N.J.A.C. 19:45-1.15.

"Master Game Report (Stiff Sheet)" means a record of the computation of the win or loss or, for the game of poker, the poker revenue, for each gaming table, each game, and each shift.

"Match play coupon" means a coupon with a fixed, stated value that is issued, utilized and redeemed pursuant to N.J.A.C. 19:45-1.18 and 1.46, and the stated value of which, when presented by a patron with gaming chips which are equal to or greater in value to the stated value of the coupon, is included in the amount of the patron's wager in determining the payout on any winning bet at an authorized game.

"Opener" means the duplicate copy of the table inventory slip upon which each table inventory is recorded at the end of each shift and serves as the record of each table inventory at the beginning of the next succeeding shift.

"Outstanding patron check" means any Counter Check, Slot Counter Check or replacement check that is not due for deposit or presentation pursuant to N.J.A.C. 19:45-1.28 and has not in fact been deposited or presented for payment or redeemed by the drawer.

"Pari-mutuel window net" means the total value of credit vouchers issued and wagers placed on simulcast horse races at a pari-mutuel window less the total value of simulcast payouts at the same pari-mutuel window. Pari-mutuel window net shall be calculated by the totalisator.

"Patron cash deposit" means the total value of cash, cash equivalents, complimentary cash gifts, slot tokens, prize tokens, gaming chips or plaques deposited with a casino licensee by a patron for his or her subsequent use pursuant to N.J.A.C. 19:45-1.24.

"Patron check" means a Counter Check, a Slot Counter Check or a replacement check.

"Payout" is defined in N.J.A.C. 19:45-1.40, 1.40A, and 1.54.

"Poker revenue" means the total value of rake charged to patrons at all poker tables pursuant to N.J.A.C. 19:47-14.14. The poker revenue is determined by adding the value of cash, coupons, the amount recorded on the Closer, the totals of amounts recorded on the Credits and issuance copies of Counter Checks removed from a drop box, the total of the amounts recorded on documents that evidence the exchange of gaming chips or plaques as part of credit card or debit card chip transactions, and subtracting the amount on the Opener and the total of amounts recorded on Fills removed from a drop box.

"Progressive wager coupon" means a coupon that:

1. Is issued, utilized and redeemed pursuant to N.J.A.C. 19:45-1.18 and 1.46;
2. Has a fixed, stated value that is equal to that required for a table game progressive payout wager; and
3. Is redeemable only at specified table games offering progressive payout wagers pursuant to N.J.A.C. 19:45-1.39B.

"Propriety" means the quality of being proper; conforming to sections of this chapter.

"Rake" is defined in N.J.A.C. 19:47-14.1.

"Recognized credit card" means a credit or charge card that:

1. Is issued by or under an agreement with a company that, as a normal part of its business, supplies its customers, either directly or through a national credit card network, with credit or charge cards that can be used for and are routinely accepted in consumer transactions;

2. Qualifies as a credit card for purposes of Regulation Z issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 226);

3. Expires on an expiration date that is imprinted on the card and is later than the date of the transaction for which the card is presented; and

4. Has a clearly visible registered credit card logo that is a permanent part of the card.

"Recognized debit card" means a debit card that:

1. Is issued by or under an agreement with a company that qualifies as a "depository institution" as defined in Section 19(b) of the Federal Reserve Act, 12 U.S.C. § 461(b), and that, as a normal part of its business, supplies its customers, either directly or through a registered debit card verification agency, with access to funds maintained for the cardholder in such depository institution by means of a debit card that is routinely accepted in consumer transactions or used to obtain cash;

2. Qualifies as an access device for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and

3. Has a clearly visible registered debit card logo that is a permanent part of the card.

"Redemption receipt" is defined in N.J.A.C. 19:45-1.26.

"Registered credit card logo" means a logo, permanently affixed on a recognized credit card, that a casino licensee, prior to accepting the card, has designated in its internal controls as the type of logo that must appear on any such card before the casino licensee will accept the card in a credit card cash or chip transaction and that is commonly seen on credit or charge cards that are routinely accepted in the United States, including, without limitation, the following:

1. American Express;
2. Carte Blanche;
3. Diners Club;
4. Discover;
5. MasterCard; or
6. Visa.

"Registered debit card logo" means a logo, permanently affixed on a recognized debit card, that a casino licensee, prior to accepting the card, has designated in its internal controls as the type of logo that must appear on any such card before the casino licensee will accept the card in a debit card cash or chip transaction and that is commonly seen on debit cards that are routinely accepted in the United States, including, without limitation, the following:

1. Money Access Card (MAC); or
2. New York Cash Exchange (NYCE).

"Registered debit card verification agency" means an organization that:

1. Verifies, upon request from a merchant, the validity and account sufficiency of a recognized debit card in the normal course of its business;

2. Is authorized to perform the verification for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and

3. A casino licensee has identified in its internal controls as a company that will be used to verify recognized debit cards that are presented in debit card cash or chip transactions.

“Registered electronic funds transfer company” means an organization that:

1. Verifies, upon request from a merchant, the validity and account sufficiency of a recognized credit card in the normal course of its business;

2. Is authorized to perform the verification for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and

3. A casino licensee has identified in its internal controls as a company that will be used to verify recognized credit cards that are presented in credit card cash or chip transactions.

“Replacement check” is defined in N.J.A.C. 19:45-1.26.

“Request for Fill” is defined in N.J.A.C. 19:45-1.22.

“Request for Credit” is defined in N.J.A.C. 19:45-1.23.

“Request for Jackpot Payout Slip” is defined in N.J.A.C. 19:45-1.40.

“Residual slot credit” means a slot machine credit, on a slot machine equipped with tokenization, in an amount which is less than the denomination of the token that the slot machine is designed to accept and pay out, and which cannot be totally and automatically paid from the slot machine for that reason.

“Returned check” is defined in N.J.A.C. 19:45-1.29.

“Security department member” means any person employed by a casino licensee or its agent to provide physical security in an establishment.

“Shift” means the regular, daily work period of a group of employees administering and supervising the operation of table games, slot machines, simulcast counter, keno booths, cashiers’ cage and satellite cages, working in relay with another such succeeding or preceding group of employees or specific times, as approved by the Commission, during the day that all drop boxes attached to gaming tables are removed, expeditiously transported to the count room, and replaced with empty ones.

“Signature” is defined in N.J.A.C. 19:45-1.45.

“Simulcast count sheet” is defined in N.J.A.C. 19:45-1.15A(b).

“Simulcast handle” means the total value of currency, coin, gaming chips, slot tokens and coupons wagered by patrons on a simulcast horse race, less the total value of canceled or refunded tickets.

“Slot booth” is defined in N.J.A.C. 19:45-1.34.

“Slot cashier” is defined in N.J.A.C. 19:45-1.35.

“Slot cash storage box” is defined in N.J.A.C. 19:45-1.16.

“Slot counter check” is defined in N.J.A.C. 19:45-1.25A.

“Slot drop box” is defined in N.J.A.C. 19:45-1.36.

“Slot drop bucket” is defined in N.J.A.C. 19:45-1.36.

“Slot machine drop” means the total value of coins, slot tokens, and foreign slot tokens in a slot drop bucket or a slot drop box, the total value of currency, gaming vouchers and coupons in a slot cash storage box, and the total value of electronic credits withdrawn from patron accounts pursuant to N.J.A.C. 19:45-1.37A, if applicable.

“Slot machine win” means the value determined by subtracting the hopper fills, other than initial fills of slot machine hoppers and hopper storage areas or any subsequent increases to those initial fills, cash payouts pursuant to N.J.A.C. 19:45-1.40, and gaming vouchers redeemed pursuant to N.J.A.C. 19:45-1.54 from the slot machine drop.

“Table game drop” means the sum of the total value of currency, coin, coupons other than match play coupons and 50 percent of the total value of match play coupons, the total amounts recorded on issuance copies of Counter Checks removed from a drop box, and the total of the amounts recorded on documents that evidence the exchange of gaming chips or plaques as part of credit or debit card chip transactions.

“Table game win or loss” means the value of gaming chips and plaques and cash won from patrons at gaming tables less the value of gaming chips, plaques and coins won by patrons at gaming tables other than poker tables and the value paid to patrons in cash or by casino check for progressive payout wagers in accordance with N.J.A.C. 19:45-1.39B and 1.52. The table game win or loss is determined by adding the value of cash, total value of coupons other than match play coupons and 50 percent of the total value of match play coupons, the amount recorded on the Closer, the totals of amounts recorded on the Credits and the issuance copies of Counter Checks removed from a drop box, the total of the amounts recorded on documents that evidence the exchange of gaming chips or plaques as part of credit or debit card chip transactions, and the total of the amounts recorded on Complimentary Vigorish Forms that document uncollected baccarat or minibaccarat vigorish, subtracting the amount recorded on the Opener and the total of amounts recorded on fills removed from a drop box, and making any adjustments required by the internal controls of the casino licensee to account for the value of any progressive payout wagers paid pursuant to N.J.A.C. 19:45-1.39B and 1.52.

"Tokenization" means the capacity of a slot machine to accept and pay out a slot token of a denomination that is greater in value than the denomination of a slot machine game contained within the slot machine, for example, a nickel slot machine game contained in a slot machine which only accepts and pays out \$1.00 tokens.

"Travel Disbursement Voucher" is defined in N.J.A.C. 19:45-1.9A.

"Unredeemed gaming voucher record" is defined in N.J.A.C. 19:45-1.54.

"Unsecured currency," "unsecured gaming voucher" and "unsecured coupon" are defined in N.J.A.C. 19:45-1.42.

"Vault cashier" is defined in N.J.A.C. 19:45-1.12.

"Verbalize" means to orally express something in words.

"Wire transfer" means a transfer of funds by means of the Federal Reserve Bank wire system in accordance with the requirements of 12 CFR 210.25 et seq. and the Commission's rules.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

"Cash equivalent" and "identification credentials" added.
Amended by R.1983 d.112, effective March 29, 1983.
See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).

Originally filed as an emergency adoption (R.1983 d.37) on January 27, 1983. Readopted as R.1983 d.112. Added "or items" to definition of "complimentary services." Deleted definition of junket.
Amended by R.1984 d.623, effective January 21, 1985.
See: 16 N.J.R. 2075(b), 17 N.J.R. 211(b).

Added the word "coupons" to the definition "change person".
Amended by R.1985 d.41, effective February 19, 1985.
See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c).

"Cash equivalent" substantially amended.
Amended by R.1986 d.77, effective April 7, 1986.
See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b).

Added definition "casino check".
Amended by R.1987 d.302, effective July 20, 1987.
See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).

Definitions amended.
Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).

Amended by R.1988 d.34, effective January 19, 1988.
See: 19 N.J.R. 1890(a), 20 N.J.R. 205(a).

Deleted definition for "Affiliate".
Amended by: R.1988 d.387, effective August 15, 1988.
See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).
Amended by R.1989 d.233, effective May 1, 1989.
See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).

Added definitions for "cage supervisor" and "wire transfer".
Amended by R.1989 d.611, effective December 18, 1989.
See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).

Added "Travel Disbursement Voucher".
Amended by R.1990 d.2, effective January 2, 1990.
See: 21 N.J.R. 2954(a), 22 N.J.R. 63(a).

In "Casino check": stylistic changes, adding phrase "or for winnings ... payoffs."

In "Slot machine": deleted language regarding a special token to be exchanged for merchandise or thing of value.
Amended by R.1991 d.152, effective March 18, 1991.
See: 22 N.J.R. 3708(b), 23 N.J.R. 885(a).

Added "Automated coupon redemption machine" and "change machine".

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

Added definitions of "master coin bank cashier," "slot cashier" and "slot counter check."

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

Added definitions: "Asset number," "Location number" and "Manufacturer's serial number."

Amended by R.1991 d.301, effective June 17, 1991.

See: 23 N.J.R. 191(a), 23 N.J.R. 1963(b).

Added definitions for "bank," "check," and "checking account" with N.J.A.C. references.

Amended by R.1991 d.381, effective August 5, 1991.

See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).

Added definition of "Chief executive officer".

Amended by R.1992 d.233, effective June 1, 1992.

See: 23 N.J.R. 3085(a), 24 N.J.R. 2078(a).

Added definition of "coin vault."

Amended by R.1992 d.360, effective September 21, 1992.

See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).

Hopper storage area provisions added.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Simulcast provisions added.

Amended by R.1993 d.75, effective February 16, 1993.

See: 24 N.J.R. 2536(a), 24 N.J.R. 4243(a), 25 N.J.R. 717(a).

Added definition of "coupon"; amended definition of "Table game drop".

Administrative correction to definition of "slot counter check."

See: 25 N.J.R. 1519(b).

Amended by R.1993 d.144, effective April 5, 1993.

See: 24 N.J.R. 2692(b), 25 N.J.R. 1520(a).

Added definition of complimentary distribution program.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1993 d.491, effective October 4, 1993.

See: 25 N.J.R. 2227(b), 25 N.J.R. 4615(a).

Amended by R.1993 d.492, effective October 4, 1993.

See: 25 N.J.R. 3107(b), 25 N.J.R. 4618(a).

Amended by R.1994 d.31, effective January 18, 1994.

See: 25 N.J.R. 4866(a), 26 N.J.R. 486(a).

Amended by R.1994 d.33, effective January 18, 1994 (operative February 22, 1994).

See: 25 N.J.R. 4737(a), 26 N.J.R. 489(a).

Amended by R.1994 d.69, effective February 7, 1994.

See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).

Amended by R.1994 d.137, effective March 21, 1994.

See: 25 N.J.R. 5902(a), 26 N.J.R. 1373(b).

Amended by R.1994 d.141, effective March 21, 1994.

See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

Amended by R.1994 d.471, effective September 19, 1994.

See: 26 N.J.R. 2212(a), 26 N.J.R. 3891(c).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Administrative Correction.

See: 27 N.J.R. 382(a).

Amended by R.1995 d.40, effective January 17, 1995.

See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).

Amended by R.1995 d.285, effective June 5, 1995.

See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

Amended by R.1995 d.430, effective August 7, 1995.

See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).

Amended definition of "Table game win or loss".

Amended by R.1995 d.466, effective August 21, 1995.

See: 27 N.J.R. 2113(a), 27 N.J.R. 3219(a).

Added definition of "Annuity jackpot trust check".

Amended by R.1996 d.31, effective January 16, 1996.

See: 27 N.J.R. 3921(a), 28 N.J.R. 281(a).

Amended definitions of "Table game drop" and "Table game win or loss".

Amended by R.1996 d.314, effective July 15, 1996.

See: 28 N.J.R. 1612(a), 28 N.J.R. 3622(a).
 Amended by R.1996 d.350, effective August 5, 1996.
 See: 28 N.J.R. 2348(a), 28 N.J.R. 3816(a).
 Amended by R.1996 d.439, effective September 16, 1996.
 See: 28 N.J.R. 2809(a), 28 N.J.R. 4236(a).
 Amended by R.1996 d.486, effective October 21, 1996.
 See: 27 N.J.R. 4992(a), 28 N.J.R. 4601(a).
 Amended by R.1996 d.562, effective December 2, 1996.
 See: 28 N.J.R. 3900(a), 28 N.J.R. 5082(a).
 Amended by R.1997 d.130, effective March 17, 1997.
 See: 28 N.J.R. 2807(a), 29 N.J.R. 918(a).
 Added "Vault cashier".
 Amended by R.1997 d.131, effective March 17, 1997.
 See: 28 N.J.R. 4572(a), 29 N.J.R. 919(a).
 Added "Redemption receipt".
 Amended by R.1997 d.132, effective March 17, 1997.
 See: 28 N.J.R. 5160(a), 29 N.J.R. 923(a).
 Deleted "Gaming chips and plaques".
 Amended by R.1997 d.423, effective October 6, 1997.
 See: 28 N.J.R. 4181(b), 29 N.J.R. 4304(b).
 Amended "Match play coupon".
 Amended by R.1997 d.489, effective November 17, 1997.
 See: 29 N.J.R. 1289(a), 29 N.J.R. 4862(b).
 Amended "Slot machine win"; and added "Hopper inventory level".
 Amended by R.1998 d.18, effective January 5, 1998.
 See: 29 N.J.R. 3432(b), 30 N.J.R. 112(b).
 Amended "Cage supervisor" and "Casino supervisor".
 Amended by R.1998 d.267, effective June 1, 1998.
 See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
 In "Identification credential", inserted "document generally accepted in business as a" following "other".
 Amended by R.1998 d.369, effective July 20, 1998.
 See: 30 N.J.R. 298(a), 30 N.J.R. 2637(a).
 Inserted "Authorized instrument" and "Outstanding patron check".
 Amended by R.1999 d.43, effective February 1, 1999.
 See: 30 N.J.R. 3173(a), 31 N.J.R. 455(a).
 Inserted "Complimentary Vigorish Form"; and in "Table game win or loss", inserted "and the total of the amounts recorded on Complimentary Vigorish Forms that document uncollected baccarat or mini-baccarat vigorish," following "debit card chip transactions," in the second sentence.
 Amended by R.2000 d.333, effective August 21, 2000.
 See: 32 N.J.R. 1918(a), 32 N.J.R. 3076(a).
 In "Cash equivalent", added reference to holding companies of casino licensees in 1i.
 Amended by R.2001 d.451, effective December 3, 2001.
 See: 33 N.J.R. 772(a), 33 N.J.R. 4151(b).
 Deleted "Theoretical slot machine payout percentage".
 Amended by R.2002 d.282, effective September 3, 2002.
 See: 34 N.J.R. 655(a), 34 N.J.R. 3128(a).
 Added "Electronic fund transfer".
 Amended by R.2003 d.4, effective January 6, 2003.
 See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
 Rewrote the section.
 Amended by R.2003 d.161, effective April 21, 2003.
 See: 35 N.J.R. 88(c), 35 N.J.R. 1689(b).
 Added "Denomination", "Residual slot credit" and "Tokenization".
 Petition for Rulemaking.
 See: 35 N.J.R. 5171(b).
 Petition for Rulemaking.
 See: 36 N.J.R. 892(a).
 Amended by R.2004 d.464, effective December 20, 2004.
 See: 36 N.J.R. 3473(a), 36 N.J.R. 5703(a).
 Inserted "Derogatory information".
 Amended by R.2005 d.12, effective January 3, 2005.
 See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).
 Deleted "Jackpot".
 Amended by R.2005 d.86, effective March 7, 2005.
 See: 36 N.J.R. 623(a), 37 N.J.R. 789(a).
 Rewrote "Chief executive officer".
 Petition for Rulemaking.
 See: 37 N.J.R. 812(a).
 Amended by R.2005 d.216, effective July 5, 2005.
 See: 36 N.J.R. 3242(a), 37 N.J.R. 2561(a).

Deleted "Access control".

19:45-1.1A Gaming day

(a) The "gaming day" for a casino licensee on a calendar day which has not been approved for extended hours of operation pursuant to N.J.S.A. 5:12-97(a) shall commence at 10:00 A.M. or the actual time when the casino opens to the public, whichever is later, and shall terminate:

1. At 4:00 A.M. on the next calendar day, if the next calendar day is a weekday which is not a holiday;
2. At 6:00 A.M. on the next calendar day, if the next calendar day is a Saturday, Sunday or State or Federal holiday;
3. In accordance with (b) below, if the next calendar day has been approved by the Commission for extended hours of casino operation pursuant to N.J.S.A. 5:12-97(a); or
4. When the casino actually closes if such time is earlier than the time specified in (a)1 through 3 above.

(b) The "gaming day" for a casino licensee on a calendar day which has been approved for extended hours of operation pursuant to N.J.S.A. 5:12-97(a) shall commence and terminate, and the end of the gaming day for the previous calendar day shall terminate, at those times set forth in the approved system of internal procedures and administrative and accounting controls of each casino licensee. Each casino licensee may establish a gaming day for slot machines which is different from its gaming day for table games and different from its gaming day for the game of keno; provided, however, that no gaming day shall be longer than 24 hours.

New Rule, R.1992 d.110, effective March 2, 1992.
 See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
 Amended by R.1995 d.285, effective June 5, 1995.
 See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

19:45-1.2 Accounting records

(a) Each casino licensee shall maintain complete, accurate, and legible records of all transactions pertaining to the revenues and costs for each establishment.

(b) General accounting records shall be maintained on a double entry system of accounting with transactions recorded on the accrual basis. Detailed, supporting, subsidiary records sufficient to meet the requirements of (c) below shall also be maintained in accordance with the requirements of this chapter.

1. The Commission shall periodically prescribe a uniform chart of accounts and accounting classification in order to insure consistency, comparability, and effective disclosure of financial information.

i. The chart of accounts shall provide the classifications necessary to prepare the standard financial statements required by N.J.A.C. 19:45-1.6.

ii. The prescribed chart of accounts shall be the minimum level of detail to be maintained for each accounting classification by the licensee.

iii. The licensee shall not use other than the prescribed chart of accounts but may, with the permission

of the Commission, expand the level of detail for some or all accounting classifications and/or alter the account numbering system. In such instances, the licensee shall provide to the Commission, upon request, a cross-reference from the licensee's to the prescribed chart of accounts.

(i) Licensees shall report to the Commission essential details of any loans, borrowings, installment contracts, guarantees, leases, or capital contributions no later than 10 days after the end of the month in which the transaction or event occurs.

(j) Copies of all financial statements and statistical reports required to be filed with the Commission shall be furnished by the licensee to the Division.

As amended, R.1984 d.135, effective August 16, 1984.
See: 16 N.J.R. 361(a), 16 N.J.R. 927(a).

(c): delete alternative basis for quarterly reports.
Amended by R.1996 d.160, effective March 18, 1996.
See: 28 N.J.R. 75(a), 28 N.J.R. 1559(a).
Amended by R.2005 d.86, effective March 7, 2005.
See: 36 N.J.R. 623(a), 37 N.J.R. 789(a).

In (d), inserted reference to "Chief Gaming Executive".
Petition for Rulemaking.
See: 37 N.J.R. 812(a).

19:45-1.7 Annual audit and other reports

(a) Each casino licensee, unless specifically exempted by the Commission, shall, at its own expense, cause its annual financial statements to be audited in accordance with generally accepted auditing standards by an independent certified public accountant licensed to practice in the State of New Jersey.

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

(c) The financial statements required by this section shall include a footnote reconciling and explaining any differences between the financial statements included in the casino licensee's annual report, filed in conformity with N.J.A.C. 19:45-1.6, and the audited financial statements. Such footnote shall, at a minimum, disclose the effect of such adjustments on:

1. Revenues from the casino and authorized games in the casino simulcasting facility;
2. Casino simulcasting revenues;
3. Revenues net of complimentary services;
4. Total costs and expenses;
5. Income before extraordinary items; and
6. Net income.

(d) Two copies of the audited financial statements, together with the report thereon of the casino licensee's independent certified public accountant, shall be filed with the Commission and the Division not later than April 30 following the end of the calendar year.

(e) Each licensee shall require its independent certified public accountant to render the following additional reports:

1. Report on material weaknesses in internal accounting control. Whenever in the opinion of the independent certified public accountant there exists no material weaknesses in internal accounting control, the report shall so state.

2. Report expressing the opinion of the independent certified public accountant that based on his examination of the financial statements the licensee has followed, in all material respects during the period covered by his examination, the system of internal accounting control approved by the Commission. Whenever, in the opinion of the independent certified public accountant, the licensee has materially deviated from the system of internal accounting control approved by the Commission or the accounts, records, and control procedures examined are not maintained by the licensee in accordance with the Casino Control Act and this chapter, the report shall enumerate such deviations and such areas of the system no longer considered effective, and shall make recommendations regarding improvements in the system of internal accounting control.

3. The licensee shall prepare a written response to the independent certified public accountant's reports required by (e) 1 and 2 above. The response shall indicate, in detail, the corrective actions taken. Such response shall be submitted to the Commission and Division within 90 days from receipt of the independent certified public accountant's reports.

(f) In accordance with the requirements of section 146 of the Casino Control Act, each licensee who has made a decision to pay the in lieu taxes prescribed by that section on his licensed premises and whose decision has been approved by the Commission shall file with the Department of the Treasury, not later than 90 days following the completion of the project, a schedule which details by major classification, the costs incurred in the project. Accompanying the schedule shall be a report expressing the opinion of the licensee's independent certified public accountant that such costs are presented fairly in such schedule.

(g) Two copies of the reports required by (e) above, and two copies of any other reports on internal accounting control, administrative controls, or other matters relative to the licensee's accounting or operating procedures rendered by the licensee's independent certified public accountant, shall be filed with the Commission and the Division by the licensee by April 30 following the end of the calendar year or upon receipt, whichever is earlier.

(h) If the casino licensee or any of its affiliates is publicly held, the licensee or the affiliate shall submit five copies to the Commission and one copy to the Division of any report, including, but not limited to, forms S-1, 8-K, 10-Q, 10-K, proxy or information statements and all registration statements, required to be filed by such licensee or affiliates with the Securities and Exchange Commission or other domestic

or foreign securities regulatory agency, at the time of filing with such commission or agency.

(i) If an independent certified public accountant who was previously engaged as the principal accountant to audit the casino licensee's financial statements resigns or is dismissed as the casino licensee's principal accountant, or another independent certified public accountant is engaged as principal accountant, the casino licensee shall file a report with the Commission and the Division within 10 days following the end of the month in which such event occurs, setting forth the following:

1. The date of such resignation, dismissal or engagement.
2. Whether in connection with the audits of the two most recent years preceding such resignation, dismissal, or engagement there were any disagreements with the former accountant on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements if not resolved to the satisfaction of the former accountant would have caused him to make reference in connection with his report to the subject matter of disagreement, including a description of each such disagreement. The disagreements to be reported include those resolved and those not resolved.
3. Whether the principal accountant's report on the financial statements for any of the past two years contained an adverse opinion or disclaimer of opinion or was qualified. The nature of such adverse opinion, disclaimer of opinion, or qualification shall be described.
4. The casino licensee shall request the former accountant to furnish to the casino licensee a letter addressed to the Commission, with a copy furnished to the Division, stating whether he agrees with the statements made by the casino licensee in response to (i) of this section. Such letter shall be filed with the Commission as an exhibit to the report required by (i) of this section.

Amended by R.1981 d.272, effective September 10, 1981.

See: 13 N.J.R. 47(c), 13 N.J.R. 628(a).

Amended by R.1991 d.470, effective September 16, 1991.

See: 23 N.J.R. 2006(a), 23 N.J.R. 2868(b).

In subsections (b), (d) and (g), deleted "fiscal" from text to update rule.

Amended by R.1992 d.500, effective December 21, 1992.

See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a).

In (h), added copy requirements, including proxy and registration statements.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Simulcast provisions added at (c)1 and 2.

Amended by R.1996 d.29, effective January 16, 1996.

See: 27 N.J.R. 4176(a), 28 N.J.R. 282(a).

(e)2 required reported deviations to be material.

19:45-1.8 Retention, storage and destruction of books, records and documents

(a) All original books, records and documents pertaining to the casino licensee's operations and approved hotel shall be:

1. Prepared and maintained in a complete, accurate and legible form;
2. Retained on the site of the approved hotel building or at another secure location approved in accordance with (d) below for the time period specified in (c) below;
3. Held immediately available for inspection by agents of the Commission and Division during all hours of operation;
4. Organized and indexed in such a manner so as to provide immediate accessibility to agents of the Commission and Division; and
5. Destroyed only after:
 - i. Expiration of the minimum retention period specified in (c) below, except that the Commission may, upon the written petition of any casino licensee and for good cause shown, permit such destruction at an earlier date; and
 - ii. Written notice to the Commission and Division in accordance with (f) below.

(b) For the purposes of this section, "books, records and documents" shall be defined as any book, record or document pertaining to, prepared in or generated by the operation of a casino, a casino simulcasting facility or an approved hotel including, but not limited to, all forms, reports, accounting records, ledgers, subsidiary records, computer generated data, internal audit records, correspondence and personnel records. This definition shall apply without regard to the medium through which the record is generated or maintained, for example, paper, magnetic media or encoded disk.

(c) All original books, records and documents shall be retained by a casino licensee in accordance with the following schedule. For purposes of this subsection, "original books, records or documents" shall not include copies of originals, except for copies which contain original comments or notations or parts of multi-part forms.

1. The following original books, records and documents shall be retained indefinitely unless destruction is requested by the casino licensee and approved by the Commission:
 - i. Corporate records required by N.J.A.C. 19:45-1.4;
 - ii. Records of corporate investigations and due diligence procedures;
 - iii. Current casino employee personnel files; and
 - iv. A record of any original book, record or document destroyed, identifying the particular book, record or document, the period of retention and the date of destruction.

2. The following original books, records and documents shall be retained by a casino licensee for a minimum of five years:

- i. Gaming-related documents not otherwise specified in (c)3 below, including, without limitation, records concerning gaming-related casino service industries;
- ii. Personnel files of terminated casino employees; and
- iii. Any other original book, record or document not otherwise specified in this subsection.

3. The following original books, records and documents shall be retained by a casino licensee for a minimum of four years from the date of the actual filing of the gross revenue tax return pursuant to N.J.A.C. 19:54-1.7 for the tax year in which the book, record or document was generated:

- i. Casino cage documents;
- ii. Documentation supporting the calculation of table game win;
- iii. Except as otherwise provided in (c)6 and 8 below, documentation supporting the calculation of slot machine win;
- iv. Gaming vouchers that are reported as suspicious pursuant to N.J.A.C. 19:45-1.54(d)5, and gaming vouchers that the gaming voucher system fails to verify and electronically cancel;
- v. Documentation supporting the calculation of poker revenue;
- vi. Documents associated with the accounting and reconciliation of assets contained within the keno drawers, including the reporting of overages and shortages, keno fill slips, keno credit slips, keno count sheets and reports generated by the keno computer system; and
- vii. Documentation supporting the calculation of the provision for uncollectible patron checks pursuant to N.J.A.C. 19:54-1.6.

4. The following original books, records and documents shall be retained by a casino licensee for a minimum of three years:

- i. Hotel income audit documents, including, without limitation, telephone call records and charges;
- ii. Non-gaming hotel-related documents, including, without limitation, records concerning hotel guests; records concerning banquets; food and beverage documents; records of retail stores, accounts receivable and other records of transactions in which the casino licensee is a vendor; and entertainment records;
- iii. Payroll records, except as provided in (c)1 above;
- iv. Signature cards of terminated employees;

- v. Marketing department records;
- vi. Security incident reports;
- vii. Insurance department records relating to guest claims and copies of arrest records;
- viii. Credit union records;
- ix. Hotel-related documents which pertain to the purchasing department and accounts payable department;
- x. Patron gaming records;
- xi. Records concerning junkets;
- xii. Petty cash documentation;
- xiii. General ledgers and supporting journals; and
- xiv. Accounts receivable documents from store rentals and travel wholesalers.

5. The following original books, records and documents shall be retained by a casino licensee for a minimum of one year:

- i. Complimentary settled guest checks;
- ii. Card and dice transaction and inventory reports;
- iii. Returned check aging reports, except for year-end reports;
- iv. Vendor registration forms;
- v. Register tapes and room service checks;
- vi. Files and workpapers used to prepare budgets;
- vii. Records generated by the mailroom;
- viii. Advertising records;
- ix. Slot department daily activity logs;
- x. Any document, except for a document specified in (c)3ii through vi above, for which the casino licensee can demonstrate that the information contained thereon is duplicative or less than that recorded on another document retained in accordance with (c)1 through 4 above; and

xi. With the exception of cashed pari-mutuel tickets and credit vouchers, the original books, records and documents related to the revenues and expenses of casino simulcasting, including, but not limited to, all reports generated by the totalisator and all records maintained in accordance with N.J.A.C. 19:45-1.2(c)10, shall be retained by a casino licensee or a hub facility for a minimum of one year.

6. The following original books, records and documents shall be retained by a casino licensee for a minimum of six months:

- i. Coupons entitling patrons to cash, slot tokens, gaming chips or plaques or simulcasting wagers, pro-

gressive wager coupons or match play coupons, including unused, voided and redeemed coupons;

ii. Gaming vouchers redeemed at any location other than a slot machine pursuant to N.J.A.C. 19:45-1.54, and which have been verified and electronically cancelled by the gaming voucher system;

iii. Voided gaming vouchers;

iv. Redeemed or voided keno tickets;

v. The following hotel income audit documents: Cashier reports, room tally reports, over/short reports, rate variations and missing check reports;

vi. Load count arrival forms;

vii. Credit card settled guest checks pertaining to restaurant and bar charges;

viii. Room charge settled guest checks pertaining to restaurant and bar charges;

ix. Credit card vouchers used to settle guest checks in restaurants and bars;

x. Guest check control sheets used to control the issuance and return of guest checks to cashiers, bartenders and food servers;

xi. Credit applications with unused lines of credit;

xii. Surveillance employee duty logs, VCR/tape logs, and equipment malfunction reports;

xiii. Zeroed-out countercheck envelopes;

xiv. Emergency drop box approval forms; and

xv. Solicited resumes or employment applications, provided that such documents pertain to persons who were not hired by the casino licensees.

7. The following original books, records and documents shall be retained by a casino licensee for a minimum of 90 days:

i. Surveillance department visitor logs;

ii. Coin bag tags, provided that the information contained thereon is duplicative or less than that recorded on another document; and

iii. Documents relating to promotions, such as entry forms and game tickets.

8. The following original books, records and documents shall be retained by a casino licensee for a minimum of 30 days:

i. Hotel cashier envelopes;

ii. Cashed pari-mutuel tickets and credit vouchers shall be retained by a casino licensee for a minimum of 30 days from the date on which they are cashed, canceled or refunded in the casino licensee's casino simulcasting facility; and

iii. Gaming vouchers redeemed at slot machines pursuant to N.J.A.C. 19:45-1.54, and which have been verified and electronically cancelled by the gaming voucher system;

9. The following original books, records and documents do not have to be retained by a casino licensee for any minimum period of time, but may be destroyed only upon notice in accordance with (f) and (g) below:

i. Any serially pre-numbered form required by Commission rules that is blank or unused, unless otherwise specified by this section; and

ii. Any original book, record or document that has been copied and stored on a microfilm, microfiche or other media system approved by the Commission.

10. The following original books, records and documents do not have to be retained by a casino licensee for any minimum period of time, and may be destroyed without notice otherwise required by (f) below:

i. Parking ticket stubs;

ii. Coat check tickets;

iii. Housekeeping reports;

iv. Maintenance department records;

v. Patron mailing lists;

vi. Blank entry forms;

vii. Bellman and baggage forms;

viii. Cash settled guest checks;

ix. Food credit and complimentary beverage coupons;

x. Drink chits;

xi. Food and beverage order slips;

xii. Bottle sales slips;

xiii. Showroom starter slips;

xiv. Communication department records;

xv. Unsolicited resumes or letters requesting employment;

xvi. Register tapes, provided that the information contained thereon is duplicative or less than that recorded on another document retained in accordance with (c)3 above;

xvii. Survey questionnaires regarding service in the casino hotel;

xviii. Records of hours worked by persons employed in gaming-related positions in an abstract or other readily accessible format;

xix. Any blank or unused form except as provided in (c)8i above, unless otherwise specified by this section;

- xx. Keno requests; and
- xxi. Laundry charges.

(d) A casino licensee may petition the Commission at any time for approval of a facility off the site of the approved hotel building to be used to generate or store original books, records and documents. Such petition shall include:

1. A detailed description of the proposed off-site facility, including security and fire safety systems; and
2. The procedures pursuant to which Commission and Division agents will be able to gain access to the original books, records and documents retained at the off-site facility.

(e) A casino licensee may petition the Commission for approval of a microfilm, microfiche or other suitable media system for the copying and storage of original books, records and documents. Such a system shall be approved if it contains the following elements to the satisfaction of the Commission:

1. A system that provides for the processing, preservation and maintenance of books, records and documents in a form which makes them readily available for review and copying on the site of the approved hotel building or other site approved by the Commission;
2. A system of inspection and quality control which ensures that microfilm, microfiche or other media when displayed on a reader (viewer) or reproduced on paper exhibit a high degree of legibility and readability;
3. A reader-printer available for use by the Commission or Division on the site of the approved hotel building or other site approved by the Commission which permits the ready location, reading and reproduction of any book, record or document being stored on microfilm, microfiche or other media; and
4. A detailed index of all microfilmed, microfiched or other stored data maintained and arranged in such a manner as to permit the immediate location of any particular book, record or document.

(f) A casino licensee shall notify the Commission and the Division in writing at least 15 days prior to the scheduled destruction of any original book, record or document. Such notice shall list each type of book, record and document scheduled for destruction, including a description sufficient to identify the books, records and documents included; the retention period; and the date of destruction. Each casino licensee shall retain this record of destruction in accordance with (c)1 above.

(g) The Commission or the Division may prohibit the destruction of any original book, record or document by so notifying the casino licensee in writing within 15 days of the receipt of notice of destruction pursuant to (f) above. Such original book, record or document may thereafter be de-

stroyed only upon notice from the Commission or Division, or by order of the Commission upon the petition of the casino licensee or by the Commission on its own initiative.

(h) The casino licensee may utilize the services of a disposal company for the destruction of any books, records or documents except those related to credit. Any cash complimentary coupons to be destroyed by a disposal company shall be cancelled with a void stamp, hole punch or similar device, or must contain a clearly marked expiration date which has expired.

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

Amended by R.1983 d.112, effective March 29, 1983.

See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).

Originally filed as an emergency adoption (R.1983 d.37) on January 27, 1983. Readopted as R.1983 d.112. Repealed section on junkets which are now codified at N.J.A.C. 19:49.

New Rule, R.1985 d.51, effective February 19, 1985.

See: 16 N.J.R. 3303(a), 17 N.J.R. 481(a).

Amended by R.1992 d.361, effective September 21, 1992.

See: 24 N.J.R. 2348(b), 24 N.J.R. 3332(a).

Revised to meet statutory changes regarding records retention, storage and destruction. Eliminate current petition process for records destruction and off-site record generation or storage. In (a)2: revised text to reference new text at (c) and (d). Added (a)5. At (b): added final sentence regarding the medium. Added new subsection (c). Recodified (c) as new (d), deleting existing (d). Deleted existing (c)1, recodifying (c)2 as new (c)1 and recodifying existing (c)5 as (c)2, with no change in text. Deleted existing (f) and added (f)-(h), recodifying existing (g) as (i), with no change in text.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Simulcast provisions added.

Amended by R.1993 d.110, effective March 1, 1993.

See: 24 N.J.R. 3694(b), 25 N.J.R. 1008(b).

Record retention schedule revised at (c).

Amended by R.1994 d.137, effective March 21, 1994.

See: 25 N.J.R. 5902(a), 26 N.J.R. 1373(b).

Amended by R.1994 d.138, effective March 21, 1994.

See: 25 N.J.R. 5905(a), 26 N.J.R. 1376(a).

Amended by R.1995 d.285, effective June 5, 1995.

See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

Amended by R.1996 d.123, effective March 4, 1996.

See: 27 N.J.R. 4993(a), 28 N.J.R. 1403(b).

Amended by R.1996 d.438, effective September 16, 1996.

See: 28 N.J.R. 3243(a), 28 N.J.R. 4235(a).

Amended by R.1996 d.562, effective December 2, 1996.

See: 28 N.J.R. 3900(a), 28 N.J.R. 5082(a).

Amended by R.1998 d.124, effective March 2, 1998.

See: 29 N.J.R. 4743(a), 30 N.J.R. 868(a).

In (c)4, rewrote xv; in (c)5, inserted a new ix and xi and recodified former ix as xi.; and in (c)6, added xii.

Amended by R.2005 d.101, effective April 4, 2005.

See: 36 N.J.R. 4880(a), 37 N.J.R. 1086(a).

Rewrote (c).

19:45-1.9 Complimentary services or items

(a) A complimentary service or item is a service or item provided directly or indirectly by a licensee at no cost or at a reduced price.

(b) No casino licensee may offer or provide any complimentary services, gifts, cash or other items of value to any

person except as authorized by N.J.S.A. 5:12-102(m). Each casino licensee shall, pursuant to the provisions of N.J.S.A. 5:12-99a(2) and N.J.A.C. 19:45-1.3, prepare and maintain internal controls for the authorization and issuance of complimentary services and items, including cash and noncash gifts issued pursuant to N.J.S.A. 5:12-102(m) and N.J.A.C. 19:45-1.9B. Such internal controls shall include, without limitation, the procedures by which the casino licensee delegates to its employees the authority to approve the issuance of complimentary services and items and the procedures by which conditions or limits, if any, which may apply to such authority are established and modified, including limits based on relationships between the authorizer and recipient, and shall further include effective provisions for audit purposes. Notwithstanding the foregoing:

1. Internal controls for complimentary distribution programs shall be subject to the requirements of N.J.A.C. 19:45-1.46;

8. Retain the original Voucher with the attached documentation for closeout purposes and subsequent forwarding, on a daily basis, to accounting for matching and agreement with the duplicate.

(h) If a transportation expense reimbursement transaction cannot be completed at the casino cage due to the unavailability of required information or documentation, a casino licensee may perform a transportation expense reimbursement transaction by mail by complying with the requirements of (a) through (g) above except as otherwise modified below:

1. The authorizer shall record the date of request for reimbursement and the information noted in (d)2 above on the Voucher, and present the partially completed Voucher to the general cashier.

2. The general cashier shall obtain the patron's signature on the Voucher, verify the requesting patron's identity in accordance with (d)8 above, stamp the term "mail in" on the Voucher and sign the Voucher. Any partially completed Voucher shall be maintained by the casino licensee in a secure location within the casino cage, and shall be processed as soon as all required information or documentation is available.

3. The authorizer, upon receipt of all information and documentation required to complete the Voucher in accordance with (d) above, shall obtain the partially completed Voucher from the general cashier, and shall:

- i. Record the information noted in (d)1 and (d)3 through (d)5 above;
- ii. Sign the Voucher; and
- iii. Present the original and duplicate Voucher, and original ticket, invoice, receipt or other documents to the general cashier.

4. The general cashier shall complete the Voucher in accordance with (g) above and sign the Voucher; provided, however, that the general cashier shall attach the cancelled ticket, invoice, receipt or any other additional documentation provided in accordance with (b)4 above, to the original Voucher, and shall return such documentation to the patron upon request; and the general cashier shall mail the corresponding reimbursement check to the requesting patron.

5. Any partially completed Voucher which is not completed within 60 days from the date of request for reimbursement shall be voided in accordance with (c) above.

(i) In the event that a casino licensee learns that a patron whom it has reimbursed for travel expenses has also been reimbursed for such travel expenses by another licensee, or by the issuer of the original ticket, invoice or receipt relied upon by the licensee in authorizing the travel expense reimbursement, the licensee shall immediately notify the Division.

New Rule, R.1989 d.611, effective December 18, 1989.

See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).

Petition for Rulemaking: Transportation Expense Reimbursements.

See: 22 N.J.R. 2367(a).

Petition for Rulemaking: Transportation Expense Reimbursements.

See: 22 N.J.R. 3407(d).

Amended by R.1990 d.605, effective December 17, 1990.

See: 22 N.J.R. 2913(a), 22 N.J.R. 3764(a).

Provided for transportation expense reimbursement transaction by mail.

Administrative Correction to (d)10.

See: 23 N.J.R. 315(a).

Amended by R.1991 d.183, effective April 1, 1991.

See: 22 N.J.R. 3710(a), 23 N.J.R. 1025(a).

In (b)3: added text regarding "... tickets, invoices or receipts ..." and added provision that they may "contain no name if the reimbursement is \$250.00 or less.

Amended by R.1996 d.531, effective November 18, 1996.

See: 28 N.J.R. 4092(a), 28 N.J.R. 4898(c).

Amended by R.1998 d.267, effective June 1, 1998.

See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).

In (d), rewrote 8.

Case Notes

Airfare complimentaries; internal control regulations; "fair odds" statute. Gaming Enforcement Division v. Trump's Castle Associates Ltd. Partnership, 94 N.J.A.R.2d (CCC) 189.

19:45-1.9B Procedures for complimentary cash and noncash gifts

(a) No casino licensees shall offer or provide, either directly or indirectly, any complimentary cash or noncash gift to any person or his or her guests except in accordance with the provisions of N.J.S.A. 5:12-102m and this section. For the purposes of this section, "complimentary cash or noncash gift" does not refer to any complimentary service or item which is provided pursuant to N.J.S.A. 5:12-102m(1) through (3), N.J.A.C. 19:45-1.9(f), 19:45-1.9(h) or 19:45-1.46. Complimentary cash gifts shall include, without limitation:

1. Public relations payments made for the purpose of resolving complaints by or disputes with casino patrons;
2. Travel or walk money payments made for the purpose of enabling a patron to return home;
3. Slot tokens issued to any person; provided, however, that prize tokens shall not be offered or provided as a complimentary service or item;
4. Cash complimentaries issued to patrons as a result of actual gaming activity;
5. Cash complimentaries, issued to participants in complimentary programs for invited guests regulated by N.J.A.C. 19:45-1.9(g), except as otherwise provided in this section;
6. Match play coupons; and
7. Progressive wager coupons.

(b) Except as otherwise provided in N.J.A.C. 19:45-1.9(e), all complimentary cash and noncash gifts provided by a casino licensee shall be recorded in accordance

with the provisions of N.J.A.C. 19:45-1.9(e). If a complimentary cash or noncash gift has a value of \$500.00 or more, or if a complimentary cash or noncash gift is issued through a complimentary program operated pursuant to N.J.A.C. 19:45-1.9(i) and has a value of more than \$1,000, the casino licensee shall also:

1. Record the address of the recipient;
2. Verify the identity of the recipient by:
 - i. An examination of an identification credential that also contains a photograph or physical description of the recipient that is consistent with the actual appearance of the patron;
 - ii. Obtaining the patron's signature and comparing it and the patron's physical appearance to the signature and general physical description in a patron signature file; or
 - iii. A personal attestation by an authorized employee, which may include an attestation made after a telephone call to the recipient of the gift, or the receipt of a document signed by the recipient acknowledging the receipt of the gift; and
3. Record the method of verification.

(c) All complimentary cash gifts shall be disbursed directly to the patron by a general cashier at the cashiers' cage after receipt of appropriate documentation or in any other manner approved by the Commission in a casino licensee's internal control submission.

(d) Notwithstanding the provisions of N.J.A.C. 19:45-1.9(b), no casino licensee shall permit any employee to authorize the issuance of a complimentary cash or non-cash gift with a value of \$10,000 or more unless the employee is licensed and functioning as a casino key employee and the authorization is co-signed by a second employee licensed and functioning as a casino key employee.

(e) If a casino licensee provides complimentary cash and noncash gifts worth \$10,000 or more to a person or his or her guests within any five day period, the casino licensee shall record the reason why such gifts were provided and maintain such records available for inspection by the Commission or Division upon request. Such reasons may include, without limitation, the participation of the person in a complimentary program for invited guests conducted pursuant to N.J.A.C. 19:45-1.9(g) or information concerning the person's player rating, which rating shall be based upon the actual amount and frequency of play by the person as recorded in the casino licensee's player rating system.

(f) Each casino licensee shall submit to the Division a report listing each person who has received \$10,000 or more in complimentary cash and noncash gifts within any five day period ending during the preceding month. Such report shall be filed by the last business day of the following month and shall include the total amount of complimentary cash or noncash gifts provided to each person.

(g) Each casino licensee which purchases a noncash gift for the direct or indirect benefit of a patron shall require the vendor from which the gift is purchased to deliver the gift directly to the casino licensee or the patron. The casino licensee shall also require the vendor to pay to the casino licensee directly any refund or cash balance generated by the return or exchange of the gift by the patron or any representative of the patron.

(h) If a noncash gift to be purchased from a vendor by a casino licensee for the direct or indirect benefit of a patron has a purchase price of \$2,000 or more, the purchase shall be authorized by a written agreement or purchase order, a copy of which shall be maintained by the casino licensee in its files for inspection upon request, and shall include a provision in substantially the following form:

"Pursuant to the requirements of New Jersey law, the seller agrees not to effect any transaction with (name of the patron), directly or indirectly, involving the item(s) purchased pursuant to this purchase agreement after delivery without the express written approval of (the casino licensee). If the seller violates this condition of purchase, the seller agrees that this purchase agreement shall be null and void, and the seller further agrees to return this full purchase price of the item(s) purchased pursuant to this purchase agreement to (the casino licensee) as liquidated damages."

(i) Notwithstanding any other provisions of this section, a casino licensee which intends to provide a complimentary cash gift to a patron in accordance with the requirements of N.J.S.A. 5:12-102m and this chapter may, upon receipt of a written request from the patron and in accordance with internal controls approved by the Commission, credit the cash complimentary directly to:

1. The payment of any outstanding Counter Checks or Slot Counter Checks issued by the patron and held by that casino licensee in accordance with the provisions of N.J.A.C. 19:45-1.26, 1.27 and 1.28;
2. The payment of any returned checks issued by the patron and held by that casino licensee in accordance with the provisions of N.J.A.C. 19:45-1.29; or
3. The establishment or enhancement of a cash deposit held for the benefit of the patron in accordance with the provisions of N.J.A.C. 19:45-1.24.

(j) The written request required pursuant to (i) above shall be attached to documentation of the cash complimentary gift maintained by the casino licensee pursuant to its approved internal controls:

1. The written request shall include, at a minimum, the following:
 - i. The date of the request;
 - ii. The name and address of the patron;

iii. Instructions as to the use to which the cash complimentary is to be credited; and

iv. The signature of the patron.

2. Prior to the crediting of any complimentary cash gift to the payment of an outstanding counter check, slot counter check or returned check, the general cashier or check cashier shall verify that the signature of the patron on the request agrees with the signature of the patron in a patron signature file.

New Rule, R.1992 d.499, effective December 21, 1992.

See: 24 N.J.R. 2692(b), 24 N.J.R. 4570(a).

Amended by R.1993 d.145, effective April 5, 1993.

See 24 N.J.R. 4505(a), 25 N.J.R. 1521(a).

In (b): added reference to N.J.A.C. 19:45-1.9(f).

In (g): added phrase "greater of" introducing (g)1 and new (g)2 and 3.

Amended by R.1993 d.494, effective October 4, 1993.

See: 25 N.J.R. 3108(a), 25 N.J.R. 4619(a).

Amended by R.1994 d.34, effective January 18, 1994.

See: 25 N.J.R. 4871(b), 26 N.J.R. 491(a).

Amended by R.1994 d.139, effective March 21, 1994.

See: 26 N.J.R. 113(a), 26 N.J.R. 1377(a).

Amended by R.1994 d.471, effective September 19, 1994.

See: 26 N.J.R. 2212(a), 26 N.J.R. 3891(c).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1995 d.254, effective May 15, 1995.

See: 27 N.J.R. 848(a), 27 N.J.R. 2011(b).

Amended by R.1995 d.468, effective August 21, 1995.

See: 27 N.J.R. 2124(a), 27 N.J.R. 3223(a).

Raised dollar amounts throughout the section and provided for identity verification through a signature comparison.

Amended by R.1996 d.562, effective December 2, 1996.

See: 28 N.J.R. 3900(a), 28 N.J.R. 5082(a).

Amended by R.1997 d.448, effective October 20, 1997.

See: 29 N.J.R. 3202(a), 29 N.J.R. 4561(a).

In (b), inserted "or if a complimentary cash or noncash gift is issued through a complimentary program operated pursuant to N.J.A.C. 19:45-1.9(i) and has a value of more than \$1,000."

Amended by R.1998 d.267, effective June 1, 1998.

See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).

In (b), rewrote 2; and in (l)2, substituted a reference to signature files for a reference to credit files.

Amended by R.2004 d.98, effective March 15, 2004.

See: 35 N.J.R. 5225(a), 36 N.J.R. 1363(b).

Deleted (g) and (h); recodified former (i) through (l) as (g) through (j).

Case Notes

Unlawful cash complimentaries. Gaming Enforcement Division v. Trump's Castle Associates Ltd. Partnership, 94 N.J.A.R.2d (CCC) 183.

Issuance of cash complimentaries; "fair odds" provisions of the Casino Control Act. Gaming Enforcement Division v. GNOC Corp., 94 N.J.A.R.2d (CCC) 180.

Complimentary payments; Casino Control Act. Division of Gaming Enforcement v. GNOC Corp., 94 N.J.A.R.2d (CCC) 170.

Implementation and operation of cash incentive programs. Gaming Enforcement Division v. Adamar of New Jersey, Inc., et al., 94 N.J.A.R.2d (CCC) 192.

Incentive program; Casino Control Act. Division of Gaming Enforcement v. Boardwalk Regency Corp., 94 N.J.A.R.2d (CCC) 116.

Rebates by casino to patron violated the Casino Control Act. Division of Gaming Enforcement v. Adamar of New Jersey, Inc., 94 N.J.A.R.2d (CCC) 107.

19:45-1.9C Alternative reporting procedures; accessible complimentaries database

(a) A casino licensee which records all information concerning complimentary services or items which is required by N.J.A.C. 19:45-1.9 or 1.9B in a computer database which is accessible by the Commission and Division from remote locations and conforms to standards established and approved by the Commission pursuant to this section shall be exempt from filing all reports required pursuant to N.J.A.C. 19:45-1.9(e), 1.9B(b), and 1.9B(f).

(b) The structure and accessibility of the complimentaries database shall be subject to review and approval by the Commission and such submission shall include, without limitation, the following:

1. A complete description of the computer hardware, file formats and software products to be used;
2. The hours of the day and the days of the week, if any, that the database will be inaccessible on a routine basis due to system maintenance or other technical reasons;
3. The procedures by which the Division and, if requested, the Commission will be able to read and copy data files, both current and stored; and
4. Security procedures for database access and secondary data dissemination.

New Rule, R.1993 d.145, effective April 5, 1993.

See: 24 N.J.R. 4505(a), 25 N.J.R. 1521(a).

19:45-1.10 Closed circuit television system; surveillance department control; surveillance department restrictions

(a) Each casino licensee shall install in its establishment a closed circuit television (CCTV) system according to specifications herein and shall provide timely access, on the licensee's premises, to the system or its signal by the Commission or the Division upon request. Each casino licensee, and each member of its surveillance department, shall timely comply with a request from the Commission or the Division for the licensee to perform, at a minimum, any of the following:

1. Display on the monitors in the monitoring room or the Commission inspection booth any event capable of being monitored on the CCTV system; and
2. Make a video and, if applicable, audio recording of, and take a still photograph of, any event capable of being monitored on the CCTV system.
 - i. The casino licensee shall preserve and store each such recording or photograph in accordance with the directions of the Commission or the Division.
 - ii. The Commission and the Division shall have unfettered access to each recording or photograph and,

upon the request of either, the casino licensee and its personnel shall be denied access thereto.

(b) The closed circuit television system shall include, but need not be limited to, the following:

1. Light sensitive cameras with zoom, scan, and tilt capabilities to effectively and clandestinely monitor in detail and from various vantage points, the following:

i. The gaming conducted at each gaming table in the casino and casino simulcasting facility and the activities in the casino and casino simulcasting facility pits;

ii. The gaming conducted at the slot machines in the casino;

iii. The operations conducted at and in the cashiers' cage, any satellite cage, and each office ancillary thereto;

iv. The operations conducted at and in the slot booths;

v. The operations conducted at automated coupon redemption machines;

vi. The operations conducted in the simulcast counter;

vii. The count processes conducted in the count rooms in conformity with N.J.A.C. 19:45-1.33 and 19:45-1.43;

viii. The movement of cash, gaming chips and plaques, drop boxes, slot cash storage boxes, slot drop boxes, and slot drop buckets in the establishment;

ix. The entrances and exits to the casino, casino simulcasting facility and the count rooms;

x. The gaming and operations associated with the conduct of keno on the casino floor and in the casino simulcasting facility and of keno booths and satellite keno booths in public keno areas; and

xi. Such other areas as the Commission designates.

2. Video units for taping the closed-circuit signal produced by any camera of the system. At a minimum, each such unit shall:

i. Be capable of superimposing the time and date of the recording on each video tape used with the unit; and

ii. Enable the operator of the unit, through the use of a meter, counter or other device, or by a method approved by the Commission, to identify the point on such tape at which a particular event was recorded;

3. Audio capability in the soft count room;

4. One or more monitoring rooms in the establishment which, through the surveillance department employees or agents assigned thereto by the casino licensee, shall constantly monitor the activities in the casino, the casino simulcasting facility and elsewhere in the establishment where CCTV coverage is available, and which:

i. May be used as necessary by the inspectors and agents of the Commission and Division; and

ii. Each such room shall contain, as required by the Commission, adequate equipment and supplies for the effective performance of the activities to be conducted therein; and

5. All closed circuit cameras shall be equipped with lenses of sufficient magnification to allow the operator to clearly distinguish the value of the gaming chips and playing cards.

(c) Adequate lighting shall be present in all areas, including gaming tables and pits, where closed circuit camera coverage is required to enable clear camera coverage. The coverage shall be of sufficient quality to produce clear video tape and still picture reproductions.

(d) Each casino licensee shall maintain a surveillance log of all surveillance activities in the monitor room. The log shall be maintained by monitor room personnel and shall be stored securely, in a manner approved by the Commission, within the surveillance department in accordance with the retention schedule set forth in N.J.A.C. 19:45-1.8(c)2iii. At a minimum, the following information shall be recorded in a surveillance log:

1. Date and time each surveillance commenced;

2. The name and license credential number of each person who initiates, performs, or supervises the surveillance;

3. Reason for surveillance, including the name, if known, alias or description of each individual being monitored, and a brief description of the activity in which the person being monitoring is engaging;

4. The times at which each video or audio tape recording is commenced and terminated;

5. The time at which each suspected criminal offense is observed, along with a notation of the reading on the meter, counter or device specified in (b)2ii above that identifies the point on the video tape at which such offense was recorded;

6. Time of termination of surveillance;

7. Summary of the results of the surveillance; and

8. A complete description of the time, date and, if known, the cause of any equipment or camera malfunctions, and the time at which the security department was apprised of the malfunction in accordance with the casino licensee's internal controls submitted pursuant to N.J.A.C. 19:45-1.3(a)3.

(e) The surveillance log shall be available for inspection at any time by Commission or Division agents.

(f) All closed circuit T.V. tapes which are determined by Commission or Division agents to be of potential evidentiary value shall be stored pursuant to Commission or Division directives.

(g) Surveillance department employees or agents of the licensee assigned to monitor the activities shall be independent of all other departments. In addition to any other restrictions contained in the Act and the rules promulgated thereunder, no present or former surveillance department employee shall accept employment as a casino key employee or casino employee with the same casino hotel or prospective casino hotel in which the surveillance department employee was previously employed or within any other casino hotel or prospective casino hotel whose surveillance department is under the operational control of the same person who controlled the surveillance department in which the surveillance department employee had been previously employed, unless one year has passed since the former surveillance department employee worked in the surveillance department. Notwithstanding the foregoing, the Commission may, upon the filing of a written petition, waive this restriction and permit the employment of a present or former surveillance department employee in a particular position after consideration of the following factors:

1. Whether the former surveillance department employee will be employed in a department or area of operation that the surveillance department does not monitor;
2. Whether the surveillance and security systems of the casino licensee will not be jeopardized or compromised by the employment of the former surveillance department employee in the particular position; and
3. Whether the former surveillance department employee's knowledge of the procedures of the surveillance department would not facilitate the commission by any person of irregularities or illegal acts or the concealment of any such actions or errors.

(h) Entrances to the closed circuit television monitoring rooms shall not be visible from the casino area or casino simulcasting facility.

Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added text to (b)lvi "slot cash storage boxes".

Amended by R.1991 d.381, effective August 5, 1991.

See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).

Added "surveillance department" requirements.

In (g): added surveillance department employee provisions.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Simulcast provisions added.

Amended by R.1993 d.142, effective April 5, 1993.

See: 24 N.J.R. 278(a), 25 N.J.R. 1522(a).

Added surveillance department to title. Added new (b)lv.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

Amended by R.1995 d.231, effective May 1, 1995.

See: 27 N.J.R. 654(a), 27 N.J.R. 1815(a).

Amended by R.1995 d.285, effective June 5, 1995.

See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

Amended by R.1996 d.475, effective October 7, 1996.

See: 28 N.J.R. 3520(a), 28 N.J.R. 4517(a).

Amended by R.1998 d.164, effective April 6, 1998.

See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).

Rewrote (b)lx.

19:45-1.11 Casino licensee's organization

(a) Each casino licensee's system of internal controls shall, in accordance with the provisions of N.J.A.C. 19:45-1.11A, include tables of organization. Each casino licensee shall be permitted, except as otherwise provided in this section and N.J.A.C. 19:53-1.4, to tailor its organizational structure to meet the needs or policies of its own particular management philosophy. The proposed organizational structure of each casino licensee shall be approved by the Commission in the absence of a conflict between the organizational structure and the criteria listed below, which criteria are designed to maintain the integrity of casino and casino simulcasting facility operations. Each casino licensee's tables of organization shall provide for:

1. A system of personnel and chain of command which permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility;
2. The segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties;
3. Primary and secondary supervisory positions which permit the authorization or supervision of necessary transactions at all relevant times; and
4. Areas of responsibility which are not so extensive as to be impractical for one person to monitor.

(b) In addition to satisfying the requirements of (a) above, each casino licensee's system of internal controls shall include, at a minimum, the following departments and supervisory positions. Each of the departments and supervisors required or authorized by this section (a "mandatory" department or supervisor) shall cooperate with, yet perform independently of, all other mandatory departments and

supervisors of the casino licensee. Notwithstanding the foregoing, a department or supervisor of a casino licensee that is not required or authorized by this section may operate under or in conjunction with a mandatory department or supervisor unless the Commission subsequently disapproves such operation as being inconsistent with the standards contained within N.J.S.A. 5:12-99a(3) and (a) above. Mandatory departments and supervisory positions are as follows:

1. A surveillance department supervised by a person referred to herein as the director of surveillance. The director of surveillance shall be subject to the reporting requirements specified in (c) below. The surveillance department shall be responsible for, without limitation, the following:

- i. The clandestine surveillance of the operation and conduct of the table games;
- ii. The clandestine surveillance of the operation of the slot machines and bill changers;
- iii. The clandestine surveillance of the operation of the casino simulcasting facility;
- iv. The clandestine surveillance of the operation of automated coupon redemption machines;
- v. The clandestine surveillance of the operation of the cashiers' cage and satellite cages;
- vi. The audio-video taping of activities in the count rooms;
- vii. The detection of cheating, theft, embezzlement, and other illegal activities in the casino, casino simulcasting facility, count rooms, slot booths, and cashiers' cage;
- viii. The detection of the presence in the establishment of any person who is required to be excluded pursuant to N.J.S.A. 5:12-71 or N.J.A.C. 19:48-1.7, or who may be excluded or ejected pursuant to N.J.S.A. 5:12-71.1, or of any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119a;
- ix. The video taping of illegal and unusual activities monitored;
- x. Providing timely notification to appropriate supervisors, the Commission, and the Division upon detecting, and also upon commencing video or audio recording of, any person who is engaging in or attempting to engage in, or who is reasonably suspected of cheating, theft, embezzlement, or other illegal activities, including those activities prohibited in Article 9 of the Act;
- xi. Providing timely notification to appropriate supervisors, the Commission and Division upon detecting, and also upon commencing video or audio recording of, any person who is required to be excluded pursuant to N.J.S.A. 5:12-71 or N.J.A.C. 19:48-1.7, or who may be excluded or ejected pursuant to N.J.S.A. 5:12-71.1, or any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119(a);

xii. The communication in writing to the supervisor of the credit department of accurate and verifiable information which may be relevant in determining a patron's credit worthiness;

xiii. The clandestine surveillance of all keno gambling and operations on the casino floor and in the casino simulcasting facility and of any keno booths and satellite keno booths located in public keno areas;

xiv. The clandestine surveillance of equipment designated by the Commission in conjunction with the operation of an electronic transfer credit system pursuant to N.J.A.C. 19:45-1.37A and a gaming voucher system pursuant to N.J.A.C. 19:45-1.55; and

xv. The clandestine surveillance of the operation of computer monitoring rooms for multi-casino progressive slot systems.

2. An internal audit department supervised by a person referred to herein as an audit department executive. The audit department executive shall be subject to the reporting requirements specified in (c) below. The internal audit department shall be responsible for, without limitation, the following:

- i. The review and appraisal of the adequacy of internal control;
- ii. The compliance with internal control procedures;
- iii. The reporting of instances of noncompliance with the system of internal control;
- iv. The reporting of any material weaknesses in the system of internal control;
- v. The recommendation of procedures to eliminate any material weaknesses in the system of internal control; and
- vi. If the casino licensee files a written petition seeking Commission approval to designate the MIS department manager as the MIS security officer in accordance with the provisions of (b)3 below, the preparation of a written report in support of the casino licensee's petition and, if the petition is approved by the Commission, updated annually thereafter, which report shall be attested to by the audit department executive and address the following:
 - (1) A review and appraisal of any risks that may arise as a result of the decision to consolidate the responsibilities of an MIS department manager and MIS security officer into one position; and

(2) An evaluation of the internal controls designed to mitigate such risks with regard to any activity authorized to be performed by or through the use of a casino computer system, including but not limited to, an electronic transfer credit system or gaming voucher system.

3. A management information system ("MIS") department supervised by a person referred to herein as an MIS department manager. The responsibilities of the MIS department shall be performed by any appropriately licensed employee of the MIS department unless the casino licensee has received Commission approval to maintain software and data, or any portion thereof, in a remote computer located outside the casino hotel facility in accordance with the provisions of N.J.A.C. 19:45-2.2, in which case any responsibilities as to such software and data shall be performed by an MIS security officer who shall report directly to the MIS department manager, be licensed as a casino key employee and who, prior to delegating any security responsibilities, shall determine to the greatest extent practicable that such delegation would maintain the segregation of incompatible functions and the security and integrity of the casino computer system; provided, however, that the Commission may, upon the filing of a written petition, permit the MIS department manager to be designated as the MIS security officer, which petition shall include, without limitation, the written report prepared and attested to by the audit department executive as required by (b)2vi above. The MIS department shall be responsible for the integrity of all data, as well as the quality, reliability and accuracy of all computer systems and software used by the casino licensee in the conduct of casino and casino simulcasting facility operations, whether such data and software are located within or outside the casino hotel facility, including, without limitation, specification of appropriate computer software, hardware, and procedures for security, physical integrity, audit, and maintenance of:

- i. Access codes and other computer security controls used to insure appropriately limited access to computer software and data;
- ii. Monitoring logs of user access, security incidents and unusual transactions;
- iii. Logs used to document and maintain the details of any hardware and software modifications;
- iv. Computer tapes, disks, or other electronic storage media containing data relevant to casino operations; and
- v. Computer hardware, communications equipment and software used in the conduct of casino operations.

4. A casino games department supervised by a person referred to herein as a casino manager. The casino games department shall be responsible for the operation and conduct of all authorized games and bill changers in a casino and casino simulcasting facility. Notwithstanding the foregoing, a casino licensee may choose, in its discretion, to:

- i. Operate and conduct the game of poker separately from all other casino games, in which even the operation and conduct of poker shall be supervised by a

casino key employee who shall be approved by the Commission;

- ii. Make the casino games department responsible for the operation and conduct of the simulcast counter;

- iii. Make the casino games department responsible for the supervision of slot cashiers in accordance with the provisions of (e) below provided that the casino licensee does not establish an independent slot department pursuant to (b)4v below;

- iv. Make the casino games department responsible for the supervision of changepersons;

- v. Establish an independent slot department that:

- (1) Shall be supervised by a person referred herein as a slot department manager;

- (2) Shall be responsible for the operation of all slot machines and bill changers;

- (3) May be responsible for the supervision of slot cashiers in accordance with the provisions of (e) below;

- (4) May be responsible for the supervision of changepersons;

- (5) May be responsible for the operation and conduct of the game of keno; and

- (6) May be responsible for the operation and conduct of the simulcast counter; or

- vi. Establish an independent keno department that:

- (1) Shall be supervised by a person referred to herein as a keno manager;

- (2) Shall be responsible for the operation and conduct of the game of keno; and

- (3) May be responsible for the operation and conduct of either the simulcast counter or an independent slot machine cage department established pursuant to (b)7ii below, but not both.

5. A credit department supervised by a person referred to herein as a credit manager. The credit department shall be responsible for the credit function including, without limitation, the following:

- i. The verification of patron credit references;

- ii. The establishment of patron credit limits;

- iii. The maintenance, review and update of the patron's credit files; and

- iv. The communication in writing of the names and addresses of patrons with newly approved credit limits to the supervisors of the security and surveillance departments on a daily basis in accordance with the casino licensee's approved procedures.

6. A security department supervised by a person referred to herein as a director of security. The security department shall be responsible for the overall security of the establishment including, without limitation, the following:

- i. The enforcement of the law;
- ii. The physical safety of patrons in the establishment;
- iii. The physical safety of personnel employed by the establishment;
- iv. The physical safeguarding of assets transported to and from the casino, casino simulcasting facility, slot, and cashiers' cage departments;
- v. The protection of the patrons' and the establishment's property from illegal activity;
- vi. The detainment of each individual as to whom there is probable cause to believe that he or she has engaged in or is engaging in conduct that violates N.J.S.A. 5:12-113 through 116, inclusive, for the purpose of notifying law enforcement or Commission authorities;

vii. The control and maintenance of a system for the issuance of temporary license credentials and vendor access credentials;

viii. The recordation of any and all unusual occurrences within the casino and casino simulcasting facility for which the assignment of a security department employee is made. Each incident, without regard to materiality, shall be assigned a sequential number and, at a minimum, the following information shall be recorded in indelible ink in a bound, laboratory-type notebook from which pages cannot be removed and each side of each page of which is sequentially numbered:

- (1) The assignment number;
- (2) The date;
- (3) The time;
- (4) The nature of the incident;
- (5) The person involved in the incident; and
- (6) The security department employee assigned;

ix. The communication in writing to the supervisor of the credit department of accurate and verifiable information which may be relevant in determining a patron's credit worthiness;

x. The identification and removal of any person who is required to be excluded pursuant to N.J.S.A. 5:12-71 or N.J.A.C. 19:48-1.7, or who may be excluded or ejected pursuant to N.J.S.A. 5:12-71.1, or of any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119a; and

xi. The performance of all duties and responsibilities in accordance with the procedures and controls submitted and approved pursuant to N.J.A.C. 19:45-1.3(a)(3).

7. A casino accounting department supervised by a person referred to herein as a controller. The controller shall be responsible for all casino and casino simulcasting facility accounting control functions including, without limitation, the preparation and control of records and data, the control of stored data, the control of unused forms, the accounting for and comparison of operational data and forms, and the control and supervision of the cashiers' cage, any satellite cages, the soft count room and the hard count room. The soft count room and hard count room shall each be supervised by a casino key employee, who shall be responsible for the supervision of the soft count or hard count in accordance with N.J.A.C. 19:45-1.33 and 1.43, respectively. A casino licensee that operates more than one casino room within its casino hotel facility may be required to maintain a separate cashiers' cage in each casino room. Each cashiers' cage shall be supervised by a casino key employee referred to herein as a cage manager. The cage manager shall report to the controller and shall be responsible for the control and supervision of cage and slot cashiers, casino clerks and the cage functions set forth in N.J.A.C. 19:45-1.14, 1.15, 1.34 and 1.35. If a casino licensee elects to operate one or more satellite cages, each satellite cage shall be supervised by a casino key employee in accordance with a supervisory structure approved by the Commission that is consistent with the provisions of N.J.A.C. 19:41-1.1(a)1ix. Notwithstanding the foregoing, a casino licensee may choose, in its discretion, as to each cashiers' cage in its casino hotel facility, to:

i. Separate the cashiers' cage into independent operations for table games and slot machines. If a casino licensee elects to operate a separate table games cage and slot machine cage:

(1) The provisions of N.J.A.C. 19:45-1.14(i) shall not apply (that is, the casino licensee shall be required to have a master coin bank);

(2) Each independent cage operation shall be supervised by a cage manager and each cage manager shall report to the controller;

(3) The cage manager for the independent slot machine cage shall be responsible for the supervision of the master coin bank, slot cashiers and coin impressment personnel; and

(4) The cage manager for the independent table games cage shall be responsible for all cashiers' cage functions not included in (b)7i(3) above; or

ii. Operate an independent slot machine cage as a separate department. If an independent slot machine cage is operated as a separate department:

(1) The slot machine cage department shall comply with the provisions of (b)7i(1) and (3) above;

(2) The cage manager of the slot machine cage department shall report to a casino key employee approved by the Commission;

(3) The slot machine cage department may be responsible for the supervision of changepersons; and

(4) The slot machine cage department may be responsible for the operation and conduct of either the simulcast counter or the game of keno, but not both;

iii. Make the casino accounting department responsible for the supervision of changepersons; or

iv. Make the casino accounting department responsible for the operation and conduct of the simulcast counter.

(c) The supervisors of the surveillance and internal audit departments required by (b) above shall comply with the following reporting requirements:

1. Each supervisor shall report directly to the chief gaming executive of the casino licensee regarding administrative matters and daily operations; provided, however, a casino licensee may allow each of these supervisors to report directly to a management executive of the licensee other than the chief gaming executive if that executive reports directly to the chief gaming executive.

2. Each supervisor shall report directly to one of the following persons or entities regarding matters of policy, purpose, responsibility and authority. The hiring, termination and salary of each supervisor shall also be controlled by one of the following persons or entities:

i. The independent audit committee of the casino licensee's board of directors;

ii. The independent audit committee of the board of directors of any holding company of the casino licensee which has absolute authority to direct the operations of the casino licensee;

iii. The senior surveillance or internal audit executive of any holding company included in (c)2ii above if such executive reports directly to the independent audit committee of the board of directors of the holding company; or

iv. For casino licensees or holding companies which are not corporate entities, the non-corporate equivalent of any of the persons or entities listed in (c)2i through iii above.

(d) The casino licensee's personnel shall be trained in all internal and accounting control practices and procedures relevant to each employee's individual function. Special instructional programs shall be developed by the casino

licensee in addition to any on-the-job instruction sufficient to enable all members of the departments required by this section to be thoroughly conversant and knowledgeable with the appropriate and required manner of performance of all transactions relating to their functions.

(e) Notwithstanding any other provision of this chapter to the contrary, a casino licensee may choose, in its discretion, to make the department that is responsible for the operation of all slot machines and bill changers also be responsible for the supervision of slot cashiers if the internal controls of the casino licensee require compliance with the provisions of either (e)1 or 2 below:

1. Any slot cashier that is subject to the supervision authorized by this subsection shall be prohibited from participating in any transaction that involves the acceptance, issuance, recordation or accounting for of assets that affect the determination of gross revenue including, without limitation, the transactions identified in N.J.A.C. 19:45-1.34(a)6 through 9; or

2. Slot machine and bill changer operations shall be conducted as follows:

i. The casino licensee shall utilize a computerized slot monitoring system that, at a minimum, automatically records the slot machine asset number, date, time and dollar amount whenever a hand-paid jackpot or hopper fill takes place;

ii. Each slot machine on the casino floor shall be connected electronically to the computerized slot monitoring system and each jackpot payout slip and hopper fill slip shall be computer generated pursuant to N.J.A.C. 19:45-1.40 and 1.41, respectively;

iii. The security features of the computerized slot monitoring system shall, at a minimum, prohibit the deletion, creation or modification of any information required by (e)2i above, unless a permanent record is created that sets forth:

(1) The original information;

(2) Any modification to the original information;

(3) The identity of the employee making the modification; and

(4) If applicable, the identity of each employee authorizing the modification;

iv. The computerized slot monitoring system shall be capable of generating a daily report that contains, at a minimum, the information required by (e)2i and iii above, which report shall be used by the casino accounting department to verify the number and dollar amount of hand-paid jackpots and hopper fills and shall only be available to the casino accounting department until such verifications have been completed;

v. Any modification of \$100.00 or more to the original amount recorded on a computerized jackpot

payout slip or hopper fill slip shall be authorized by two employees of the department that is responsible for the operation of the casino licensee's slot machines and bill changers, and at least one of the two employees shall be in a position of equal or greater authority than the individual who initially requested the jackpot payout slip or hopper fill;

vi. The master coin bank and coin impressment personnel of the casino licensee shall be supervised by the casino accounting department; and

vii. The internal controls of the casino licensee shall specify the manner in which the department that is responsible for the operation of the casino licensee's slot machines and bill changers shall interact with the computerized slot monitoring system including, without limitation, access to system menus, the establishment of slot machine profile parameters, and the ability of the department to access, delete, create or modify information contained in the slot monitoring system.

(f) Notwithstanding any other provision of the Commission's rules to the contrary, a casino licensee may, with the prior approval of the Commission, designate and assign more than one person to serve jointly as the manager of a department. Each person approved to serve as a joint manager of a department shall be individually and jointly accountable and responsible for the operations of that department.

(g) Each department required or authorized by this section shall be supervised at all times by at least one casino key employee; provided, however, that the Commission may, upon request by a casino licensee, exempt the credit department, the internal audit department or the MIS department from this requirement.

(h) Notwithstanding (b) above, in the event of a vacancy in the chief executive officer position, the chief gaming executive position required by N.J.A.C. 19:45-1.1, the equal opportunity officer position required by N.J.A.C. 19:53-1.4 or in any department supervisor position required or authorized by this section:

1. The casino licensee shall notify the Commission thereof no later than five days from the date of vacancy. Such notice shall be in writing and shall indicate, without limitation, the following information:

- i. The vacant position;
- ii. The date on which the position became vacant; and
- iii. The date on which it is anticipated that the vacancy will be filled on a permanent basis;

2. The casino licensee shall designate a person to assume the duties and responsibilities of the vacant position no later than 30 days from the date of vacancy. Such person may assume the duties and responsibilities of the vacant position on a temporary basis, provided that:

- i. Such person does not function as the department supervisor for any department required by this section;
- ii. Such person's areas of responsibility will not be so extensive as to be impractical for one person to monitor;
- iii. The chief executive officer or the chief legal officer of the licensee shall assume the responsibilities of the equal opportunity officer until such position is filled on a permanent basis; and
- iv. Such position shall be filled on a permanent basis within 120 days of the original date of vacancy;

3. Within five days of filling any vacancy pursuant to (h)2 above, the casino licensee shall notify the Commission thereof. Such notice shall be in writing and shall indicate, without limitation, the following:

- i. The position;
- ii. The name of the person designated;
- iii. The date that the vacancy was filled; and
- iv. An indication of whether the position has been filled on a temporary or permanent basis; and

4. All notices required by this subsection shall be directed to the Commission's Employee License Bureau, at the address specified in N.J.A.C. 19:40-3.1, and to the Commission's principal inspector at that establishment.

Amended by R.1984 d.624, effective January 21, 1985.
See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a).

Section substantially amended.

Amended by R.1986 d.212, effective June 16, 1986.

See: 17 N.J.R. 2969(a), 18 N.J.R. 1312(a).

(c)2 substantially amended.

Amended by R.1986 d.308, effective August 4, 1986.

See: 18 N.J.R. 1096(a), 18 N.J.R. 1614(b).

(c)4vi added.

Petition for Rulemaking: Casino organization.

See: 20 N.J.R. 1002(b).

Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added "or her" and "bill changers".

Amended by R.1990, d.222, effective May 7, 1990.

See: 21 N.J.R. 3446(a), 22 N.J.R. 1380(b).

In (c)7: added text to specify staff to whom the director of security shall report.

Amended by R.1991 d.381, effective August 5, 1991.

See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).

General revision to organization rules, restructuring subsection of text. Text amended to reflect new structuring of departments and responsibilities. Deleted existing subsection (a), recodifying (b)-(g) as (a)-(f). Added (a)1-4 as new text. Deleted existing (c)2 and recodified (c)3 as (b)2. Revised (b)9 with new text regarding supervisor of the cashiers' cage. Added new (c)1-2 and new text to new subsection (f).

Amended by R.1991 d.532, effective November 4, 1991.

See: 23 N.J.R. 2231(a), 23 N.J.R. 3348(a).

Added "red dog" game to (b)4vii.

Amended by R.1991 d.616, effective December 16, 1991.

See: 23 N.J.R. 2922(a), 23 N.J.R. 3820(b).

Added new (b)4viii, sic bo.

Amended by R.1992 d.151, effective April 6, 1992.

See: 23 N.J.R. 3434(a), 24 N.J.R. 1376(a).

Added new text to (b)3 regarding a MIS system.

Amended by R.1992 d.406, effective October 19, 1992.

See: 24 N.J.R. 569(a), 24 N.J.R. 1517(a), 24 N.J.R. 3742(a).

Pai gow poker provisions added.

Amended by R.1992 d.411, effective October 19, 1992.

See: 24 N.J.R. 558(a), 24 N.J.R. 3753(a).

Pai gow added.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Simulcast provisions added.

Amended by R.1994 d.141, effective March 21, 1994.

See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).

Amended by R.1994 d.221, effective May 2, 1994.

See: 26 N.J.R. 784(a), 26 N.J.R. 1852(a).

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

Temporary Amendment: Double Down Stud.

See: 26 N.J.R. 4445(a).

Amended by R.1995 d.285, effective June 5, 1995.

See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

Amended by R.1995 d.306, effective June 19, 1995.

See: 27 N.J.R. 1162(a), 27 N.J.R. 2455(a).

Amended by R.1995 d.430, effective August 7, 1995.

See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).

Added Caribbean stud poker game at (b)4xii.

Amended by R.1995 d.469, effective August 21, 1995.

See: 27 N.J.R. 1788(a), 27 N.J.R. 3225(a).

Excepted certain operations from the application of N.J.A.C. 19:45-1.14(i).

Amended by R.1995 d.534, effective October 2, 1995.

See: 27 N.J.R. 2119(a), 27 N.J.R. 3795(b).

Amended by R.1995 d.652, effective December 18, 1995.

See: 27 N.J.R. 3595(b), 27 N.J.R. 5043(a).

Amended by R.1996 d.356, effective August 5, 1996.

See: 28 N.J.R. 2352(b), 28 N.J.R. 3818(b).

Administrative correction.

See: 28 N.J.R. 4805(a).

Amended by R.1997 d.134, effective March 17, 1997.

See: 28 N.J.R. 2531(a), 29 N.J.R. 928(a).

Added (b)4xiv.

Amended by R.1997 d.427, effective October 6, 1997.

See: 28 N.J.R. 5060(a), 29 N.J.R. 4307(b).

Added (b)4xv.

Amended by R.1997 d.447, effective October 20, 1997.

See: 29 N.J.R. 2811(a), 29 N.J.R. 4560(a).

In (b)8, inserted "and the soft count room or hard count room"; and inserted (b)8v.

Amended by R.1998 d.18, effective January 5, 1998.

See: 29 N.J.R. 3432(b), 30 N.J.R. 112(b).

In (a), amended N.J.A.C. references; in (b), rewrote the second sentence; in (b)4, rewrote the second sentence and added the third sentence; deleted existing (b)4i through (b)4xiv; inserted new (b)4i through (b)4iv; recodified (b)5 as (b)4v; recodified (b)6 through (b)8 as (b)5 through (b)7; rewrote (b)7i through (b)7iv; deleted (b)9 and (b)10; deleted (d) and recodified existing (e) as (d); deleted (f); and added new (e) through (g).

Amended by R.1998 d.113, effective March 2, 1998.

See: 29 N.J.R. 4671(a), 30 N.J.R. 869(a).

Added (h).

Amended by R.1998 d.164, effective April 6, 1998.

See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).

In (b), rewrote the introductory paragraph and 1xiii.

Amended by R.1998 d.371, effective July 20, 1998.

See: 29 N.J.R. 4672(a), 30 N.J.R. 2639(b).

In (b), rewrote the introductory paragraph and 4.

Amended by R.2002 d.4, effective January 6, 2003.

See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

In (b)1, added xiv; in (e)1, amended N.J.A.C. reference.

Amended by R.2003 d.314, effective August 4, 2003.

See: 34 N.J.R. 4323(a), 35 N.J.R. 3565(a).

In (b)1, added xv.

Amended by R.2005 d.86, effective March 7, 2005.

See: 36 N.J.R. 623(a), 37 N.J.R. 789(a).

In (c), substituted "chief gaming executive" for "chief executive officer" in 1; in (h), rewrote the introductory paragraph.

Petition for Rulemaking.

See: 37 N.J.R. 812(a).

Amended by R.2005 d.216, effective July 5, 2005.

See: 36 N.J.R. 3242(a), 37 N.J.R. 2561(a).

Rewrote (b).

Case Notes

Casino Control Act does not confer private cause of action in favor of losing players. *Miller v. Zoby*, 250 N.J.Super. 568, 595 A.2d 1104 (A.D.1991), certification denied 606 A.2d 366, 127 N.J. 553.

Credit transaction may not be bifurcated with casino personnel receiving payment of counter check at off-site location and counter check then being released when funds are received at cashiers' cage. *Petition of Adamar of New Jersey, Inc.*, 222 N.J.Super. 464, 537 A.2d 704 (A.D.1988).

Commission need not accept relationship between casino applicant and parent company in licensing determination; licensing requirement of "meaningful contribution" to training program invalid as vague and as improper rulemaking. In re *Application of Playboy-Elsinore Associates*, 203 N.J.Super. 477 (App.Div.1985).

No "state action" involved in search of casino patron and drug seizure; implication of exclusionary rule. *State v. Sanders*, 185 N.J.Super. 258 (App.Div.1982).

Violations; corporate responsibility; penalties. *Div. of Gaming Enforcement v. Sterr*, 8 N.J.A.R. 449 (1986).

19:45-1.11A Jobs compendium submission

(a) Each applicant for a casino license shall, pursuant to N.J.S.A. 5:12-70j and 99a(2) and (3), prepare and maintain a jobs compendium consistent with the requirements of this section detailing job descriptions and lines of authority for all personnel engaged in the operation of the hotel, casino and casino simulcasting facility. Unless otherwise directed by the Commission, a jobs compendium shall be submitted to the Commission for approval at least six months prior to the projected date of issuance of a certificate of operation. The Commission shall review each jobs compendium and shall determine whether the job descriptions and tables of organization contained therein conform to the licensing or registration and chain-of-command requirements of the Act and the Commission's regulations. If the Commission finds any insufficiencies, it shall specify the same in writing to the casino license applicant, who shall make appropriate alterations. When the Commission determines a submission to be adequate with respect to licensing or registration and chain-of-command, it shall notify the casino license applicant accordingly. No casino licensee shall commence gam-

ing operations unless and until its jobs compendium is approved by the Commission.

(b) A jobs compendium shall include the following sections, in the order listed:

1. An alphabetical table of contents listing the position title and job code for each job description included in (b)3 below and the page number on which the corresponding job description may be found;

2. A table of organization for each department and division, including all positions regardless of whether the positions require a license or registration, and illustrating, by position title, direct and indirect lines of authority within the department or division. Each page of a table of organization shall specify the following:

- i. The date of its submission;
- ii. The date of the previously submitted table of organization which it supersedes; and
- iii. A unique title or other identifying designation for that table of organization.

3. A description of each employee position which accurately corresponds to the position title as listed in the table of organization and in the alphabetical table of contents. Each position description shall be contained on a separate page, organized by departments or divisions, and shall include, at a minimum, the following:

- i. Position title and corresponding department;
- ii. Salary range;
- iii. Job duties and responsibilities;
- iv. Detailed descriptions of experiential or educational requirements;
- v. Projected number of employees in the position;
- vi. Equal employment opportunity class or subclass;
- vii. Proposed registration or license rank consistent with the requirements of the Act and the Commission's rules;
- viii. The date of submission of each employee position job description and the date of any prior job description it supersedes; and
- ix. The date of submission and page number of each table of organization on which the employee position title is included.

(c) Except as otherwise provided in (d) below, any amendment to a previously approved jobs compendium, including any amendment to a table of organization, may be implemented by the casino licensee without the prior approval of the Commission, provided that:

1. The amendment is immediately recorded in the jobs compendium maintained by the licensee on its premises; and

2. The amendment is submitted to the Commission by the end of the business day on the date of implementation, including at a minimum, the following:

i. A detailed cover letter listing by department each position title to which modifications have been made, a brief summary of each change, instructions regarding any changes in page numbers and the date of implementation; and

ii. The proposed changes to the information required by (b) above, including the corresponding job descriptions and tables of organization, contained on pages which may be used to substitute for those sections of the jobs compendium previously approved by the Commission.

(d) A casino licensee shall not be required to comply with the filing requirements of (c) above for amendments to job descriptions for the following positions:

1. Positions which do not require a license or registration;

2. Positions which require a casino service employee registration, provided that the casino licensee files with the commission a notice of any addition, deletion or amendment to any position that requires casino service employee registration. Such notice shall include the title, department, job code, salary grade and table of organization on which that position is identified.

(e) Notwithstanding any other requirement of this section, each casino shall submit a complete and up-to-date jobs compendium in accordance with (a) above to the Commission 18 months after its receipt of a certificate of operation and every two years thereafter, unless otherwise directed by the Commission.

(f) Each casino licensee shall maintain on its premises a complete, updated copy of its jobs compendium which shall be made available for review upon the request of the Division or the Commission.

(g) Whenever required by this section, a casino licensee shall file three copies of a jobs compendium and three copies of an amendment to a jobs compendium with the Commission. A casino license applicant shall file four copies of a jobs compendium with the Commission and one copy with the Division. Each copy shall be in a format prescribed by the Commission, including a cover indicating the name of the casino licensee or applicant, the date of the submission and the label "Jobs Compendium Submission" or "Jobs Compendium Amendment" as appropriate.

(h) Each casino licensee shall submit to the Commission a list of employees who have received compensation of \$100,000 or more, including salary, bonuses, incentives, profit sharing or any other compensation as indicated on the employees' annual Internal Revenue Service Form W-2. Such list shall be submitted to the Commission by March 31 for the preceding tax year and shall include the following for each employee listed:

1. The name of the employee;

2. The license or casino service employee registration number, if applicable;

3. The position of the employee and the corresponding job code for such position;

4. The total amount of compensation received by the employee; and

5. Each form of compensation received, such as salary, bonuses, incentives or profit sharing, and the amount thereof.

(b) The gaming chips, coins and plaques counted shall be recorded on Table Inventory Slips by the casino supervisor assigned to the gaming table of the outgoing shift or the casino supervisor assigned to the gaming table at the time of a drop box shift change.

(c) Table Inventory Slips shall be two-part forms, at a minimum, and on the original of the slip ("Closer") and the duplicate of the slip ("Opener"), the casino supervisor shall record the following:

1. The date and identification of the shift ended;
2. The game and table number;
3. The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table; and
4. The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(d) Signature attesting to the accuracy of the information recorded on the Table Inventory Slips shall be of either the dealer or boxman and the casino supervisor assigned to the incoming and the outgoing shifts of the dealer or boxman and the casino supervisor assigned to the gaming tables at the time of a drop box shift change.

(e) Upon meeting the signature requirements as described in (d) above, the Closer shall be deposited in the drop box that is attached to the gaming table immediately prior to the change of shift and the Opener shall be deposited in drop box that is attached to the gaming table immediately following the change of shift.

19:45-1.31 Procedure for closing gaming tables

(a) Whenever gaming activity at a gaming table is concluded, the gaming chips, coins and plaques remaining at the gaming table shall be counted by the dealer or boxman assigned to the gaming table and observed by a casino supervisor assigned to the gaming table.

(b) The gaming chips, coins and plaques counted shall be recorded on a Table Inventory Slip by the casino supervisor assigned to the gaming table.

(c) The Table Inventory Slips shall be two-part forms, at a minimum, and on the original copy of the slip ("Closer") and the duplicate of the slip ("Opener"), the casino supervisor shall record the following:

1. The date and identification of the shift ended;
2. The game and table number;
3. The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table; and
4. The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(d) Signatures attesting to the accuracy of the information recorded on the Table Inventory Slips at the time of closing gaming tables shall be of the dealer or boxman and the casino supervisor assigned to the gaming table who observed the dealer or boxman count the contents of the Table Inventory.

(e) Upon meeting the signature requirements described in (d) above, the Closer shall be deposited in the drop box attached to the gaming table immediately prior to the closing of the table.

(f) Upon meeting the signature requirements described in (d) above, the Opener and the gaming chips and plaques remaining at the table shall be placed in the container specified in N.J.A.C. 19:45-1.20, after which the container shall be locked and either transported directly to the cashiers' cage by a security department member or secured to the gaming table provided that there is adequate security, as approved by the Commission. If the locked containers are transported to the cashiers' cage, a cage cashier shall determine that all locked containers have been returned, or if the locked containers are secured to the gaming table, a casino representative shall account for all the locked containers.

Amended by R.1981 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(f): "commission" was "chairman".

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (a): stylistic revisions; In (f): recodified subsection (g) as part of subsection (f), deleting phrase "At the end of each gaming day ...".

19:45-1.32 Count room; characteristics

(a) Except as provided in (d) below, each casino licensee shall have immediately adjacent to the cashier's cage a room, to be known as the "count room," specifically designated, designed and used for counting the contents of drop boxes, slot cash storage boxes, slot drop buckets and slot drop boxes.

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

1. A metal door installed on each entrance and exit;
2. Each entrance and exit door shall be equipped with:
 - i. Two separate locks;
 - ii. An alarm device, approved by the Commission, which audibly signals the monitoring rooms required by N.J.A.C. 19:45-1.10 and the casino security department whenever a door to the count room is opened at times other than those times for which the casino licensee has provided prior notice pursuant to N.J.A.C. 19:45-1.33(b) or 1.43(b); and

iii. A light system, approved by the Commission, which illuminates one or more lights in the monitoring rooms required by N.J.A.C. 19:45-1.10, at each count room door, and at such other locations as the Commission may require, for purposes of maintaining constant surveillance on whether each count room door is open or closed;

3. Each lock required by (b)2i above shall be controlled by a key which is different from:

- i. The key to the other lock on that door;
- ii. The keys to the locks securing the contents of each drop box, slot cash storage box, and slot drop box; and
- iii. The keys to the locks of each slot drop bucket compartment;

4. The key to one of the locks required by (b)2i above shall be maintained and controlled by the casino security department in a secure area within the casino security department, access to which may be gained only by a security supervisor, and the key to the other lock shall be maintained and controlled by a Commission inspector; and

5. The casino security department shall establish a sign-out procedure for all keys removed from the security department.

(c) Located within the count room shall be:

1. A table constructed of clear glass or similar material for the emptying, counting, and recording of the contents of drop boxes and slot cash storage boxes which shall be known as the "count table";

2. Closed circuit television cameras and microphone wired to monitoring rooms capable of, but not limited to, the following:

- i. Effective and detailed audio-video monitoring of the entire count process;
- ii. Effective, detailed video-monitoring of the interior of the count room, including storage cabinets or trolleys used to store drop boxes and slot cash storage boxes; and
- iii. Audio-video taping of the entire count process and any other activities in the count room.

(d) Each casino licensee may count the contents of slot drop buckets and slot drop boxes in a different room, to be known as the "hard count room," from that used for counting the contents of drop boxes and slot cash storage boxes, in which event the latter room shall be known as the "soft count room." In all other respects the hard count room shall comply with the requirements of this section, except that the hard count room need not contain the audio equipment required by (c)2i and (c)2iii above. In addition, the hard count room shall contain a fixed-door type or hand-held metal detector to inspect all persons exiting the hard count room.

(e) In addition to the light system required by (b)2iii above, each hard count room shall contain a separate light system or other device approved by the Commission which shall provide a continuous visual signal at the count room door, the Commission booth and such other locations as the Commission may require whenever any access door to the count room is open while the system is activated. The light system or device shall:

1. Maintain the visual signal until the system is reset or deactivated; and
2. Be designed so as to permit its activation, deactivation or resetting only by the Commission.

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1987 d.277, effective July 6, 1987 (operative November 1, 1987).

See: 18 N.J.R. 1929(a); 19 N.J.R. 1237(a), 19 N.J.R. 1656(a).

Added text in (d) "In addition, the . . . the count room." Correction deferred operative date from September 1, 1987 to November 1, 1987. Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added slot cash storage boxes.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a); 25 N.J.R. 348(b).

"Casino" changed to "casino licensee."

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b); 25 N.J.R. 2908(a).

Amended by R.1993 d.493, effective October 4, 1993.

See: 25 N.J.R. 2855(a), 25 N.J.R. 4622(a).

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

Amended by R.1996 d.122, effective March 4, 1996.

See: 27 N.J.R. 1775(a), 28 N.J.R. 1399(a).

19:45-1.33 Procedure for opening, counting and recording contents of drop boxes and slot cash storage boxes and the recording of keno revenue

(a) The contents of the drop boxes and slot cash storage boxes shall be counted and recorded in the count room in conformity with this section and a workflow diagram which shall be filed with the Commission's Principal Inspector, Division and the surveillance department.

1. The workflow diagram shall indicate, at a minimum, the location of all equipment in the count room, all equipment used in the counting process (for example, baskets and bins) and the flow of all currency, coupons, gaming vouchers, and paperwork from the start of the count to the conclusion of the count.

2. Each casino licensee shall include in its internal control submission a description of all computer equipment used in the counting and recording process and all other systems, if any, that communicate with that computer equipment for purposes related to the counting of gross revenue. The submission shall include, at a minimum:

- i. A detailed description of the design and use of the computer equipment and any software, screens, menus and reports related to the counting process;
- ii. The names of all revenue files and who has access and what type of access they have to these files;
- iii. Procedures for controlling changes in software which provide for, at a minimum, notification to the Commission at least 72 hours prior to the implementation of any proposed change; and
- iv. Controls that prevent access to any count room information by anyone outside of the count room until the entire count process is concluded.

(b) Each casino licensee shall place on file with the Commission and the Division the specific times during which the contents of drop boxes removed from gaming tables and contents of slot cash storage boxes are to be counted and recorded. Slot cash storage boxes shall be removed from bill changers in accordance with N.J.A.C. 19:45-1.42(a) and shall be counted and recorded, at a minimum, once a week. Drop boxes shall be removed from gaming tables and counted and recorded, at a minimum, once each gaming day, provided, however, a drop box need not be so removed if:

1. The drop box is from a gaming table that was never opened for gaming on that gaming day pursuant to N.J.A.C. 19:45-1.21; and
2. The casino licensee has established internal control procedures, as approved by the Commission, which ensure that the casino security department knows which drop boxes to collect and the count room supervisor knows which drop boxes should be counted.

(c) The opening, counting, and recording of the contents of drop boxes and slot cash storage boxes (the "soft count") shall be performed in the presence of a Commission inspector and a casino key employee who shall be referred to herein as a count room supervisor. The soft count shall be performed by at least three employees ("count team"), which may include the count room supervisor. To gain entrance to the count room, the Commission inspector shall present an official identification card containing his or her photograph issued by the Commission.

(d) All persons present in the count room during the counting process, except representatives of the Commission and the Division, shall wear as outer garments, only a full-length, one-piece pocketless garment with openings only for the arms, feet, and neck.

(e) No person present shall:

1. Carry a pocketbook or other container unless it is transparent; or
2. Remove his or her hands from or return them to a position on or above the count table, banking table or

counting equipment unless the backs and palms of his or her hands are first held straight out and exposed to the view of other members of the count team and the closed circuit television camera.

(f) Except as otherwise provided in this section, access to the count room during the counting process shall be limited to those persons whose presence is necessary to complete the count. No count room employee shall, during the counting process, enter a storage area for table drop boxes or slot cash storage boxes that is adjacent to the count room to perform any function that is not directly related to the counting process.

1. Immediately prior to the commencement of the count:

i. The doors to the count room shall be securely locked and remain locked at all times except when the doors are opened for an authorized purpose pursuant to (f)2 below;

ii. A count team member shall notify a person assigned to the closed circuit television monitoring station in the establishment that the count is about to begin, after which such person shall make a continuous audio-video recording, with the time and date inserted thereon, of the entire counting process, which recording shall be retained by the surveillance department for at least five days from the date of recordation unless otherwise directed by the Commission or the Division;

iii. The count room supervisor or his or her supervisor shall notify the Commission inspector, in writing, of the name and Commission license number of each member of the count team and whether each such individual is scheduled to:

- (1) Be present in the count room during the entire counting process;
- (2) Enter the count room during the counting process; or
- (3) Leave the count room prior to the conclusion of the counting process; and

iv. The Commission inspector shall ensure that the Commission key that unlocks the contents of the drop boxes and slot cash storage boxes is secured to the count table in a manner approved by the Commission.

2. Once the counting process has started, the doors to the count room shall only be opened for one of the following purposes:

i. To allow one or more members of the count team to take a work break or to allow for a change of Commission Inspectors;

ii. At the start or conclusion of a count team employee's shift;

iii. To permit table drop boxes or slot cash storage boxes to be secured in the count room;

iv. To permit empty table drop boxes, slot cash storage boxes, emergency table game drop boxes or emergency slot cash storage boxes that were not part of the current count to be removed from the count room in accordance with procedures approved by the Commission;

v. To allow a main bank cashier or cage supervisor to enter the count room to perform the responsibilities set forth in (i) below;

vi. In the event of an emergency; or

vii. To allow the count team and the Commission inspector to exit the room at the conclusion of the count.

(g) No person shall be permitted to enter or leave the count room during the counting process unless his or her name is on the written notice required by (f) above. Notwithstanding the foregoing, the name of any person who enters or leaves the count room in furtherance of a purpose identified in (f)2iii through vi above shall not have to be included on the written notice required by (f) above if he or she enters or leaves the count room during the counting process solely for that purpose.

1. If any person enters or leaves the count room during the counting process, any employee remaining in the count room shall be required to display his or her hands in accordance with (e) above and to step away from the count table, banking table and counting equipment until the person has entered or left the count room.

2. The counting and recording process shall be discontinued whenever less than three count team members are present in the count room. If the entire count team will be taking a break, prior to leaving the count room:

i. All cash and coupons that have been removed from either a drop box or slot cash storage box shall be counted at least once and secured in a manner approved by the Commission until the return of at least three soft count team members from the break; and

ii. Any trolleys that contain uncounted drop boxes or slot cash storage boxes shall be secured with both locks during the break.

3. Once the counting process has been started, the count room supervisor shall be required to notify the closed circuit television monitoring room whenever a count room door will be opened.

4. Once all currency, gaming vouchers, and coupons have been counted and the final count totals have been obtained, no employee shall be permitted to leave the count room, except in an emergency, until the recount and presentation procedures in (i) below have been completed.

(h) Procedures and requirements for conducting the count shall be as follows:

1. As each drop box or slot cash storage box is placed on the count table, one count team member shall verbalize, in a tone of voice to be heard by all persons present and to be recorded by the audio recording device, the game, table number, and shift marked thereon for drop boxes, or the asset or unique identification number marked thereon for slot cash storage boxes;

2. In full view of the closed circuit television cameras located in the count room, the contents of each drop box or slot cash storage box shall be emptied on the count table and either manually counted separately on the count table or counted on a currency, gaming voucher, or coupon counting machine which has been approved by the Commission and is located in a conspicuous location on, near or adjacent to the count table;

3. Immediately after the contents of a drop box or slot cash storage box are emptied onto the count table, the inside of the drop box or slot cash storage box shall be held up to the full view of a closed circuit television camera to assure all contents of the drop box or slot cash storage box have been removed, after which the drop box or slot cash storage box shall be locked and placed in the storage area for drop boxes and slot cash storage boxes. Any drop box or slot cash storage box shall be reopened at any time upon the request of a Commission inspector to assure that all the contents have been removed;

4. The contents of each drop box or slot cash storage box shall be segregated by a count team member into separate stacks on the count table by each denomination of coin, tokens, gaming chips, currency and coupon, and by type of form, record or document, except that the Commission may permit the utilization of a machine to sort currency or coupons automatically by denomination. All gaming vouchers shall also be separated by slot cash storage box. A count team member shall also separate out any mutilated or torn currency, gaming vouchers, and coupons, ensure that each item is properly counted and recorded by denomination and by box, and attempt to match pieces of mutilated or torn currency to determine if a complete bill exists.

i. Mutilated or torn currency shall be recorded as revenue if the bill includes one entire serial number and one letter and number of the serial number from the other half of the bill.

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

iii. All mutilated or torn coupons and gaming vouchers shall be recorded as revenue regardless of their condition;

5. Each denomination of coin, token, gaming chip, currency and coupon and any gaming vouchers shall be counted separately by one count team member who shall place individual bills, coins and coupons of the same denomination and any gaming vouchers on the count table in full view of a closed circuit television camera, after which the coin, currency, gaming vouchers, and coupons shall be counted by a second count team member who is unaware of the result of the original count and who, after completing this count, shall confirm the accuracy of the total, either verbally or in writing, with that reached by the first count team member, except that the Commission may permit a casino licensee to perform the following:

i. Aggregate counts by denomination of all currency and coupons collected in substitution of the second count by drop box or slot cash storage box, if the Commission is satisfied that the original counts are being performed automatically by a machine that counts and automatically records the value of currency or coupons, and the accuracy of the machine has been suitably tested and proven in accordance with the provisions of (h)6 below; and

ii. An aggregate count of all gaming vouchers collected in substitution of the second count by drop box or slot cash storage box, if the Commission is satisfied that the original counts are being performed automatically by a machine that determines the value of each gaming voucher by independently examining information printed on the voucher, which information is used by the machine to either calculate the value internally or obtain the value directly from the gaming voucher system in a secure manner as approved by the Commission, the accuracy of which machine has been suitably tested and proven in accordance with the provisions of (h)6 below. If the gaming voucher system is utilized to obtain the value of a gaming voucher, the gaming voucher system shall perform a calculation or integrity check, as approved by the Commission, to ensure that the value has not been altered in the system in any manner whatsoever since the time of issuance.

6. The Commission will permit the utilization of currency, gaming voucher, and coupon counting machines if prior to the start of the first use of a counting machine each gaming day, except for (h)6i and ii below, which shall be performed prior to each count, and except when a Commission inspector may direct the testing of an automatic counting machine prior to each count, in the presence of a Commission inspector, the count room supervisor shall:

i. Verify that the counting machine has a zero balance on its terminal unit display panel and has a receipt printed which denotes "-0- cash or coupons on hand" and "-0- notes or coupons in machine," or some other means to indicate that the machine has been cleared of all currency and coupons.

ii. Visually check the counting machine to be sure there are no bills or coupons remaining in the various compartments of the machine.

iii. Supervise a count team member who shall randomly select a drop box or slot cash storage box and place the entire contents of the drop box or slot cash storage box into the first counting machine, which shall count the currency or coupons by denomination and any gaming vouchers, and produce a print out of the total value of currency, total number and value of gaming vouchers, and total number and value of coupons by denomination. Any soiled or off-sorted bills, gaming vouchers, or coupons shall be re-fed into the machine and manual adjustments made to the total. Any items which the counting machine is not able to count, such as coins, tokens, gaming chips or mutilated or torn currency, gaming vouchers, and coupons shall also cause manual adjustments to be made to the total. The total as recorded on the counting machine and any adjustments thereto shall not be shown to anyone until completion of the final verification process.

iv. Supervise a second count team member, independent of the team member performing the initial count by machine, who shall manually count and summarize the total value of currency, total number and value of gaming vouchers, and total number and value of coupons contained in the drop box or slot cash storage box counted in (h)6iii above. The total shall be posted and maintained separately from the total posted in (h)6iii above. This total shall not be shown to anyone until completion of the final verification process.

v. Supervise the second count team member passing the currency, gaming vouchers, or coupons to a count team member, who is unaware of the results of the manual count. The count team member shall count the contents of the drop box or slot cash storage box counted in (h)6iii above using a second counting machine. Such machine shall produce a printout of the total value of currency, total number and value of gaming vouchers, and total number and value of coupons contained in the drop box or slot cash storage box. Any soiled or off-sorted bills, gaming vouchers, or coupons shall be re-fed into the machine and manual adjustments shall be made to the total. Coins, tokens, gaming chips, or mutilated or torn currency, gaming vouchers, and coupons shall also cause manual adjustments to be made to the total. The total as recorded on the counting machine and any adjustments thereto shall not be shown to anyone until completion of the final verification process.

vi. Following the completion of the test procedures, compare the totals from the test receipts of both counting machines, as computed in (h)6iii and (h)6v above, to the manual total computed in (h)6iv above. If the three totals compared above are in agreement, the

count room supervisor will sign and date the test receipts and forward them to the Accounting Department at the end of the count process.

vii. If the three totals do not agree, appropriate repairs shall be made to the counting machine and the procedures in (h)6i through (h)6vi above shall be repeated until all totals are in agreement. The Commission shall not permit the counting machine to be used until these totals are in agreement.

7. If a counting machine is used to perform the first count in accordance with (h)5 above, cash storage cassettes shall be emptied and held up to the full view of a closed circuit television camera and shall be shown to the Commission inspector to assure that the contents have been emptied prior to replacing the cassette into the counting machine.

8. Notwithstanding (h)5 above, a casino licensee may use one piece of counting equipment to count and strap the currency, gaming vouchers, and coupons; provided, however, that the counting equipment and the procedures for utilizing the equipment have been approved by the Commission and the equipment functions in such a manner that it automatically provides two separate counts of the funds at different stages of the counting process and, if these separate counts are not in agreement, the machine shall document the discrepancy and cease operation until the discrepancy is resolved by a count team member. Currency, gaming vouchers, and coupons not being separately verified in accordance with (h)5 above, including, but not limited to, gaming vouchers for which the counting equipment obtains the value from the gaming voucher system in accordance with (h)5ii above, shall be verified by the operator in a manner approved by the Commission.

9. Any coupon deposited in a drop box or any coupon or gaming voucher deposited in a slot cash storage box shall be counted and included in the calculation of table game win or loss in accordance with (h)11 below or on the slot win report, without regard to the validity of the coupon or gaming voucher.

10. Any coupon which has not already been canceled upon acceptance or during the count shall be canceled prior to the conclusion of the count, in a manner approved by the Commission.

11. The Master Game Report shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the casino licensee chooses, pursuant to (i)3 below, to make copies of the original Master Game Report, in which case only an original shall be required. Each additional copy of a multi-part Master Game Report shall be clearly labeled as a copy. As the contents of each drop box are counted, a count team member shall manually record or cause a computer system to record, in a manner approved by the Commission, the following information on the Master Game Report or other supporting documentation by game and table number:

- i. The value of each denomination of currency counted;
- ii. The total value of all denominations of currency counted;
- iii. The value of coin and/or tokens counted;
- iv. The value of gaming chips counted;
- v. The total value of currency, coin/tokens and gaming chips counted;
- vi. The value of each denomination of coupons other than match play coupons;
- vii. The total value of all denominations of coupons other than match play coupons;
- viii. The value of each denomination of match play coupons;
- ix. 50 percent of the total value of all denominations of match play coupons;
- x. The amount recorded on each document evidencing a credit card chip transaction;
- xi. The total of the amounts recorded on all documents evidencing credit card chip transactions;
- xii. The amount recorded on each document evidencing a debit card chip transaction;
- xiii. The total of the amounts recorded on all documents evidencing debit card chip transactions;
- xiv. The amount of the Opener;
- xv. The amount of the Closer;
- xvi. The serial number and amount of each Counter Check;
- xvii. The amount of all Counter Checks counted;
- xviii. The serial number and amount of each Fill;
- xix. The amount of all Fills;
- xx. The serial number and amount of each Credit;
- xxi. The amount of all Credits;
- xxii. The amount recorded on each Complimentary Vigorish Form documenting uncollected baccarat or minibaccarat vigorish;
- xxiii. The total of the amounts recorded on all Complimentary Vigorish Forms documenting uncollected baccarat or minibaccarat vigorish;
- xxiv. The table game win or loss or, for poker, the poker revenue; and
- xxv. The gaming date of the items being recorded, the total number of drop boxes opened and counted and the date the Master Game Report is being prepared or generated.

12. After the contents of each drop box are counted and recorded, a member of the count team shall manually record or cause the computer to record on the Master Game Report, by game, the total value of currency, coin, and coupons, and the total amounts recorded on Table Inventory Slips, Counter Checks, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, Fills, and Credits counted, and win or loss, together with such additional information as may be required on the Master Game Report by the Commission or the casino licensee.

13. Notwithstanding the requirements of (h)11 and 12 above, if the casino licensee's system of internal controls provides for the recording on the Master Game Report or supporting documents of Fills, Credits, Counter Checks, documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips by cage cashiers prior to commencement of the count or includes a computerized system whereby all Fills, Credits, Counter Checks, documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips are entered into the system at the time of preparation, a count team member shall compare for agreement the totals of the amounts previously recorded or entered to the Fills, Credits, Counter Checks, the documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips that are removed from the drop boxes.

14. The Slot Cash Storage Box Report shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the casino licensee chooses, pursuant to (i)3 below, to make copies of the original Slot Cash Storage Box Report, in which case only an original shall be required. Each additional copy of a multi-part Slot Cash Storage Box Report shall be clearly labeled as a copy. As the contents of each slot cash storage box are counted, a count team member shall manually record or cause a computer system to record, in a manner approved by the Commission, the following information on the Slot Cash Storage Box Report or supporting documentation:

i. The asset number of the bill changer to which the slot cash storage box contents correspond or, if a casino licensee utilizes slot cash storage boxes with a unique identification number, the number shall be recorded along with the asset number of the slot machine;

ii. The value of each denomination of currency counted;

iii. The total value of all denominations of currency counted;

iv. The value of currency counted for each slot machine denomination;

v. The number and value of each denomination of coupons;

vi. The total number and value of all denominations of coupons;

vii. A listing of each gaming voucher counted by serial number and the value of each gaming voucher counted;

viii. The total number and value of all gaming vouchers counted;

ix. The gaming date of the items being recorded and the total number of all slot cash storage boxes opened and counted; and

x. Any additional information as may be required on the Slot Cash Storage Box Report by the Commission.

15. Notwithstanding the requirements of (h)11, 12 and 14 above, if the casino licensee's system of internal controls provides for the count team functions to be comprised only of counting and recording currency, coin, gaming vouchers, and coupons, accounting department employees shall perform all other counting, recording and comparing duties required by this section.

16. After preparation of the Master Game Report or the Slot Cash Storage Box Report, the count team members performing the banking functions and the count room supervisor shall sign the reports attesting to the accuracy of the information recorded thereon. The count room supervisor shall ascertain that the total number of drop boxes collected and verified by a casino supervisor pursuant to N.J.A.C. 19:45-1.17(b) have been opened and recorded on the Master Game Report or that the total number of slot cash storage boxes collected and verified by a drop team supervisor pursuant to N.J.A.C. 19:45-1.17(c) have been opened and recorded on the Slot Cash Storage Box Report. All other count team members shall either sign the Master Game Report or such other document as approved by the Commission as evidence of their participation in the counting of the drop boxes or slot cash storage boxes. Any person who, in accordance with (f) above, is scheduled to leave the count room prior to the completion of the entire count process, shall also record the time that he or she exited the count room. Any person who enters or leaves the count room due to an emergency shall sign, and record the time of the entry or exit on the Master Game Report or such other document as approved by the Commission; except that, if the person exiting the count room is unable to sign the document due to the emergency, the count room supervisor shall record the person's name and time of exit and a notation describing the emergency on the document.

17. If any problem exists with the soft count procedures and/or machines (for example, computer interface,

dropped basket, strap over or short), it shall be brought to the immediate attention of the Commission inspector in the room and a detailed written report explaining the problem, the reason for said problem and the corrective action taken shall be filed by the count room supervisor or above with the Commission within 48 hours of the conclusion of that count.

(i) After the contents of all drop boxes or all slot cash storage boxes have been counted:

1. All cash, tokens, gaming chips and coupons shall be presented in the count room by a count team member to a main bank cashier or cage supervisor who, prior to having access to the information recorded on the Master Game Report or the Slot Cash Storage Box Report and in the presence of a count team member and the Commission inspector, shall recount, either manually or mechanically, the cash and coupons presented in accordance with the following requirements:

i. The cashier or cage supervisor shall have physical access to all currency and coupons presented for recounting and no currency or coupons presented for recounting shall be wrapped or placed in any sealed bag or container until the entire recount has been completed and the Master Game Report or the Slot Cash Storage Box Report has been signed by the count team members, the count room supervisor, the cashier or cage supervisor and the Commission inspector;

ii. The cashier or cage supervisor may bulk count all strapped currency and coupons;

iii. All partial straps, loose currency and coupons, mutilated or torn currency and coupons, coin, tokens and gaming chips must be recounted by the cashier or cage supervisor either by hand or with an approved counting device;

iv. A Commission inspector may direct that currency straps of any denomination be recounted by the cashier or cage supervisor either by hand or with an approved counting device, if a discrepancy either in denomination total or grand total is discovered during the initial bulk recount; and

v. Not less than 10 percent of the total number of coupon pieces of a denomination as specified by the Commission inspector shall be randomly recounted by hand or with an approved counting device and also inspected for proper cancellation and intermixed denominations.

2. Upon completion of the recount, the cashier or cage supervisor shall attest by signature on the Master Game Report and Slot Cash Storage Box Report, if applicable, the amounts of cash and coupons counted, after which the Commission inspector shall sign the report evidencing his or her presence during the count and the fact that both the cashier or cage supervisor and count team have agreed on the total amounts of cash and coupons counted.

3. Once all required signatures have been obtained, the duplicate or a copy of the original Master Game Report or Slot Cash Storage Box Report shall be given to the Commission inspector.

i. A casino licensee's internal controls may, in the licensee's discretion, require that an additional copy of a multi-part Master Game Report or Slot Cash Storage Box Report or another copy of the original be produced and given to the cage supervisor or main bank cashier.

ii. Each copy of an original Report which is not part of a multi-part form shall be stamped with the word "copy" by the inspector prior to its distribution.

4. A casino licensee may, in its discretion, present the main bank cashier or cage supervisor with the cash, tokens, gaming chips, and coupons obtained from the count of the drop boxes and the count of the slot cash storage boxes, either:

i. At the same time, in which event the cash, tokens, gaming chips and coupons shall be presented immediately after both counts have been concluded; provided, however, that the casino licensee shall set forth in its approved system of internal controls the procedures for segregating and securing the cash, tokens, gaming chips and coupons from the first count that is concluded until presented to the main bank cashier or cage supervisor after the conclusion of the second count; or

ii. Separately, in which event the cash, tokens, gaming chips, and coupons from each count shall be presented immediately after the conclusion of the count; provided, however, that if the cash, tokens, gaming chips, and coupons from the first count that is concluded are presented while the second count is in progress:

(1) There shall be no cash, tokens, gaming chips, gaming vouchers, or coupons in the count room removed from an opened box that has not already been counted at least once; and

(2) All count room employees shall be required to step away from the count table until the presentation is completed and the cash and coupons from the first count are removed from the count room.

5. The original Master Game Report, after signing, and the Requests for Fills, the Fills, the Requests for Credits, the Credits, the issuance copies of the Counter Checks, the Table Inventory Slips, the documents evidencing a credit or debit card chip transaction, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, the coupons removed from drop boxes and any other supporting documentation shall be transported directly to the casino accounting department and shall not be available to any cashiers' cage personnel. All coupons shall be received and processed by the casino accounting department in the manner set forth in N.J.A.C. 19:45-1.46(l).

6. The original Slot Cash Storage Box Report, after signing, any coupons and gaming vouchers removed from the slot cash storage boxes, and any other supporting documentation shall be transported directly to the casino accounting department and shall not be available to any cashiers' cage personnel. The casino accounting department shall record the figures from the Slot Cash Storage Box Report on the Slot Win Report and calculate the total drop for that gaming day. All coupons shall be received and processed by the casino accounting department in the manner set forth in N.J.A.C. 19:45-1.46(l). All gaming vouchers shall be forwarded to, accepted, and processed by the casino accounting department in the manner set forth in N.J.A.C. 19:45-1.54.

7. If the casino licensee's system of internal control does not provide for the forwarding from the cashiers' cage of the originals of the Fills, Credits, Requests for Credits, and the Requests for Fills, and the issuance copies of the Counter Checks, directly to the accounting department, the originals of all such slips recorded, or to be recorded, on the Master Game Report shall be transported from the count room directly to the accounting department.

8. A count room employee, in the presence of a Commission inspector, shall conduct a thorough inspection of the entire count room and all counting equipment located therein to verify that no cash, tokens, gaming chips, gaming vouchers, or coupons remain in the room.

(j) In addition to the procedures for conducting the count by the count team set forth under (h)4, 5 and 16 above, and the procedures for conducting the recount by a main bank cashier or cage supervisor set forth under (i)1 above, if the total currency or total coupons recounted by the cashier or cage supervisor do not agree with a total on the Master Game Report or Slot Cash Storage Box Report, or if a variance occurs during the verification process by the count team prior to calling the cashier or cage supervisor, an adjustment shall be made to the Master Game Report or Slot Cash Storage Box Report which shall reflect the amount, type (currency or coupon) and source (identified to a gaming table or slot machine, if applicable) of such variance; however:

1. If the source of the variance is a gaming table and the gaming table to which the adjustment should be made cannot be identified, the adjustment shall be deemed to be from the drop box of a predesignated blackjack table;

2. If the source of the variance is a slot machine and the slot machine to which the adjustment should be made cannot be identified, the adjustment shall be deemed to be from the slot cash storage box of a predesignated \$.25 slot machine or a predesignated slot machine with the lowest denomination counted that day; or

3. If the total currency or total coupons recounted by the cashier or cage supervisor do not agree with a total on the Master Game Report or Slot Cash Storage Box

Report, or if a variance occurs during the verification process by the count team prior to calling the cashier or cage supervisor, the denomination of strapped currency involved or coupon pieces shall be recounted by the count team either by hand or by an approved counting device as determined by the Commission inspector.

i. If the source of the variance cannot be identified, any adjustment made to the Master Game Report or Slot Cash Storage Box Report shall be initialed by the Commission inspector and a three-part Drop Variance Report shall be completed by the count room supervisor and distributed as follows:

- (1) Original to the Commission inspector;
- (2) Duplicate to in-house Division; and
- (3) Triplicate to the casino accounting department.

ii. A Drop Variance Report shall contain, at a minimum, the following information:

- (1) The date;
- (2) The source of variance, if known;
- (3) The measures taken to detect the source of the variance (that is, currency or coupons recounted); and
- (4) A description of any adjustment made to the Master Game Report or Slot Cash Storage Box Report (for example, \$10.00 deducted from grand total drop and win columns on Master Game Report).

(k) The originals and copies of the Master Game Report, the Slot Cash Storage Box Report, Counter Checks, the documents that evidence credit or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, Requests for Fills, Fills, Requests for Credits, Credits, Table Inventory Slips, gaming vouchers, the documents that evidence the counting of the gaming vouchers, and the test receipts from the currency counting equipment shall, on a daily basis, in the accounting department be:

1. Compared for agreement with each other, on a test basis if the originals are received from the count room, by persons with no recording responsibilities and, if applicable, to triplicates or stored data;
2. Reviewed for the appropriate number and propriety of signatures on a tests basis;
3. Accounted for by series numbers, if applicable;
4. Tested for proper calculation, summarization, and recording, including the reconciliation of gaming vouchers pursuant to N.J.A.C. 19:45-1.54;
5. Subsequently recorded; and
6. Maintained and controlled by the accounting department as a permanent accounting record.

(l) The keno computer system shall have the capability of generating a report which lists, by keno work station, the keno drop, total amount won by patrons and keno win or loss for each gaming day. This report shall be audited by a casino accounting department employee. Once the audit procedures have been completed, the casino accounting department employee shall sign the report and either attach the report to the Master Game Report for that gaming day or record the appropriate figures from the report onto the Master Game Report.

(m) If there is a difference between the keno win or loss as represented in the report referenced in (k) above and the figures reported as a result of the reconciliation of the keno drawer pursuant to N.J.A.C. 19:45-1.48(l), the casino licensee shall be required to pay gross revenue tax pursuant to N.J.S.A. 5:12-24 on the larger figure unless the casino licensee can adequately explain and document the reason for said difference. No adjustments to gross revenue shall be permitted without approval from the Commission.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(j)1: added "if the originals . . . room."
Amended by R.1985 d.495, effective October 7, 1985.
See: 17 N.J.R. 1752(a), 17 N.J.R. 2457(a).

Subsection (h) substantially amended.
Petition for Rulemaking. Request amendment to subsection (b).
See: 18 N.J.R. 1966(a).
Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).

Amended by R.1987 d.428, effective November 2, 1987.
See: 19 N.J.R. 923(a), 19 N.J.R. 2065(a).
Added text to (h)5; and added text to (j) "and the test receipts from the currency counting equipment".
Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective April 11, 1988 (expires July 10, 1988).
See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.
See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).
Substantially amended to include procedure for opening slot cash storage boxes.

Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
In (h)1: changed "casino" number to "asset" number.

Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (i)3: added "gaming" to describe day.
Amended by R.1992 d.475, effective December 7, 1992.
See: 24 N.J.R. 3253(a), 24 N.J.R. 4418(a).

In (h)9: changed "casino number" to "asset number".
Amended by R.1993 d.75, effective February 16, 1993.
See: 24 N.J.R. 2536(a), 24 N.J.R. 4243(a), 25 N.J.R. 717(a).
In (h)2, added in full view of the closed circuit television camera located in the court room. Throughout (h), added "coupon". In (h), added 6 and 7; 6-11 recodified as 8-13. In 8, added v and vi. In (i)2, added coupons to be processed pursuant to 19:45-1.46(l).
Amended by R.1993 d.143, effective April 5, 1993.
See: 25 N.J.R. 279(a), 25 N.J.R. 1523(a).

In (h)1 and 9i, added new text regarding the utilization of a unique identification number.
Amended by R.1994 d.69, effective February 7, 1994.
See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).
Amended by R.1994 d.141, effective March 21, 1994.
See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).
Amended by R.1995 d.285, effective June 5, 1995.
See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).
Amended by R.1996 d.31, effective January 16, 1996.

See: 27 N.J.R. 3921(a), 28 N.J.R. 281(a).
Amended (h)6 and 8.
Amended by R.1996 d.360, effective August 5, 1996.
See: 28 N.J.R. 2357(a), 28 N.J.R. 3823(b).
Amended by R.1996 d.398, effective August 19, 1996.
See: 28 N.J.R. 2536(b), 28 N.J.R. 3975(a).
Amended by R.1996 d.439, effective September 16, 1996.
See: 28 N.J.R. 2809(a), 28 N.J.R. 4236(a).
Amended by R.1996 d.477, effective October 7, 1996.
See: 28 N.J.R. 3063(a), 28 N.J.R. 4518(a).
Amended by R.1997 d.37, effective January 21, 1997.
See: 28 N.J.R. 4575(a), 29 N.J.R. 379(a).
Deleted (f); recodified former (g) as (f); inserted (f)1; added (f)3; inserted new (g); and substantially amended (h)8 through (h)13.
Amended by R.1997 d.155, effective April 7, 1997.
See: 29 N.J.R. 111(a), 29 N.J.R. 1400(a).

In (b), deleted "which at a minimum, shall be once each gaming day for drop boxes" following "counted and recorded" and added the last sentence and paragraphs (1) and (2).
Administrative correction.
See: 29 N.J.R. 2847(a).

In (h)9, inserted reference to credit/debit card chip transactions.
Amended by R.1997 d.447, effective October 20, 1997.
See: 29 N.J.R. 2811(a), 29 N.J.R. 4560(a).

In (c), rewrote the first and second sentences; and in (f)3, inserted "or his or her supervisor".
Amended by R.1998 d.370, effective July 20, 1998.
See: 30 N.J.R. 1002(a), 30 N.J.R. 2639(a).

In (h), deleted a former 14.
Amended by R.1999 d.28, effective January 19, 1999.
See: 30 N.J.R. 3764(b), 31 N.J.R. 147(a).

In (i)1ii(1), substituted "in the count room removed from an opened" for "on the count table from a" following "coupons".
Amended by R.1999 d.43, effective February 1, 1999.
See: 30 N.J.R. 3173(a), 31 N.J.R. 455(a).

Rewrote (h); in (i), inserted "Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish," following "transaction," in the first sentence of 2; and in (k), inserted "Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish," following "transactions," in the introductory paragraph.
Amended by R.2000 d.422, effective October 16, 2000.
See: 31 N.J.R. 4245(a), 32 N.J.R. 3863(c).

Rewrote the section.
Amended by R.2003 d.4, effective January 4, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
Rewrote the section.

19:45-1.34 Slot booths

(a) Each establishment may have on or immediately adjacent to the gaming floor one or more physical structures, each to be known as a slot booth, to house one or more slot cashiers and to serve as the central location in the casino or, when there are multiple slot booths, in that portion of the casino, for the following:

1. The custody of the slot booth inventory comprising currency, coin, slot tokens, forms, documents, and records normally associated with the operation of a slot booth;
2. The exchange by patrons of coin for currency or slot tokens;
3. The exchange by patrons of currency for currency, coin or slot tokens;
4. The exchange by patrons of gaming chips, prize tokens or slot tokens for currency, slot tokens or coin;

(h) Keys to each slot machine, or any device connected thereto which may affect the operation of the slot machine, with the exception of the keys to the compartments housing the slot drop bucket and to the locks securing the areas where the slot cash storage box and slot drop box are located, shall be maintained in a secure place and controlled by the slot department.

(i) Any key removed from a department's secure area pursuant to (b), (c), (d), (g) or (h) above, shall be returned no later than the end of the shift of the department member to whom the key was issued, and the department shall establish a sign-out and sign-in procedure approved by the Commission for all such keys removed.

(j) Unless a computer which automatically records the information specified in (j)1, 2, 3 and 4 below is connected to the slot machines in the casino, the following entry authorization logs shall be maintained by the casino licensee:

1. Whenever it is required that a slot machine or any device connected thereto which may affect the operation of the slot machine be opened, with the exception of a bill changer, certain information shall be recorded on a form to be entitled "Machine Entry Authorization Log." The information shall include, at a minimum, the date, time, purpose of opening the machine or device, and the signature of the authorized employee opening the machine or device. The Machine Entry Authorization Log shall be maintained in the slot machine and shall have recorded thereon a sequential number and a manufacturer's serial number or the asset number of that slot machine.

2. Whenever it is required that a progressive controller not housed within the cabinet of a slot machine be opened, the information specified in (j)1 above shall be recorded on a form to be entitled "Progressive Entry Authorization Log." The Progressive Entry Authorization Log shall be maintained in the progressive unit and shall have recorded thereon a sequential number and serial number of the progressive controller.

3. With the exception of the transportation of slot cash storage boxes, pursuant to N.J.A.C. 19:45-1.17(a), whenever it is required that a bill changer, other than a separate slot cash storage box compartment, be opened, certain information shall be recorded on a form to be entitled "Bill Changer Log." The information shall include, at a minimum, the date, time, purpose of opening the bill changer, and the signature of the authorized employee opening the bill changer. The Bill Changer Log shall be maintained in the bill changer and shall have recorded thereon a sequential number and the serial number or asset number of the bill changer. If the bill changer is contained completely within the cabinet of a slot machine and there is no separate access to the bill changer unit, the information may be recorded on the Machine Entry Authorization Log required by (j)1 above, provided that any information that concerns the opening

of the bill changer may be distinguished from any other information that concerns the opening of the slot machine or any other device connected thereto.

4. Whenever it is required that a printer for an approved gaming voucher system be accessed, the date, time, purpose of such access, and the signature of the authorized employee shall be recorded in the log required by (j)1 or (j)3 above, or a separate log as approved by the Commission.

Amended by R.1983 d.239, effective June 30, 1983.

See: 14 N.J.R. 1052(a), 15 N.J.R. 1040(b).

Deleted requirements in (d)1, that only slot machines or attendants had to sign the Machine Entry Authorization Log.

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1988 d.224, effective May 16, 1988.

See: 20 N.J.R. 516(a), 20 N.J.R. 1099(c).

Substantially amended.

Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added bill changers and slot token containers and keys for slot storage box compartments.

Amended by R.1988 d.468, effective October 3, 1988.

See: 20 N.J.R. 1069(a), 20 N.J.R. 2468(a).

Sequentially number "machine entry authorization logs" and require preparation and maintenance of "progressive entry authorization logs".

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (a)2 and (g)1, 3: revised text to read "asset" and "manufacturer's serial" number.

Amended by R.1992 d.359, effective September 21, 1992.

See: 24 N.J.R. 1472(b), 24 N.J.R. 3335(b).

Requirement for separate locked compartment for slot cash storage box eliminated, under specified circumstances.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1994 d.69, effective February 7, 1994.

See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).

Amended by R.1994 d.474, effective September 19, 1994.

See: 26 N.J.R. 2217(a), 26 N.J.R. 3894(a).

Administrative Correction.

See: 26 N.J.R. 4788(a).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1996 d.161, effective March 18, 1996.

See: 28 N.J.R. 77(a), 28 N.J.R. 1560(a).

Amended by R.1996 d.358, effective August 5, 1996.

See: 28 N.J.R. 1946(a), 28 N.J.R. 3822(a).

Amended by R.1998 d.163, effective April 6, 1998.

See: 29 N.J.R. 4260(a), 30 N.J.R. 1309(a).

In (a)2, added the last two sentences in the introduction, and added i and ii.

Amended by R.2001 d.401, effective November 5, 2001.

See: 33 N.J.R. 2632(a), 33 N.J.R. 3761(a).

Rewrote (a)3; rewrote (f).

Amended by R.2002 d.60, effective March 4, 2002.

See: 33 N.J.R. 2402(b), 34 N.J.R. 1020(b).

Rewrote (a).

Amended by R.2002 d.4, effective January 6, 2003.

See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

In (a), added "Except as provided in N.J.A.C. 19:45-154.a, each"; in (j) added 4.

Amended by R.2005 d.12, effective January 3, 2005.

See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).

19:45-1.36A Slot machines; hopper storage areas

(a) A hopper storage area may be used in connection with the operation of a slot machine, for the purpose of temporarily storing coins, prize tokens or slot tokens that are to be deposited only into the slot machine's hopper that corresponds with the coin or type of token stored in the hopper storage area.

(b) A hopper storage area shall be a separate secure compartment located within or adjacent to its corresponding slot machine. Notwithstanding the foregoing, a single hopper storage area may be used to store hopper fills for two or more slot machines. A hopper storage area used to supply two or more slot machines shall:

1. Be located on the casino floor in close proximity to its corresponding slot machines, which location shall be approved by the Commission; and
2. Contain a separate marked compartment for each corresponding slot machine, so that all hopper fills stored in the hopper storage area can be segregated and identified by slot machine.

(c) Each hopper storage area shall:

1. Be constructed so as to provide maximum security for the coins or tokens stored in it;
2. Be secured by two separate locks, the keys to which shall be different from each other. One of the keys, which may be the same as the key which opens the slot machine corresponding to that hopper storage area, shall be maintained and controlled by the slot department. The other key, which shall be different from the key securing the corresponding slot machine, shall be maintained and controlled by the casino security department, in a secure area within that department, and access to that key may be gained only by a supervisor in that department. Removal of the key from this area may be undertaken only for use and return no later than the end of the shift of the department member to whom the key was issued, and upon the approval of a supervisor of that department, and entry of the following information into a log:
 - i. The signature of the department member to whom the key was issued;
 - ii. The signature of the supervisor authorizing such issuance;
 - iii. The date and time issued; and
 - iv. The date and time replaced; and
3. Include a device that indicates when the door of the hopper storage area is open.

(d) Hopper storage areas shall be filled and utilized in accordance with the procedures in N.J.A.C. 19:45-1.41 and a casino licensee's system of internal controls. No hopper storage area and no compartment within a hopper storage area that supplies two or more slot machines shall contain more than triple the hopper inventory level of each of the hoppers in its corresponding slot machine.

New Rule, R.1992 d.360, effective September 21, 1992.

See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1997 d.489, effective November 17, 1997.

See: 29 N.J.R. 1289(a), 29 N.J.R. 4862(b).

Rewrote (b); inserted new (b)1, (b)2 and (c); recodified existing (b)1 through (b)3 as (c)1 through (c)3; recodified existing (c) as (d); and in (d), added the second sentence.

19:45-1.37 Slot machines and bill changers; electronically erasable/programmable storage media; identifications; signs; and meters

(a) Unless otherwise authorized by the Commission, each slot machine in a casino shall have the following identifying features:

1. A manufacturer's serial number affixed to the outside of the slot machine cabinet in a location as approved by the Commission.
2. An asset number that is permanently imprinted, affixed or impressed on the outside of the machine. The asset number must be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the casino licensee's closed circuit camera coverage system. The size and location of the asset number are subject to prior approval by the Commission;
3. A display located conspicuously on the front of the slot machine that automatically illuminates when a player has won a jackpot not paid automatically and totally by the slot machine and which advises the player to see an attendant to receive full payment;
4. A display on the front of the slot machine that provides fair notice of the following:
 - i. The rules of play, jackpot displays which will designate jackpots and the related payouts;
 - ii. If the slot machine offers a payout of merchandise or some other thing of value, a clear description of the merchandise or thing of value, including its cash equivalent value (unless the payout is an annuity jackpot), and the dates that the merchandise or thing of value will be offered if the casino licensee establishes a time limit for offering the merchandise or thing of value as provided in N.J.A.C. 19:45-1.40A (a time limit shall not be permitted for a progressive annuity jackpot); provided, however, that the display need only contain the name or a brief description of the merchandise or thing of value offered if a sign containing all of the information specified in this subparagraph is displayed near the slot machine in a manner and location approved by the Commission;

iii. If the slot machine offers a progressive jackpot, the payout limit, if the casino licensee establishes a payout limit as provided in N.J.A.C. 19:45-1.39; provided, however, that the display need not contain the payout limit if a sign which does contain the payout limit is displayed near the slot machine in a manner and location approved by the Commission;

iv. If the slot machine is equipped with a payout-only hopper, a statement either that:

(1) Any prize tokens that are paid out as a jackpot from that hopper cannot be used to activate play at any slot machine; or

(2) Any coins or slot tokens that are paid out from that hopper cannot be used to activate play at that slot machine;

v. If the slot machine is equipped with multiple hoppers and has the win meter permitted by (b)4ii below and N.J.A.C. 19:46-1.26(c)5, a statement, approved by the Commission, that reasonably explains to patrons the information disclosed by the win meter;

vi. If the slot machine offers an alternative jackpot of either cash or merchandise or some other thing of value pursuant to N.J.A.C. 19:45-1.40A(m), or an annuity jackpot with a cash payout option pursuant to N.J.A.C. 19:45-1.40B, in addition to any other requirement imposed by (a)4i through v above, a clear description of the jackpots and options that are available to a winning patron and all essential terms governing the exercise of any option; provided, however, that the display need only contain a brief description of the jackpots offered if a sign containing all of the information specified in this subparagraph is displayed near the slot machine in a manner and location approved by the Commission;

vii. If the slot machine has an approved gaming voucher feature, a description of whether the patron is paid in coin/tokens and/or game vouchers;

viii. If the slot machine is equipped with tokenization pursuant to N.J.A.C. 19:45-1.37C, a conspicuous notice indicating:

(1) The denomination of the slot machine, and the denomination of the token accepted and paid by the machine;

(2) Whether or not the residual slot credit can be cashed out; and

(3) That any residual slot credit not played or cashed out by a patron shall be deemed abandoned; and

ix. If the slot machine is multi-denominational pursuant to N.J.A.C. 19:46-1.28A(k), conspicuous notice that jackpots are based upon credits played at the denomination selected;

5. A mechanical, electrical, or electronic device that automatically precludes a player from operating the slot machine after a jackpot requiring a manual payout and requires an attendant to reactivate the machine;

6. A slot machine tower light that complies with the requirements of N.J.A.C. 19:45-1.37B; and

7. A location number that is affixed to the outside of the machine. The location number must be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the casino licensee's closed circuit camera coverage system. The size and location of the location number are subject to prior approval by the Commission.

(b) Unless otherwise authorized by the Commission, each slot machine in a casino shall be equipped with the following:

1. A mechanical, electrical or electronic device, to be known as an "in-meter" that continuously and automatically counts the number of coins or slot tokens placed by patrons into the machine for the purpose of activating play;

2. A mechanical, electrical or electronic device, to be known as a "drop meter," that continuously and automatically counts the number of coins or slot tokens that are dropped into the machine's slot drop bucket or slot drop box;

3. For each hopper in a slot machine, a separate mechanical, electrical or electronic device, to be known as a "jackpot meter," that continuously and automatically counts, for that hopper only, the number of coins, prize tokens or slot tokens that are automatically paid by the machine from the corresponding hopper and that displays the aggregate number so counted; provided, however, that:

i. In lieu of the jackpot meter for a payout-only hopper displaying the aggregate number of coins, slot tokens or prize tokens paid out from that hopper, each casino licensee that uses a slot machine which is capable of converting the number of coins, slot tokens or prize tokens paid out from a payout-only hopper into the equivalent number of coins or slot tokens that match the denomination of the coin or slot token which that slot machine is designed to accept in order to activate play (the "machine denomination equivalent"), may, in accordance with internal controls approved by the Commission, set the jackpot meter connected to each payout-only hopper in that slot machine to continuously and automatically count and display the aggregate number of coins, slot tokens or prize tokens paid out from that hopper by its machine denomination equivalent (for example, the jackpot meter on a 25¢ slot machine may display the payout of one \$3.00 prize token as the payout of "12" quarters); and

ii. Each slot machine with multiple hoppers may have a single jackpot meter to count and display the aggregate number of coins, slot tokens or prize tokens paid out from that machine's hoppers provided that:

(1) Each hopper is connected to that meter;

(2) The jackpot meter counts and displays, in accordance with (b)3i above, the aggregate number of coins, slot tokens or prize tokens paid out from a payout-only hopper by its machine denomination equivalent; and

(3) Each payout-only hopper has a separate jackpot meter, to be known as a "payout-only jackpot meter," that counts and displays the aggregate number of coins, slot tokens or prize tokens actually paid out from that hopper only;

4. A mechanical, electrical or electronic device, to be known as a "win meter," visible from the front of the machine, that, upon a player hitting a jackpot, advises the player of the number of coins, prize tokens or slot tokens for that round that have been paid to the player by the machine from the corresponding hopper; provided, however, that multiple win meters, as provided in (b)4i or ii below after approval of the casino licensee's internal controls therefor, shall be used on each multiple hopper slot machine whenever one or more jackpots that are hit on the same round of play at that machine entitle the winning player to automatically receive coins, slot tokens or prize tokens from both hoppers and each hopper contains a different denomination of coins, slot tokens or prize tokens, as follows:

i. A separate win meter for each hopper that, for the round in which a jackpot is hit, advises the winning player of the actual number of coins, slot tokens or prize tokens won from that hopper only; or

ii. A win meter to which each hopper is connected that advises the winning player of the aggregate number of coins, slot tokens or prize tokens won on that round from both hoppers after first converting the aggregate number of any coins, slot tokens or prize tokens won that round from a payout-only hopper into its machine denomination equivalent, and a separate win meter, to be known as a "payout-only win meter," connected to each payout-only hopper that advises the player of the number of coins, slot tokens or prize tokens actually won on that round from the corresponding hopper only (for example, a win meter on a multiple hopper 25 cent slot machine may, pursuant to this paragraph, record the payout, on the same round of play, of one \$3.00 prize token and two quarters as the payout of "14" quarters, provided there is a separate payout-only win meter advising the player that one prize token was paid out); and

5. Unless otherwise authorized by the Commission, each slot machine approved to dispense gaming vouchers shall also be equipped with mechanical, electrical or electronic devices as follows:

i. A "numerical voucher out meter" that continuously and automatically counts the number of gaming vouchers dispensed by the machine and that displays the aggregate number so counted; and

ii. A "value voucher out meter" that continuously and automatically counts the value of gaming vouchers dispensed by the machine and that displays the aggregate value so counted.

(c) Unless otherwise authorized by the Commission each slot machine which does not totally and automatically pay the full amount of a jackpot to a patron shall be equipped with a mechanical, electrical or electronic device to be known as a "manual jackpot meter" that continuously and automatically records a pulse(s) for a predetermined number of coins or slot tokens that are to be paid manually.

(d) Unless otherwise authorized by the Commission, each slot machine that accepts currency shall have meters that accomplish the objectives set forth in (b) and (c) above.

(e) Unless otherwise authorized by the Commission, each slot machine that has a bill changer shall also be equipped with mechanical, electrical or electronic devices as follows:

1. A "cash box" meter that continuously and automatically records the total value of all currency accepted by the bill changer or, as an alternative, a connection to a computer system approved by the Commission that determines the total value of all currency accepted by the bill changer from data supplied from the bill meters required by (e)2 below;

2. A number of "bill meters," that continuously, automatically and separately count, for each denomination of currency accepted by the bill changer, the actual number of bills accepted by the bill changer;

3. If the bill changer can accept coupons but does not contain the coupon meters identified in N.J.A.C. 19:45-1.46B:

i. A "numerical coupon meter" that continuously, automatically and separately counts the total number of all coupons accepted by the bill changer; and

ii. A "value coupon meter" that continuously, automatically and separately counts the total value of all coupons accepted by the bill changer; and

4. If the bill changer can accept gaming vouchers:

i. A "numerical voucher in meter" that continuously, automatically and separately counts the total number of all gaming vouchers accepted by the bill changer; and

ii. A "value voucher in meter" that continuously, automatically, and separately counts the total value of all gaming vouchers accepted by the bill changer.

(f) Each casino licensee that operates a slot machine with a bill changer that is controlled by a software program which may be modified without replacing any physical element of the bill changer (for example, by downloading software to the storage medium on which the bill changer control program is stored) shall submit for review and approval internal controls which shall address, at a minimum, the following:

1. The method for detecting authorized and unauthorized software changes;
2. The creation of a daily report from its slot monitoring system which immediately documents the software change;
3. Procedures for the control and installation of the software by the slot department;
4. The creation of a slot software control log by the slot department evidencing all authorized changes to the bill changer software; and
5. The review and comparison of the report and log required in (f)2 and 4 above by either the surveillance, security, casino accounting or management information systems department for any deviations and investigation.

(g) All meters described in this section and in N.J.A.C. 19:46-1.26 shall be placed in a position so that the numbers thereon can be read and recorded without opening the slot machine.

(h) Each casino licensee shall set each of its slot machine games to have a theoretical payout percentage that complies with N.J.A.C. 19:46-1.28A and shall maintain a record of each slot machine game setting and the theoretical payout percentage for each slot machine game. No cash or gaming voucher issued to a slot machine patron shall result in a deduction from gross revenue unless the patron's entitlement to the payment is determined by the approved program that controls the slot machine and the payment is recorded on the jackpot meter, numerical and value voucher out meters, or manual jackpot meter required by (b)3, (b)5 and (c) above, the progressive jackpot meter required by N.J.A.C. 19:45-1.39(b)2 or in accordance with procedures authorized by N.J.A.C. 19:45-1.40A and 1.40B.

(i) Each slot machine in a casino shall have such test connections as may be specified by the Division and approved by the Commission for the on-site inspection, examination, and testing of such machine.

(j) Each slot machine in a casino shall have devices, equipment, features and capabilities as may be required by the Commission for that particular model of slot machine

after the prototype model is tested and examined by the Division.

(k) If the probability of hitting a proposed jackpot is greater than 34 million to one, the jackpot shall not be approved by the Commission unless it is offered on a linked progressive slot machine; provided, however, that this subsection shall not apply to a jackpot with a probability that may exceed 34 million to one during the game cycle due solely to the intervening occurrence of free play awards between the activation of a play and the award of the jackpot.

Amended by R.1987 d.302, effective July 20, 1987.
See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).

(a)4 and (f) substantially amended.

Petition for Rulemaking: Slot machine bill changer machine.
See: 19 N.J.R. 1110(a).

Amended by R.1988 d.224, effective May 16, 1988.

See: 20 N.J.R. 516(a), 20 N.J.R. 1099(c).

Substantially amended.

Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added (e) bill changers attached to slot machines.

Correction: At (b)2., the word "slot" added before "tokens" and "gaming" deleted. N.J.A.C. reference corrected.

See: 21 N.J.R. 933(a).

Notice of Receipt of Petition for Rulemaking in (a).

See: 23 N.J.R. March 18, 1991.

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

Added new (a)7; revised (a)1 to specify placement of manufacturer's serial number.

Amended by R.1992 d.58, effective February 3, 1992.

See: 23 N.J.R. 1306(a), 24 N.J.R. 487(a).

Allowed casinos to establish time limits of not less than 30 days for the offering of progressive and merchandise jackpot.

Amended by R.1992 d.210, effective May 18, 1992.

See: 24 N.J.R. 58(a), 24 N.J.R. 1906(a).

Deleted requirement at existing (e)2 regarding the "cash box meter". Recodified existing (e)3 as new (e)2.

Amended by R.1993 d.319, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1994 d.69, effective February 7, 1994.

See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1995 d.624, effective December 4, 1995.

See: 27 N.J.R. 1789(a), 27 N.J.R. 4915(a).

Amended by R.1996 d.122, effective March 4, 1996.

See: 27 N.J.R. 1775(a), 28 N.J.R. 1399(a).

Amended by R.1996 d.358, effective August 5, 1996.

See: 28 N.J.R. 1946(a), 28 N.J.R. 3822(a).

Amended by R.1996 d.474, effective October 7, 1996.

See: 28 N.J.R. 3244(a), 28 N.J.R. 4516(a).

Amended by R.1998 d.20, effective January 5, 1998.

See: 29 N.J.R. 326(a), 30 N.J.R. 120(a).

In (a)4iii, added new N.J.A.C. reference; amended (g); and inserted (j).

Amended by R.1999 d.225, effective July 19, 1999 (operative January 15, 2000).

See: 30 N.J.R. 3175(a), 31 N.J.R. 1947(a).

Inserted a new (f); and recodified former (f) through (j) as (g) through (k).

Amended by R.2000 d.334, effective August 21, 2000.

See: 31 N.J.R. 2525(a), 32 N.J.R. 3075(a).

Rewrote (a)4iii, (h) and (k).
Amended by R.2000 d.336, effective August 21, 2000.
See: 31 N.J.R. 2527(a), 32 N.J.R. 3077(a).

Rewrote (a)4 and (h).
Amended by R.2000 d.405, effective October 2, 2000.
See: 32 N.J.R. 1154(a), 32 N.J.R. 3582(a).

Rewrote (a)6.
Petition for Rulemaking.
See: 33 N.J.R. 3379(b), 33 N.J.R. 3775(b).
Amended by R.2001 d.451, effective December 3, 2001.
See: 33 N.J.R. 772(a), 33 N.J.R. 4151(b).

Rewrote (h) and (k).
Amended by R.2001 d.284, effective September 3, 2002 (operative October 18, 2002).
See: 33 N.J.R. 3879(a), 34 N.J.R. 3130(a).

In (a)4, inserted "(a time limit shall not be permitted for a progressive annuity jackpot)" following "N.J.A.C. 19:45-1.40A", in ii; rewrote iii.

Amended by R.2002 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

In (a), added 4vii; in (b), added 5; in (e), added 4; rewrote (h).
Amended by R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).

In (a)4, added viii.
Amended by R.2003 d.462, effective December 1, 2003.
See: 35 N.J.R. 2792(a), 35 N.J.R. 5435(a).

In (a)4, added ix.
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).

Case Notes

No implied private cause of action for inadequate or defective signage of slot machine. *Marcangelo v. Boardwalk Regency Corp.*, D.N.J.1994, 847 F.Supp. 1222, on subsequent appeal 47 F.3d 88.

Failure to state claim against casinos for breach of contract for removal of progressive slot machines before jackpots were won. *Decker v. Bally's Grand Hotel Casino*, 280 N.J.Super. 217, 655 A.2d 73 (A.D.1994).

19:45-1.37A Electronic transfer credit systems

(a) A casino licensee may operate an electronic transfer credit system which permits a patron to convert cash complimentaries accumulated by the patron pursuant to N.J.A.C. 19:45-1.9(f) or received by the patron pursuant to N.J.A.C. 19:45-1.9(g) through (i) into electronic credits and to have those credits transferred directly to a slot machine.

(b) All aspects of an electronic transfer credit system, including all hardware and software utilized therein, shall be subject to review and approval by the Commission prior to the implementation of the system by the casino licensee. The internal control procedures submitted by the casino licensee shall provide for the integrity, security and control of its electronic transfer credit system and shall, without limitation, address the following:

1. An overview of the system design;
2. Computer access restrictions including, at a minimum, copies of all menus;
3. Hardware and software controls;
4. Magnetic tape controls;
5. Override policies and restrictions;

6. Copies of all reports generated related to the use of electronic transfer credits;

7. Backup and recovery procedures and failure analysis;

8. The duties and responsibilities of the MIS, internal audit, slot and casino accounting departments with regard to the electronic transfer credit system;

9. Patron access controls;

10. Procedures for handling customer disputes;

11. Network security;

12. Audit programs; and

13. The manner in which cash complimentaries in the form of electronic credits shall be issued, and how the recipients of those credits shall be identified.

(c) Each transfer of electronic credits to a slot machine authorized by this section shall be initiated by a patron using a patron access control approved by the Commission. All patron access controls shall require the use of a unique access code for each patron, which access code shall be selected by and only available to the patron.

(d) An electronic transfer credit system shall not permit a patron to transfer more than \$400.00 in electronic credits to a slot machine in a single transaction.

(e) A record of each transfer of electronic credits to a slot machine authorized by this section shall be maintained by the casino licensee and shall be identified by, at a minimum, the date, time and amount of the transfer, as well as the asset number of the slot machine to which the transfer occurred and an identification number assigned to the patron who initiated the transaction. The identification number assigned to each patron for the purposes of this subsection shall be different from the unique access code selected by that patron as part of a patron access control.

(f) In addition to the requirements of N.J.A.C. 19:45-1.37(b), each slot machine which can be activated through the use of an electronic transfer credit shall be equipped with an "electronic transfer credit meter" that continuously and automatically increments in an amount equal to the value of any cash complimentaries which are converted into electronic credits and transferred to that slot machine by a patron. The electronic transfer credit system shall store this information in machine-readable form and such stored data shall not be susceptible to unauthorized alteration or deletion by any person. On a daily basis, a member of the casino accounting department shall generate a report of the amounts withdrawn from patron accounts and attach a copy of such report to the Slot Win Report in accordance with (h) below.

(g) No slot machine may be connected to, or disconnected from, an electronic transfer credit system without the prior written approval of the Commission.

(h) Each casino licensee shall develop a report or reports which shall be used by a casino accounting department employee to audit the system on a daily basis. Once the audit has been completed, the casino accounting department employee shall sign the report(s) and record the appropriate figures from the report(s) on the Slot Win Report. The report(s) shall be attached to the Slot Win Report for that gaming day. The report(s) required by this subsection and all related audit procedures shall be approved by the Commission.

(i) On at least a monthly basis, each casino licensee using an electronic transfer credit system shall provide a statement to each patron who has participated in the system that month. The statement shall include, at a minimum, the patron's beginning monthly balance, credits earned pursuant to N.J.A.C. 19:45-1.9(f), credits transferred to a slot machine pursuant to this section and the patron's monthly ending balance. In addition, if requested by a patron, the casino licensee shall have the ability to provide a detail account of all electronic transfer credit transactions initiated by that patron.

(j) No adjustment to the amount of any electronic transfer credit shall be made by a casino licensee without the approval of the Commission.

New Rule, R.1996 d.486, effective October 21, 1996.

See: 27 N.J.R. 4992(a), 28 N.J.R. 4601(a).

Amended by R.1997 d.248, effective June 16, 1997.

See: 29 N.J.R. 541(a), 29 N.J.R. 2674(c).

In (a), amended N.J.A.C. reference; and added (b)13.

Amended by R.2005 d.216, effective July 5, 2005.

See: 36 N.J.R. 3242(a), 37 N.J.R. 2561(a).

In (b), substituted "provide for" for "address" and "address the following" for "include" in the second sentence of the introductory paragraph, substituted "Computer" for "System" in 2 and "Patron access" for "Access" in 9; in (c), inserted references to "Patron" preceding "access" throughout; in (e), inserted "amount of the transfer, as well as" preceding "the asset number" and inserted "a patron" preceding "access control".

19:45-1.37B Slot machine tower light

(a) Each slot machine shall be connected to a slot machine tower light located on top of the slot machine cabinet. The slot machine tower light shall be used to identify the slot machine's denomination and the operational status of the slot machine and any device connected thereto that may affect the operation of the slot machine. The slot machine tower light shall be visible to the surveillance department closed circuit camera system from all sides of the slot machine cabinet, unless the slot machine cabinet is against a wall or is in another location approved by the Commission that results in the partial obstruction of the light.

(b) A slot machine tower light shall be approved by the Division and Commission pursuant to N.J.A.C. 19:46-1.20 and 1.28 and shall consist of two separate lights, one on top

of the other, that function in accordance with the requirements of this section.

1. At any given point in time, each of the two lights may be in one of five states as follows:

- i. "Off" means the light is off;
- ii. "On" means the light is on continually;
- iii. "Slow flash" means the light is flashing regularly at a 500 millisecond interval;
- iv. "Medium flash" means the light is flashing regularly at a 250 millisecond interval; and
- v. "Fast flash" means the light is flashing regularly at a 125 millisecond interval.

2. The top light of the two lights shall always be white. The color of the bottom light shall indicate the denomination of the slot machine to which it is attached:

- i. Red means a penny or nickel machine;
- ii. Green means a dime machine;
- iii. Yellow means a quarter machine;
- iv. Orange means a half-dollar machine;
- v. Blue means a dollar machine;
- vi. Pink means a two-dollar machine; and
- vii. Purple means a five dollar or higher denomination machine.

(c) For the purposes of this section, there shall be three separate methods by which a slot machine may be placed in an unplayable state.

1. "Administrative mode" means that a member of the department that is responsible for the operation of slot machines and bill changers has placed the slot machine in an unplayable state in order to access the set up or recall functions of a slot machine game.

2. "Disabled mode" means that a member of the department that is responsible for the operation of slot machines and bill changers or a computer controlled by that department has placed the slot machine in an unplayable state for any reason other than those included in administrative mode.

3. "Tilt mode" means that the slot machine placed itself in an unplayable state due to some type of malfunction or exception condition and the machine cannot be returned to a playable state without intervention by a member of the department that is responsible for the operation of slot machines and bill changers.

(d) Each of the following combinations of light states shall be displayed by a slot machine tower light to indicate the slot machine operating condition that is described therein:

1. White light off with colored light:
 - i. Off means that the slot machine is idle and the slot machine door is closed;
 - ii. Medium flash means the slot machine is idle and the slot machine door is open; and
 - iii. Fast flash means the slot machine is idle and the drop compartment door is open;
2. White light on with colored light:
 - i. Off means a patron is requesting change and the slot machine door is closed;
 - ii. On means that the slot machine is in disabled mode;
 - iii. Medium flash means either:
 - (1) A patron is requesting change and the slot machine door is open; or
 - (2) The slot machine is in disabled mode and the slot machine door is open; and
 - iv. Fast flash means the slot machine is in disabled mode and the drop compartment door is open;
3. White light slow flash with colored light:
 - i. Off means that the slot machine is in tilt mode and the slot machine door is closed;
 - ii. Slow flash means either:
 - (1) The slot machine is displaying a hand-paid jackpot and the slot machine door is closed; or
 - (2) The slot machine is displaying a hand-paid jackpot while in tilt mode and the slot machine door is closed;
 - iii. Medium flash means either:
 - (1) The slot machine is displaying a hand-paid jackpot and the slot machine door is open; or
 - (2) The slot machine is in tilt mode and the slot machine door is open; and
 - iv. Fast flash means the slot machine is in tilt mode and the drop compartment door is open; and
4. White light fast flash with colored light:
 - i. Off means the slot machine is in administrative mode and the slot machine door is closed;
 - ii. Medium flash means the slot machine is in administrative mode and the slot machine door is open; and
 - iii. Fast flash means the slot machine is in administrative mode and the drop compartment door is open.

(e) Any combination of light states capable of display by a slot machine tower light that is not assigned a particular slot machine operating condition by (d) above may be used by the casino licensee for its own internal signals if such signals are identified in the casino licensee's approved internal control submission; provided, however, that the casino licensee shall be required to conform the light states displayed by its slot machine tower lights with any future modifications to (d) above.

(f) The provisions of this section shall apply to all slot machines submitted for Commission approval after April 2, 2001. Any slot machines approved prior to April 2, 2001 and which do not conform to the above specifications shall either be modified to comply with this section or shall be removed from the casino floor in accordance with the provisions of N.J.A.C. 19:46-1.21.

New Rule, R.2000 d.405, effective October 2, 2000.

See: 32 N.J.R. 1154(a), 32 N.J.R. 3582(a).

Amended by R.2001 d.78, effective March 5, 2001 (operative September 5, 2001).

See: 32 N.J.R. 4381(b), 33 N.J.R. 842(b).

In (b)2, added new vi, renumbered existing vi as vii.

Amended by R.2005 d.12, effective January 3, 2005.

See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).

19:45-1.37C Slot machines; tokenization; residual slot credit

(a) A slot machine equipped with tokenization shall accept only slot tokens with a denomination of \$1.00 or less if the residual slot credit cannot be redeemed.

(b) Any residual slot credit not played or redeemed by a patron shall be deemed abandoned; provided, however, that any such credit shall remain on the slot machine until:

1. Played or redeemed by a patron; or
2. Cancelled by the casino licensee in a manner approved by the Commission.

(c) Any slot machine equipped with tokenization shall bear the notices required by N.J.A.C. 19:45-1.37(a)4viii.

(d) A casino licensee using slot machines equipped with tokenization shall submit and obtain approval of internal controls that set forth the manner in which tokens from different denominations of tokenized machines will be segregated, counted and recorded by denomination of slot machine including, but not limited to, the following requirements:

1. The front and back of slot drop buckets and slot drop boxes for slot machines equipped with tokenization shall be conspicuously marked in a manner approved by the Commission to identify the fact that the slot machine is equipped for tokenization, as well as the denomination of that slot machine; and

2. If a casino licensee offers slot machines which are equipped for tokenization and other slot machines which accept tokens but are not so equipped, the slot drop buckets and slot drop boxes from slot machines equipped with tokenization shall be segregated from all slot drop buckets and slot drop boxes from slot machines which

accept tokens of the same denomination but are not so equipped, from the time they are removed from a slot machine until the contents of the slot drop buckets and slot drop boxes are counted in accordance with N.J.A.C. 19:45-1.43.

New Rule, R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).

19:45-1.38 Slot machines and bill changers; authorized locations; movements

(a) Each slot machine that is on a casino floor shall be:

1. Placed at an authorized location identified on a casino floor plan approved by the Commission pursuant to N.J.A.C. 19:43-7.3 or 7.6; and
2. Identified on the Slot Machine Master List required by N.J.A.C. 19:43-7.4(b).

(b) No slot machine or bill changer shall be removed from or returned to an authorized slot machine location in the casino or moved from one authorized slot machine location to another except in accordance with the requirements of N.J.A.C. 19:43-7.4.

(c) Once a slot machine or bill changer has been placed in the casino, all movements of that machine and/or bill changer from or to a location shall be recorded by a slot department member in a machine movement log which shall include the following:

1. The manufacturer's serial number and the asset number of the moved slot machine and/or bill changer;
2. Whether the slot machine is equipped for tokenization, and if so, the denomination of the slot machine;
3. The date and time of movement of the slot machine and/or bill changer;
4. The location from which the slot machine and/or bill changer was moved;
5. The location to which the slot machine and/or bill changer was moved; and
6. The signatures of the slot shift manager and the lead technician verifying the movement of the slot machine and/or bill changer.

(d) Prior to removing a slot machine from the gaming floor:

1. The machine's slot drop bucket or slot drop box shall be removed and transported to the count room;
2. All meters shall be read and recorded in conformity with the procedures set forth in N.J.A.C. 19:45-1.42;
3. Any coins or slot tokens in any of the slot machine's hoppers or in the corresponding hopper storage area shall be removed, transported, and counted with the slot drop bucket or slot drop box; provided, however, that a slot machine may be removed from the casino with coins or slot tokens contained therein so long as:

i. Removal of the coins or the slot tokens, or any combination thereof, is precluded by mechanical or electrical difficulty;

ii. The casino licensee records in a slot machine movement log whether coins or slot tokens remain in the slot machine that is removed from the casino, and also records in that log the nature of the mechanical or electrical difficulty, the date and time that the coins or slot tokens are removed from the slot machine and transported to the count room, the date and time that the slot machine is removed from the casino, and the date and time that the slot machine is opened; and

iii. The removal and transportation to the count room of the coins or slot tokens is completed immediately after the slot machine is opened;

4. Any prize tokens in a payout-only hopper, in a reserve hopper or in a corresponding hopper storage area shall be removed, transported and counted in accordance with procedures and internal controls submitted to and approved by the Commission pursuant to N.J.A.C. 19:45-1.3; and

5. On a slot machine equipped for tokenization pursuant to N.J.A.C. 19:45-1.37C, any credits remaining on the slot machine shall be cancelled in a manner approved by the Commission.

(e) Prior to removing a bill changer from the casino floor, the slot cash storage box shall be removed and transported to the count room and all meters except the cash box meter shall be read and recorded in conformity with the procedures set forth in N.J.A.C. 19:45-1.42. A bill changer may be removed from the casino floor with currency, gaming vouchers, or coupons contained therein when removal of the slot cash storage box is precluded by mechanical or electrical difficulty. If currency, gaming vouchers, or coupons remain in a bill changer when it is removed from the casino floor, this fact and the date and time that the slot cash storage box or, if necessary, currency, gaming vouchers, or coupons are removed from the bill changer and transported to the count room shall be recorded in the machine movement log.

Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added location and movements of slot machines.

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (a)1: added N.J.A.C. reference for location number; in (c)1: added "asset" to define number.

Amended by R.1992 d.121, effective March 16, 1992.

See: 23 N.J.R. 2920(a), 24 N.J.R. 974(a).

Rule text amended to eliminate requirement the Commission Inspector sign the machine movement log approving movement of individual slot machines and/or bill changers. Deleted (c)5, recodifying existing 6 as new (c)5, with text changes.

Amended by R.1992 d.360, effective September 21, 1992.

See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).

Hopper storage area provisions added.

Administrative Correction to (c)4.

See: 25 N.J.R. April 5, 1993.

Amended by R.1993 d.319, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1994 d.69, effective February 7, 1994.

See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1996 d.122, effective March 4, 1996.

See: 27 N.J.R. 1775(a), 28 N.J.R. 1399(a).

Amended by R.2002 d.60, effective March 4, 2002.

See: 33 N.J.R. 2402(b), 34 N.J.R. 1020(b).

In (d)4, inserted ", in a reserve hopper" preceding "or in a corresponding hopper".

Amended by R.2002 d.4, effective January 6, 2003.

See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

Rewrote (e).

Amended by R.2003 d.161, effective April 21, 2003.

See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).

In (c), added new 2; recodified existing 2 through 5 as 3 through 6; in (d), added new 5.

19:45-1.39 Progressive slot machine jackpots

(a) This section shall apply to any slot machine jackpot that may increase in value as the machine is played (a "progressive jackpot").

(b) Each slot machine that includes a slot machine game that offers a progressive jackpot which increases in value based upon handle and is adjusted and displayed by a device other than the approved program that controls the operation of the slot machine game shall have the following features:

1. For each progressive jackpot offered by the slot machine game, a mechanical, electrical or electronic device, to be known as a "progressive meter," visible from the front of the machine which increases in value based upon handle, and which advises the player of the amount which can be won if the progressive jackpot display appears;

2. A mechanical, electrical or electronic device, to be known as a "progressive jackpot meter" that continuously and automatically records the number of times a progressive jackpot is hit;

- i. If a slot machine game offers more than one progressive jackpot, it shall have a separate progressive jackpot meter for each progressive jackpot and a "cumulative progressive jackpot meter" that continuously and automatically records the total number of times that progressive jackpots are hit;

- ii. All meters required by (b)2 and (b)2i above shall be capable of being read without opening the slot machine;

3. A separate key and key switch to reset the "progressive meter(s)" or such other separate reset mechanism as may be approved by the Commission;

4. A separate key locking the compartment housing the progressive meter(s) or other means by which to preclude any unauthorized alterations to the progressive meters; and

5. Dual key control by the Commission and the casino licensee, or such other key controls as the Commission may approve, of the compartment housing the microprocessor or other control unit that controls the progressive meter(s), which compartment shall be in a location approved by the Commission.

(c) Except as provided in (j) below, each slot machine that is connected to a common progressive meter ("common display unit") for the purpose of offering the same progressive jackpot on two or more slot machines (a "linked slot machine") shall:

1. Be of the same denomination and have the same probability of winning the progressive jackpot as every other linked slot machine connected to such common display unit;

2. Require that the same amount of handle be invested to entitle the player to a chance at winning the progressive jackpot and that each increase in handle increment the meter(s) by the same rate of progression as every other linked slot machine connected to such common display unit; and

3. Have its microprocessor or other control unit that controls the common display unit housed in a location approved by the Commission that would allow dual key control by the Commission and the casino licensee, or with such other key controls as the Commission may approve.

(d) Every casino seeking to utilize a linked slot machine shall submit to the Commission for approval the location and manner of installing the common display unit.

(e) No slot machine that includes a slot machine game that offers a progressive jackpot shall be placed on the casino floor until the casino licensee or, as applicable, the slot system operator has submitted to the Commission and the Commission has approved the following:

1. The initial and reset amounts at which the "progressive meter(s)" will be set;

2. The proposed system for controlling the keys and access codes to these machines;

3. The proposed rate of progression for each progressive jackpot; and

4. The calculated probability of winning each progressive jackpot, which probability shall not exceed 50 million to one. For example, a probability of 45 million to one would be permitted, but a probability of 55 million to one would not be permitted. Notwithstanding the foregoing, this paragraph shall not apply to a jackpot with a probability that may exceed 50 million to one during the game cycle due solely to the intervening occurrence of free play awards between the activation of a play and the award of the jackpot.

- i. The date and time;
- ii. The asset number of the slot machine from which the slugs were removed;
- iii. The denomination of the slot machine;
- iv. The denomination and quantity of slugs;
- v. A brief description of the slugs; and
- vi. The signature of the slot attendant, slot mechanic or slot department supervisor completing the Slug Report.

2. Upon completion of the Slug Report required by (d)1 above, the slot attendant, slot mechanic or slot department supervisor shall remove the envelope or container and transport it with the Slug Report to the Master Coin Bank or other location as approved by the Commission. The individual accepting receipt of the slugs shall sign all three parts of the Slug Report. The original Slug Report shall be delivered to the Commission and the triplicate shall be delivered to the Division's in-house office by the end of each gaming day. The duplicate Slug Report shall remain with the slugs until their destruction.

3. If more than nine slugs are found at any one time in a slot machine's hopper, the slot department member shall place the slugs into the envelope or container and immediately complete the Slug Report required by (d)1 above. The slugs shall be immediately transported in accordance with (d)2 above. The slot department member shall inspect the slot machine and coin mechanism to determine if there is a malfunction. The results of this inspection shall be documented on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j).

4. All slugs shall be destroyed in accordance with procedures submitted to and approved by the Commission which procedures shall include a written notification to the Division as to the date, time and location of destruction.

New Rule, R.1994 d.423, effective August 15, 1994.
See: 26 N.J.R. 1620(a), 26 N.J.R. 3465(c).
Amended by R.1994 d.504, effective October 3, 1994.
See: 26 N.J.R. 4089(a).
Amended by R.1996 d.417, effective September 3, 1996.
See: 28 N.J.R. 1498(a), 28 N.J.R. 4111(b).
Amended by R.1997 d.459, effective November 3, 1997.
See: 29 N.J.R. 858(b), 29 N.J.R. 4715(a).

In (b), and (d)1, deleted all references to slot machine denominations less than \$25.00.

Cross References

Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults, see N.J.A.C. 19:45-1.15.

19:45-1.42 Removal of slot drop buckets, slot drop boxes and slot cash storage boxes; unsecured currency; meter readings

(a) For each slot machine and attached bill changer on the gaming floor, the slot drop bucket, slot drop box and

slot cash storage box shall be removed at least once a week on specified days and at times designated by the casino licensee on a schedule which shall be filed with the Commission and the Division. However, a casino licensee may, with prior Commission approval, establish a less frequent schedule for the removal of slot drop buckets and slot drop boxes from those slot machines connected to an approved gaming voucher system, provided that a weekly slot drop estimate is reported in accordance with N.J.A.C. 19:54-1.5(c)1; in no event shall such slot drops occur less than once per month. In the case of slot cash storage boxes, the schedule shall include the total number of slot cash storage boxes to be removed on a particular day in total and by zone. No slot drop bucket, slot drop box or slot cash storage box shall be emptied or removed from its compartment at other than the times specified on such schedule except with the express approval of the Commission. Prior to the start of the schedule slot cash storage box collection process, a casino key employee who shall be referred to herein as a drop team supervisor shall perform a physical count of the slot cash storage boxes removed from storage to replace those boxes scheduled to be collected. Such count shall include emergency slot cash storage boxes and be documented in the presence of a Commission inspector on at least a two-part form. Any discrepancy between the number of slot cash storage boxes physically counted and the number indicated on the collection schedule shall be explained in writing to a Commission inspector. Prior to emptying or removing any slot drop bucket, a slot drop box or slot cash storage box, a casino licensee shall notify the Commission and the surveillance department of the transportation route that will be utilized.

1. Notwithstanding (a) above, a casino licensee may submit a written application to the Commission at least 48 hours prior to a scheduled time for removal requesting an extension of time for removal of some or all of its slot drop buckets or slot drop boxes. The application shall specify the length of the extension sought, the reason therefor, and identify the particular slot machines included in such request (by slot zone and/or slot machine denomination). The Commission shall, if it determines that expected business conditions during the requested extension would neither compromise the removal process nor otherwise adversely affect the operation of the casino licensee's slot machines, extend the time to complete the removal of the affected slot drop buckets and slot drop boxes up to seven days. Upon expiration of the extension, the casino licensee shall resume its regular schedule as filed with the Commission and the Division. Whenever an extension does not encompass all slot drop buckets or slot drop boxes scheduled to be removed, the casino licensee shall ensure, through internal control procedures approved by the Commission, that the casino security department knows which slot drop buckets and slot drop boxes are to be removed and the count room supervisor knows which slot drop buckets and slot drop boxes contents should be counted.

2. All slot drop boxes which are not attached to a slot machine or temporarily stored in the base of a slot machine pursuant to (c)2ii below, including emergency slot drop boxes which are not actively in use, shall be stored in the count room or other secure area outside the count room approved by the Commission, in an enclosed storage cabinet or trolley and secured in such cabinet or trolley by a separately keyed, double locking system. The key to one lock shall be maintained and controlled by the security department and the key to the second lock shall be maintained and controlled by the Commission.

(b) Slot drop buckets, slot drop boxes and slot cash storage boxes shall be removed from their compartments in a slot machine or bill changer, in the presence of a Commission inspector, by at least three employees, two of whom shall be members of the casino security department, and one of whom shall be a member of the casino accounting department or an independent slot machine cage department established pursuant to N.J.A.C. 19:45-1.11(b)9.

(c) Procedures and requirements for removing slot drop buckets, slot drop boxes and slot cash storage boxes from the casino shall be as follows:

1. The slot drop bucket, slot drop box or slot cash storage box shall be removed from its compartment and an empty slot drop bucket, slot drop box, or slot cash storage box shall be placed into the compartment, and if applicable, a unique identification number shall be assigned and recorded for the slot cash storage box, either upon its insertion or removal, after which the compartment shall be closed and locked;

2. All slot drop buckets, slot drop boxes and slot cash storage boxes removed from compartments shall be transported directly to, and secured in the count room by, at a minimum, a Commission inspector, a casino security department member and a member of the casino accounting department or an independent slot machine cage department, for the counting of their contents; provided, however, that:

i. Prior to their placement in the soft count room, a drop team supervisor, in the presence of a Commission inspector, shall count the total number of slot cash storage boxes collected and verify that the number of boxes collected agrees with the number indicated on the removal schedule and sent for replacement pursuant to (a) above. Any discrepancies shall be immediately reported to the security and surveillance departments and explained in writing to a Commission inspector. Procedures for the immediate investigation of unresolved discrepancies must be approved by the Commission;

ii. A slot cash storage box removed from a bill changer in order to service the bill changer may be temporarily stored in the corresponding double-locked base of the slot machine (the compartment of the slot machine containing the slot drop bucket or slot drop box) attached to the bill changer, and shall be replaced and relocked in the bill changer when the repairs are completed. If the repairs cannot be completed and the slot cash storage box cannot be replaced in the bill changer by the end of the repair person's shift, or if the bill changer must be removed from the casino floor, the slot cash storage box shall be removed from the locked slot compartment and transported to the count room in accordance with N.J.A.C. 19:45-1.38; and

iii. A full or inoperable slot drop box shall be replaced with an empty emergency slot drop box, and may be stored in its corresponding double-locked slot machine base until no later than the next scheduled slot drop box pickup;

3. Notwithstanding any other provision of this section or this chapter to the contrary, a casino licensee may, in lieu of transporting all slot drop buckets and slot drop boxes directly to the count room prior to the start of the count, utilize either or both of the following alternative procedures:

i. A casino licensee may create a secure staging area outside of the count room where slot drop buckets and slot drop boxes may be temporarily stored for a maximum of one hour before being transferred to the count room; provided, however, that the location of the staging area and the security measures used by the casino licensee shall be approved by the Commission, which security measures shall require, at a minimum, that the staging area be videotaped by the surveillance department and guarded by at least one casino security department representative whenever slot drop buckets or slot drop boxes are temporarily stored in the area; or

ii. A casino licensee may, prior to collecting and transporting all slot drop buckets and slot drop boxes on the casino floor to the count room or a secure staging area, begin to count, in accordance with the provisions of N.J.A.C. 19:45-1.43, the contents of slot drop buckets and slot drop boxes that have been collected and transported from a particular portion of the casino floor, provided that the casino licensee shall thereafter continue to collect and transfer to the count room, during the counting process, the slot drop buckets and slot drop boxes from the remaining portions of the casino floor until all slot drop buckets and slot drop boxes have been collected and counted; and

4. Except for members of the casino accounting department or independent slot machine cage department participating in the emergency removal of a slot cash storage box or slot drop box, casino security department employees and representatives of the Commission and Division, all persons participating in the removal of slot drop buckets, slot drop boxes and slot cash storage boxes shall wear as outer garments only a full-length, one-piece pocketless garment with openings only for the hands, feet and neck.

(d) In addition to complying with the procedures included in (b) and (c) above, a casino licensee shall submit to the Commission for approval its procedures detailing how the slot drop bucket, slot drop box and slot cash storage box for each slot machine and attached bill changer on the gaming floor will be emptied or removed from its compartment when the casino is open to the public for 24 hours. Such submission shall include at least the following:

1. How patrons will be notified that a slot machine will be closed for emptying or removing slot drop buckets, slot drop boxes or slot cash storage boxes;
2. How patrons will be removed from slot aisles;
3. How the area will be secured while the slot drop buckets, slot drop boxes or slot cash storage boxes are emptied or removed; and
4. How the compartments in which the full slot drop buckets, slot drop boxes or slot cash storage boxes are transported, will be secured while they are in the casino.

(e) Whenever currency, a gaming voucher, or a coupon is found inside a bill changer but outside the slot cash storage box ("unsecured currency," "unsecured gaming voucher" or "unsecured coupon"), a slot department representative or casino accounting department representative shall complete a form which includes the asset number or, pursuant to N.J.A.C. 19:45-1.16(b), other unique identification number of the slot cash storage box in the bill changer in which the unsecured currency, unsecured gaming voucher, or unsecured coupon was found, the date the unsecured currency, unsecured gaming voucher, or unsecured coupon was found, and the total value of the unsecured currency, unsecured gaming voucher, or unsecured coupon. The slot department representative or casino accounting department representative and a member of the casino security department shall then sign the form as evidence of the total value being transported; place the form and the unsecured currency, unsecured gaming voucher, or unsecured coupon into an envelope or container, unless the form is printed on the front of the envelope in which the currency, gaming voucher, or coupon is being placed; and transport the envelope or container directly to the cashiers' cage.

(f) Upon receipt of the envelope or container from the slot department representative or casino accounting department representative, a main bank cashier or cage supervisor shall immediately prepare an Unsecured Bill Changer Cur-

rency/Coupon/Voucher Report. If the unsecured currency, unsecured gaming voucher, or unsecured coupon was not transported by a slot supervisor or casino accounting supervisor, the Unsecured Bill Changer Currency/Coupon/Voucher Report must be prepared by a cage supervisor pursuant to (j) below.

(g) Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be serially prenumbered forms. Each series of Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be used in sequential order and shall be accounted for by employees independent of the cashiers' cage and slot department. All original and duplicate void Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be marked "VOID" and shall require the signature of the preparer. All copies of void Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be forwarded to the accounting department at the end of the gaming day.

(h) For establishments in which Unsecured Bill Changer Currency/ Coupon/Voucher Reports are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be a three-part form, at a minimum, and shall be inserted into a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and
2. Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Unsecured Bill Changer Currency/Coupon/Voucher Reports, placing Unsecured Bill Changer Currency/Coupon/Voucher Reports in the dispensers, and removing from the dispensers the triplicates remaining therein.

(i) For establishments in which Unsecured Bill Changer Currency/ Coupon/Voucher Reports are computer prepared, each series of Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be a two-part form, at a minimum, and shall be generated by a computer system that will simultaneously print an original and duplicate and store, in machine-readable form, all information printed on the original and duplicate; and discharge the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of the Unsecured Bill Changer Currency/Coupon/Voucher Report.

(j) On the original, duplicate and triplicate or, if applicable, in stored data, the main bank cashier or cage supervisor shall record, at a minimum, the following information:

1. The date and time of preparation;
2. The asset number or, pursuant to N.J.A.C. 19:45-1.16(b), other unique identification number of the

slot cash storage box in the bill changer from which the unsecured currency, unsecured gaming voucher, or unsecured coupon was removed;

3. The denomination(s) of unsecured currency;
4. The total value of the unsecured currency;
5. The denomination(s) of unsecured coupons;
6. The total value of the unsecured coupons;
7. The serial number and value of each unsecured gaming voucher;
8. The total value of the unsecured gaming vouchers; and
9. The signature or, if computer prepared, identification code of the preparer.

(k) The original and duplicate copies of the Unsecured Bill Changer Currency/Coupon/Voucher Report shall be presented to the slot department representative or casino accounting department representative and the casino security representative for signature.

1. Upon meeting the signature requirements, the main bank cashier or cage supervisor shall transport the unsecured currency, unsecured gaming vouchers, and unsecured coupons along with the original and duplicate copies of the Unsecured Bill Changer Currency/Coupon/Voucher Report to the main bank.

i. If the Unsecured Bill Changer Currency/Coupon/Voucher Report was prepared by a cage supervisor, the main bank cashier shall:

(1) Sign the original and duplicate copies of the Unsecured Bill Changer Currency/Coupon/Voucher Report;

(2) Retain the original Unsecured Bill Changer Currency/Coupon/Voucher Report and the unsecured currency, unsecured gaming vouchers, and unsecured coupons; and

(3) Return the duplicate Unsecured Bill Changer Currency/Coupon/Voucher Report to the cage supervisor who shall attach the form referenced in (e) above to the duplicate and expeditiously deposit the duplicate with the attached form into the locked accounting box located in the cashiers' cage.

ii. If the Unsecured Bill Changer Currency/Coupon/Voucher Report was prepared by the main bank cashier, the main bank cashier shall:

(1) Retain the original Unsecured Bill Changer Currency/Coupon/Voucher Report and the unsecured currency, unsecured gaming vouchers, and unsecured coupons;

(2) Attach the form referenced in (e) above to the duplicate Unsecured Bill Changer Currency/Coupon/Voucher Report; and

(3) Return the duplicate Unsecured Bill Changer Currency/Coupon/Voucher Report and attached form to the casino security representative who shall expeditiously deposit the duplicate with the attached form into a locked accounting box maintained in a location approved by the Commission.

2. The main bank cashier shall then either:

i. Add the value of the unsecured currency, unsecured gaming vouchers, and unsecured coupons to the main bank's accountability and retain the original of the Unsecured Bill Changer Currency/Coupon/Voucher Report until the end of the gaming day; or

ii. Maintain the unsecured currency, the unsecured gaming vouchers, the unsecured coupons, and the original Unsecured Bill Changer Currency/Coupon/Voucher Report until collected by a count room supervisor and immediately transported to the count room where:

(1) The currency, gaming vouchers, and coupons shall be counted with the contents removed from the corresponding slot cash storage box and recorded on the Slot Cash Storage Box Report; and

(2) The original Unsecured Bill Changer Currency/Coupon/Voucher Report shall be forwarded to the accounting department in accordance with N.J.A.C. 19:45-1.33(i).

(l) At the end of the gaming day, at a minimum, the original and duplicate copy of the Unsecured Bill Changer Currency/Coupon/Voucher Report along with any gaming vouchers and coupons shall be forwarded as follows:

1. If, pursuant to (k)1 above, the main bank cashier has retained possession of the original, the cashier shall forward the original along with any gaming vouchers and coupons directly to the accounting department for agreement with the triplicate or stored data; and

2. The duplicate with the attached form shall be forwarded directly to the accounting department for recording on the Slot Cash Storage Box Report and Slot Win Sheet, and agreement with the triplicate or stored data; provided, however, that no additional recording of the unsecured currency, unsecured gaming vouchers, and unsecured coupons shall be required in the currency, gaming vouchers, and coupons have been transported to the count room, counted and recorded pursuant to (k)2 above.

(m) The duplicate copy of the Unsecured Bill Changer Currency/Coupon/Voucher Report shall be attached to the Slot Cash Storage Box Report as supporting documentation. A notation shall be made on the duplicate Unsecured Bill Changer Currency/Coupon/Voucher Report indicating whether the dollar value of the unsecured currency, unsecured coupons, and unsecured gaming vouchers have been added to the Slot Cash Storage Box Report and Slot Win Sheet in accordance with (k)2 above or (l)2 above.

(n) Notwithstanding the requirements of (e) through (m) above, when unsecured currency and unsecured coupons are found during the collection of slot cash storage boxes, a casino licensee shall transport the unsecured currency and unsecured coupons directly to the soft count room. The completion of the form required by (e) above shall be performed by a count team member and a member of the casino security department. The envelope or container shall be transported with the slot cash storage boxes to the count room pursuant to N.J.A.C. 19:45-1.17(c). A listing of all unsecured currency and unsecured coupons by asset number or, pursuant to N.J.A.C. 19:45-1.16(b), other unique identification number shall be completed by the Commission inspector prior to the transportation of the trolley to the count room. The unsecured currency and unsecured coupons shall be counted and recorded with the contents removed from the corresponding slot cash storage box. The form prepared pursuant to (e) above shall be forwarded to the accounting department with the Slot Cash Storage Box Report pursuant to N.J.A.C. 19:45-1.33(i).

(o) Accounting department employees with no incompatible functions shall, at least once a week on the same schedule filed pursuant to (a) above for the removal of slot drop buckets, slot drop boxes and slot cash storage boxes, read and record on a Slot Meter Sheet the numbers on the in-meter, drop meter, jackpot meter, manual jackpot meter, cash box meter, if applicable, numerical and value gaming voucher and numerical and value coupon meters in accordance with internal controls approved by the Commission. In lieu of manual meter readings, a casino licensee may have a computer system, as approved by the Commission, record any of the required meter readings. The computer shall store in machine readable form all information required by this section and such stored data shall not be susceptible to change or removal by any personnel. If a bill changer does not contain a cash box meter pursuant to N.J.A.C. 19:45-1.37(e)1, a casino licensee shall be required to read and record or have a computer system record the bill meter readings each time the slot cash storage box is removed. Accounting department employees shall periodically read and record on a Slot Meter Sheet the numbers on the bill meters in accordance with a schedule established by the casino licensee and approved by the Commission, but in no event shall the casino licensee be required to read and record the bill meters more than once a week. These procedures shall be performed in conjunction with the removal and replacement of the slot drop box buckets, slot drop boxes or slot cash storage boxes prior to opening the slot machines for patron play. If a casino licensee is granted an extension to remove slot drop buckets or slot drop boxes pursuant to (a)1 above, the required meter readings for the slot machines housing the affected slot drop buckets or slot drop boxes shall be similarly extended. Upon expiration of the extension, the casino licensee shall resume its regular schedule for required meter readings.

(p) After preparation of the Slot Meter Sheet each employee involved with its preparation shall sign the Slot Meter Sheet attesting to the accuracy of the information contained thereon after which the sheet shall be forwarded directly to the accounting department for comparison to the Slot Win Sheet and calculation of slot machine statistics.

(q) Whenever there is a variance of more than two percent and more than \$100.00 between the total value of cash, gaming vouchers, and coupons removed from a bill changer's slot cash storage box and either the cash box meter reading and, if applicable, the value coupon meter and the value voucher in meter reading that is recorded on the Slot Meter Sheet pursuant to (o) above or a reading from a computer system approved pursuant to N.J.A.C. 19:45-1.37(e)1 and, if applicable, (o) above, the casino accounting department shall perform the following procedures:

1. If such a variance exists in the value of cash, confirm the variance by comparing the number of bills removed from the slot cash storage box to the bill meter readings, provided that the bill meters were read when the slot cash storage box was removed for counting. If the bill meters were not read when the slot cash storage box was removed for counting, a representative of the casino accounting department shall, either prior to or during the next scheduled removal of the slot cash storage box, read and record on a Slot Meter Sheet the readings from each of the bill meters and the cash box meter, and the casino licensee shall remove the slot cash storage box and count the contents in accordance with N.J.A.C. 19:45-1.33. The casino accounting department shall compare the meter readings as recorded on the Slot Meter Sheet to the total number of bills and value of cash removed from the slot cash storage boxes for the period from the last date the bill meters were read.

2. If such a variance exists in the value of gaming vouchers or coupons, confirm the variance by comparing the number of gaming vouchers or coupons removed from the slot cash storage box to the readings of the numerical voucher in meter and the numerical coupon meter that were taken in accordance with the requirements of (o) above.

3. If a variance exists, the casino licensee shall be required to have its slot department, in cooperation with its casino accounting department, investigate the cause of the variance and prepare and file an incident report documenting the variance with the casino controller, the director of surveillance, Commission and Division. The casino licensee shall report the actual cause of the variance unless such cause cannot be definitively determined after a diligent investigation, in which case the probable cause of the variance shall be reported. The incident report shall be a report of all bill changers with reportable variances and shall be filed within three weeks from the completion of the weekly slot cash storage box pickup, provided, however, that the Commission may direct a

shorter time frame for the filing of the report, if an expedited filing is considered necessary to protect the integrity of casino operations. The incident report shall include, at a minimum, the following for each bill changer with a reportable variance as well as the specified cumulative data:

- i. The date of the meter reading;
- ii. The date the report was filed;
- iii. The amount of the variance, by denomination, with the exception of gaming vouchers, which shall be by total value;
- iv. The asset number of the bill changer involved;
- v. The amount of the variance by currency, gaming vouchers, and/or coupons;
- vi. An indication as to the cause of the variance pursuant to (q)2 above, with any documentation attached to support the given explanation (for example, Unsecured Currency/Coupon/Voucher Report);
- vii. An indication as to whether the bill meters, numerical voucher in meter, or numerical coupon meter compared in accordance with the requirements of (q)1 or 2 above confirmed the variance, if applicable;
- viii. The manufacturer and model number of the slot machine to which the bill changer is attached or embedded;
- ix. The manufacturer of the bill changer involved;
- x. The total number of reported variances by manufacturer and model number of the slot machine;
- xi. The total number of reported variances by manufacturer of the bill changer;
- xii. The total number of reported variances compared to the total number of slot cash storage boxes counted; and
- xiii. The signature and license number of the preparer.

(r) Unless otherwise authorized by the Commission, a casino licensee which has approval to read and record a bill changer's meter readings with an approved computer system shall be required to manually read the bill changer's cash box meter or bill meters, numerical and value gaming voucher meters, and numerical and value coupon meters if 10 percent or more of the bill changers counted during the week have reported variances pursuant to (q) above for a period of three consecutive weeks. The manual meter readings shall continue until the Commission is satisfied that the computer system can accurately read and record the bill changer's meter readings.

Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).

Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added the removal of slot storage boxes.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (a): revised text and added final phrase regarding the emptying or removing of any slot drop bucket or slot cash storage box. In (b): added new (b)lii, revising old (b)lii deleted (b)2ii, recodifying (b)2i into text of subparagraph (b)2. Revised text at (b)1i, adding phrase "When the casino is not open to the public, the ..." to beginning of subparagraph and adding "accounting department members" to identify employees. In (c): stylistic revisions; added new subsection (d), recodifying (d)-(e) as (e)-(f).

Amended by R.1992 d.154, effective April 6, 1992.

See: 24 N.J.R. 57(a), 24 N.J.R. 1379(a).

In (b)-(c), added "casino" to define "security department member".

In (c)liii, added reference to "casino security department employees".

Amended by R.1992 d.432, effective November 2, 1992.

See: 24 N.J.R. 2695(a), 24 N.J.R. 4068(c).

Staffing requirements for removal changed in (b).

Amended by R.1993 d.36, effective January 19, 1993.

See: 24 N.J.R. 4026(a), 25 N.J.R. 348(b).

Meters to be read by casino accountants; (g) added procedure for variation of \$25.00 or more.

Administrative correction to (b)lii.

See: 25 N.J.R. 1519(b).

Amended by R.1993 d.143, effective April 5, 1993.

See: 25 N.J.R. 279(a), 25 N.J.R. 1523(a).

In (c): added text regarding the utilization of a unique identification number.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1994 d.69, effective February 7, 1994.

See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).

Amended by R.1994 d.79, effective February 22, 1994.

See: 25 N.J.R. 4873(a), 26 N.J.R. 1110(b).

Amended by R.1994 d.297, effective June 20, 1994.

See: 26 N.J.R. 1440(a), 26 N.J.R. 2594(a).

Amended by R.1994 d.344, effective July 5, 1994.

See: 26 N.J.R. 1621(a), 26 N.J.R. 2804(a).

Amended by R.1994 d.422, effective August 15, 1994.

See: 26 N.J.R. 2213(a), 26 N.J.R. 3464(b).

Amended by R.1994 d.574, effective November 21, 1994.

See: 26 N.J.R. 3606(b), 26 N.J.R. 4639(a).

Amended by R.1995 d.624, effective December 4, 1995.

See: 27 N.J.R. 1789(a), 27 N.J.R. 4915(a).

Amended by R.1995 d.653, effective December 18, 1995.

See: 27 N.J.R. 3598(a), 27 N.J.R. 5044(a).

Amended by R.1996 d.357, effective August 5, 1996.

See: 28 N.J.R. 2355(a), 28 N.J.R. 3821(b).

Amended by R.1996 d.476, effective October 7, 1996.

See: 28 N.J.R. 3521(a), 28 N.J.R. 4517(b).

Amended by R.1997 d.249, effective June 16, 1997.

See: 29 N.J.R. 746(a), 29 N.J.R. 2676(a).

Inserted new (a)1; recodified former (a)1 as (a)2; and in (o), inserted "on the same schedule ... cash storage boxes," and added the last two sentences.

Amended by R.1997 d.425, effective October 6, 1997.

See: 29 N.J.R. 859(a), 29 N.J.R. 4306(a).

Substantially amended (q) and added (r).

Amended by R.1998 d.149, effective March 16, 1998.

See: 30 N.J.R. 37(a), 30 N.J.R. 1059(b).

In (c)2, added language regarding required count room personnel; added a new (c)3; and recodified former (c)3 as (c)4.

Amended by R.1998 d.235, effective May 18, 1998.

See: 30 N.J.R. 810(a), 30 N.J.R. 1851(a).

Inserted references to unsecured coupons and substituted references to Unsecured Bill Changer Currency/ Coupon Reports for references to Unsecured Bill Changer Currency Reports throughout; in (e), inserted references to the dollar value of unsecured coupons throughout; in (j), inserted a new 5 and 6, and recodified former 5 as 7; in (m), inserted a reference to the dollar value of unsecured coupons; and in (q)2v, substituted a reference to Unsecured Currency/ Coupon Reports for references to Unsecured Currency Reports.

Amended by R.1998 d.493, effective October 5, 1998.

See: 30 N.J.R. 2370(a), 30 N.J.R. 3669(a).

In (q), inserted "the director of surveillance," following "casino controller," in 2.

Amended by R.2000 d.422, effective October 16, 2000.

See: 31 N.J.R. 4245(a), 32 N.J.R. 3863(c).

Rewrote (a); in (c)2, added new i and recodified existing i and ii as ii and iii; and in (n), inserted a new fourth sentence.

Amended by R.2002 d.367, effective November 18, 2002.

See: 34 N.J.R. 2548(a), 34 N.J.R. 3977(b).

In (q), substituted "\$100" for "25.00" in the introductory paragraph, rewrote the first sentence and added the second sentence in the introductory paragraph of 2, and inserted "pursuant to (q)2 above," in 2v.

Amended by R.2002 d.4, effective January 6, 2003.

See: 34 N.J.R. 2012(a), 34 N.J.R. 3977(b), 35 N.J.R. 259(a).

Rewrote the section.

Amended by R.2004 d.52, effective February 2, 2004.

See: 35 N.J.R. 4184(a), 36 N.J.R. 661(b).

In (a), inserted the second sentence in the introductory paragraph.

Cross References

Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults, see N.J.A.C. 19:45-1.15.

19:45-1.43 Procedure for counting and recording contents of slot drop buckets and slot drop boxes

(a) The opening, counting and recording of the contents of slot drop buckets and slot drop boxes (the "hard count") shall be performed in the count room required pursuant to N.J.A.C. 19:45-1.32 in the presence of a casino key employee who shall be referred to herein as a count room supervisor. The hard count shall be performed by at least three employees (the "count team"), which may include the count room supervisor. Except as otherwise provided in (i) below, the hard count shall be performed in the presence of a Commission inspector. To gain entrance to the count room, a Commission inspector shall present an official identification card issued by the Commission which contains his or her photograph.

(b) Except as otherwise provided in N.J.A.C. 19:45-1.42(c)3, the contents of slot drop buckets and slot drop boxes shall be counted and recorded immediately after removal from their slot machine compartments. If a casino licensee uses the phased collection and transfer procedures authorized by N.J.A.C. 19:45-1.42(c)3, the counting process set forth in (i) below may begin as soon as the slot drop buckets and slot drop boxes from any portion of the casino floor have been secured in the count room. Each casino licensee shall file with the Commission and the Division the specific times during which the contents of slot drop buckets and slot drop boxes shall be counted and recorded.

(c) All members of the count team present in the count room during the counting process shall be required to wear

a full-length, one-piece, pocketless outer garment with no openings other than for the hands, feet and neck.

(d) No person shall carry a pocketbook or other container into the count room at any time unless it is transparent.

(e) All persons exiting the count room shall be inspected with a metal detector by a casino security department employee in the presence of a Commission inspector. The counting and recording process shall be discontinued and all coin and slot tokens shall be secured during any work break or emergency where the minimum number of count room personnel required by (a) above are not present or are not capable of performing their responsibilities.

(f) Immediately prior to opening and counting the contents of any slot drop bucket or slot drop box, the doors to the count room shall be securely locked. In addition, prior to opening and counting the first slot drop bucket or slot drop box of a hard count;

1. A count team member shall notify a surveillance department employee assigned to the closed circuit television monitoring room required by N.J.A.C. 19:45-1.10 that the count is about to begin; and

2. The count room supervisor or his or her supervisor shall notify the Commission inspector, in writing, of the name and Commission licensee number of each person who shall participate in the counting process and whether each such individual is scheduled to:
 - i. Be present in the count room during the entire counting process;
 - ii. Enter the count room during the counting process; or
 - iii. Leave the count room prior to the conclusion of the counting process.

(g) No person shall be permitted to enter or leave the count room during the counting process, except in an emergency, unless his or her name is on the written notice required by (f) above and a Commission inspector is present. Notwithstanding the foregoing, if a casino licensee uses the phased collection and transfer procedures authorized by N.J.A.C. 19:45-1.42(c)3, the names of the personnel required by N.J.A.C. 19:45-1.42(c)2 to transport and secure the collected slot drop buckets and slot drop boxes in the count room (the "collection team") shall not have to be included on the written notice required by (f) above if they enter the count room during the counting process solely for that purpose.

1. If, during the counting process, a casino licensee permits a member of the count team to enter or leave the count room or members of the collection team enter the count room pursuant to the phased collection and transfer procedure authorized by N.J.A.C. 19:45-1.42(c)3, any employee remaining in the count room shall be required to display his or her hands and move to a location away from

any coin or slot token until the count team member has entered or left the count room or the transfer of the slot drop boxes and slot drop buckets to the count room has been completed and the collection team has left the count room. All activity in the count room shall be discontinued during any period when a count team member is entering or exiting the count room or a transfer of slot drop boxes and slot drop buckets is taking place.

2. Once the counting process has been started, the count room supervisor shall be required to notify the closed circuit television monitoring room whenever a count room door will be opened, and if a casino licensee uses the phased collection and transfer procedures authorized by N.J.A.C. 19:45-1.42(c)3, when all slot drop buckets and slot drop boxes have been secured inside the count room.

3. The surveillance department shall monitor and make a video recording, with the time and date inserted thereon, of the entire hard count, including any entrance to or exit from the count room by any person during the hard count, any transfer of slot drop buckets or slot drop boxes to the count room conducted pursuant to N.J.A.C. 19:45-1.42(c)3, any storage of slot drop buckets or slot drop boxes in the staging area permitted by N.J.A.C. 19:45-1.42(c)3, and all metal detector inspections performed by casino security. The video recording shall be retained by the surveillance department for at least five days from the date of recordation unless otherwise directed by the Commission or the Division.

(h) No prize tokens, coins or slot tokens shall be removed from the count room after the commencement of the hard count until the hard count has been completed and the prize tokens, coins or slot tokens have been recounted and accepted by a main bank cashier or master coin bank cashier in accordance with (j)4 below.

(i) Procedures and requirements for conducting the hard count shall be as follows:

1. Prior to the first slot drop bucket or slot drop box being emptied and counted, employees of the casino licensee shall:

i. Check, in the presence of the Commission inspector, the accuracy of all weighing and counting equipment, with the exception of coin or slot token wrapping machines, to insure proper calibration for each denomination of coin and slot token;

ii. Complete and sign a calibration report; and

iii. Initiate the preparation of a Slot Win Sheet, on which shall be recorded the results of the hard count. The Slot Win Sheet shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the casino licensee chooses, pursuant to (j)6 below, to make photocopies of the original Slot Win Sheet, in which case only an original shall be required. Each additional copy of a multi-part Slot Win Sheet shall be clearly labeled as a copy.

2. All slot tokens in denominations of \$25.00 or more shall be counted or weighed at the beginning of the hard count, in the presence of the Commission inspector, except upon notice to and written approval of the Commission's principal inspector at least 24 hours in advance of the rescheduled count of such slot tokens. The casino licensee may count or weigh other denominations of coins or slot tokens at the same time, provided that the high denomination slot token count proceeds to completion without interruption, except as otherwise provided herein. The Commission inspector shall, independently of the casino licensee, record on a countdown sheet the total value of each slot token in a denomination of \$25.00 or more which is counted or weighed. The inspector shall compare the totals on his or her countdown sheet with the value of each of those slot tokens recorded by the hard count team on the Slot Win Sheet, and verify that the amounts are in agreement and are correct, and if not, shall either satisfactorily account for any discrepancies, if possible, or document the incident and promptly report it to the Division. At the conclusion of the hard count, the inspector shall recompare the totals on the countdown sheet with the final totals determined by the casino licensee.

3. Before each slot drop bucket or slot drop box is emptied, one count team member shall hold it up in full view of the closed circuit television camera and the count team member recording the count so as to permit proper recording of the number contained thereon.

4. The contents of each slot drop bucket or slot drop box shall be emptied, counted and recorded separately and such procedures shall at all times be conducted in full view of the closed circuit television cameras located in the count room.

5. The contents of each slot drop bucket or slot drop box shall be emptied separately into either a machine that automatically counts the coins or slot tokens or a scale that automatically weighs the coin or slot tokens; provided, however, that any prize tokens or foreign slot tokens shall be manually counted and separately recorded on the Slot Win Sheet.

6. Immediately after the contents of each slot drop bucket or slot drop box are emptied into either the counting machine or scale, the inside of the slot drop bucket or slot drop box shall be held up to the full view of the closed circuit television camera and shall be shown to at least one other count team member and the Commission inspector, if present, to assure that all contents of the slot drop bucket or slot drop box have been removed.

7. As the contents of each slot drop bucket or slot drop box are counted by the counting machine or weighed by the scale, one member of the count team shall manually record or cause a computer system to record, in a manner approved by the Commission, the following information on the Slot Win Sheet or a supporting document:

i. The asset number and denomination of the slot machine to which the slot drop bucket or slot drop box contents corresponds, if not preprinted thereon;

ii. The number of coins or slot tokens, or the weight of the coins or slot tokens contained in the slot drop bucket or slot drop box; provided, however, that if the value of the coins or slot tokens is not converted into dollars and cents until after the counting process is completed, the conversion shall be calculated and the dollar value of the drop shall be entered by denomination of the slot machine on the Slot Win Sheet;

iii. The number and dollar value of each denomination of prize token issued by any casino licensee, and the total dollar value of all prize tokens issued by any casino licensee; and

iv. The number and dollar value of each denomination of foreign slot token and the total dollar value of all foreign slot tokens.

8. A Commission inspector may, at any time, require the accuracy of any weighing, wrapping or counting equipment, or the value of any previously weighed, wrapped or counted coin or slot tokens, to be checked or rechecked.

9. After all slot tokens in denominations of \$25.00 or more have been counted, wrapped or placed in racks, and then secured in a manner approved by the Commission, the Commission inspector may leave the count room to perform other functions as required by the Commission. Upon leaving the count room, the inspector shall:

i. Notify the surveillance department of his or her departure; and

ii. Test and activate the light system or other approved device at the count room door required by N.J.A.C. 19:45-1.32(d).

10. No person shall enter or leave the count room during the hard count when a Commission inspector is not present except in an emergency.

11. After the contents of all the slot drop buckets and slot drop boxes are counted or weighed and recorded, each count team member shall sign the Slot Win Sheet or other document as approved by the Commission attesting to their involvement in the hard count. Any person who, in accordance with (f) above, is scheduled to leave the count room prior to the completion of the entire count process, shall also record the time that he or she exited the count room. Any person who enters or leaves the count room due to an emergency shall sign, and record the time of the entry or exit on, the Slot Win Sheet or such other document as approved by the Commission; except that, if the person exiting the count room is unable to sign the document due to the emergency, the count room supervisor shall record the person's name and time of exit and a notation describing the emergency on the document.

12. At the conclusion of the hard count, any slugs that have been found shall be presented to a main bank cashier or master coin bank cashier together with the duplicate Slug Report. The Slug Report shall be a three-part form, at a minimum, which shall include the date, the total number of slugs received, the signature of the preparer and the signature of the main bank cashier or master coin bank cashier who accepted receipt of the slugs from the hard count representative. The original Slug Report shall be delivered to the Commission and the triplicate shall be delivered to the Division's in-house office by the end of the gaming day. The duplicate Slug Report shall remain with the slugs until their destruction.

13. Each prize token issued by any casino licensee that is removed from a slot drop bucket or a slot drop box and counted pursuant to this section shall be counted, for purposes of calculating gross revenue pursuant to N.J.S.A. 5:12-24, as cash received by the casino licensee from gaming operations for the face amount of the prize token, and, notwithstanding the prohibition on prize tokens activating slot machine play, no adjustment to the amount recorded on the Slot Win Sheet in accordance with (i)/iii above shall be allowed.

(j) Procedures and requirements at the conclusion of the hard count shall be as follows:

1. Approximately 15 minutes prior to the end of the hard count, if a Commission inspector is not present, an inspector shall be notified that the hard count is about to be completed.

2. Upon reentering the count room, the Commission inspector shall:

- i. Examine the light system or other approved device to ascertain whether any person has entered or exited the count room during the period of his or her absence, and if so, either satisfactorily account for those events, if possible, or document the incident and promptly report it to the Division; and
 - ii. Compare the original list of count team members with the persons present at the conclusion of the hard count, ascertain whether the identities of the persons in the count room remained unchanged during the hard count, and if not, either satisfactorily account for any changes in personnel, if possible, or document the incident and promptly report it to the Division.
3. At least one count team member shall sign the Slot Win Sheet attesting to the accuracy of the information recorded thereon.
4. Any prize tokens, foreign slot tokens, wrapped coins, wrapped slot tokens, bagged coins or bagged slot tokens removed from the slot drop buckets and slot drop boxes shall be recounted in the count room by a main bank cashier or master coin bank cashier, in the presence of a count team member and the Commission inspector, prior to the cashier having access to the information recorded on the Slot Win Sheet. Any bagged coins or bagged slot tokens shall be recounted on a random sample basis as follows:
- i. The main bank cashier or master coin bank cashier shall randomly select, at a minimum, 10 percent of all bagged coins and bagged slot tokens. The sample bags selected shall then be weighed by the cashier in the presence of a Commission inspector.
 - ii. If a discrepancy greater than plus or minus \$1.00 for any denomination of bagged coins or greater than plus or minus one token for bagged slot token denominations of \$25.00 and below is found during the weighing of a sample bag, then the sample bag shall be opened and recounted by a counting machine in the presence of the Commission inspector provided, however, for slot token denominations greater than \$25.00, any discrepancy shall require a recount. If more than one sample bag has a discrepancy and the problem cannot be resolved, then the Commission inspector may require that the scales be recalibrated and that all bagged coins and bagged slot tokens be recounted.
5. The inspector shall then compare the value of each of the slot tokens, foreign slot tokens and prize tokens listed on his or her countdown sheet with the value of each of those tokens shown on the Slot Win Sheet, and verify that the amounts are in agreement and are correct, and if not, either satisfactorily account for any discrepancies, if possible, or document the incident and promptly report it to the Division.
6. The cage cashier or master coin bank cashier shall then attest by signature on the Slot Win Sheet to the accuracy of the value of coin, prize tokens, foreign slot tokens and slot tokens received from the slot machines. The inspector shall then sign the Slot Win Sheet evidencing the inspector's presence and the fact that the inspector, the cashier and count team have agreed on the total value of coin, prize tokens, foreign slot tokens and slot tokens counted. Once the signatures required by (i)11 and (j)3 above and this paragraph have been recorded on the Slot Win Sheet, the duplicate copy or a photocopy of the original Slot Win Sheet shall be given to the inspector. A casino licensee's internal controls may, in the licensee's discretion, require that an additional copy of a multi-part Slot Win Sheet or another photocopy of the original Slot Win Sheet be given to the cage cashier or master coin bank cashier. Each photocopy of the original Slot Win Sheet shall be stamped with the word "copy" by the inspector prior to its distribution. The coins, prize tokens, foreign slot tokens and slot tokens thereafter shall remain in the custody of cage cashiers or master coin bank cashiers.
7. A casino security department employee, in the presence of the Commission inspector, shall:
- i. Inspect all persons with a metal detector upon their exiting the count room; and
 - ii. Conduct a thorough inspection of the entire count room and all equipment located therein, for unsecured coins, foreign slot tokens, prize tokens and slot tokens.
8. The original Slot Win Sheet and any supporting documents shall be transported directly to the accounting department and shall not be available, except for signing, to any cashier's cage or slot personnel.
9. A casino accounting department employee shall complete the original Slot Win Sheet, either manually or through the use of a computer program such as a spreadsheet program, as approved by the Commission, by recording the following information on the Slot Win Sheet or supporting documentation:
- i. If not previously recorded on supporting documentation in accordance with the requirements of N.J.A.C. 19:45-1.33 and 1.43, the value of coin, slot tokens, prize tokens, foreign slot tokens, currency and coupon drop for each slot machine, and the total value of gaming voucher drop for each slot machine as determined in accordance with internal controls approved by the Commission pursuant to N.J.A.C. 19:45-1.54;
 - ii. The total value of coin, slot tokens, prize tokens, foreign slot tokens, currency and coupon drop, and the total value of gaming voucher drop as determined in accordance with internal controls approved by the Commission pursuant to N.J.A.C. 19:45-1.54, by denomination of slot machine and in total for all slot machines;

- iii. The total amount of Hopper Fills to each slot machine and its corresponding hopper storage area;
- iv. The total of all Hopper Fills, by denomination of slot machine and the total for all Hopper Fills;
- v. The total amount of Jackpot Payouts for each slot machine;
- vi. The total of all Jackpot Payouts, by denomination of slot machine and the total for all slot machines;
- vii. The total value of gaming vouchers redeemed at locations other than slot machines as determined in accordance with internal controls approved by the Commission pursuant to N.J.A.C. 19:45-1.54;
- viii. The calculated win or loss and statistics for each slot machine; and
- ix. The total calculated win or loss for each denomination of slot machine and for all slot machines.
10. The Jackpot Payouts and Hopper Fills shall be:
- i. Compared for agreement with each other and, if applicable, to triplicates or stored data on a test basis;
- ii. Reviewed for the appropriate number and propriety of signatures on a test basis;
- iii. Accounted for by series numbers;
- iv. Tested for proper calculation, summarization, and recording;
- v. Subsequently recorded; and
- vi. Maintained and controlled by accounting department employees.
11. The Slot Win Sheet shall be compared to the Slot Meter Sheet by a casino accounting department employee who shall:
- i. Compare for agreement, for each slot machine, the number of coins or slot tokens counted and recorded by the count team to the drop meter reading recorded on the Slot Meter Sheet; provided, however, that the casino accounting department, in making the comparison, shall account for any prize tokens and foreign slot tokens that were counted pursuant to this section after being improperly accepted by the coin acceptor and diverted to the slot drop bucket or slot drop box;
- ii. Compare for agreement, for each slot machine, Jackpot Payouts to the manual jackpot meter reading recorded on the Slot Meter Sheet;
- iii. Compare for agreement, for each slot machine, the gaming voucher information as required in accordance with N.J.A.C. 19:45-1.54; and
- iv. Report all significant differences between meter readings and amounts recorded to the slot department for appropriate action.
- Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
(i)5: deleted "(and the value . . . counted)" and added "and/or the value . . . Slot Win Report."
Amended by R.1987 d.277, effective July 6, 1987 (operative November 1, 1987).
See: 18 N.J.R. 1929(a), 19 N.J.R. 1237(a), 19 N.J.R. 1656(a).
Added text in (g) " , after which such . . . or the division." Added new (j)2 and renumbered 2-4 as 3-5. Correction deferred operative date from September 1, 1987 to November 1, 1987.
Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
In (i)5: added "asset" before number, revising from "casino" number.
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
In (j): revised text from "slot cashier" to "master coin bank cashier."
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (f): stylistic revisions; in (i)6, amended text regarding required documents; added new (i)7, recodifying prior 7 as 8; in (j): added new (j)1, recodifying prior 1 as 2 and recodifying existing 2-5 as 3-6.
Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).
See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).
Administrative Correction.
See: 25 N.J.R. 2913(b).
Amended by R.1993 d.493, effective October 4, 1993.
See: 25 N.J.R. 2855(a), 25 N.J.R. 4622(a).
Amended by R.1994 d.282, effective June 6, 1994.
See: 26 N.J.R. 1209(b), 26 N.J.R. 2476(c).
Amended by R.1994 d.344, effective July 5, 1994.
See: 26 N.J.R. 1621(a), 26 N.J.R. 2804(a).
Amended by R.1994 d.504, effective October 3, 1994.
See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).
Amended by R.1996 d.110, effective February 20, 1996.
See: 27 N.J.R. 3923(a), 28 N.J.R. 1224(b).
Amended by R.1996 d.314, effective July 15, 1996.
See: 28 N.J.R. 1612(a), 28 N.J.R. 3622(a).
Amended by R.1996 d.417, effective September 3, 1996.
See: 28 N.J.R. 1498(a), 28 N.J.R. 4111(b).
Amended by R.1997 d.37, effective January 21, 1997.
See: 28 N.J.R. 4575(a), 29 N.J.R. 379(a).
In (e), deleted provision limiting entry/exit of counting room to specified persons; added (f)3; and substantially amended (g) and (i).
Amended by R.1997 d.447, effective October 20, 1997.
See: 29 N.J.R. 2811(a), 29 N.J.R. 4560(a).
In (a), rewrote the first and second sentences; and in (f)3, inserted "or his or her supervisor".
Amended by R.1997 d.489, effective November 17, 1997.
See: 29 N.J.R. 1289(a), 29 N.J.R. 4862(b).
In (j)9ii, added requirement for recording the hopper storage area.
Amended by R.1998 d.149, effective March 16, 1998.
See: 30 N.J.R. 37(a), 30 N.J.R. 1059(b).
Rewrote (b), (f) and (g).
Amended by R.1998 d.524, effective November 2, 1998.
See: 30 N.J.R. 2846(a), 30 N.J.R. 3971(b).
In (i), added a new iii in 1 and inserted "value" following "dollar" in 7iii; and rewrote (j).
Amended by R.1999 d.28, effective January 19, 1999.
See: 30 N.J.R. 3764(b), 31 N.J.R. 147(a).
In (i)2, added an exception at the end of the first sentence.
Amended by R.2002 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
Rewrote the section.
Amended by R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).
In (i)7i added "and denomination" following "asset number"; in (i)7ii, added "of the slot machine" following "by denomination".

19:45-1.44 Commission-controlled keys for dual locks; casino licensee-controlled keys and locks; notice to the Commission and surveillance department upon malfunction and repair, maintenance or replacement of alarms

(a) Any key that is required by N.J.S.A. 5:12-100c and this chapter to be controlled and maintained by a Commission inspector and any corresponding locking device for a dual key control locking system shall be patented and shall be approved by the Commission. Such key shall be legally duplicable only by the manufacturer or an approved agent or successor thereof, and shall be capable of unlocking the locking device on no more than one type of secure box, compartment or location used or maintained within any casino hotel facility. To the extent a casino licensee is not in compliance with the provisions of this subsection, the casino licensee shall submit internal controls for Commission approval by January 5, 2001 detailing its prospective implementation of any upgrades to its dual key locking systems in accordance herewith. Such internal controls shall, at a minimum, include a completion date for all upgrades by November 6, 2002, and an enumeration of those incidents or events which, if they occurred, would compromise the security of the casino licensee's dual key control locking systems and require it to immediately comply with the provisions herein. Notwithstanding the above, nothing herein shall preclude the Commission from exempting a type of secure box, compartment or location from the requirements of this subsection upon a determination that the security of such box, compartment or location would not otherwise be compromised. The types of secure boxes, compartments or locations that require a unique Commission key shall include, without limitation, the following:

1. Drop boxes, as required pursuant to N.J.A.C. 19:45-1.16(a);
2. Slot cash storage boxes, as required pursuant to N.J.A.C. 19:45-1.16(b);
3. Trolleys to transport drop boxes from gaming tables to a secure location, as required pursuant to N.J.A.C. 19:45-1.17(b);
4. Trolleys or cabinets used to transport or store, respectively, slot cash storage boxes, as required pursuant to N.J.A.C. 19:45-1.14(d);
5. Count room entrance and exit doors, as required pursuant to N.J.A.C. 19:45-1.32(b);
6. Compartments housing slot drop buckets, as required pursuant to N.J.A.C. 19:45-1.36(b);
7. Slot drop boxes, as required pursuant to N.J.A.C. 19:45-1.36(c)3;
8. Compartments housing slot drop boxes, as required pursuant to N.J.A.C. 19:45-1.36(d);
9. Areas in which slot cash storage boxes are located, as required pursuant to N.J.A.C. 19:45-1.36(f);

10. Compartments housing microprocessors or other control units controlling progressive meter(s) for progressive slot machines, as required pursuant to N.J.A.C. 19:45-1.39(b)5;

11. Locations housing a computer that controls a progressive payout wager system for gaming tables offering a progressive payout wager, as required pursuant to N.J.A.C. 19:45-1.39B(b)6;

12. Storage cabinets or trolleys for unattached slot drop boxes, as required pursuant to N.J.A.C. 19:45-1.42(a); and

13. Compartment housing a random number generator for the keno system, as required pursuant to N.J.A.C. 19:45-15.5.

(b) Each casino licensee shall establish inventory internal controls for any key required by the rules of the Commission to be controlled and maintained by a casino licensee and for any corresponding locking device including, without limitation, any key and locking device required by N.J.S.A. 5:12-100c and this chapter for a dual key control locking system. The key and locking device inventory controls of each casino licensee shall include, at a minimum, procedures for:

1. Maintenance of inventory ledgers by identified, authorized personnel for purposes of documenting:
 - i. The requisitioning of keys and locking devices from vendors;
 - ii. The receipt of blank key stock;
 - iii. The storage and issuance of keys and locking devices;
 - iv. Any loss, removal from service, and subsequent replacement of keys and locking devices;
 - v. The destruction of keys and locking devices; and
 - vi. The results of physical inventories;
2. The storage of duplicate keys and locking devices, including a physical description of any storage location and the identification of authorized personnel in control of such location;
3. The destruction of keys and locking devices, including documentation detailing in whose presence any destruction shall occur; and
4. Physical inventories of all keys and locking devices at least once every 12 months.

(c) A casino licensee shall notify the Commission and its surveillance department immediately upon becoming aware of any malfunction of any alarm system or alarmed door required by the Act and these rules, or required by the Commission pursuant thereto, and upon any emergency service to restore their proper function. In addition, a casino licensee shall provide the Commission and its surveillance department with at least 24 hours written notice prior to effecting any non-emergency repair, maintenance or replacement of any such alarm system or alarmed door including, without limitation:

1. Alarm systems for any emergency exit from the casino floor or casino simulcasting facility, as required pursuant to N.J.A.C. 19:43-6.2(a)3;
2. Alarm systems for the casino cage, its ancillary office space and any related casino vault, as required pursuant to N.J.A.C. 19:45-1.14(c)2;
3. Alarm systems for any master coin bank located outside the casino cage, as required pursuant to N.J.A.C. 19:45-1.14(d);
4. Alarmed emergency exit door(s) for the casino cage, as required by N.J.A.C. 19:45-1.14(c)3iii;
5. Alarmed doors to casino vaults signaling the closed circuit television system, as required by N.J.A.C. 19:45-1.14(f)3;
6. Alarmed doors to count rooms signaling the monitoring rooms and the casino security department, as required pursuant to N.J.A.C. 19:45-1.32(b)2;
7. Alarm systems providing for a continuous visual signal whenever any access door to the count room is open, as required pursuant to N.J.A.C. 19:45-1.32(e);
8. Alarm systems for any slot cashier window in a slot booth, as required pursuant to N.J.A.C. 19:45-1.34(c);
9. Alarm systems for separate work stations within a keno booth or satellite keno booth, as required pursuant to N.J.A.C. 19:45-1.47(c)1i and (f); and
10. Alarm systems for keno work stations in keno lockers, as required pursuant to N.J.A.C. 19:45-1.47(g)1.

New Rule, R.1999 d.361, effective November 1, 1999.
 See: 30 N.J.R. 3765(a), 31 N.J.R. 3529(a).
 Amended by R.2000 d.445, effective November 6, 2000.
 See: 31 N.J.R. 3245(a), 32 N.J.R. 4004(a).
 Added new (a); recodified former (a) as (b).
 Amended by R.2001 d.381, effective October 15, 2001.
 See: 33 N.J.R. 1874(a), 33 N.J.R. 3673(a).
 Added a new (b) and recodified former (b) as (c).
 Amended by R.2001 d.402, effective November 5, 2001.
 See: 33 N.J.R. 2633(a), 33 N.J.R. 3762(a).
 In (a)11, substituted "a computer that controls a progressive payout wager system" for "the supercontroller and CPU disk drive for the progressive meter".

19:45-1.45 Signatures

(a) Signatures shall:

1. Comply with either of the following requirements:
 - i. Be, at a minimum, the signer's first initial, last name and Commission license number, written by the signer, and be immediately adjacent to or above the clearly printed or preprinted title of the signer; or
 - ii. Be the employee's identification number or other computer identification code issued to the employee by the casino licensee, if the document to be signed is authorized by the Commission to be generated by computer, and such method of signature is approved or required by the Commission;

2. Signify that the signer has prepared forms, records, and documents and/or authorized, observed, and/or participated in a transaction to a sufficient extent to attest to the accuracy of the information recorded thereon, in conformity with this regulation and the casino licensee's system of internal accounting control; and

3. Signify that the signer required by this chapter to count or observe gaming chips and plaques has counted or observed the count of such chips and plaques and such count was made by breaking down stacks of chips to the extent necessary.

(b) Signature records shall be prepared for each person required by the rules of the Commission to sign records and documents and shall include specimens of signatures, titles of signers and the date the signature was obtained. Such signature records shall be filed alphabetically by last name either on a company-wide or departmental basis. The signature records shall be adjusted on a timely basis to reflect changes of personnel.

(c) Signature records shall be securely stored in the accounting department, except that signature records stored in electronic form shall be maintained by the MIS Department in a secure format which is backed up regularly to a disk or such other media so that such signature records can be promptly retrieved in the event of a computer failure.

(d) This section shall apply to any signature required in a casino licensee's approved system of internal procedures and administrative and accounting controls, including, without limitation, procedures required by N.J.A.C. 19:46.

Amended by R.1981 d.272, effective August 6, 1981.
 See: 13 N.J.R. 47(c), 13 N.J.R. 541(a).

(a)4: delete "except in counts required under sections 19:45-1.21, 19:45-1.30 and 19:45-1.31 of this regulation".

(b): delete "or initial forms" after "regulation to sign", and delete "and initials" after "specimens of signatures".

Amended by R.1988 d.468, effective October 3, 1988.

See: 20 N.J.R. 1069(a), 20 N.J.R. 2468(a).

Added (d).

Amended by R.1994 d.223, effective May 2, 1994.

See: 26 N.J.R. 912(b), 26 N.J.R. 1853(a).

Amended by R.1995 d.372, effective July 17, 1995.

See: 27 N.J.R. 1533(a), 27 N.J.R. 2707(a).

Amended by R.2005 d.13, effective January 3, 2005.

See: 36 N.J.R. 1185(a), 37 N.J.R. 103(a).

Rewrote (c).

19:45-1.46 Procedures for control of coupon redemption and other complimentary distribution programs

(a) For the purposes of this chapter, a complimentary distribution program is a contest or promotion pursuant to which complimentary services or items are provided directly or indirectly by a casino licensee to the public without regard to the identity or level of gaming activity of the individual recipients. The procedures contained in (c) through (t) below shall apply to casino licensees offering coupon redemption complimentary distribution programs

which entitle patrons to use match play coupons or progressive wager coupons or to redeem coupons for complimentary cash, gaming chips, slot tokens or simulcast wagers issued in connection with bus and other complimentary distribution programs. No match play coupons, progressive wager coupons, complimentary cash, gaming chips or slot tokens may be distributed, or complimentary simulcast wagers accepted, by a casino licensee under any coupon redemption complimentary distribution program that does not comply with the requirements of this section. Detailed procedures controlling complimentary distribution programs regulated by (c) through (t) below shall be prepared prior to implementation and maintained by the casino accounting department.

(b) Detailed procedures controlling all complimentary distribution programs entitling patrons to complimentary cash or slot tokens not regulated by (a) above shall be prepared prior to implementation of the programs and shall be maintained by the casino accounting department. Complimentary items or services, including cash, slot tokens or simulcast wagers, distributed through programs regulated by this subsection shall be reported in accordance with the procedures contained in (m) and (o) below.

(c) Each coupon or part thereof issued by a casino licensee directly or through an authorized vendor shall only be redeemable for a specific amount of cash, gaming chips, slot tokens or simulcast wagers.

(d) All coupons issued pursuant to this section shall contain a serial number and each series of coupons shall be issued in sequential order. Each coupon shall be printed with a description of what is being offered, the location where which it may be redeemed, and either a statement specifying the date on which the coupon becomes invalid or some other means to indicate the date when a coupon becomes invalid. If a coupon is of a type that is devisable into sections or is multipart, each such separate part or copy shall contain the information required by this subsection.

(e) The provisions of this subsection and (f) through (h) and (k) below shall only apply to coupons that will be distributed directly to patrons by a casino licensee. Coupons received by a casino licensee from a manufacturer or distributor or produced internally by the casino licensee pursuant to (t) below shall be opened and examined by at least one member of the accounting department. Any deviations between the invoice or control listing accompanying the coupons, the purchase or requisition order, and the actual coupons received shall be reported promptly to the supervisor of the casino accounting department or to a higher authority in a direct reporting line and the Internal Audit Department.

1. Upon examination of the coupons received, the casino licensee shall cause to be recorded in a Coupon Control Ledger the type and quantity of coupons received, the date of such receipt, the beginning serial number, the ending serial number, the new quantity of unissued coupons on hand, the purchase order or requisition number, any deviations between the number of coupons ordered and received and the signature of any individual who examined such coupons.

2. All unissued coupons shall be stored in a secured and locked area, controlled by an accounting department supervisor.

3. A representative from the accounting department shall prepare a monthly inventory of unissued coupons. Any deviations between the coupon inventory and the Coupon Control Ledger shall be reported to the Casino Controller or to a higher in a direct reporting line.

4. For purposes of this section, "accounting department" shall be deemed to refer to any accounting personnel employed by the casino licensee who report in a direct line to the supervisor of the casino accounting department.

(f) A representative of the casino licensee shall estimate the number of coupons needed by shift each day. An accounting department representative shall obtain the quantity of coupons to be issued. If a date indicating when the coupon becomes invalid is not preprinted thereon, the accounting department representative shall affix a stamp indicating the date the coupon becomes invalid or shall issue color coded coupons indicating the date that the coupons become invalid. The following, at a minimum, shall be recorded in the Coupon Control Ledger:

1. The date the coupons were issued;
2. The type of coupons issued;
3. The beginning serial number of the coupons issued;
4. The ending serial number of the coupons issued;
5. The quantity issued and the quantity remaining; and
6. The signatures of the accounting department representative issuing the coupons and such other department's representative receiving the coupons.

(g) The casino licensee shall require unused coupons obtained from the accounting department representative to be stored in a locked cabinet until they are distributed to patrons. Any coupons remaining unused at the end of a shift shall either be returned to the accounting department for receipt and redistribution or kept for use by the following shift provided accountability between shifts is maintained. All expired coupons must be returned to the accounting department on a daily basis. Any coupons that are not used by the date indicated on the coupons when they become invalid shall be voided when returned to the accounting department.

(h) Documentation, as required by the casino licensee, shall be prepared by a representative of the casino licensee for the distribution of coupons to patrons. The documentation shall have the following information, at a minimum, recorded on it:

1. The date and time or shift of preparation;
2. The type of coupons used;
3. The beginning serial number of the coupons used;
4. The ending serial number of the coupons used;
5. The total number of coupons used;
6. Independent verification of the number of people receiving the coupons, e.g., bus driver's manifest;
7. The total number of coupons remaining for use by the next shift or returned to the accounting department; and
8. The signature(s) of the casino licensee's representative who distributed the coupons.

(i) A coupon redeemable for gaming chips, a match play coupon and a progressive wager coupon shall be designed and printed so that the denomination and type of the coupon is clearly visible from the closed circuit television system when accepted or being wagered at a gaming table and when deposited in a drop box. A match play coupon shall contain an area designated for the placement thereon of the required gaming chips, which area shall be located on the coupon so as not to obscure or interfere with visibility of the type and denomination of the coupon. No casino licensee shall issue or use a match play coupon or a progressive wager coupon for gaming purposes until a sample coupon has been submitted to and approved by the Commission.

(j) Coupons shall be redeemed in the following manner:

1. Coupons redeemable for coin, currency or slot tokens shall be redeemed by changepersons or at the slot or keno booths, the cashier's cage, or at any other location within the casino hotel facility approved by the Commission in a casino licensee's internal control submission. A changeperson, slot cashier or general cage cashier shall accept the coupons in exchange for the stated amount of cash or slot tokens, or a keno writer shall accept the coupons in exchange for the stated amount of cash or keno ticket, and shall cancel the coupons upon acceptance. A coupon redeemable for currency may also be redeemed by slot attendants, who shall accept the coupon in exchange for the stated amount of currency and shall cancel the coupons upon acceptance. Cancellation of coupons by changepersons and slot attendants shall be in a manner that will permit subsequent identification of the individual who accepted and canceled the coupon.

- i. Redeemed coupons shall be maintained by the slot or general cashier or keno writer and shall be exchanged with the Main or Master Coin Bank at the conclusion of gaming activity each day, at a minimum.

- ii. Notwithstanding the above, an automated coupon redemption machine or bill changer may be utilized to accept coupons provided that the acceptance of coupons by an automated coupon redemption machine complies with this section and N.J.A.C. 19:45-1.46A or the acceptance of coupons by a bill changer complies with this section and N.J.A.C. 19:45-1.46B. If coupons are mailed to a patron pursuant to (q) or (r) below, an automated coupon redemption machine or bill changer may be used for redemption only if these devices have the capability to perform and document the verification required by (q)5 below and to verify and document the identity of the patron as required by (q)6 below.

2. Coupons redeemable for simulcast wagers shall only be accepted by casino pari-mutuel cashiers at the simulcast counter in exchange for the simulcast wagers stated on the coupons. Cancellation of coupons by casino pari-mutuel cashiers shall be in a manner that permits subsequent identification of the individual who accepted and canceled the coupon. Redeemed coupons shall be maintained by the casino pari-mutuel cashier, or in the simulcast vault, and shall be exchanged with the Main Bank for a like amount of cash not less frequently than at the conclusion of each day.

3. A coupon redeemable for gaming chips shall be redeemed only:

- i. At a gaming table and only by a dealer or boxperson, who shall, in accordance with N.J.A.C. 19:45-1.18, accept the coupon in exchange for the stated amount of gaming chips and shall deposit the coupon into the drop box upon acceptance; or

- ii. By a chipperson, who shall accept the coupon only from a patron seated at a poker table at which a game is in progress, in exchange for the stated amount of gaming chips and shall cancel the coupon upon acceptance. The coupon shall be cancelled in a manner that will permit subsequent identification of the individual who accepted and cancelled the coupon. The cancelled coupons shall be exchanged with the main bank at the conclusion of the chipperson's shift, at a minimum.

4. A match play coupon shall be redeemed only at a gaming table which offers an authorized game in which patrons wager only against the house and, except for the Pass and Don't Pass wagers in craps and the Red, Black, Odd, Even, 1-18, 19-36, 1st 12, 2nd 12, and 3rd 12 wagers in roulette, which has an individual betting area for each player on the gaming table layout. Such a coupon shall be redeemed only by a dealer, and only if accompanied by the proper amount of gaming chips required by the coupon. The dealer shall, in accordance with N.J.A.C.

19:45-1.18, accept the coupon as part of the patron's wager and deposit the coupon into the drop box after the wager is won or lost.

5. A progressive wager coupon shall be redeemed only at an authorized game offering progressive payout wagers pursuant to N.J.A.C. 19:45-1.39B. Such a coupon shall be redeemed only by a dealer. The dealer shall, in accordance with N.J.A.C. 19:45-1.18, redeem the progressive wager coupon by placing a chip from the table inventory container that is equal in value to the progressive wager coupon into the progressive wager acceptor device and depositing the progressive wager coupon immediately into the drop box.

(k) When unused and expired coupons are returned to the Accounting Department, a representative of the accounting department shall record the following information in the Coupon Control Ledger:

1. The date the coupons were returned;
2. The type of coupons returned;
3. The beginning serial number of the coupons returned;
4. The ending serial number of the coupons returned;
5. The quantity returned and the quantity remaining; and
6. The signatures of the accounting department representative receiving the returned unused coupons and such other department's representative returning the unused coupons.

(l) All documentation, unused coupons, voided coupons, coupons returned by the post office, and redeemed coupons maintained in conformity with (g), (h), (i) and (j) above and (q) and (r) below shall be forwarded on a daily basis to the accounting department where they shall be:

1. Reviewed for propriety of signatures on documentation and for proper cancellation of all coupons;
2. Recounted and examined for proper calculation, summarization and recording on documentation, including, without limitation, the Master Game Report and the Slot Cash Storage Box Report;
3. Reconciled by:
 - i. Total number of coupons given to representatives of the department making distribution to patrons, returned for reissuance, distributed to patrons, voided, returned by the post office and redeemed; or
 - ii. Total number of coupons mailed by an authorized vendor, returned by the post office and redeemed;
4. Subsequently recorded; and

5. Maintained and controlled by the accounting department until destruction of the coupons is approved by the Commission.

(m) Each casino licensee shall:

1. Prepare a quarterly report for all programs regulated by (a) above, which shall list, by type of coupon, the total number of coupons used, the total number of coupons redeemed, the total value of the complimentary cash, gaming chips, slot tokens, match play coupons, progressive wager coupons or simulcast wagers given to patrons in redemption of coupons and any liability to patrons remaining on unredeemed coupons, which report shall be made available upon request by the Commission or Division; and

2. Prepare a quarterly report for all programs regulated by (b) above, which shall list, by program offered during the quarter, a description of the complimentary items and services provided, the total number of persons receiving complimentary items or services, the total dollar amount of complimentary items or services provided, and the names of all persons receiving a complimentary item or service in a dollar amount greater than \$1,000. Such report shall be made available upon request by the Commission or Division.

(n) The report shall be signed by the Casino Controller, or a higher authority in a direct reporting line, indicating that no material discrepancies were noted for the period covered by the report or if a material discrepancy is noted it shall be explained in detail.

(o) In addition to the reports required in (m) above, the casino licensee shall accumulate both the dollar amount of and the number of persons redeeming coupons pursuant to (a) above, and the dollar amount of and the number of persons receiving complimentary items or services pursuant to (b) above, and shall include this information on the quarterly complimentary report required by N.J.A.C. 19:45-1.9. Complimentary items or services, including match play coupons and progressive wager coupons, cash, gaming chips, slot tokens and simulcast wagers, distributed through programs regulated by this section shall not be subject to the daily complimentary reporting requirements imposed pursuant to N.J.A.C. 19:45-1.9.

(p) Prize tokens shall not be distributed as complimentary services or items pursuant to this section.

(q) A casino licensee that intends to mail coupons regulated by (a) above directly to its patrons shall not be required to comply with the requirements of (h) above but shall be required to include the following additional procedures, at a minimum, in its internal controls:

1. The casino licensee shall prepare and maintain in its computer system, for the time period during which the coupon is valid, a list of each patron to whom a coupon shall be mailed, which list shall include, at a minimum, the following information:

- i. The patron name;
- ii. The patron address;
- iii. The patron identification number;
- iv. The coupon denomination;
- v. The coupon expiration date; and
- vi. A unique coupon serial number which shall include a method of identifying the casino licensee issuing the coupon.

2. Each coupon issued pursuant to this subsection shall include a bar code or magnetic strip that will enable the casino licensee's computer system to identify the information required by (q)1 above.

3. The information required by (q)1 above shall be provided to the accounting department, which shall maintain this information for purposes of the reconciliation required by (l) above.

4. The envelopes used to mail the coupons shall include the casino licensee's address as the return address and shall request the return of the envelope to the sender if not deliverable to the addresses. The return of any coupon by the post office shall be recorded by the casino licensee in its computer system.

5. Prior to the redemption of a coupon issued pursuant to this subsection or upon electronic cancellation pursuant to (s) below, the casino licensee shall be required to verify the validity of the coupon by comparing the information maintained in its computer system pursuant to (q)1 above or a control number, which is derived from the patron's identification number and the coupon's serial number, with the information or control number recorded in the coupon's bar code or magnetic strip. This verification of the information required in (q)1 above may be performed electronically. The casino licensee shall not redeem the coupon unless the casino licensee also confirms that:

- i. The coupon has not expired; and
- ii. The coupon has not been previously redeemed.

6. Prior to redemption of any coupon with a value of more than \$500.00 issued pursuant to this subsection, the casino licensee shall be required to verify the identity of the patron in order to confirm that he or she is the person to whom the coupon was mailed.

7. All coupons issued pursuant to this subsection shall be redeemed in accordance with (j) above and shall be electronically canceled in the casino licensee's computer system immediately upon redemption or in accordance

with (s) below so as to preclude subsequent redemption of the same coupon. On a daily basis, a report shall be generated of all coupons that are electronically canceled. This report shall contain, at a minimum, a list of the serial numbers of the canceled coupons and shall be forwarded, on a daily basis, to the accounting department for purposes of the reconciliation required by (l) above.

(r) Any casino licensee that intends to authorize a vendor to print and mail coupons regulated by (a) above directly to the casino licensee's patrons shall be required to comply with the provisions of (q)1 through 7 above and shall include the following additional procedures, at a minimum, in its internal controls:

1. The casino licensee shall provide the vendor via electronic or magnetic tape medium a list of the information required by (q)1 above for each patron to whom a coupon shall be mailed.

2. The vendor shall print coupons only for the patrons authorized by the casino licensee pursuant to (r)1 above. Within 48 hours of mailing any coupons, the vendor shall provide documentation to the casino licensee's accounting department regarding the coupons that were printed and mailed. This documentation shall include the serial numbers of the coupons that were printed and mailed and a representation, signed by an officer or partner of the vendor, that only the coupons requested by the casino licensee were printed and mailed and that any misprints were destroyed.

3. The vendor may include material other than the coupon in the mailing if authorized by the casino licensee.

4. The casino licensee shall develop procedures for reconciling the total number of coupons authorized for issuance by the casino licensee pursuant to (r)1 above to the total number of coupons mailed by the vendor, returned by the post office and redeemed by patrons and shall calculate the daily outstanding liability of the casino licensee for unredeemed coupons issued pursuant to this subsection.

(s) Notwithstanding (q)5 and 7 above, a casino licensee may accept a coupon which has been mailed to a patron without first verifying its validity and without immediately canceling the coupon electronically in the computer system if:

1. The value of the coupon is \$500.00 or less;
2. The coupon is redeemed by a general cashier, dealer at a gaming table, slot attendant, changeperson, chipperson or slot cashier;
3. The general cashier, dealer, slot attendant, changeperson, chipperson or slot cashier verifies the expiration date contained on the coupon and confirms the coupon has not expired;

4. The coupon is physically canceled in some manner and physically segregated and secured until verified and electronically canceled; and

5. The coupon is verified in the computer system, pursuant to (q)1 and 5 above, and electronically canceled in the system within eight hours of acceptance; provided, however, that a coupon accepted by a dealer at a gaming table and deposited into that table's drop box may be verified and canceled when the drop box is removed from the table and taken to the count room.

(t) A casino licensee may, through its MIS department or any other department as approved by the Commission, internally manufacture or print coupons that are governed by (a) above provided that internal controls governing the production and subsequent reconciliation of such coupons are submitted to and approved by the Commission.

Amended by R.1982 d.170, effective June 7, 1982 (operative July 15, 1982).

See: 14 N.J.R. 203(a), 14 N.J.R. 582(b).

Amended by R.1982 d.293, effective September 7, 1982.

See: 14 N.J.R. 559(a), 14 N.J.R. 983(b).

Added new (b).

Amended by R.1984 d.623, effective January 21, 1985.

See: 16 N.J.R. 2075(b), 17 N.J.R. 211(b).

(i) substantially amended.

Petition for Rulemaking: To provide limitations on the extent of complimentary reporting required for promotional prizes and awards.

See: 19 N.J.R. 1578(c).

Amended by R.1988 d.209, effective May 16, 1988.

See: 19 N.J.R. 1975(b), 20 N.J.R. 1102(a).

Substantially amended.

Petition for Rulemaking: To allow the use of coupon cashing machines for the redemption of complimentary cash or slot tokens.

See: 21 N.J.R. 1750(b).

Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective August 27, 1990 (expires November 25, 1990).

See: 22 N.J.R. 2542(a).

Temporary Amendment of accounting and internal controls pursuant to the automated coupon redemption machine experiment. Also affects New Rule N.J.A.C. 19:45-1.46A.

See: 22 N.J.R. 3638(c).

Amended by R.1991 d.152, effective March 18, 1991.

See: 22 N.J.R. 3708(b), 23 N.J.R. 885(a).

In (i), added automated coupon redemption machine provision.

Amended by R.1992 d.501, effective December 21, 1992.

See: 24 N.J.R. 3254(a), 24 N.J.R. 4575(a).

In (l)1: specified filing of a quarterly report.

In (l)2: specified preparation of a monthly report. Added text that report shall be available upon request by the Commission or Division.

In (n): deleted "monthly" describing report.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Simulcast provisions added.

Amended by R.1993 d.75, effective February 16, 1993.

See: 24 N.J.R. 2536(a), 24 N.J.R. 4243(a), 25 N.J.R. 717(a).

In (a), added gaming chips and other complimentary distribution programs. Added (i).

Recodified (i)-(n) as (j)-(o).

Amended by R.1993 d.144, effective April 5, 1993.

See: 24 N.J.R. 2692(b), 25 N.J.R. 1520(a).

In (a) and (b): added text regarding complimentary distribution program.

In (n): revised N.J.A.C. citation.

Amended by R.1993 d.145, effective April 5, 1993.

See: 24 N.J.R. 4505(a), 25 N.J.R. 1521(a).

In (l)2: increased dollar amount to \$500.00 from \$100.00.

Amended by R.1993 d.319, effective July 6, 1993.

See: 25 N.J.R. 1673(a), 25 N.J.R. 2911(a).

Amended by R.1993 d.492, effective October 4, 1993.

See: 25 N.J.R. 3107(b), 25 N.J.R. 4618(a).

Administrative Correction.

See: 25 N.J.R. 5943(c).

Amended by R.1994 d.69, effective February 7, 1994.

See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).

Amended by R.1994 d.137, effective March 21, 1994.

See: 25 N.J.R. 5902(a), 26 N.J.R. 1373(b).

Amended by R.1994 d.298, effective June 20, 1994.

See: 26 N.J.R. 1441(a), 26 N.J.R. 2594(b).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1994 d.575, effective November 21, 1994.

See: 26 N.J.R. 1322(a), 26 N.J.R. 4640(a).

Amended by R.1995 d.285, effective June 5, 1995.

See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

Amended by R.1995 d.468, effective August 21, 1995.

See: 27 N.J.R. 2124(a), 27 N.J.R. 3223(a).

Required procedures for controlling complimentary distribution programs.

Amended by R.1996 d.12, effective January 2, 1996.

See: 27 N.J.R. 3771(a), 28 N.J.R. 180(b).

In (m)2 substituted "\$1,000" for "\$500.00".

Amended by R.1996 d.160, effective March 18, 1996.

See: 28 N.J.R. 75(a), 28 N.J.R. 1559(a).

Amended by R.1996 d.562, effective December 2, 1996.

See: 28 N.J.R. 3900(a), 28 N.J.R. 5082(a).

Amended by R.1997 d.111, effective March 3, 1997.

See: 28 N.J.R. 5064(a), 29 N.J.R. 793(a).

Changed requirements for coupon serial numbers and procedures for redeeming coupons; and added (q) through (t).

Amended by R.1997 d.423, effective October 6, 1997.

See: 28 N.J.R. 4181(b), 29 N.J.R. 4304(b).

In (j)4, inserted reference to the roulette wagers.

Amended by R.1997 d.426, effective October 6, 1997.

See: 29 N.J.R. 3209(a), 29 N.J.R. 4307(a).

In (s)2 and 3, inserted "slot attendant, changeperson".

Amended by R.1997 d.448, effective October 20, 1997.

See: 29 N.J.R. 3202(a), 29 N.J.R. 4561(a).

In (m)2, in the first sentence, deleted "equal to or" preceding "greater than \$1,000".

Amended by R.1998 d.81, effective February 2, 1998.

See: 29 N.J.R. 5058(b), 30 N.J.R. 566(b).

In (s)1, substituted "100.00 or less" for "less than \$100.00"; in (s)2, added "dealer at a gaming table"; in (s)3, added "dealer"; and in (s)5, added language regarding time limit of verifying and canceling a coupon accepted by a dealer.

Amended by R.1998 d.525, effective November 2, 1998.

See: 30 N.J.R. 2613(a), 30 N.J.R. 3972(a).

In (s)5, substituted "eight hours" for "four hours" following "in the system within".

Amended by R.1999 d.379, effective November 1, 1999.

See: 30 N.J.R. 4147(b), 31 N.J.R. 3527(a).

In (j), rewrote 3; and in (s), inserted references to chippersons in 2 and 3.

Amended by R.2001 d.4, effective January 2, 2001.

See: 32 N.J.R. 3215(a), 33 N.J.R. 62(b).

Rewrote (j)1.

Administrative correction.

See: 34 N.J.R. 2802(a).

Amended by R.2004 d.9, effective January 5, 2004.

See: 35 N.J.R. 2795(a), 36 N.J.R. 199(a).

In (q)6 and (s)1, substituted "\$500" for "\$100".

Petition for Rulemaking.

See: 37 N.J.R. 677(a), 1256(a).

19:45-1.46A Procedures and requirements for use of an automated coupon redemption machine

(a) All coupons utilized with or accepted by an automated coupon redemption machine shall be accounted for and controlled pursuant to N.J.A.C. 19:45-1.46 unless otherwise authorized by the Commission.