

**CHAPTER 69D**

**GAMING OPERATION ACCOUNTING CONTROLS AND STANDARDS**

**Authority**

N.J.S.A. 5:12-21, 69, 70, 76, and 100.

**Source and Effective Date**

R.2012 d.059, effective March 19, 2012.  
See: 43 N.J.R. 2735(a), 44 N.J.R. 675(a).

**Chapter Expiration Date**

Chapter 69D, Gaming Operation Accounting Controls and Standards, expires on March 19, 2019.

**Chapter Historical Note**

Chapter 69D, Gaming Operation Accounting Controls and Standards, was adopted as new rules by R.2012 d.059, effective March 19, 2012. See: Source and Effective Date.

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## SUBCHAPTER 1. GENERAL PROVISIONS

### 13:69D-1.1 Definitions

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

“Alterable media” means any device that contains software that can be reprogrammed. It does not include erasable programmable read-only memory (EPROM) or one-time programmable devices.

“Annuity jackpot trust check” means a check issued by a slot system operator, 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.

“Authorized instrument” means a cash equivalent, a casino check, a casino affiliate check, an annuity jackpot trust check, a replacement check, or any other instrument approved by the Division for a specified purpose.

“Auto pick” means an automated feature of a slot machine game that forces a game play selection without human interaction.

“Base game” means the initial slot machine game play that is activated by placing a wager.

“Cage supervisor” means any person who supervises personnel and functions within a cashiers’ cage and reports to the cage manager.

“Cash” means currency or coin.

“Cash equivalent” means a:

1. Certified check, cashiers check, treasurer’s 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, treasurer’s 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 rules of the Division.

“Cash equivalent value of any merchandise or thing of value” is defined in N.J.A.C. 13:69D-1.40A.

“Cashable” means an item which can be converted to cash.

“Cashiering location” means any automated voucher redemption machine or a window in an enclosed structure within the casino hotel facility from which an employee of the casino licensee conducts casino or casino simulcasting cashiering transactions with patrons or employees including, without limitation, a cashiers’ cage, satellite cage, master coin bank, coin vault, simulcast counter, ancillary simulcast counter, slot booth, coin redemption booth, jackpot/hopper window, and keno booth.

“Cashiers’ cage” or “main cage” is defined in N.J.A.C. 13:69D-1.14.

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 to the Division of instances of noncompliance with the system of internal control;
- iv. The reporting to the Division 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. A quarterly review of information technology (IT) data security of the gaming systems if the casino offers Internet or mobile gaming;

3. An IT department comprised of at a minimum an IT department manager, IT security officer, and, if the licensee offers Internet and mobile gaming, an Internet and mobile games manager, all of whom shall be located in New Jersey and licensed as a casino key employee.

i. The IT department manager 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:

- (1) Access codes and other computer security controls used to insure appropriately limited access to computer software and data;
- (2) Monitoring logs of user access, security incidents and unusual transactions;
- (3) Logs used to document and maintain the details of any hardware and software modifications;
- (4) Computer tapes, disks, or other electronic storage media containing data relevant to casino operations; and
- (5) Computer hardware, communications equipment and software used in the conduct of casino operations;

ii. The IT security officer shall report to the IT department manager and be responsible for:

(1) Maintaining access codes and other computer security controls used to insure appropriately limited access to computer software and data; and

(2) Reviewing logs of user access, security incidents, and unusual transactions; and

iii. The Internet and/or mobile gaming manager shall report to the IT department manager and be responsible for ensuring the proper operation and integrity of Internet and/or mobile gaming and reviewing all reports of suspicious behavior;

4. A casino games department supervised by a person referred to in this section 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. 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 event the operation and conduct of poker shall be supervised by a casino key employee;

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 to 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 security department supervised by a person referred to in this section 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, and the immediate notification to the Division of any incident that has compromised the safeguarding of such assets;
- v. The protection of the patrons' and the establishment's property from illegal activities;
- vi. The detainment, for a reasonable period of time, of each individual as to whom there is probable cause to believe has engaged in or is engaging in conduct that violates N.J.S.A. 5:12-113 through 116, inclusive, N.J.S.A. 5:12-119 as it relates to underage gambling, or N.J.S.A. 33:1-81 pursuant to section 103d of P.L. 1977, c. 110 (N.J.S.A. 5:12-103), for the purpose of notifying law enforcement or Division authorities;
- vii. The control and maintenance of a system for the issuance of temporary 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 shall be recorded in an unalterable format which shall include:

- (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, N.J.S.A. 5:12-71.2, or N.J.A.C. 13:69G-1.7, or who may be excluded or ejected pursuant to N.J.S.A. 5:12-71.1, or of any person, other than those who are to be detained pursuant to (b)5vi above, 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 pursuant to N.J.A.C. 13:69D-1.3(a)3; and

6. A casino accounting department supervised by a person referred to in this section 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. 13:69D-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 main cage in each casino room. A casino key employee referred to herein as a cage manager shall supervise the main cage and any satellite cages within the casino room. 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. 13:69D-1.14 and 1.15. If a casino licensee elects to operate one or more satellite cages, each satellite cage shall be supervised by a casino cage supervisor who shall report to a cage manager. A casino licensee may choose, in its discretion, as to each cashier's 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. 13:69D-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)6i(3) above;

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)6i(1) and (3) above;

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

(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.

3. For purposes of this subsection, the independent audit committee shall be comprised of three or more members; provided, however, that the independent audit committee may be comprised of less than three members upon a showing of good cause to the Division.

(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.

(e) A casino licensee may choose to make the slot department responsible for the supervision of slot cashiers provided the casino licensee complies with either of the provisions below:

1. A slot cashier shall be prohibited from participating in any transaction that involves the acceptance, issuance, recordation or accounting of assets that affect the determination of gross revenue; or

2. Slot department 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. 13:69D-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) A casino licensee may designate and assign more than one person to serve jointly as the manager of a department within the licensed facility. Each person serving as a joint manager of a department within the licensed facility shall be individually and jointly accountable and responsible for the operations of that department.

(g) Each department required or permitted by this section shall be supervised at all times by at least one casino key employee.

(h) In the event of a vacancy in the chief executive officer position, the chief gaming executive position required by N.J.A.C. 13:69D-1.1, the equal opportunity officer position required by N.J.A.C. 13:69K-1.4 or in any department supervisor position required or permitted by this section:

1. The casino licensee shall notify the Division no later than five days from the date of the 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 Division thereof. Such notices 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 Division.

Amended by R.2013 d.128, effective October 21, 2013.

See: 45 N.J.R. 1355(a), 45 N.J.R. 2336(a).

Rewrote (b)2vi and (b)3.

### 13:69D-1.11A Table of organization

(a) Each casino licensee shall maintain on file a table of organization delineating the lines of authority for all personnel engaged in the operation of the hotel, casino and casino simulcasting facility which shall include chain-of-command requirements of the Act and the Division's regulations.

(b) The table of organization shall, for each department and division, include direct and indirect lines of authority within the department or division. Each page of a table of organization shall specify the following:

1. The date of its submission;
2. The date of the previously submitted table of organization which it supersedes; and
3. A unique title or other identifying designation for that table of organization.

(c) Each casino licensee shall submit to the Division a list of persons, except casino key employees and casino key qualifiers, who have received compensation of \$100,000 or more, including salary, bonuses, incentives, profit sharing or any other compensation as indicated on the employees'

an incorrect denomination or total amount), a cage supervisor shall notify the surveillance department and either:

1. Advise a casino supervisor that the Credit is being returned to the table and return the Credit to the security department member who shall transport the Credit to the table for correction. Once corrected, the Credit shall be processed in accordance with this section; or

2. Accept the Credit, record the reason for the discrepancy on the Credit Slip and prepare a two-part error notification form which shall include, at a minimum:

- i. The date and time;
- ii. The game and table number;
- iii. A description of the error (for example, acceptance at an incorrect table or an incorrect denomination or total amount); and
- iv. The signature of the casino supervisor.

(l) If a discrepancy on the Credit is detected subsequent to the completion of the transaction, a cage or casino supervisor shall notify the surveillance department member who shall investigate the discrepancy. If the supervisor and surveillance department member agree that an error occurred in processing the transaction, the cage supervisor shall prepare the error notification form in accordance with (k) above.

(m) The form in (k) above shall be distributed as follows:

1. The original shall be transported to the gaming table and placed in the drop box or forwarded to the casino accounting department if the discrepancy is detected subsequent to the end of gaming day; and

2. The duplicate shall be maintained and accounted for by the chip bank cashier.

(n) A casino accounting department employee with no incompatible functions shall obtain all Credit Slips and, as applicable, Requests and error notification forms, from the chip bank cashiers and casino clerks on a daily basis for reconciliation to stored data and the forms removed from the table game drop boxes.

#### **13:69D-1.24 Procedure for acceptance, accounting for, withdrawal and refund of patron deposits**

(a) Whenever a patron requests a casino licensee to hold his or her cash or non-cash items (for example, cash equivalent, casino check, casino affiliate check, annuity jackpot trust check, complimentary cash gift, chips, plaques, slot tokens, prize tokens, wire transfer, electronic fund transfer, gaming voucher, and electronic credits) authorized to be accepted pursuant to the Division's rules for subsequent use, the patron shall deliver the cash or non-cash item, to a general cashier who shall deposit the cash or non-cash item for credit to a patron deposit account established for that patron pursuant to this section.

(b) If a casino licensee issues manual patron deposit withdrawals to a patron and allows the patron to participate in electronic account wagering, the casino licensee shall maintain two separate patron deposit accounts, one account strictly for the use of deposits associated with counter check and slot counter check withdrawals and a second account strictly for the use of electronic account based wagering. The casino licensee shall be prohibited from commingling the accounts or allowing transfers between the accounts.

(c) Prior to accepting a deposit, a general cage cashier shall:

1. Verify the patron's identity in accordance with N.J.A.C. 13:69D-1.5A;

2. Prepare a computerized patron deposit account file for each patron in accordance with the casino licensee's internal controls. Such file shall include, at a minimum, the following:

- i. The name of the patron;
- ii. The method of identification used to verify the identity of the patron;
- iii. The date, type and amount of each deposit initially accepted from the patron;
- iv. The date and amount of each withdrawal by the patron; and

3. If a manual patron deposit account is prepared, provide the deposit documentation to the check bank cashier who shall prepare a manual file.

(d) A general cashier accepting a deposit shall prepare a Patron Deposit Form evidencing such receipt. Patron Deposit Forms shall be two-part and serially prenumbered. Each series of Patron Deposit Forms shall be used in sequential order and the series number of all Patron Deposit Forms shall be accounted for by employees with no incompatible functions. The Patron Deposit Form shall include, at a minimum, the following information:

1. The name of the patron;
2. The total amount of the deposit stated in numbers and words;
3. The date and time;
4. The type(s) of item(s) accepted for deposit; and
5. The signature of the general cashier.

(e) When a Patron Deposit form is voided, the original and duplicate shall be marked "VOID" and shall require the signature of the preparer.

(f) After preparation of the Patron Deposit Form, the general cashier shall obtain the patron's signature on the duplicate copy and shall distribute the original and copies in the following manner:

1. The original shall be given to the patron as evidence of the amount placed on deposit with the casino licensee; and

2. The duplicate shall be maintained by the general cashier as part of his or her imprest inventory.

(g) After supplying information required by the casino licensee to verify his or her identity, a patron shall be allowed to withdraw all or a portion of the deposit for gaming activity with:

1. Counter Checks or Slot Counter Checks in accordance with N.J.A.C. 13:69D-1.25; or

2. Electronic account based wagering in accordance with N.J.A.C. 13:69D-1.37.

(h) The patron's deposit balance shall be immediately reduced by amounts equal to the Counter Checks issued in the pit, Slot Counter Checks issued in the slot area or at the casino cage, or amounts electronically issued through an approved electronic account based wagering system.

(i) A patron may request a refund of the remaining balance of his or her funds on deposit by:

1. Sending the casino licensee a signed written request for a refund together; or

2. Appearing personally at the cashiers' cage, a satellite cage or slot booth.

(j) Upon receiving a request for a refund, a cashier shall verify the identity of the patron and the balance remaining in the patron's account. Upon completing the verifications and prior to disbursing the refund, the cashier shall prepare refund documentation which may include a Slot Counter Check prepared in accordance with (i) above. The documentation shall include the following information:

1. The date and time of preparation;
2. The amount refunded;
3. The type(s) of refund made (cash, casino check, wire transfer, or electronic fund transfer);
4. Whether the refund was requested in person or in writing;
5. The patron's name and, if the patron personally appears, his or her signature; and
6. The signature of the cashier preparing such documentation.

(k) If a casino licensee has prepared manual deposits and/or withdrawals, the information shall be entered into the computer system by a check bank cashier when the system becomes operable. The computer system shall record the date and time the information was entered and the identification of the check bank cashier entering the information.

(l) A casino licensee shall maintain a computerized log of all patron deposit transactions. The log shall include, at a minimum, the following:

1. The balance of the patron deposits on hand in the cashiers' cage at the beginning of each shift;
2. For each patron deposit received and withdrawn;
  - i. The date and time of the transaction;
  - ii. The transaction number;
  - iii. The name and account number of the patron;
  - iv. The amount;
  - v. The transaction location; and
  - vi. The type(s) of item(s) deposited, withdrawn or expired; and
3. The balance of the patron deposits on hand in the cashiers' cage at the end of each shift.

(m) The balance of the patron deposits on hand in the cashiers' cage at the end of each shift shall be recorded as an outstanding liability and accounted for by a check cashier.

#### **13:69D-1.24A Procedures for accepting and accounting for wire transfers and electronic fund transfers**

(a) A casino licensee may accept a wire transfer or electronic fund transfer from or on behalf of a patron.

(b) Any wire transfer or electronic fund transfer authorized by this section shall be transferred to and deposited in the casino licensee's operating account in a state or Federally chartered bank whose accounts are insured by the Federal Deposit Insurance Corporation. The casino licensee shall require its bank to notify the casino licensee of the receipt and deposit of the wire transfer or electronic fund transfer.

(c) Upon notification that a wire transfer or electronic fund transfer has been credited to the casino licensee's operating account, the cage employee who received the notice shall record, at a minimum, the following information in the notification section of a Wire Transfer or Electronic Fund Transfer Log maintained in the main bank of the cashiers' cage or other secure location within the cage:

1. A sequential wire transfer or electronic fund transfer number which shall be generated by the casino licensee;
2. The type of transfer (wire transfer or electronic fund transfer);
3. The date and time of the notification;
4. The name of the casino licensee's bank to which the funds were transferred;



(q) The casino licensee shall monitor and control access to operating systems used in conjunction with controlled computer systems. Division best practice is to utilize a method to electronically monitor and record the actions of users that can bypass application controls to adjust, add or delete controlled data.

(r) User accounts that can bypass application controls to adjust, add or delete controlled data shall:

1. Be restricted to authorized IT department employees and authorized third parties;
2. Not be required for normal operation or routine maintenance of the controlled computer system;
3. Not be used unless authorized and documented. Such documentation shall include, at a minimum:
  - i. The name of the user;
  - ii. The name of authorizing employee;
  - iii. The date and time of access;
  - iv. The reason for access; and
  - v. A description of the data that was modified, if applicable.

(s) The casino licensee shall ensure the completion of the documentation required by (r) above. Division best practice is to utilize an electronic log that automatically records the account and date and time of access.

(t) The IT department shall be exclusively capable of booting critical hardware from more than one logical device.

(u) The casino licensee shall ensure that controlled data cannot be retrieved from decommissioned hardware.

(v) A casino licensee may provide remote access to its controlled computer system by an authorized user or computer system provided that:

1. The casino licensee has established a method to validate the identity of the user or system that is remotely connected. The validation method does not require a two-factor authentication;
2. The connection has been established using a methodology that prevents unauthorized access to the systems or to the data transmitted between the remote access user and the controlled computer system. The protection does not require data encryption;
3. A firewall or equivalent device is used by the casino licensee in conjunction with the connection;
4. Vendors which require temporary remote access to a casino licensee's controlled computer system may be issued an account in accordance with this section provided that the password is changed or the account is disabled after every use; and

5. Vendors that remotely access a casino licensee's controlled computer system using an account that can bypass application controls to adjust, add, or delete controlled data, shall maintain an independent record of such access documenting, at a minimum:

- i. The date and time access was initiated and terminated;
- ii. The name and business affiliation of the user who accessed the controlled computer system;
- iii. The user account used during the remote session;
- iv. The name of the casino licensee's IT department employee who granted access;
- v. The reason for access; and
- vi. Description of what was modified, if applicable.

### **13:69D-2.3 Installation and change controls for controlled computer systems**

(a) Each casino licensee shall maintain internal controls that govern the creation, modification, replacement, installation, and use of controlled software.

(b) A casino licensee may utilize the services of a third party to comply with the requirements of this subsection provided such third party is appropriately qualified, licensed or registered or a qualified affiliate.

(c) The casino licensee shall ensure the integrity of all controlled software created by the casino licensee, its affiliated casino licensee or qualified affiliate. Division best practice is to review source code prior to use where the review is:

1. Performed by a person capable of reviewing the source code for security issues which could lead to fraud or misuse;
2. Performed by someone other than the programmer(s) of the source code;
3. Completed within three business days following an emergency installation; and
4. Documented using a method which identifies the date the source code was reviewed, the person(s) who reviewed the source code, and the reviewer's findings or concerns.

(d) The casino licensee shall ensure all software utilized works as intended and functions properly in compliance with the Division's rules prior to installation. Division best practice is to evaluate the functionality and integrity of the software by utilizing a test that:

1. Is performed by someone other than the programmer(s) of the code;

2. Ensures the software works as intended with no adverse effect on other applications, reports, or processes;

3. Ensures the software operates in accordance with the Division's rules and that potential weaknesses cannot be exploited for fraud or theft;

4. Is completed within three business days following an emergency installation; and

5. Is documented using a method to identify the date the test was complete, the person(s) who performed the test, and any findings or concerns that were observed.

(e) Controlled software shall not be installed by a casino licensee unless it has been approved for use by the casino licensee's IT Director or designee.

(f) Prior to the installation, change, or upgrade of critical hardware and software, the casino licensee shall ensure that:

1. It has the ability to revert back to the previous state without impacting the integrity of any critical data and software; and

2. The Division is provided with Release Notes 24 hours in advance except as provided in (g) below.

(g) The casino licensee may install or replace controlled computer system hardware or software without prior notification to the Division when an unexpected event critically impacts the integrity or functionality of the system. The casino licensee shall provide notice to the Division within 24 hours, and shall provide Release Notes within 72 hours of installation.

#### 13:69D-2.4 Networks

(a) Each casino licensee shall maintain internal controls that ensure the security, integrity, reliability, and functionality of the network that supports its controlled computer systems.

(b) Each casino licensee shall maintain a current network diagram which identifies all critical computer system connectivity.

(c) Each casino licensee shall protect its network from foreseeable risks. Division best practice is to evaluate risks to its network, develop a plan to mitigate those risks, implement the plan, test the plan, and update the plan when necessary.

(d) Each casino licensee shall ensure network security. Division best practice is to maintain and enforce written policies that address firewall rule sets, functionality, and monitoring for malicious or abnormal activity.

(e) Each casino licensee shall ensure network devices are working as intended. Division best practice is to perform an annual integrity assessment to ensure all components such as

firewalls, routers, and switches adequately protect controlled computer systems from unauthorized access and malicious attack. Such network assessment is documented and includes:

1. The scope of the assessment;

2. The name and company affiliation of the individual(s) who conducted the assessment;

3. The date of the assessment;

4. The recommended corrective action; and

5. The casino licensee's response to the recommended corrective action.

### SUBCHAPTER 3. EXPIRATION OF GAMING RELATED OBLIGATIONS OWED TO PATRONS

#### 13:69D-3.1 Expiration of gaming-related obligations owed to patrons; payment to casino revenue fund

(a) Any money that is owed to a patron by a casino licensee as a result of a gaming transaction must be claimed within one year of the date of the gaming transaction, or the obligation of the casino licensee to pay the patron will expire. Twenty-five percent of the total value of such gaming debts that expire shall be paid to the Casino Revenue Fund, and 75 percent shall be retained by the casino licensee to be used exclusively for marketing purposes.

(b) A casino licensee shall maintain a record of all gaming-related obligations that have expired.

(c) Each casino licensee shall, on or before the 20th day of each calendar month:

1. Report in a format prescribed by the Division, the total value of gaming debts owed to its patrons that expired during the preceding calendar month; and

2. Submit a check to the Division payable to the Casino Revenue Fund equal to 25 percent of the total value of the gaming debts owed to its patrons that expired during the preceding month, as stated on the report.

(d) Failure to make the payment to the Casino Revenue Fund by the due date shall result in the imposition of penalties and interest as prescribed in the State Uniform Tax Procedure Law, N.J.S.A. 54:48-1 et seq.

(e) Nothing shall preclude a casino licensee from, in its discretion, issuing a cash complimentary to a patron to compensate the patron for a gaming debt that has expired.