

**Document:** Final Rule, **Register Page Number:** 25 IR 1060

**Source:** January 1, 2002, Indiana Register, Volume 25, Number 4

**Disclaimer:** This document was created from the files used to produce the official (printed) Indiana Register. However, this document is unofficial.

## TITLE 68 INDIANA GAMING COMMISSION

LSA Document #01-23(F)

### DIGEST

Amends 68 IAC 2-2-1 to conform the rule to a directive from the legislature by deleting the requirement that a supplier of alcoholic beverages is required to hold a supplier's license. Adds 68 IAC 2-2-9.5 requiring supplier licensees and supplier license applicants to: (1) maintain records; and (2) allow the Indiana gaming commission access to those records. Amends 68 IAC 2-3-5 to clarify who should retain possession of occupational licenses and badges at the various phases of licensure. Amends 68 IAC 2-6-6 to require a riverboat licensee requesting permission to convert an electronic gaming device to inform the commission of the regular fill amount, initial fill amount, and probe level measured from the top of the hopper. Amends 68 IAC 3-3-6 to change the date by which the riverboat licensees and license applicants must submit reports concerning the performance of their continuing obligation to meet the minority and women owned business goals established in IC 4-33-14-5. Riverboat licensees and license applicants will be required to file reports reflecting expenditures made during the previous calendar year by January 31 of the following year. Amends 68 IAC 10-2-1 to correct an error in that rule and bring the rules in line with the standard rules for the game of blackjack. Amends 68 IAC 11-2-7 to clarify that meter-reading reports need only be submitted to the commission on a monthly basis. Amends 68 IAC 11-5-1 to correct the conflict with 68 IAC 15-4-3 so that secondary chip inventories will be rotated and counted on a monthly basis. Amends 68 IAC 14 to require that all table layouts have the name of the riverboat licensee imprinted on the layout. Adds 68 IAC 14-3-8 to require riverboat licensees to keep logs in association with card and dice removal and cancellation and to specify the requirements of those logs. Amends 68 IAC 15-2-3 and 68 IAC 15-2-4 to revise the information required to be included on Currency Transaction Reports so it will agree with the revised Internal Revenue Service Currency Transaction Report form. Amends 68 IAC 15-4 to specify the manner in which suppliers and riverboats must ship chips and tokens. Amends 68 IAC 15-4-3 to require commission approval of procedures for performing chip inventories and sealing and accessing of locked compartments used for the storage of chips or tokens. Amends 68 IAC 15-7-3 to: (1) eliminate the need for riverboat licensees to investigate variances of \$500 in electronic gaming device win; and (2) to correct an error of word choice in 68 IAC 15-7-3. Amends 68 IAC 15-8-1 to require the internal audit department to include at least two on-site internal auditors and to stipulate that quarterly reports of compliance testing shall identify repeat findings and state corrective action taken to avoid similar problems in the future. Amends 68 IAC 15-8-2 to include review of the card and dice removal and cancellation logs to the duties of the internal auditors. Adds 68 IAC 15-14 to: (1) stipulate the qualifications and conditions that must be included in all engagement arrangements a riverboat makes with independent accounting agencies to perform financial statement audits; and (2) to specify requirements for notice to the commission about such audits and their progress. Effective 30 days after filing with the secretary of state.

**68 IAC 2-2-1**  
**68 IAC 2-2-9.5**  
**68 IAC 2-3-5**  
**68 IAC 2-6-6**  
**68 IAC 3-3-6**  
**68 IAC 10-2-1**  
**68 IAC 11-2-7**  
**68 IAC 11-5-1**  
**68 IAC 14-2-2**  
**68 IAC 14-3-8**  
**68 IAC 14-10-2**

**68 IAC 14-11-2**  
**68 IAC 14-12-2**  
**68 IAC 15-2-3**  
**68 IAC 15-2-6**  
**68 IAC 15-4-2**  
**68 IAC 15-4-3**  
**68 IAC 15-7-3**  
**68 IAC 15-8-1**  
**68 IAC 15-8-2**  
**68 IAC 15-14**

SECTION 1. 68 IAC 2-2-1 IS AMENDED TO READ AS FOLLOWS:

## 68 IAC 2-2-1 Supplier's license required

Authority: IC 4-33-4-1; IC 4-33-4-2

Affected: IC 4-33-7

Sec. 1. (a) The following definitions apply throughout this rule:

(1) "Applicant" means an applicant for a supplier's license.

(2) "Riverboat license applicant" means an applicant for a riverboat owner's license that has been issued a certificate of suitability under 68 IAC 2-1-5.

(b) An application for a supplier's license shall not be processed by the commission unless the applicant has an agreement or a statement of intent with a riverboat licensee or a riverboat license applicant that the applicant will be supplying the riverboat licensee upon receiving the supplier's license. Nothing in this rule prevents a potential applicant from negotiating, prior to application for licensure, with a riverboat licensee or a riverboat license applicant to supply goods and services to a riverboat licensee once a supplier's license has been obtained.

(c) The following persons or business entities are required to hold a supplier's license:

(1) The gaming operations manager if the manager is a business entity. If the gaming operations manager is an individual, the applicant shall hold an occupational license, Level 1 under 68 IAC 2-3-1. All employees of a gaming operations manager who have any duty, authority, or function relating directly or indirectly to the gaming operation will be required to hold an occupational license in accordance with 68 IAC 2-3-1.

(2) All manufacturers of electronic gaming devices, chips, tokens, cards, dice, roulette wheels, keno balls, keno ball or number selection devices, shuffling devices, and any other equipment that the commission determines directly affects gaming shall be licensed as a supplier. All suppliers of electronic gaming devices, chips, tokens, cards, dice, roulette wheels, keno balls, keno ball or number selection devices, shuffling devices, and any other equipment that the commission determines directly affects gaming shall be manufacturers of said devices.

(3) A supplier of gaming equipment maintenance or repair.

(4) A supplier of security services, security systems, and surveillance systems.

(5) A lessor of a riverboat or dock facilities, or both, unless the lessor of the riverboat or dock facilities, or both, is a county, municipality, or political subdivision.

(6) A supplier of goods or services where payment is calculated on a percentage of a riverboat gambling operation's revenues.

(7) A junketeer.

~~(8) A supplier of alcoholic beverages to the riverboat licensee.~~

~~(9)~~ (8) Any other purveyor of goods or services to a riverboat gambling operation the commission deems necessary to ensure compliance with the Act and this title.

(d) The applicant's key persons, substantial owners, and any other persons deemed necessary to allow the commission to ensure the applicant meets the statutory criteria for licensure set forth in the Act and this title must complete and submit a Personal Disclosure Form 1 under 68 IAC 2-3-1.

(e) A supplier licensee shall continue to maintain suitability for licensure. The supplier licensee is subject to action by the commission, including, but not limited to, suspension, revocation, restriction, and nonrenewal under the Act and this title.

(f) A supplier licensee shall not distribute gaming supplies and equipment that do not conform to the standards for gaming supplies and equipment set forth in the Act and this title.

(g) Riverboat licensees shall not purchase goods or services covered by this rule from a person who does not hold a supplier's license issued by the commission.

(h) A manufacturer of electronic gaming devices, chips, tokens, cards, dice, roulette wheels, keno balls, keno ball or number selection devices, shuffling devices, or any other equipment that the commission determines directly affects gaming shall not be paid by a riverboat licensee based on a percentage of the revenue received from the use of the gaming equipment or based upon the amount of play or use that the gaming equipment receives. (*Indiana Gaming*

*Commission; 68 IAC 2-2-1; filed Nov 10, 1994, 11:00 a.m.: 18 IR 488; errata filed Nov 1, 1995, 8:30 a.m.: 19 IR 353; filed Oct 22, 1997, 8:45 a.m.: 21 IR 922; errata filed Feb 6, 1998, 10:30 a.m.: 21 IR 2128; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1060)*

SECTION 2. 68 IAC 2-2-9.5 IS ADDED TO READ AS FOLLOWS:

**68 IAC 2-2-9.5 Records**

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-4-6; IC 4-33

**Sec. 9.5. (a) This rule applies to all supplier licensees and supplier's license applicants.**

**(b) All supplier licensees and supplier's license applicants shall maintain, in a place secure from theft, loss, or destruction, adequate records of business operations. These records shall be held for at least five (5) years. These records shall include, but not be limited to, the following:**

- (1) All correspondence with or reports to the commission or to any local, state, or federal government agency.**
- (2) All financial statements or financial records of the supplier.**
- (3) All records pertaining to products or services supplied by the supplier licensee to Indiana riverboat licensees or Indiana riverboat license applicants.**
- (4) All correspondence with riverboats licensed under IC 4-33, or documentation relating to order, shipment, or receipt or provision of merchandise or services sold or provided under the Act or this title.**
- (5) Personnel files on each employee of the supplier licensee, including sales representatives.**

**(c) All supplier licensees and supplier's license applicants must produce the original or a copy, or both, of any records requested by the commission, commission agents, or persons authorized by the commission.**

**(d) No original book, record, or document that is required to be maintained by this section may be destroyed without prior approval of the commission.**

**(e) If a supplier licensee or supplier's license applicant fails to comply with this section, the commission may initiate disciplinary action pursuant to 68 IAC 13-1. (*Indiana Gaming Commission; 68 IAC 2-2-9.5; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1061*)**

SECTION 3. 68 IAC 2-3-5 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 2-3-5 Licensing procedures**

Authority: IC 4-33-4-1; IC 4-33-4-2

Affected: IC 4-33-8-3

Sec. 5. (a) An applicant for an occupational license shall be subject to the following procedures prior to licensing:

- (1) Application.
- (2) Issuance of a temporary identification badge. The temporary identification badge shall serve as the temporary occupational license until the permanent occupational license has been issued or denied.
- (3) Investigation of the applicant.
- (4) If an applicant for an occupational license, Level 1, 2, or 3 has been convicted of a felony under Indiana law, the laws of any other state, or the laws of the United States, the application is automatically denied in accordance with IC 4-33-8-3(2). The executive director shall issue the applicant a notice of denial by certified mail, or the commission agent who receives the completed application may personally deliver a notice of denial to the applicant.
- (5) Action by the commission.
- (6) Issuance of a permanent occupational license and identification badge. **The permanent identification badge shall serve as the permanent occupational license.**
- (7) Different or additional licensing procedures the commission requires of the applicant to ensure the applicant is in compliance with the Act and this title.

(b) Procedures for a temporary occupational license shall be as follows:

(1) An applicant for an occupational license must submit a completed application that has been stamped and signed by the riverboat licensee, the riverboat license applicant, or its authorized agent to the commission agent at the commission's dock site office during times designated by the commission agents.

(2) Once the commission agent has received the completed occupational license application and appropriate fee, the commission agent shall obtain the applicant's fingerprints and photograph. If the application or a criminal record check completed by a commission agent, or both, does not reveal that the applicant has been convicted of a felony under Indiana law, the laws of any other state, or the laws of the United States, the commission agent shall issue the applicant a temporary identification badge.

(3) An applicant who receives a temporary identification badge may work on a riverboat until a permanent license is issued or the temporary identification badge is revoked.

(4) The temporary identification badge shall be a card of a color designated by the executive director and that meets the specifications set forth in section 6 of this rule. The color of the temporary identification badge shall be different from the color of the permanent identification badge.

(5) Temporary identification badges shall be worn by all occupational licensees during work hours. Temporary identification badges shall be clearly displayed.

(6) A fee of ten dollars (\$10) shall be paid to the commission for any necessary replacement of temporary identification badge. The fee shall be assessed each time an occupational licensee obtains a replacement temporary identification badge.

(7) A temporary identification badge shall not be transferred. If the applicant resigns or his or her employment is terminated, the applicant shall return the temporary badge to the commission.

(8) Requirements for the revocation of a temporary identification badge shall include the following:

(A) The executive director, upon written notice to the applicant and the riverboat licensee, may revoke an applicant's temporary badge if the executive director determines that the background investigation reveals that an applicant is not suitable for licensure.

(B) The executive director, or the executive director's designee, upon written notice to the applicant and the riverboat licensee, may revoke an applicant's temporary occupational license if the executive director or the executive director's designee determines that the applicant has violated the Act or this title, or committed a criminal offense in the performance of the applicant's duties for the riverboat licensee.

(C) If an applicant's temporary identification badge is revoked, the applicant shall not be permitted to work for any riverboat gambling operation at duties that are to be performed on a riverboat.

(D) If an applicant's temporary identification badge is revoked, the application shall be forwarded to the commission for action unless the applicant withdraws the application prior to commission action.

(9) An applicant must comply with all requests for information, documents, or other materials relating to the applicant and his or her application during the investigation conducted by the commission.

(c) The applicant shall meet the following standards, qualifications, or criteria to be issued an occupational license of any level:

(1) The applicant must possess the qualifications set forth in IC 4-33-8-3.

(2) The applicant must demonstrate a level of skill, experience, or knowledge necessary to perform the job that the applicant will perform.

(3) An applicant whose knowledge, experience, and skill are derived solely from the completion of an occupational training school that is not in compliance with 68 IAC 2-5 shall not be considered to have the requisite skill, experience, or knowledge necessary to conduct gambling games. An applicant who has completed an occupational training school that is not in compliance with 68 IAC 2-5 may be hired if the riverboat licensee will provide the appropriate training.

(4) The applicant must not have been convicted of any offense involving violation of a gaming law in any jurisdiction.

(5) The applicant's name must not appear on the exclusion list of any jurisdiction.

(6) The applicant must never have had a gaming license suspended or revoked in any jurisdiction.

(7) An applicant who will serve alcoholic beverages must hold the appropriate permits from the alcoholic beverage commission.

(8) An applicant whose duties will be to operate or navigate the riverboat must hold the appropriate licenses or merchant marine documents, or both, from the United States Coast Guard.

(9) An applicant who will work on a riverboat that is docked on the waters of Lake Michigan must hold a valid merchant marine document from the United States Coast Guard.

- (10) An applicant whose duties will be to operate or navigate the riverboat must not have violated any criminal statute involving drugs or alcohol, or both, in any jurisdiction.
- (11) An applicant must not be currently abusing drugs or alcohol, or both.
- (12) An applicant must be twenty-one (21) years of age.
- (13) An applicant must be in substantial compliance with all state and federal tax laws.
- (14) An applicant must be of good moral character and reputation.
- (15) An applicant must meet any other standard that the commission deems necessary to ensure compliance with the Act and this title after publication of the standard.

(d) The commission may place restrictions or conditions on a temporary occupational license. The applicant must comply with these restrictions or conditions before the commission issues an occupational license. These restrictions or conditions may include, but are not limited to, the following:

- (1) That the applicant demonstrates a level of skill, experience, or knowledge necessary to perform the job that the applicant will perform.
- (2) That the applicant who will serve alcoholic beverages holds the appropriate permits from the alcoholic beverage commission.
- (3) That the applicant who will operate or navigate the riverboat holds the appropriate license or merchant marine documents, or both, from the United States Coast Guard.

The occupational licensee must continue to meet all conditions or restrictions for licensure after the issuance of the permanent occupational license. If an occupational licensee fails to adhere to these conditions or restrictions or fails to maintain suitability for licensure, the commission may initiate a disciplinary action under 68 IAC 13.

(e) Action of the commission shall be as follows:

- (1) After the background investigation has been completed, if the commission finds that the applicant is suitable to receive an occupational license, the commission shall direct the executive director to issue the applicant an occupational license ~~and a permanent identification badge~~ upon the payment of the applicant's occupational license fee. **The permanent identification badge shall serve to represent the permanent occupational license.** If the applicant's occupational license fee is not received by the commission within ten (10) business days after the date of the mailing of the notification of the applicant's suitability for licensing to the applicant and the riverboat licensee, the executive director shall revoke the applicant's temporary identification badge and notify the commission that the temporary identification badge has been revoked.
- (2) If the commission determines that the applicant is not suitable to receive an occupational license, it shall direct the executive director to issue the applicant a notice of denial by personal delivery or certified mail, immediately revoke the temporary license, and notify the appropriate riverboat licensee of the revocation of the temporary license.

(f) Requirements for a ~~permanent occupational license and a permanent identification badge~~ shall be as follows:

- (1) Upon a finding of suitability for licensure, the commission shall issue an occupational license ~~and in the form of a permanent identification badge~~.
- (2) ~~The occupational license shall be on a form prescribed by the commission and shall contain the following information:~~
  - (A) ~~The occupational licensee's first name, last name, and job title.~~
  - (B) ~~The occupational license number assigned by the commission.~~
  - (C) ~~The level of the occupational license.~~
  - (D) ~~The signature of the executive director.~~
  - (E) ~~The date the occupational license was issued and the date that the occupational license will expire.~~
- (3) ~~The riverboat licensee shall possess the occupational licenses of the occupational licensees it employs.~~
- (4) ~~If the occupational licensee voluntarily terminates employment with a riverboat licensee, the riverboat licensee shall return the occupational license to the occupational licensee. If the occupational licensee's employment is involuntarily terminated for misconduct that may reflect on the occupational licensee's suitability for licensure, or the occupational licensee retires without an intent to seek employment with a different riverboat licensee, the riverboat licensee shall return the occupational license to the commission.~~
- (5) ~~(2) The occupational license permanent identification badge shall remain the property of the commission at all times. The occupational license may be revoked, suspended, canceled, or restricted by the commission in accordance with 68 IAC 13. The commission may refuse to renew the license when it is reviewed under section 8 of this rule.~~

~~(6)~~ (3) Neither the occupational license **number** nor the permanent identification badge shall be transferred to another person. If the occupational licensee resigns or the occupational licensee's employment is terminated, the occupational licensee shall return the permanent identification badge to the commission.

~~(7)~~ (4) The permanent identification badge shall be a card of a color designated by the executive director and that meets the specifications set forth in section 6 of this rule. The color of the permanent identification badge shall be different from the color of the temporary identification badge.

~~(8)~~ (5) The permanent identification badge shall be worn by all occupational licensees during work hours. Permanent identification badges shall be clearly displayed.

~~(9)~~ (6) A fee of ten dollars (\$10) shall be paid to the commission for any necessary replacement of a permanent identification badge. ~~or the permanent occupational license.~~ The fee shall be assessed each time an occupational licensee obtains a replacement permanent identification badge. ~~or permanent occupational license.~~

*(Indiana Gaming Commission; 68 IAC 2-3-5; filed Nov 10, 1994, 11:00 a.m.: 18 IR 497; filed Jan 30, 1998, 11:00 a.m.: 21 IR 2056; filed May 29, 1998, 5:12 p.m.: 21 IR 3704; errata filed Aug 12, 1998, 3:58 p.m.: 22 IR 125; filed Dec 29, 1998, 10:46 a.m.: 22 IR 1418; errata filed Jan 11, 1999: 3:54 p.m.: 22 IR 1525; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1061)*

SECTION 4. 68 IAC 2-6-6 IS AMENDED TO READ AS FOLLOWS:

### **68 IAC 2-6-6 Electronic gaming device inventory requirements; conversion notification**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 6. (a) The riverboat licensee must maintain an inventory of electronic gaming devices and equipment. The inventory must include the following:

- (1) The serial number assigned to the electronic gaming device by the manufacturer.
- (2) The registration number issued by the commission.
- (3) The type of game the electronic gaming device is designed and used for.
- (4) The denomination of tokens accepted by each electronic gaming device.
- (5) The location of electronic gaming devices equipped with bill validators and any bill validators that stand alone.
- (6) The manufacturer of the electronic gaming device.
- (7) The location of the electronic gaming device.

(b) This inventory report must be submitted, on a form prescribed by the commission, to the executive director on the anniversary date of the issuance of the riverboat owner's license.

(c) If a riverboat licensee converts an electronic gaming device, the riverboat licensee must take the following steps:

(1) Request permission for the conversion from the commission and supply the commission with the following information:

- (A) The serial number of the electronic gaming device that is being converted.
- (B) The commission registration number of the electronic gaming device that is being converted.
- (C) The machine number of the electronic gaming device that is being converted.
- (D) The model number of the electronic gaming device that is being converted.
- (E) The type of electronic gaming device that is being converted and the new type of machine if the type of machine is changed.
- (F) The location of the electronic gaming device on the riverboat.
- (G) If the electronic gaming device is a stand alone progressive or is linked to a progressive controller, the old rate of progression and the new rate of progression must be submitted.
- (H) The current and future denomination of the electronic gaming device if the denomination is to be converted.
- (I) The current and future EPROM number that is installed or that is to be installed in the electronic gaming device. If a new EPROM is installed in an electronic gaming device, the EPROM must be one that is approved for use in Indiana.

**(J) Regular fill amount.**

**(K) Initial fill amount.**

**(L) Probe level measured from the top of the hopper.**

(M) Any other information deemed necessary by the executive director or the commission to ensure compliance with the Act and this title.

This information must be submitted to the commission at least fourteen (14) days before the riverboat licensee plans to make the conversion. The request for conversion shall have a space for the commission to sign indicating approval of the conversion request and a space for the signature of the commission agent to indicate the conversion was completed.

(2) The commission must approve the request for conversions before a conversion may be made by the riverboat licensee.

(3) A commission agent must KOBETRON the EPROMS to ensure that the EPROMS being installed match those on the request for conversion.

(4) A commission agent must seal the EPROM with tape in accordance with section 19 of this rule.

(5) In the presence of a commission agent, a slot technician or the equivalent shall ensure that the payglass installed on the electronic gaming device accurately reflects the payouts for the EPROM that has been installed in the electronic gaming device. The payglass test may be performed by either running the payout table test or by ensuring the payglass matches the approved diagram set forth in the payglass manual maintained by the commission.

(6) The riverboat licensee shall ensure that a copy of the par sheet is placed in the electronic gaming device in accordance with section 5 of this rule.

(7) The riverboat licensee shall perform a coin test to ensure that the electronic gaming device is communicating with the central computer system. If the electronic gaming device is not communicating with the central computer system, the electronic gaming device must be disabled.

(8) The riverboat licensee must update the master list of electronic gaming devices after the conversion is complete. The riverboat licensee must provide the chief counsel for the commission and the sergeant of the Indiana state police department assigned to the riverboat with a copy of the updated master list within fourteen (14) days of the conversion.

*(Indiana Gaming Commission; 68 IAC 2-6-6; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1302; filed Aug 20, 1997, 7:11 a.m.: 21 IR 12; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1064)*

SECTION 5. 68 IAC 3-3-6 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 3-3-6 Reporting contracts with minority and women's business enterprises**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3; IC 4-33-14-10

**Affected:** IC 4-13-16.5; IC 4-33-4; IC 4-33-6; IC 4-33-9; IC 4-33-14-5

Sec. 6. (a) ~~On the anniversary date of the issuance of the certificate of suitability, and annually each year thereafter,~~ **Annually on January 31, for expenditures made during the previous calendar year,** each riverboat licensee or riverboat license applicant shall file a report with the commission concerning performance of its continuing obligation to meet the goals required by IC 4-33-14-5. The commission shall provide a copy of each report filed to the department of administration, minority business development. This report shall contain the following information:

(1) The total number and value of all contracts or transactions awarded for goods and services.

(2) The total number and value of all contracts or transactions awarded to certified minority and women's business enterprises and a schedule of anticipated disbursements, by calendar quarter, for these contracts or transactions.

(3) The total number and value of all contracts awarded that contain a participation plan and a schedule of anticipated disbursements, by calendar quarter, for these participation plans.

(4) The total number and value of all subcontracts to be awarded to minority and women's business enterprises under contracts containing a participation plan and a schedule of anticipated disbursements, by calendar quarter, for these subcontracts.

(5) A schedule showing actual disbursements to minority and women's business enterprises during each quarter of the year and indicating any deviation from the anticipated disbursement schedule previously reported to the commission.

(6) A schedule showing actual disbursements to minority and women's business enterprises by contractors under the provisions of a participation plan during each quarter of the year and indicating any deviation from the anticipated disbursement schedule previously reported to the commission.

(7) The total number and value of contracts or transactions awarded to noncertified minority and women's business enterprises for which the riverboat licensee or riverboat license applicant wishes to claim credit toward attainment of its statutory goal and for each such noncertified minority and women's business enterprise a description of the

scope and thoroughness of the investigation conducted to determine that the enterprise qualifies as a minority and women's business enterprise under this rule. Credit shall only be given for noncertified minority and women's business enterprises that have applied for certification as a minority or women's business enterprise under this rule.

(8) An identification of each contract or transaction awarded to a minority and women's business enterprise.

(9) An identification of each contract in which the contractor has not complied, or is not reasonably expected to comply, with the provisions of the participation plan.

(10) A comprehensive description of all efforts made by the riverboat licensee or riverboat license applicant to monitor and enforce the provisions of the participation plan.

(11) Such other information deemed necessary by the executive director to ensure compliance with the Act and this title.

(b) The executive director may require a riverboat licensee or riverboat license applicant to present a written or oral report to the commission concerning performance of its continuing obligation to achieve the goals required by IC 4-33-14-5 at any time. (*Indiana Gaming Commission; 68 IAC 3-3-6; filed Jul 3, 1996, 5:00 p.m.: 19 IR 3036; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1065*)

SECTION 6. 68 IAC 10-2-1 IS AMENDED TO READ AS FOLLOWS:

### **68 IAC 10-2-1 General provisions**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 1. (a) This rule applies to all riverboat licensees.

(b) Blackjack shall be conducted in conformance with this rule.

(c) Riverboat licensees may only offer the game of blackjack on a table and layout that are in compliance with 68 IAC 14.

(d) The following definitions apply throughout this rule:

(1) "Blackjack" means an ace and second card with a point value of ten (10) dealt as the initial two (2) cards to a player or the dealer. Blackjack may not include an ace and card with a point value of ten (10) dealt to a player who has split the first two (2) cards dealt to the player.

(2) "Burn" means the act of placing a card face downward in the discard rack if it is not to be utilized in play in accordance with this rule.

(3) "Deal" means the distribution of the playing cards among the players and the dealer.

(4) "Dealer" means the occupational licensee of the riverboat licensee who is responsible for dealing the cards at the blackjack table.

(5) "Doubling down" means to make an additional wager, identical to or less than the player's original wager, on the first two (2) cards dealt to the player or the first two (2) cards of any split pair.

(6) "Even money wager" means a bet placed by a player when the player has a blackjack and the exposed card dealt to the dealer is an ace. ~~The even money wager wins if the dealer's hole card is a king, queen, jack, or ten (10). The even money wager loses if the dealer's hole card is an ace or a two (2) through nine (9).~~ **A player who makes an even money wager shall be paid at odds of at least one (1) to one (1).**

(7) "Exposed card" means the card held by a dealer that is seen by the other players.

(8) "Hard total" means the total point count of a hand that contains no aces or that contains aces that are counted as a value of one (1).

(9) "Hole card" means a card held by the dealer or player that is unseen by the other players or the dealer unless otherwise authorized by this rule.

(10) "Insurance wager" means a bet placed by a player when the exposed card dealt to the dealer is an ace. The insurance wager wins if the dealer's hole card is a king, queen, jack, or ten (10). An insurance wager loses if the dealer's hole card is an ace or a two (2) through nine (9).

(11) "Peek machine" means a device that allows the dealer to see the hole card to determine if the dealer has a blackjack.

(12) "Soft total" means the total point count of a hand that contains an ace that is counted as a value of eleven (11).



(13) "Splitting pairs" means a wager in which the first two (2) cards a player receives are identical in value. The player must make a wager on the second hand in an amount equal to the player's original wager.

(14) "Surrender" means an option whereby the player surrenders the player's hand by forfeiting one-half (½) of the player's original wager if the dealer does not have a blackjack.

*(Indiana Gaming Commission; 68 IAC 10-2-1; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2257; errata filed Jun 20, 1996, 1:15 p.m.: 19 IR 3114; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1065)*

SECTION 7. 68 IAC 11-2-7 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 11-2-7 Meter readings**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 7. (a) The riverboat licensee's audit department or accounting department shall read the following meters of each electronic gaming device at least one (1) time per month:

- (1) Tokens-in meter.
- (2) Tokens-out meter.
- (3) Tokens drop meter.
- (4) Bill drop meter.

(b) A log shall be maintained by the audit department or accounting department to record the meter readings. A copy of this report shall be submitted to the commission office in Indianapolis, Indiana, after the ~~weekly~~ **monthly** readings have been completed. *(Indiana Gaming Commission; 68 IAC 11-2-7; filed Apr 19, 1996, 3:00 p.m.: 19 IR 2268; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1066)*

SECTION 8. 68 IAC 11-5-1 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 11-5-1 General provisions**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 1. (a) This rule applies to all riverboat licensees.

(b) Riverboat licensees shall submit the procedures that the riverboat licensee shall implement to ensure that all tokens and chips are accurately and regularly counted to prevent the loss of assets.

(c) All racked tokens and primary chip inventories must be rotated and counted, at a minimum, on a daily basis. ~~All secondary chip inventories must be rotated and counted, at a minimum, at least one (1) time per week.~~ **Secondary sets of chips and tokens shall be rotated and counted in accordance with 68 IAC 15-4-3.**

(d) The riverboat licensee shall submit a list of the titles of employees authorized to participate in the chip and token rotation and count. These employees must hold an occupational license, Level 2 or higher. Amendments to the list of employees authorized to participate in the chip and token rotation and count must be submitted to the commission agent as the amendment occurs. The employee title must be submitted to the commission agent before an employee with the title participates in the chip and token rotation and count.

(e) The riverboat licensee shall maintain the following information concerning chip and token rotations on a form approved by the commission:

- (1) The date and time that the chip or token rotation was performed.
- (2) The printed name of the occupational licensee who performed the chip or token rotation.
- (3) The signature of the occupational licensee who performed the chip or token rotation.
- (4) The occupational license number of the occupational licensee who performed the chip or token rotation.
- (5) Any discrepancies that were discovered as a result of the chip or token inventory.
- (6) The steps that were taken to investigate any discrepancies discovered as a result of the chip or token inventory.
- (7) The results of the investigation that was conducted concerning any discrepancies discovered as a result of the chip

or token inventory.  
(*Indiana Gaming Commission; 68 IAC 11-5-1; filed Jan 30, 1998, 11:00 a.m.: 21 IR 2061; filed Dec 29, 1998, 10:27 a.m.: 22 IR 1420; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1066*)

SECTION 9. 68 IAC 14-2-2 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 14-2-2 Live gaming device table requirements**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 2. (a) Each live gaming device shall have, at a minimum, the following requirements:

(1) Each live gaming device shall be capable of having a drop box attached to it that meets the following requirements:

(A) One (1) lock that secures the contents of the drop box.

(B) A separate lock that attaches the drop box to the live gaming device. The keys to the lock securing the contents of the drop box and attaching the drop box to the live gaming device must be separate.

(C) A slot opening through which currency, coins, tokens, chips, forms, records, and documents can be inserted into the drop box.

(D) Be equipped with a mechanical device that automatically closes and locks the slot opening upon removal of the drop box from the live gaming device.

(E) Is attached to the side of the live gaming device table at which the dealer is located, or at another location approved by the executive director.

(F) Have the type of game, the shift, and the live gaming device table number to which the drop box is attached permanently imprinted on the drop box. The imprinted information must be clearly visible.

(2) Each live gaming device shall be capable of having a tip box attached to it for the deposit of tips and gratuities received by the dealer. The tip box shall meet the following requirements:

(A) It shall be a transparent container.

(B) It shall be capable of being locked.

(C) It shall be capable of being secured to the table by means of a chain, a lock, or the equivalent. If the tip box is attached by means of a lock, the key to remove the tip box from the table shall be separate from the key that opens the tip box.

(D) It shall be attached to the side of the live gaming device table at which the dealer is located, or at another location approved by the executive director.

**(3) Each live gaming device that utilizes a table layout shall have the name of the riverboat licensee imprinted on the layout.**

(b) The riverboat licensee may have emergency drop boxes to replace the drop boxes on a temporary basis. The emergency drop boxes must meet the requirements outlined in subsection (a)(1)(A) through (a)(1)(E) and must have the word "EMERGENCY" permanently and clearly imprinted thereon. (*Indiana Gaming Commission; 68 IAC 14-2-2; filed Jul 18, 1996, 9:05 a.m.: 19 IR 3294; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1066*)

SECTION 10. 68 IAC 14-3-8 IS ADDED TO READ AS FOLLOWS:

**68 IAC 14-3-8 Card and dice removal and cancellation logs**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 8. (a) Each riverboat licensee must maintain a log in the pit area containing information about card and dice removal and transfer to the card and dice cancellation room. Such log shall track the following information:

(1) The date.

(2) The number of decks of cards removed from play.

(3) The number of individual dice removed from play.

(4) Game from which the cards or dice were removed.

(5) Printed name, signature, and license number of the pit manager responsible for removal.

(b) Each riverboat licensee must maintain a log in the card and dice cancellation room to track information about card

and dice removal and cancellation. The following information shall be contained in that log:

- (1) Date received in cancellation room.
- (2) Number of decks of cards received.
- (3) Number of individual dice received.
- (4) Printed name, signature and occupational license number of occupational licensee accepting receipt of cards or dice.
- (5) Date of destruction.
- (6) Number of decks of cards destroyed.
- (7) Number of individual dice destroyed.
- (8) Printed name, signature and occupational license number of the individual responsible for destruction.
- (9) Inventory of uncanceled cards and uncanceled dice in the cancellation room.

*(Indiana Gaming Commission; 68 IAC 14-3-8; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1067)*

SECTION 11. 68 IAC 14-10-2 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 14-10-2 Caribbean Stud Poker table requirements**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 2. (a) The table must meet the requirements set forth in 68 IAC 14-2.

(b) The Caribbean Stud Poker table shall be covered with a cloth that meets the following requirements:

- (1) The patented name of Caribbean Stud Poker shall be imprinted on the cloth.
- (2) One (1) side of the cloth shall be designated for players and the opposite side designated for the dealer.
- (3) The cloth shall have at least seven (7) areas designated for the placement of wagers on bets approved in accordance with 68 IAC 10-6.
- (4) The table shall have at least seven (7) token-in slots for participation in the progressive jackpot corresponding with the placement of the table wagers.
- (5) An inscription reading "Dealer only plays with Ace/King or higher" shall appear on the cloth.
- (6) The rules concerning the operation of the game, including minimum and maximum wagers, payoffs, and the winning hands that qualify for a portion of the progressive jackpot, shall be posted at the table for public inspection.
- (7) The name of the riverboat licensee shall be imprinted on the cloth.**

(c) The Caribbean Stud Poker table shall have a meter to display the current amount in the progressive jackpot.

(d) The Caribbean Stud Poker table shall have lights or some other mechanism that will signify which players, if any, inserted the appropriate token to participate in the progressive game.

(e) Any other requirements deemed necessary by the executive director or the commission to ensure:

- (1) compliance with the Act and this title; and
- (2) the integrity of the games.

*(Indiana Gaming Commission; 68 IAC 14-10-2; filed Jul 3, 1996, 5:00 p.m.: 19 IR 3042; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1067)*

SECTION 12. 68 IAC 14-11-2 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 14-11-2 Table requirements**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 2. (a) The table must meet the requirements set forth in 68 IAC 14-2.

(b) The Let It Ride table shall be covered with a cloth that meets the following requirements:

- (1) The patented name of Let It Ride shall be imprinted on the cloth.
- (2) One (1) side of the cloth shall be designated for players and the opposite side designated for the dealer.
- (3) The cloth shall have no more than eight (8) areas designated for the placement of the three (3) wagers a player

must initially place in accordance with 68 IAC 10-7.

(4) If the Let It Ride bonus feature is offered at the Let It Ride table, there must be no more than eight (8) sensors that correspond with the placement of table wagers. The sensors are for the side bet to be placed on and for participation in the bonus feature.

(5) A designated area located in front of the dealer for the placement of the community cards.

(6) The rules concerning the operation of the game, including minimum and maximum wagers, payoffs or payoff odds, and the winning hands that qualify for the bonus payment, shall be posted at the table for public inspection.

**(7) The name of the riverboat licensee shall be imprinted on the cloth.**

(c) The Let It Ride table that offers the bonus feature must have sensor lights that are visible to the following:

(1) The players.

(2) The dealer.

(3) The surveillance system and surveillance personnel.

The sensor lights must signify which players, if any, placed the one dollar (\$1) token to participate in the bonus feature.

(d) Any other requirements deemed necessary by the executive director or the commission to ensure:

(1) compliance with the Act and this title; and

(2) the integrity of the games.

*(Indiana Gaming Commission; 68 IAC 14-11-2; filed Jun 1, 1998, 2:53 p.m.: 21 IR 3710; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1068)*

SECTION 13. 68 IAC 14-12-2 IS AMENDED TO READ AS FOLLOWS:

#### **68 IAC 14-12-2 Table requirements**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 2. (a) The Caribbean Draw Poker table must meet the requirements set forth in 68 IAC 14-2.

(b) The Caribbean Draw Poker table shall be covered with a cloth that meets the following requirements:

(1) The patented name of Caribbean Draw Poker shall be imprinted on the cloth.

(2) One (1) side of the cloth shall be designated for players and the opposite side designated for the dealer.

(3) The cloth shall have no more than eight (8) designated areas for the placement of a wager by a player in accordance with 68 IAC 10-8.

(4) The table shall have no more than eight (8) token-in slots for participation in the progressive jackpot corresponding with the placement of the table wagers.

(5) An inscription reading "Dealer only plays with pair of eights or higher" shall appear on the cloth.

(6) The rules concerning the operation of the game, including minimum and maximum wagers, payoffs or payoff odds, and the winning hands that qualify for the portion of the progressive jackpot, shall be posted at the table for public inspection.

**(7) The name of the riverboat licensee shall be imprinted on the cloth.**

(c) The Caribbean Draw Poker table shall have a meter to display the current amount in the progressive jackpot.

(d) The Caribbean Draw Poker table that offers the progressive feature must have sensor lights that are visible to the following:

(1) The players.

(2) The dealer.

(3) The surveillance system and surveillance personnel.

The sensor lights must signify which players, if any, inserted the appropriate token to participate in the progressive portion of the game.

(e) Any other requirements deemed necessary by the executive director or the commission to ensure:

(1) compliance with the Act and this title; and

(2) the integrity of the games.  
*(Indiana Gaming Commission; 68 IAC 14-12-2; filed Jun 1, 1998, 3:40 p.m.: 21 IR 3710; errata filed Aug 12, 1998, 3:59 p.m.: 22 IR 125; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1068)*

SECTION 14. 68 IAC 15-2-3 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 15-2-3 Multiple transaction control log**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 3. (a) The riverboat licensee shall be required to maintain a log for the purpose of recording aggregated cash transactions in excess of three thousand dollars (\$3,000). The riverboat licensee shall require coordination between the pits, slots, cashiers, cages, redemption centers, and other appropriate areas to ensure all transactions in excess of three thousand dollars (\$3,000) are recorded.

(b) The employee witnessing the transaction is responsible for completing the log.

(c) The log shall include, but is not limited to, the following information:

(1) Date of the transaction.

(2) Time of the transaction.

(3) Description of the patron and name of the patron, if known.

(4) Type of transaction and related information, including, but not limited to, the following types of transaction:

(A) Marker payment.

(B) Deposit.

(C) Check.

(D) Chip redemption.

(5) Amount of the transaction.

~~(6) Number and denomination of bills involved in the transaction.~~

~~(7) (6) Signature and occupational licensee number of the individual recording the transaction.~~

~~(8) (7) Location of transaction.~~

~~(9) (8) Photograph of the patron.~~

~~(10) (9) Any other information deemed necessary by the executive director or the commission to ensure compliance with the Act and this title.~~

(d) The reports shall be submitted to the accounting department on a daily basis and maintained by the riverboat licensee for five (5) years.

(e) Cage and pit personnel are responsible for communicating with other personnel to ensure all transactions are properly logged and any necessary currency transaction reports are completed. *(Indiana Gaming Commission; 68 IAC 15-2-3; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3327; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1069)*

SECTION 15. 68 IAC 15-2-6 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 15-2-6 Currency transaction report**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 6. The following information shall, at a minimum, be included on the currency transaction report:

(1) Part I. **Section A.** The individual or organization for whom the transaction was completed, including the following information:

(A) Patron's last name, first name, and, if provided, middle initial.

(B) Patron's Social Security number.

(C) Name of organization and employer identification number if the transaction is being conducted on behalf of a business or organization.

(D) If the individual is an alien or nonresident of the United States, the passport number or alien registration

number, or both, and issuing country for both.

(E) Complete address of the patron, including the number and street, city, state, zip code and country if not in the United States.

~~(F) Business or occupation of the individual or organization conducting the transaction.~~ **Individual's date of birth.**

(G) Type and number of identification used to verify patron's identity.

**(H) Customer's account number. Include the customer's account number if an account relationship has been established between the patron and the casino or the deposit receipt number.**

(2) Part ~~H~~: **I. Section B.** Identity of individual conducting the transaction (complete only if an agent conducts a transaction for the person). Include the following information:

(A) Agent's last name, first name, and, if provided, middle initial.

(B) Agent's Social Security number.

(C) Complete address of the agent, including the number and street, city, state, zip code, and country, if not in the United States.

(D) If the individual is an alien or nonresident of the United States, the passport number, alien registration number, or both, and the issuing country for both.

**(E) Agent's date of birth.**

~~(F)~~ **(F)** Type and number of identification used to verify patron's identity.

~~(3)~~ Part ~~III~~: **Patron's account or receipt number.** Include the patron's account number if an account relationship has been established between the patron and the casino or the deposit receipt number.

~~(4)~~ **(3)** Part ~~IV~~: **II.** Description of transaction, including the following:

(A) Indicate if more space is necessary to explain the transaction and a separate schedule has been attached: **whether multiple currency transactions, none of which individually exceeds ten thousand dollars (\$10,000), comprise this report.**

(B) Indicate the nature of the transaction. Indicate if more than one (1) type of transaction is involved, and indicate the amount for each: ~~Only transactions in one (1) of the same categories, including:~~

(i) currency exchange;

(ii) cash in; or

(iii) cash out.

~~should be included on a single currency transaction report.~~

(C) Specify the total amount of the cash transaction, in United States dollars, being reported. This must be completed for reports even if a check is being cashed.

~~(D)~~ Specify the amount of the cash transaction that was in one hundred dollar (\$100) bills or higher denomination.

~~(E)~~ **(D)** Include the date of the transaction.

~~(F)~~ **(E)** If the transaction involves currency other than United States currency, include the following information: **name of the country that issued the currency.**

(i) Currency name:

(ii) The country that issued the currency:

(iii) Total amount of the foreign currency in United States dollars:

(G) If the transaction involves a check, include the following information:

(i) Date of the check:

(ii) Amount of the check in United States dollars:

(iii) Payee of the check:

(iv) Maker of the check:

(v) Drawee bank and city:

~~(5)~~ **(4)** Part ~~V~~: **III.** The riverboat reporting the financial transaction shall include the following information:

(A) ~~Signature and commission license number~~ **Name** of the riverboat cage or occupational licensee handling or supervising and witnessing the transaction **or preparing the form.**

(B) Position held by the occupational licensee handling or supervising and witnessing the transaction:

(C) Date the report was completed by the occupational licensee:

~~(D)~~ **(B)** **Name and signature and occupational licensee number** of the occupational licensee reviewing and approving the currency transaction report. The occupational licensee responsible for reviewing, approving, and submitting the report shall sign the report.

~~(E)~~ Title of the occupational licensee reviewing the report: **(C)** **Name and commercial telephone number of a responsible individual to contact concerning any questions about this form.**

~~(F)~~ **(D)** Date on which the occupational licensee reviewed and approved the report.  
~~(G)~~ **(E)** All currency transaction reports must be properly filed with the Internal Revenue Service by the fifteenth day after the date the transaction was completed with a copy simultaneously provided to the commission agent.  
*(Indiana Gaming Commission; 68 IAC 15-2-6; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3329; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1069)*

SECTION 16. 68 IAC 15-4-2 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 15-4-2 Purchase and receipt of chips and tokens**

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 2. (a) The riverboat licensee or riverboat license applicant shall be responsible for establishing policies and procedures for the purchase, receipt, inventory, storage, and destruction of chips and tokens. These policies and procedures must be submitted to and approved by the executive director in accordance with 68 IAC 15-1.

(b) Procedures for the purchase and receipt of chips and tokens shall include, but are not limited to, the following:

(1) Chips and tokens shall only be purchased from a licensed supplier. **The riverboat licensee or riverboat license applicant shall be responsible for communicating with licensed suppliers to arrange secured shipment and receipt of chips or tokens. Shipment shall be made via an exclusive courier who shall be required to use sealed doors and implement procedures for documenting all stops along the route.**

(2) The occupational licensee delegated the responsibility of ordering chips and tokens shall be at least the slot manager or cage manager level, or the equivalent.

(3) The commission shall be notified in writing prior to the delivery of any chips or tokens. This notification shall include the following information:

(A) Date and time of delivery.

(B) Location of delivery.

**(C) A detailed description of the method and details of the secured shipment that will be utilized to transport the chips or tokens.**

~~(D)~~ **(D)** Amount of chips or tokens, by denomination.

~~(E)~~ **(E)** Occupational licensee who authorized the order of the chips or tokens.

~~(F)~~ **(F)** Any other information deemed necessary by the executive director or commission to ensure compliance with the Act and this title.

(4) At least two (2) occupational licensees from separate departments shall open and count the chips or tokens received. A commission agent shall also be present **while the chips or tokens are being opened and counted.**

(5) Any deviation between the actual count of chips or tokens received and the invoice or packing slip accompanying the chips or tokens or any defects in the chips or tokens shall be immediately reported to the executive director.

(6) The actual count of chips or tokens shall be recorded in a log or ledger. This log or ledger will be in a format approved by the commission. The following information shall, at a minimum, be included in the log or ledger:

(A) Date of receipt of the chips or tokens.

(B) Amount of chips or tokens, by denomination.

(C) Whether the chips are value chips or nonvalue chips.

(D) Whether the chips are part of the primary or reserve set of chips.

(E) Total token and chip inventory.

(F) Signatures of the occupational licensees counting the chips or tokens received.

(G) Name of the commission agent observing the delivery of the chips or tokens.

(H) Signature of the occupational licensee recording the entry.

(I) Any other information deemed necessary by the executive director or the commission to ensure compliance with the Act and this title.

(7) If any of the chips are to be held in reserve, then those chips shall be stored in a locked cabinet separate from all other chips.

*(Indiana Gaming Commission; 68 IAC 15-4-2; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3330; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1070)*

SECTION 17. 68 IAC 15-4-3 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 15-4-3 Storage of chips or tokens**

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 3. The riverboat licensee or riverboat applicant shall establish procedures for the transfer or storage of all chips and tokens. The procedures shall include, at a minimum, the following:

- (1) Location and access of sensitive keys in accordance with 68 IAC 11-7.
- (2) At least two (2) occupational licensees must be present for the transfer of the reserve or secondary chips and reserve tokens.
- (3) Identification of occupational licensees authorized to transfer reserve and secondary chips.
- (4) Establish a procedure where at least two (2) occupational licensees, Level 2 or higher, from separate departments shall open and check the chips transferred. Identify the occupational licensees, by title, involved in this process.
- (5) Inventories of chips in reserve and secondary set of chips and reserve tokens shall be made on a monthly basis and the results of such inventories shall be recorded in the chip inventory ledger. Physical inventories may be performed annually if the inventory procedures incorporate the sealing of locked compartments. The procedures for **the performance of chip inventories, the procedures for** sealing and accessing ~~these~~ locked compartments, and the security measures to be taken with respect to these locked compartments **shall be submitted to the commission for approval at least sixty (60) days prior to their implementation.**
- (6) During nongaming hours all chips shall be stored and locked in the casino cages, main bank vault, or locked table trays at the live gaming devices.

*(Indiana Gaming Commission; 68 IAC 15-4-3; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3331; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1071)*

SECTION 18. 68 IAC 15-7-3 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 15-7-3 Electronic gaming devices**

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 3. (a) The riverboat licensee shall require, on a daily basis, that the revenue auditor or its equivalent to perform certain procedures on the calculation of the electronic gaming device win. These procedures shall include, at a minimum, the following procedures:

- (1) Trace the total of the “bills-in” meter readings as recorded by the bill acceptor flash report or equivalent to the actual count performed by the soft count team to verify agreement.
- (2) Compare the total of tokens dropped as reported by the central computer system with the actual wrap count as reported by the slot drop count team. Any significant variance of greater than two percent (2%) ~~or five hundred dollars (\$500), whichever is less~~, will be documented and investigated by the head of the accounting department or the equivalent.
- (3) Review all voided electronic gaming device jackpot and fill slips for accuracy and proper handling. Verify proper number of authorized signatures.
- (4) Trace the electronic gaming device count documentation into the cage checkout sheet and subsequent posting to the general ledger.
- (5) Verify that all manual electronic gaming device jackpot and fill slips are entered into the central computer system.

(b) The riverboat licensee shall require that all variances or discrepancies from subsection (a) shall be investigated, recorded, and reported to the head of the accounting department or its equivalent and the commission staff.

(c) Any variances or discrepancies that affect the calculation of the electronic gaming device win shall be adjusted for in the financial statements and reported on Form RG-1 for the appropriate gaming day.

(d) The riverboat licensee shall require the revenue auditor or its equivalent to perform certain procedures, on a sample basis, on the electronic gaming devices on a daily basis. These procedures should be performed for both computerized and manual forms and shall include, at a minimum, the following:



- (1) Compare the original electronic gaming device fills and jackpot slips to the duplicate fills and jackpot slips to verify accuracy.
- (2) Review the electronic gaming device fills and jackpot slips for the proper number of authorized signatures.
- (3) Verify and account for the numerical sequence of the electronic gaming device fills and jackpot slips.
- (4) Recalculate the electronic gaming device documentation for accuracy and recording.
- (5) Randomly select certain days to verify the accuracy of the total of fills and jackpots and re-foot and trace to the jackpot and fill report.

(e) The riverboat licensee shall require that all variances or discrepancies of greater than two percent (2%) ~~or five hundred dollars (\$500), whichever is less~~, from subsection (a) or (d) shall be investigated, recorded, and reported to the head of the accounting department or equivalent.

(f) Any variances or discrepancies that affect the calculation of the electronic gaming device win shall be adjusted for in the financial statements and reported on Form RG-1 for the appropriate gaming day.

(g) The riverboat licensee's audit department or accounting department shall read the following electro-mechanical meters of each electronic gaming device at least one (1) time per month:

- (1) Tokens-in meter.
- (2) Tokens-out meter.
- (3) Tokens drop meter.
- (4) Bill drop meter.

(h) A log shall be maintained by the audit department or accounting department to ~~read~~ **record** the meter readings. A copy of this report shall be submitted to the commission office in Indianapolis, Indiana after the monthly readings have been completed.

(i) The meter readings shall be compared to the readings produced by the central computer system. Any variance of greater than two percent (2%) ~~or five hundred dollars (\$500), whichever is less~~, will be investigated by the head of the accounting department or equivalent and reported. (*Indiana Gaming Commission; 68 IAC 15-7-3; filed Jul 18, 1996, 8:45 a.m.; 19 IR 3332; filed Dec 2, 2001, 12:35 p.m.; 25 IR 1071*)

SECTION 19. 68 IAC 15-8-1 IS AMENDED TO READ AS FOLLOWS:

**68 IAC 15-8-1 Applicability; general provisions**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 1. (a) This rule applies to riverboat licensees.

(b) The riverboat licensee shall establish policies and procedures in connection with the internal audit function for the riverboat operations. The internal audit department or its equivalent shall report directly to the audit committee of the board of directors, or equivalent. **The internal audit department shall consist of at least two (2) full-time on-site internal auditors.**

(c) The riverboat licensee shall document all procedures and results of compliance testing performed under this rule. All material instances of noncompliance with the submitted internal controls shall be investigated and reported immediately to the commission staff.

(d) Quarterly reports shall be submitted to the commission staff documenting the results of the compliance testing under this rule. The quarterly reports documenting the results of the compliance testing shall be submitted to the regional audit administrator at the commission office in Indianapolis, Indiana, within thirty (30) days of the close of the quarter that the report covers. **These reports shall identify repeat findings and shall list all corrective action that was taken or will be taken to avoid similar problems in the future.**

(e) At any time errors are uncovered in the computation of win, such errors shall be corrected and reported on Form RG-1 for the appropriate gaming day.

(f) As used in this rule, "Form RG-1" means the Daily Adjusted Gross Receipts and Tax Remittance Form. (*Indiana Gaming Commission; 68 IAC 15-8-1; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3333; filed Aug 20, 1997, 7:11 a.m.: 21 IR 20; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1072*)

SECTION 20. 68 IAC 15-8-2 IS AMENDED TO READ AS FOLLOWS:

#### **68 IAC 15-8-2 Observation of live table games**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

Sec. 2. The riverboat licensee shall establish procedures to observe, unannounced, the compliance with the system of internal controls that have been submitted in accordance with 68 IAC 11 and 68 IAC 15 for live gaming devices. The procedures shall be performed quarterly and shall include, at a minimum, the following:

- (1) Observe and review the opening, closing, and shift procedures.
- (2) Observe and review the live gaming device fill and credit procedures.
- (3) Observe and review the live gaming device pit marker procedures.
- (4) Observe and review the live gaming device drop box and tip box removal procedures.
- (5) Observe and review the soft count procedures, including the count of the live gaming device drop boxes and currency acceptor cash storage boxes, and the subsequent transfer of the funds.
- (6) Observe and review the location and control over sensitive keys.
- (7) Observe and review card and dice control procedures, **including the card and dice removal and cancellation logs.**
- (8) Any other procedures deemed necessary by the executive director or the commission to ensure compliance with the Act and this title.

(*Indiana Gaming Commission; 68 IAC 15-8-2; filed Jul 18, 1996, 8:45 a.m.: 19 IR 3333; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1072*)

SECTION 21. 68 IAC 15-14 IS ADDED TO READ AS FOLLOWS:

#### **Rule 14. Financial Statement Audits**

##### **68 IAC 15-14-1 Applicability; general provisions**

**Authority:** IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

**Affected:** IC 4-33

**Sec. 1. (a) Annually, each riverboat licensee shall undergo an audit of the annual financial statements of the riverboat licensee.**

**(b) The riverboat licensee shall recommend an independent certified public accountant to perform the audit. The independent certified public accountant or independent certified public accounting firm must be licensed in Indiana. The executive director or the executive director's designee must approve of the selection of the independent certified public accountant prior to the commencement of a contract between the accountant and the riverboat licensee.**

**(c) The audit shall be performed in accordance with generally accepted accounting principles and contain the opinion of the independent certified public accountant as to its fair presentation in accordance with such generally accepted accounting principles.**

**(d) Audits required by this section shall be prepared at the expense of the riverboat licensee.** (*Indiana Gaming Commission; 68 IAC 15-14-1; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1073*)

##### **68 IAC 15-14-2 Qualifications**

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3  
Affected: IC 4-33

**Sec. 2. An independent certified public accountant or independent certified public accounting firm selected to perform a financial statement audit shall meet the following qualifications and shall be required to affirm that they meet these qualifications as part of a written agreement with the riverboat licensee to perform the audit:**

- (1) Be independent with respect to the entity, its parents, and investors. Standards of independence are to be determined by pronouncements of the American Institute of Certified Public Accountants and the Securities and Exchange Commission.**
- (2) Licensed to practice in Indiana.**
- (3) Have sufficient experience in the gaming industry or related industries.**
- (4) Have an adequate number of professional personnel to meet the requirements of the engagement in a timely and efficient manner.**

*(Indiana Gaming Commission; 68 IAC 15-14-2; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1073)*

#### **68 IAC 15-14-3 Conditions of engagements**

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3  
Affected: IC 4-33

**Sec. 3. An independent certified public accountant or independent certified public accounting firm selected to perform a financial statement audit shall agree to abide by the following conditions of engagement, which shall be stated in a written agreement with the riverboat licensee to perform the audit:**

- (1) Inform the commission with respect to material errors and irregularities, or illegal acts that come to their attention during the course of the audit.**
- (2) Inform the commission in writing of matters that come to their attention that represent significant deficiencies in the design or operation of the internal control structure.**
- (3) Provide each member of the professional training staff assigned to the engagement a minimum of sixteen (16) hours of training in the gaming industry.**
- (4) Retain and make available to the commission personnel or their authorized representatives all reports, working papers (current and permanent files), audit programs, tax returns, and other information relating to engagements for a period of five (5) years after completion of the engagement.**
- (5) Respond timely to all reasonable requests of successor auditors.**
- (6) Submit peer review reports to the commission.**
- (7) Have all engagement letters approved by the commission prior to undertaking assignments.**
- (8) Send copies of all reports and management letters directly to the commission in compliance with this rule.**
- (9) At the conclusion of the engagement, provide management and the commission, in a mutually agreeable format, recommendations designed to help the entity make improvements in its internal control structure and operation, and other matters that are discovered during the audit.**

*(Indiana Gaming Commission; 68 IAC 15-14-3; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1073)*

#### **68 IAC 15-14-4 Special audits**

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3  
Affected: IC 4-33

**Sec. 4. To assure the integrity of gaming, compliance with the Act and the rules of the commission, the commission may require, at any time, a special audit of a riverboat owner to be conducted by an independent certified public accountant who is, or whose firm is, licensed in Indiana. The commission shall establish the scope, procedures, and reporting requirements of such an audit.** *(Indiana Gaming Commission; 68 IAC 15-14-4; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1074)*

*LSA Document #01-23(F)*

*Notice of Intent Published: 24 IR 1377*

*Proposed Rule Published: June 1, 2001; 24 IR 2728*

*Hearing Held: June 26, 2001*

*Approved by Attorney General: November 26, 2001*

*Approved by Governor: November 30, 2001*  
*Filed with Secretary of State: December 2, 2001, 12:35 p.m.*  
*Incorporated Documents Filed with Secretary of State: None*