

9. The chairman may request additional information and documents from either the licensee or the licensee's independent accountant, through the licensee, regarding the financial statements or the services performed by the accountant. Failure to submit the requested information or documents is an unsuitable method of operation.

(Adopted: 10/87. Amended: 6/92; 11/92; 11/93; 11/94; 10/95; 11/96; 11/97; 11/98; 11/99; 2/00; 5/00; 11/00; 11/01; 11/02; 5/03; 11/03; 11/04; 11/05; 11/06; 11/07; 11/08; 11/09; 11/10; 10/11. Subsections (2), (3), and (4) effective as noted)

6.090 Internal control for Group I licensees. As used in this section, "licensee" means a Group I licensee and "chairman" means the chairman or other member of the state gaming control board.

1. Each licensee shall establish administrative and accounting procedures for the purpose of determining the licensee's liability for taxes and fees under chapters 463 and 464 of NRS and for the purpose of exercising effective control over the licensee's internal fiscal affairs. The procedures must be designed to reasonably ensure that:

- (a) Assets are safeguarded;
- (b) Financial records are accurate and reliable;
- (c) Transactions are performed only in accordance with management's general or specific authorization;
- (d) Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes, and to maintain accountability for assets;
- (e) Access to assets is permitted only in accordance with management's specific authorization;
- (f) Recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to any discrepancies; and
- (g) Functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel.

2. Each licensee and each applicant for a nonrestricted license shall describe, in such manner as the chairman may approve or require, its administrative and accounting procedures in detail in a written system of internal control. Each licensee and applicant for a license shall submit a copy of its written system to the board. Each written system must include:

- (a) An organizational chart depicting segregation of functions and responsibilities;
- (b) A description of the duties and responsibilities of each position shown on the organizational chart;
- (c) A detailed, narrative description of the administrative and accounting procedures designed to satisfy the requirements of subsection 1;
- (d) A written statement signed by the licensee's chief financial officer and either the licensee's chief executive officer or a licensed owner attesting that the system satisfies the requirements of this section;
- (e) If the written system is submitted by an applicant, a letter from an independent accountant stating that the applicant's written system has been reviewed by the accountant and complies with the requirements of this section; and
- (f) Such other items as the chairman may require.

3. The chairman shall adopt and publish minimum standards for internal control procedures that in the chairman's opinion satisfy subsection 1. At least 45 days prior to adopting or revising minimum standards, the chairman shall:

- (a) Publish notice of the proposed action by posting the proposed change or revision on the board's website;
- (b) Mail notice of the posting of the proposed minimum standards or revision on the board's website and a copy of this section of Regulation 6 to every Group I licensee and every person who has filed a request therefor with the commission; and
- (c) Provide a copy of the proposed minimum standards or revision to the commission.

4. Prior to adopting or revising the minimum standards, the chairman shall consider all written statements, arguments, or contentions submitted by interested parties within 30 days of service of the notice provided for in subsection 3.

5. The chairman shall send written notice that he has adopted standards pursuant to subsection 3 to all Group I licensees and to every person who has filed a request therefor with the commission.

6. Not later than 30 days after service of written notice that the chairman has adopted or revised the minimum standards, any Group I licensee may object to the minimum standards or revisions by filing a written objection with the commission. If a licensee files an objection, the effective date of the standards or revisions is stayed. The commission may, on its own initiative, review the minimum standards or revisions adopted by the chairman and may stay the effective date of the standards or revisions. If no objections are filed within 30 days, or the commission

12. If the chairman determines that a licensee's administrative or accounting procedures or its written system does not comply with the requirements of this section, the chairman shall so notify the licensee in writing. Within 30 days after receiving the notification, the licensee shall amend its procedures and written system accordingly, and shall submit a copy of the written system as amended and a description of any other remedial measures taken.

13. Each licensee shall comply with its written system of internal control submitted pursuant to subsection 2 as it relates to compliance with the minimum standards, variations from the minimum standards approved pursuant to subsection 8, and Regulation 14 associated equipment approvals.

14. Failure to comply with subsection 13 is an unsuitable method of operation.

15. Using guidelines, checklists, and other criteria established by the chairman, the licensee's internal auditor shall perform observations, document examinations, and inquiries of employees to determine compliance with applicable statutes, regulations, and minimum internal control standards. Two copies of the internal auditor's report summarizing all instances of noncompliance and management responses must be submitted to the board within 120 days after the end of the first six months of the licensee's business year and must include all work required to be performed during that six-month period along with any additional procedures that were performed. Noncompliance noted in the second half of the business year must be submitted to the board within 120 days after the end of the business year unless the noncompliance is to be disclosed in the independent accountant's report submitted pursuant to Regulation 6.090(9).

(Adopted: 10/87. Formerly Reg. 6.090A. Amended: 2/00; 5/03; 6/30/07; 5/12)

6.100 Internal control procedures for Group II licensees. As used in this section "licensees" mean Group II licensees and "chairman" means the chairman or other member of the state gaming control board.

1. The chairman shall prepare and publish internal control procedures that in the chairman's opinion establish administrative and accounting procedures for the purpose of determining the licensee's liability for taxes and fees under chapters 463 and 464 of NRS and for the purpose of exercising effective control over the licensee's internal fiscal affairs.

2. At least 45 days prior to adopting or revising the internal control procedures, the chairman shall:

(a) Publish notice of the proposed action by posting the proposed change or revision on the board's website;

(b) Mail notice of the posting of the proposed internal control procedures or revisions on the board's website and a copy of this section of Regulation 6 to every Group II licensee and every person who has filed a request therefor with the commission; and

(c) Provide a copy of the proposed internal control procedures to the commission.

3. Prior to adopting or revising the internal control procedures, the chairman shall consider all written statements, arguments, or contentions submitted by interested parties within 30 days of service of the notice provided for in subsection 2.

4. The chairman shall send written notice of the adoption of the internal control procedures to all Group II licensees and every person who has filed a request therefor with the commission.

5. Not later than 30 days after service of written notice that the chairman has adopted or revised the internal control procedures, any Group II licensee may object to the internal control procedures by filing a written objection with the commission. If a licensee files an objection, the effective date of the internal control procedures is stayed. The commission may, on its own initiative, review the internal control procedures adopted by the chairman and may stay the effective date of the standards or revisions. If no objections are filed within 30 days, or the commission does not stay the effective date in order to review the internal control procedures, the internal control procedures shall become effective. If objections to particular portions of the internal control procedures are filed, the portions of the internal control procedures not objected to shall become effective upon expiration of the 30 days. If the commission fails to sustain an objection within 60 days of its filing, the objection will be deemed denied and the internal control procedures shall become effective upon expiration of the 60 days. If the commission sustains the objection, the chairman shall revise the internal control procedures to reflect the order of the commission. The chairman shall send written notice of the effective date of the internal control procedures to all Group II licensees and every person who has filed a request therefor with the commission.

6. Not later than 30 days after service of written notice that the internal control procedures adopted or revised pursuant to this section are effective, each licensee shall comply with the procedures. The chairman, in his sole and absolute discretion, may extend the time for complying with this subsection.

counting of drop box contents at other than the designated times is prohibited unless the licensee provides advance written notice to the chairman of a change in times or the chairman requires a change of authorized times.

(b) Within 10 days after the end of each calendar quarter, each nonrestricted licensee shall submit a list to the board of employees authorized to participate in the count and those employees who are authorized to be in the count room during the count ("count personnel list") during and as of the end of the calendar quarter. The count personnel list shall indicate those persons, if any, who hold an interest in the licensee and shall indicate what relationship by blood or marriage, if any, exists between any person on such list or any interest holder or employee of the gaming establishment. The count personnel list shall also indicate the social security number of each count employee and the job position held by each count employee.

2. Unless otherwise administratively waived or amended by the chairman of the state gaming control board or his designee, each operator of a slot machine route shall submit the information required by this section on a monthly basis, in a format acceptable to the board, on or before the fifth day of the immediately following month. This subsection will expire and no longer be in force and effect as of midnight January 31, 1993.

(Adopted: 10/87. Amended: 10/91)

6.140 Handling of cash. Each gaming employee, owner, or licensee who receives currency of the United States (other than tips or gratuities) from a patron in the gaming area of a gaming establishment shall promptly place the currency in the locked box in the table or, in the case of a cashier, in the appropriate place in the cashier's cage, or on those games which do not have a locked box or on card game tables, in an appropriate place on the table, in the cash register, or other repository approved by the chairman.

(Adopted: 10/87. Effective: 1/88)

6.150 Minimum bankroll requirements.

1. The chairman may adopt or revise a bankroll formula that specifies the minimum bankroll requirements applicable to restricted gaming licensees, nonrestricted gaming licensees and persons licensed as an operator of an inter-casino linked system or as an operator of a slot machine route, along with instructions for computing available bankroll.

2. At least 30 days before adopting or revising the bankroll formula, the chairman shall:

(a) Publish notice of the proposed adoption or revisions, together with the effective date thereof, by posting the proposed change or revision on the board's website;

(b) Mail notice of the posting of the proposed bankroll formula or revisions on the board's website, together with the effective date thereof, to each restricted gaming licensee, nonrestricted gaming licensee, operator of an intercasino linked system, operator of a slot machine route, and every other person who has filed a request therefor with the board or commission; and

(c) Provide a copy of the proposed bankroll formula or revisions and their effective date to the commission.

3. Any affected licensee may object to the proposed bankroll formula or revisions, by filing a request for a review of the chairman's administrative decision, pursuant to Regulation 4.190. If any licensee files a request for review, then the effective date of the proposed bankroll formula or revisions will be stayed pending action by the board, and if the board's decision is appealed pursuant to Regulation 4.195, pending action by the commission. If no requests for review are filed with the board, then the bankroll formula or revisions shall become effective on the date set by the chairman.

4. Any licensee may propose the repeal or revision of any existing bankroll formula by submitting a request to the chairman, who shall consider the request at his discretion. If such a request is approved by the chairman, then the proposed repeal or revision must be processed in accordance with subsections 2 and 3. If such a request is denied by the chairman, then the licensee may file the request for a review as an administrative approval decision with the board pursuant to Regulation 4.190, and the commission, pursuant to Regulation 4.195.

5. Each restricted gaming licensee, nonrestricted gaming licensee and each person licensed as an operator of an inter-casino linked system or as an operator of a slot machine route shall maintain in accordance with the bankroll formula adopted by the chairman pursuant to the requirements of this section, cash or cash equivalents in an amount sufficient to reasonably protect the licensee's or operator's patrons against defaults in gaming debts owed by the licensee or operator. If at any time the licensee's or operator's available cash or cash equivalents should be less than the amount required by this section, the licensee or operator shall immediately notify the board of this deficiency and shall also detail the means by which the licensee shall comply with the minimum bankroll requirements. Failure to maintain the minimum bankroll required by