

SUBCHAPTER 1. GENERAL PROVISIONS

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19:45-1.1 Definitions

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

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

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

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

"Automated coupon redemption machine" means any mechanical, electrical or other device which operates independently of a slot machine and which, upon insertion of a valid casino coupon or currency, dispenses an

amount of coin or slot tokens equivalent to the face value of the coupon or currency, and which immediately upon exchange cancels the coupon.

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

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

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

"Cash" means currency or coin.

"Cash equivalent" means a:

1. Certified check, cashiers check, treasurers check, recognized travelers check or recognized money order that:
 - i. Is made payable to the casino licensee where presented, a holding company of the casino licensee, "bearer" or "cash";
 - ii. Is dated, but not postdated; and
 - iii. Does not contain any endorsement;
2. Certified check, cashiers check, treasurers check or recognized money order that:
 - i. Is made payable to the presenting patron;
 - ii. Is endorsed in blank by the presenting patron;
 - iii. Is dated but not postdated; and
 - iv. Does not contain any endorsement other than that of the presenting patron; or
3. Recognized credit card or debit card presented by a patron in accordance with the provisions of N.J.A.C. 19:45-1.18A or 1.25(i).

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

"Cashiering location" means any 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" is defined in N.J.A.C. 19:45-1.14.

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

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

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

"CCTV system location" means any location in the casino hotel facility, not controlled by Commission or Division employees, that has been approved by the Commission to receive transmissions from the surveillance department's closed circuit television system including, without limitation, CCTV system monitoring rooms, surveillance department offices, CCTV system repair areas, and CCTV system emergency facilities.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Electronic fund transfer" means a transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, computer, or magnetic tape

for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. For the purposes herein, the term does not include a debit card cash transaction as defined in this section, a debit card chip transaction as defined in N.J.A.C. 19:45-1.18A(a), or any transactions exempt, by statute or regulation, from the provisions of Title IX of the Federal Consumer Protection Act, 15 USC §1693.

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

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

"Gaming voucher receipt" is defined in N.J.A.C. 19:45-1.54(d)7ii.

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

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

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

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

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

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

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

"Incompatible function" means a function, for accounting control purposes, that places any person or department, in a position to both

perpetrate and conceal errors or irregularities in the normal course of his duties. Anyone recording transactions and having access to assets ordinarily is in a position to perpetrate errors or irregularities. Persons may have incompatible functions if such persons are members of departments which have supervisors not independent of each other.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. Is issued by or under an agreement with a company that, as a normal part of its business, supplies its customers, either directly or through a national credit card network, with credit or charge cards that can be used for and are routinely accepted in consumer transactions;
2. Qualifies as a credit card for purposes of Regulation Z issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 226);
3. Expires on an expiration date that is imprinted on the card and is later than the date of the transaction for which the card is presented; and
4. Has a clearly visible registered credit card logo that is a permanent part of the card.

"Recognized debit card" means a debit card that:

1. Is issued by or under an agreement with a company that qualifies as a "depository institution" as defined in Section 19(b) of the Federal Reserve Act, 12 U.S.C., §461(b), and that, as a normal part of its business, supplies its customers, either directly or through a registered debit card verification agency, with access to funds maintained for the cardholder in such depository institution by means of a debit card that is routinely accepted in consumer transactions or used to obtain cash;
2. Qualifies as an access device for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and
3. Has a clearly visible registered debit card logo that is a permanent part of the card.

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

"Registered credit card logo" means a logo, permanently affixed on a recognized credit card, that a casino licensee, prior to accepting the card, has designated in its internal controls as the type of logo that must appear on any

such card before the casino licensee will accept the card in a credit card cash or chip transaction and that is commonly seen on credit or charge cards that are routinely accepted in the United States, including, without limitation, the following:

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

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

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

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

1. Verifies, upon request from a merchant, the validity and account sufficiency of a recognized debit card in the normal course of its business;
2. Is authorized to perform the verification for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and
3. A casino licensee has identified in its internal controls as a company that will be used to verify recognized debit cards that are presented in debit card cash or chip transactions.

"Registered electronic funds transfer company" means an organization that:

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

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

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

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

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

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

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

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

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

"Scan" means to attempt to verify a gaming voucher or coupon in a gaming voucher system or coupon acceptance system by utilizing a device that can read its bar code, or by manually inputting the serial number of the coupon or the validation number of the gaming voucher into the system.

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

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

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

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

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

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

"Slot Cashier" is defined in N.J.A.C. 19:45-1.35.

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

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

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

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

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

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

"Suspicious gaming voucher" means any gaming voucher that appears to have been counterfeited, tampered with or altered in any way that would affect its integrity, suitability, validity or value.

"Suspicious gaming voucher report" is defined in N.J.A.C. 19:45-1.54(d)4.

"Table game drop" means the sum of the total value of currency, coin, coupons other than match play coupons and 50 percent of the total value of match play coupons, the total amounts recorded on issuance copies of Counter Checks removed from a drop box, and the total of the amounts recorded on

documents that evidence the exchange of gaming chips or plaques as part of credit or debit card chip transactions.

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

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

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

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

“Unscanned gaming voucher” means any gaming voucher that a casino licensee elects to redeem when its gaming voucher system or any component thereof is inoperable and, as a result, the system is unable to determine the validity of the voucher.

“Unscanned gaming voucher transfer form” is defined in N.J.A.C. 19:45-1.54(d)5v.

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

“Unverified gaming voucher” means any gaming voucher other than a suspicious gaming voucher that the gaming voucher system fails to verify and electronically cancel in the system when it is presented for redemption and scanned.

“Unverified gaming voucher log” is defined in N.J.A.C. 19:45-1.54(d)13.

“Unverified gaming voucher log summary report” is defined in N.J.A.C. 19:45-1.54(d)15.

“Unverified gaming voucher transfer form” is defined in N.J.A.C. 19:45-1.54(d)8.

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

"Verbalize" means to orally express something in words.

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

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As amended, effective: 01/19/93

As amended, effective: 02/16/93
As amended, effective: 04/05/93
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As amended, effective: 10/04/93
As amended, effective: 01/18/94; Amendment to definition of
"Simulcast handle" operative on 02/22/94.
As amended, effective: 02/07/94
As amended, effective: 03/21/94
As amended, effective: 06/06/94
As amended, effective: 08/15/94
As amended, effective: 09/19/94
As amended, effective: 10/03/94
As amended, effective: 01/17/95
As amended, effective: 06/05/95
As amended, effective: 08/07/95
As amended, effective: 08/21/95
As amended, effective: 01/16/96
As amended, effective: 07/15/96
As amended, effective: 08/05/96
As amended, effective: 09/16/96
As amended, effective: 10/21/96
As amended, effective: 12/02/96
As amended, effective: 03/17/97
As amended, effective: 10/06/97
As amended, effective: 11/17/97
As amended, effective: 01/05/98
As amended, effective: 06/01/98
As amended, effective: 07/20/98
As amended, effective: 02/01/99
As amended, effective: 08/21/00
As amended, effective: 12/03/01
As amended, effective: 09/03/02
As amended, effective: 01/06/03
As amended, effective: 04/21/03
As amended, effective: 12/20/04
As amended, effective: 03/07/05
As amended, effective: 07/05/05
As amended, effective: 08/15/05
As amended, effective: 01/07/08
As amended, effective: 12/21/09
As amended, effective: 12/06/10

19:45-1.1A Gaming day

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

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

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

Effective: 03/02/92

As amended, effective: 06/05/95

19:45-1.2 Accounting records

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

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

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

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

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

iii. The licensee shall not use other than the prescribed chart of accounts but may, with the permission of the Commission, expand the level of detail for some or all accounting classifications and/or alter the account numbering system. In such instances, the licensee shall provide to the Commission, upon request, a cross-reference from the licensee's to the prescribed chart of accounts.

(c) The detailed, supporting, and subsidiary records shall include, but not necessarily be limited to:

1. Records of all patron checks initially accepted by the licensee, deposited by the licensee, returned to the licensee as "uncollected," and ultimately written-off as uncollectible.

2. Statistical game records to reflect drop and win amounts or, for the game of poker, the poker revenue, by table for each table game, and by keno work station number or keno writer for the game of keno, by each shift.

3. Records supporting the accumulation of the costs and number of persons, by category of service, for regulated complimentary services.

4. Records of all investments, advances, loans and receivable

balances, other than patron checks, due to the establishment.

5. Records related to investments in property and equipment. The records shall identify the investments made under section 144 of the Casino Control Act as an alternative to the additional two percent tax on gross revenues. Such investments must be approved by the Commission as to their eligibility.

6. Records which identify the handle, payout, win amounts and percentages, theoretical win amounts and percentages, and differences between theoretical and actual win amounts and percentages, for each slot machine on a week-to-date, month-to-date, and year-to-date basis.

7. Records of all loans and other amounts payable by the establishment.

8. Records which identify the purchase, receipt, and destruction of gaming chips and plaques.

9. Records provided for in the system of internal accounting controls submitted to the Commission pursuant to the Casino Control Act.

10. Records used by the casino licensee to reconcile simulcast wagers with sending tracks pursuant to N.J.A.C. 19:55-7.1, calculate outstanding pari-mutuel tickets pursuant to N.J.A.C. 19:55-7.2 and calculate payments to the Racing Commission pursuant to N.J.A.C. 19:55-7.3.

Effective: 02/19/85

As amended, effective: 05/16/88

As amended, effective: 12/21/92

As amended, effective: 01/19/93

As amended, effective: 03/21/94

As amended, effective: 06/05/95

19:45-1.3 Licensee's system of internal controls

(a) Each applicant for a casino license shall submit to the Commission a narrative description of its initial system of internal procedures and administrative and accounting controls ("internal controls") at least 30 days

before gaming operations are to commence, unless otherwise directed by the Commission. Each such submission shall be accompanied by a certification by its Chief Legal Officer or equivalent that the submitted internal controls conform to the requirements of the Act and the regulations promulgated thereunder, and a certification by its Chief Financial Officer or equivalent that the submitted internal controls are adequate and effective, establish a consistent overall system of internal controls, and conform to generally accepted accounting principles. The initial submission shall also be accompanied by a report of an independent certified public accountant licensed to practice in New Jersey, stating that the submitted system conforms in all respects to the standards of internal control set forth in the Act and the Commission's rules or in what respects the system does not conform. Except as otherwise provided in this section, a casino licensee may, upon submission to the Commission of a narrative description of a change in its system of internal controls and the two original signed certifications described above, implement the change on the 16th calendar day following the completed submission. Any submission received by the Commission's Document Control Unit after 3:00 P.M. shall be considered to have been submitted on the next business day. Each submission by a casino licensee or applicant shall include, as applicable and without limitation, the following:

1. Administrative controls which include, without limitation, the procedures and records that are concerned with the decision making processes leading to management's authorization of transactions;

2. Accounting controls which have as their primary objectives the safeguarding of assets and the reliability of financial records and are consequently designed to provide reasonable assurance that:

- i. Transactions are executed in accordance with management's general and specific authorization;

- ii. Transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted

accounting principles and N.J.A.C. 19:45-1.6, and to maintain accountability for assets;

iii. Access to assets is permitted only in accordance with management authorization; and

iv. The recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and

3. Procedures and controls for ensuring, through the use of the casino security department, that the casino and casino simulcasting facility are constantly secure during normal operations and any emergencies due to malfunctioning equipment, loss of power, any natural disaster or any other cause.

(b) The Commission shall review a submission made pursuant to (a) above and determine whether it conforms to the requirements of the Act and the Commission's rules and provides adequate and effective controls for the operations of the casino licensee or applicant. No applicant for a casino license shall commence gaming operations unless and until its system of internal controls is approved by the Commission.

(c) If, during its review of a casino licensee's internal control submission, the Commission preliminarily determines that a procedure in the submission contains a substantial and material insufficiency likely to have a direct and materially adverse impact on the integrity of gaming or simulcast wagering operations or the control of gross revenue, the Chair, by written notice to the casino licensee, shall:

1. Specify the precise nature of the insufficiency and when possible, an acceptable alternative procedure;

2. Schedule a hearing before the full Commission no later than 15 calendar days after the date of such written notice to determine whether the internal controls are insufficient; and

3. Direct that any internal controls in issue not yet implemented not be implemented until approved by the Commission.

(d) Examples of submissions that the Chair and Commission may, under appropriate circumstances, determine to contain a substantial and material insufficiency likely to have a direct and materially adverse impact on the integrity of gaming or simulcast wagering operations or the control of gross revenue shall include, without limitation, the following:

1. Submissions that fail to provide an adequate audit trail that would permit the review of gaming operations or the reconstruction of gross revenue transactions;

2. Submissions that fail to provide for the segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties;

3. Submissions that do not include forms or other materials referenced in the submission or required by the Act or regulations that are essential elements of the internal controls and prevent a meaningful review of the submission;

4. Submissions that would implement gaming operations or accounting procedures not yet authorized by the Casino Control Act or the regulations of the Commission; and

5. Submissions that are dependent upon the use of equipment or related devices or software not yet approved by the Commission pursuant to N.J.A.C. 19:46-1.20, unless such submissions are required as part of an authorized test of the equipment or related device or software.

(e) If a casino licensee is notified pursuant to (c) above that a particular internal control submission contains a substantial and material insufficiency and that a hearing on the submission has been scheduled before the Commission on a specific date, the 15-day review period for any revision to those internal controls submitted by the casino licensee after receipt of the Chair's notice shall not commence unless the revision is accompanied by the two certifications required by N.J.S.A. 5:12-99a and (a) above.

(f) Notwithstanding any other provision of this section, the following changes to internal controls required by N.J.S.A 5:12-99a may be implemented immediately upon the preparation and internal filing by the casino licensee of a narrative description of such changes together with, except as otherwise provided in (i) below, the two certifications described in (a) above:

1. N.J.A.C. 19:45-1.9, 1.9A, 1.9B and 1.9C (complimentaries), except for:
 - i. Internal controls required by N.J.A.C. 19:45-1.9(i) for complimentary programs involving authorized games or simulcasting;
 - ii. Internal controls regarding the reporting of complimentary for uncollected vigorish pursuant to N.J.A.C. 19:47-3.3(c)3i and 7.3(c)3i;
 - iii. Internal controls required by N.J.A.C. 19:45-1.9B(c) for the disbursement of complimentary cash gifts in any manner other than by a general cashier at the cashier's cage; and
 - iv. Internal controls regarding the issuance of cash complimentary utilizing an electronic credit transfer system pursuant to N.J.A.C. 19:45-1.37A;
2. Changes to the jobs compendium of a casino licensee pursuant to N.J.A.C. 19:45-1.11A;
3. N.J.A.C. 19:45-1.15 (accounting controls), except for procedures relating to casino credit and gross revenue transactions;
4. N.J.A.C. 19:45-1.15A (simulcasting);
5. N.J.A.C. 19:45-1.19 (tips);
6. N.J.A.C. 19:45-1.24A and 1.24B (wire transfers);
7. N.J.A.C. 19:45-1.34 and 1.35 (slot booth controls), except for procedures relating to casino credit and gross revenue transactions;
8. N.J.A.C. 19:45-1.37B (slot tower lights); and
9. N.J.A.C. 19:45-1.46 (coupon redemption and other complimentary distribution programs), except for internal controls governing coupon programs that can affect gross revenue; and

10. N.J.A.C. 19:45-1.46A (automated coupon redemption machines).

(g) The following rules are self-explanatory and self-implementing, and except as noted, do not require the preparation or submission of internal controls:

1. N.J.A.C. 19:45-1.1 (definitions);
2. N.J.A.C. 19:45-1.2 (accounting records);
3. N.J.A.C. 19:45-1.3 (internal controls);
4. N.J.A.C. 19:45-1.4 (ownership records);
5. N.J.A.C. 19:45-1.5 (forms);
6. N.J.A.C. 19:45-1.6 (standard reports);
7. N.J.A.C. 19:45-1.7 (audits);
8. N.J.A.C. 19:45-1.8 (record retention);
9. N.J.A.C. 19:45-1.11A (jobs compendium, except as otherwise required of a casino license applicant pursuant to N.J.A.C. 19:43-9.1);
10. N.J.A.C. 19:45-1.12 (personnel), except for the submission of secondary position programs and submission of plans for revised supervision;
11. N.J.A.C. 19:45-1.13 (firearms);
12. N.J.A.C. 19:45-1.14 (cashier's cage) and 1.14A (simulcasting counter), except for procedures relating to casino credit and gross revenue transactions;
13. N.J.A.C. 19:45-1.45 (signatures);
14. N.J.A.C. 19:46-1.20 (inspections and approvals of gaming and simulcasting equipment and software);
15. N.J.A.C. 19:46-1.22 and 1.23 (possession and transportation of slot machines);
16. N.J.A.C. 19:46-1.24 (slot machine seals);
17. N.J.A.C. 19:46-1.27 (slot density);
18. N.J.A.C. 19:46-1.28 and 1.28A (gaming and simulcasting equipment testing and standards);

19. N.J.A.C. 19:46-1.29 (operation of gaming and simulcast wagering equipment; and

20. N.J.A.C. 19:46-1.34 (slot tokens).

(h) A current version of the internal controls of a casino licensee shall be maintained in, or made available through secure computer access to, the casino accounting department and surveillance department of the casino licensee. The casino licensee shall also maintain a copy of any superceded changes to its internal control submission and the two certifications required for each change for a minimum of five years in a location approved by the Commission. Each page of the internal controls shall indicate, as applicable, the date on which it was submitted to the Commission and the date on which it was either approved by the Commission or implemented pursuant to N.J.S.A. 5:12-99a and (a) above, or if the submission was governed by (f) above, the date on which it was filed internally and implemented by the casino licensee.

(i) Notwithstanding any other provision of this section to the contrary, the two certifications otherwise required by N.J.S.A. 5:12-99a and (a) above shall not be required for the following internal control changes:

1. The specific procedures controlling a particular new or modified complimentary distribution program or promotion governed by N.J.A.C. 19:45-1.9 or 1.46, except for internal controls included in (f) 1i and ii above and those governing coupon programs that can affect gross revenue;

2. Changes to the jobs compendium of a casino licensee pursuant to N.J.A.C. 19:45-1.11A other than the license categories, job codes, job functions, reporting lines (including but not limited to new positions and deleted positions) or job titles of the mandatory departments identified in N.J.A.C. 19:45-1.11 or the positions identified in N.J.A.C. 19:41-1.1 and 1.2; and

3. Changes to positions identified in N.J.A.C. 19:41-1.1 and 1.2 if the changes are limited to the data required by N.J.A.C. 19:45-1.11A(b)3ii(salary range), iv (experiential or educational requirements), v (projected number of employees), vi (equal employment opportunity class or

subclass), viii (date of the submission) or ix (page number of corresponding table of organization).

As amended, effective: 08/06/81
As amended, effective: 06/21/82
As amended, effective: 09/05/89
As amended, effective: 08/05/91
As amended, effective: 06/06/94
As amended, effective: 04/05/04
As amended, effective: 06/16/08

19:45-1.4 Records regarding ownership

(a) In addition to other records and information required by this regulation, each casino licensee shall maintain the following records regarding the equity structure and owners:

1. If a corporation:
 - i. A certified copy of articles of incorporation and any amendments thereto;
 - ii. A copy of by-laws and amendments thereto;
 - iii. A current list of officers and directors;
 - iv. Minutes of all meetings of stockholders and directors;
 - v. A current list of all stockholders and stockholders of affiliates, including their names and the names of beneficial owners of shares held in street or other name where any beneficial owner has a beneficial interest in two percent or more of the outstanding shares of any class, addresses and the number of shares held by each and the date acquired;
 - vi. A complete record of all transfers of stock;
 - vii. A record of amounts paid to the corporation for issuance of stock and other capital contributions and dates thereof;
 - viii. A record, by stockholder, of all dividends distributed by the corporation; and
 - ix. A record of all salaries, wages, and other remuneration

(including perquisites), direct and indirect, paid during the calendar or fiscal year, by the corporation, to all officers, directors, and stockholders with an ownership interest at any time during the calendar or fiscal year, equal to or greater than five percent of the outstanding capital stock of any class of stock.

2. If a partnership:

i. A schedule showing the amounts and dates of capital contributions, the names and addresses of the contributors, and percentage of interest in net assets, profits, and losses held by each;

ii. A record of the withdrawals of partnership funds or assets;

iii. A record of salaries, wages, and other remuneration (including perquisites), direct and indirect, paid to each partner during the calendar or fiscal year; and

iv. A copy of the partnership agreement and certificate of limited partnership, if applicable.

3. If a sole proprietorship:

i. A schedule showing the name and address of the proprietor and the amount and date of his original investment;

ii. A record of dates and amounts of subsequent additions to the original investment and withdrawals therefrom; and

iii. A record of salaries, wages, and other remuneration (including perquisites), direct or indirect, paid to the proprietor during the calendar or fiscal year.

4. If a limited liability company:

i. Certificates of formation, amendment, and cancellation;

ii. Operating agreement;

iii. A current list of all members and managers;

iv. A schedule showing the amounts and dates of contributions by members, the names and addresses of the contributors, and percentage of interest in net assets, profits, and losses held by each member and manager;

v. A record of the distributions of limited liability company funds or assets; and

vi. A record of salaries, wages, and other remuneration (including perquisites), direct and indirect, paid to each member and manager during the calendar or fiscal year.

(b) All records regarding ownership shall be located on the premises of the establishment, unless a specific exemption is allowed to the licensee by the Commission.

(c) Each casino licensee or applicant shall, upon request by the Commission or Division, provide a list of all record holders of any or all classes of publicly traded securities issued by any holding company or by any other affiliated entity which is required to qualify as a financial source pursuant to subsection 84b of the Act.

Effective: 05/25/78

As amended, effective: 12/21/92

As amended, effective: 03/15/93

As amended, effective: 09/03/02

19:45-1.5 Forms, records and documents

(a) All information required by this chapter to be placed on any form, record, or document and in stored data shall be recorded on such form, record, or document and in stored data in ink or other permanent form.

(b) Whenever duplicate or triplicate copies are required of a form, record, or document:

1. The original, duplicate, and triplicate copies shall be color coded and have the name of the recipient originally receiving a copy preprinted on the bottom of that copy so as to differentiate one from the other;

2. If the casino licensee prepares more copies than required by this chapter and the forms, records, and documents are required to be inserted in a locked dispenser, the last copy shall remain in a continuous unbroken form in the dispenser; and

3. Whenever under this chapter forms or serial numbers are required to be accounted for or copies of forms are required to be compared for agreement and exceptions are noted, such exceptions shall be reported immediately in writing to the internal audit department, the Commission, and the Division for investigation.

(c) Unless otherwise specified in this chapter or exempted by the Commission, all forms, records, documents, and stored data required to be prepared, maintained, and controlled by this chapter shall:

1. Be in a form prescribed or authorized by the Commission; and
2. Have the name of the establishment and the title of the form, record, document, and stored data imprinted or preprinted thereon or therein.

(d) Nothing in this chapter shall be construed as prohibiting or discouraging a casino licensee from preparing more copies of any form, record, or document than that prescribed by this chapter.

Effective: 05/25/78

As amended, effective: 2/19/85

19:45-1.5A Patron signature file

(a) Whenever a casino licensee is required by Commission rule or approved internal control procedure to verify the identity of a person or the validity of a signature on a document and the rule or approved procedure authorizes the verification to be performed by means of a signature comparison, the casino licensee may perform the verification by comparing the newly obtained signature to any signature exemplar or computer generated facsimile of a signature exemplar maintained by the casino licensee in a patron signature file established in accordance with the provisions of this section.

(b) Prior to the establishment of a patron signature file, a casino employee or casino key employee shall require the person whose signature is being recorded to present for examination, at a minimum, the following:

1. If the identity of the person shall be confirmed in accordance

with (c)1 below, one identification credential; or

2. If the identity of the person shall be confirmed in accordance with (c)2 below, two identification credentials, at least one of which shall contain a photograph or general physical description of the person.

(c) Before a casino licensee may use a signature exemplar in a patron signature file to verify the identity of a person or the validity of a signature on a document, the casino licensee shall confirm the identity of the person by either:

1. Comparing the signature on the identification credential presented by the person pursuant to (b)1 above with the newly executed signature exemplar and verifying the address of the person's residence with a credit bureau or bank or, if neither of these sources has the person's address on file or will not provide the information, with an alternative source, which shall not include any documentation presented by the person at the casino; or

2. Comparing the signature on each of the identification credentials presented by the person pursuant to (b)2 above with the newly executed signature exemplar and comparing the photograph or general physical description contained on at least one of the identification credentials with the person's actual physical appearance.

(d) Any patron signature file established and maintained by a casino licensee pursuant to this section shall include, at a minimum, the following:

1. The person's name;

2. The address of the person's residence;

3. The person's signature;

4. The type of each identification credential examined pursuant to (b) above and an indication whether the identification credential contained a photograph or physical description of the person;

5. A physical description of the person, including, at a minimum, the person's:

- i. Date of birth;
- ii. Approximate height;

- iii. Approximate weight;
- iv. Hair color; and
- v. Eye color;

6. The date and time that the patron signature file was established;

7. The procedure by which the identity of the person was confirmed pursuant to (c) above, including:

- i. The source of confirmation (if confirmed pursuant to (c)1 above);

- ii. The date and time of confirmation (if different from (d)6 above); and

- iii. The signature of the casino employee or casino key employee performing the confirmation (if different from (d)8 below); and

8. The signature of the casino employee or casino key employee who examined the identification credential of the person and established the patron signature file, which signature shall indicate that:

- i. The signature exemplar of the person recorded in the patron signature file is consistent with the signature on each identification credential that was examined; and

- ii. The physical description recorded in the patron signature file is consistent with both the actual appearance of the person and any photograph or physical description that may be contained on an identification credential that was examined.

(e) A casino licensee shall be permitted to establish and maintain a patron signature file as a separate set of gaming records or as part of any other gaming record maintained by the casino licensee (for example, as part of a credit file or customer deposit file) as long as the patron signatures contained in the records are obtained and documented in accordance with the requirements of this section.

(f) Notwithstanding any other provision of this section to the contrary, a person's signature in a credit file that was established pursuant to N.J.A.C.

19:45-1.27 prior to the operative date of this rule shall be considered a valid signature exemplar obtained in accordance with the requirements of this section as long as the person's original signature and the documents supporting its verification are retained by the casino licensee.

Adopted, effective: 06/01/98

19:45-1.6 Standard financial and statistical reports

(a) Each casino licensee, unless specifically exempted by the Commission, shall file monthly, quarterly, and annual reports of financial and statistical data. The data may be used by the Commission to evaluate the financial position and operating performance of individual licensees and compile information regarding the performance and trends of the industry in the State of New Jersey.

(b) The Commission shall periodically prescribe a set of standard reporting forms and instructions to be used by each licensee in filing the monthly, quarterly, and annual reports.

(c) Annual reports to the Commission shall be based on a calendar year, beginning January 1, and ending December 31. Quarterly reports shall be based on calendar quarters ending March 31, June 30, and September 30. Monthly reports shall be based on calendar months.

(d) The reports shall be signed by the Chief Executive Officer, Chief Gaming Executive, Financial Vice President, Treasurer, or Controller if the casino operator is a corporation, by a general partner, or the Financial Director if the operator is a partnership, by the Chief Executive Officer or Chief Gaming Executive if the operator is any other form of business association, or by the proprietor if the operator is a sole proprietorship.

(e) Each report to the Commission shall be received or postmarked not later than the required filing date unless specific approval for an extension is granted to the licensee by the Commission. Requests for a filing extension must be submitted to the Commission in writing prior to the required filing

date.

1. Monthly reports shall be due not later than the 10th calendar day following the end of the month.

2. Quarterly reports shall be due not later than the 15th calendar day of the second month following the end of the quarter.

3. Annual reports shall be due not later than March 31 of the following year.

(f) In the event of a license termination, change in business entity, or material change in ownership, the Commission may at its discretion require the filing of an interim annual or quarterly report, as of the date of occurrence of the event. Any such request shall be made in writing to the licensee. The filing due date shall be the later of 30 calendar days after notification to the licensee or 30 calendar days after the date of occurrence of the event, unless an extension is granted in accordance with (e) above.

(g) In those circumstances where the licensee is not currently an active operator of an establishment, or portion thereof, the Commission may either revise or eliminate the standard reports to be filed by the licensee.

(h) Any adjustments resulting from the annual audit required in N.J.A.C. 19:45-1.7 shall be recorded in the accounting records of the year to which the adjustment relates. In the event the adjustments were not reflected in the licensees' annual report and the Commission concludes the adjustments are significant, a revised annual report may be required from the licensee. The revised filing shall be due within 30 calendar days after written notification to the licensee, unless an extension is granted in accordance with (e) above.

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

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

Effective: 05/25/78

As amended, effective: 04/16/84
As amended, effective: 03/18/96
As amended, effective: 03/07/05

19:45-1.7 Annual audit and other reports

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

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

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

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

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

following the end of the calendar year.

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

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

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

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

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

the licensee's independent certified public accountant that such costs are presented fairly in such schedule.

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

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

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

1. The date of such resignation, dismissal, or engagement.
2. Whether in connection with the audits of the two most recent years preceding such resignation, dismissal, or engagement there were any disagreements with the former accountant on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements if not resolved to the satisfaction of the former accountant would have caused him to make reference in connection with his report to the subject matter of the disagreement, including a description of each such disagreement. The disagreements to be reported include those

resolved and those not resolved.

3. Whether the principal accountant's report on the financial statements for any of the past two years contained an adverse opinion or a disclaimer of opinion or was qualified. The nature of such adverse opinion, disclaimer of opinion, or qualification shall be described.

4. The casino licensee shall request the former accountant to furnish to the casino licensee a letter addressed to the Commission, with a copy furnished to the Division, stating whether he agrees with the statements made by the casino licensee in response to (i) of this section. Such letter shall be filed with the Commission as an exhibit to the report required by (i) of this section.

Effective Date: 05/25/78

As amended, effective: 09/10/81

As amended, effective: 09/16/91

As amended, effective: 12/21/92

As amended, effective: 01/19/93

As amended, effective: 01/16/96

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

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

1. Prepared and maintained in a complete, accurate and legible form;

2. Retained on the site of the approved hotel building or at another secure location approved in accordance with (d) below for the time period specified in (c) below;

3. Held immediately available for inspection by agents of the Commission and Division during all hours of operation;

4. Organized and indexed in such a manner so as to provide immediate accessibility to agents of the Commission and Division; and

5. Destroyed only after:

i. Expiration of the minimum retention period specified in (c) below, except that the Commission may, upon the written petition of any casino licensee and for good cause shown, permit such destruction at an earlier date; and

ii. Written notice to the Commission and Division in accordance with (f) below.

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

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

1. The following original books, records and documents shall be retained indefinitely unless destruction is requested by the casino licensee and approved by the Commission:

- i. Corporate records required by N.J.A.C. 19:45-1.4;
 - ii. Records of corporate investigations and due diligence procedures;
 - iii. Current casino and casino key employee personnel files;
- and

iv. A record of any original book, record or document destroyed, identifying the particular book, record or document, the period of retention and the date of destruction.

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

i. Gaming-related documents not otherwise specified in (c)3 below, including, without limitation, records concerning gaming-related casino service industries;

ii. Personnel files of terminated casino and casino key employees; and

iii. Any other original book, record or document not otherwise specified in this subsection.

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

i. Casino cage documents;

ii. Documentation supporting the calculation of table game win;

iii. Except as otherwise provided in (c)6 and 8 below, documentation supporting the calculation of slot machine win;

iv. Suspicious gaming vouchers and unverified gaming vouchers;

v. Documentation supporting the calculation of poker revenue;

vi. Documents associated with the accounting and reconciliation of assets contained within the keno drawers, including the reporting of overages and shortages, keno fill slips, keno credit slips, keno count sheets and reports generated by the keno computer system;

vii. Documentation supporting the calculation of the provision for uncollectible patron checks pursuant to N.J.A.C. 19:54-1.6; and

viii. Suspicious gaming voucher reports; unscanned gaming voucher transfer forms; unverified gaming voucher transfer forms; gaming voucher receipts; unverified gaming voucher logs; unverified gaming voucher log summary reports; and all documents associated with investigations of unverified gaming vouchers conducted pursuant to N.J.A.C. 19:45-1.54(d)12 and 13.

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

i. Hotel income audit documents, including, without limitation, telephone call records and charges;

ii. Non-gaming hotel-related documents, including, without limitation, records concerning hotel guests; records concerning banquets; food and beverage documents; records of retail stores, accounts receivable and other records of transactions in which the casino licensee is a vendor; and entertainment records;

iii. Payroll records, except as provided in (c)1 above;

iv. Signature cards of terminated employees;

v. Marketing department records;

vi. Security incident reports

vii. Insurance department records relating to guest claims and copies of arrest records;

viii. Credit union records; and

ix. Hotel-related documents which pertain to the purchasing department and accounts payable department;

x. Patron gaming records;

xi. Records concerning junkets;

xii. Petty cash documentation;

xiii. General ledgers and supporting journals; and

xiv. Accounts receivable documents from store rentals and travel wholesalers.

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

- i. Complimentary settled guest checks;
- ii. Card and dice transaction and inventory reports;
- iii. Returned check aging reports, except for year-end reports;
- iv. Vendor Registration Forms;
- v. Register tapes and room service checks;
- vi. Files and workpapers used to prepare budgets;
- vii. Records generated by the mailroom;
- viii. Advertising records;
- ix. Slot department daily activity logs;
- x. Surveillance employee duty logs including but not limited to those required pursuant to N.J.A.C. 19:45-1.10(d), VCR/tape logs, surveillance department visitor logs, and equipment malfunction reports;
- xi. Any document, except for a document specified in (c)3ii through vi above, for which the casino licensee can demonstrate that the information contained thereon is duplicative or less than that recorded on another document retained in accordance with (c)1 through 4 above;
- xii. Daily operating reports generated by multi-casino progressive slot systems;
- xiii. Logs of all multi-casino progressive slot system events and problems;
- xiv. With the exception of cashed pari-mutuel tickets and credit vouchers, the original books, records and documents related to the revenues and expenses of casino simulcasting, including, but not limited, to all reports generated by the totalisator and all records maintained in accordance with N.J.A.C. 19:45-1.2(c)10, shall be retained by a casino licensee or a hub facility for a minimum of one year; and

xv. Any and all reports or documents prepared pursuant to or in connection with N.J.A.C. 19:48-3 relating to the forfeiture of winnings or things of value obtained by a prohibited person as defined in that subchapter.

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

i. Except as provided in (c)11xxiv below, coupons entitling patrons to cash, slot tokens, gaming chips or plaques or simulcasting wagers, progressive wager coupons or match play coupons, including unused, voided and redeemed coupons;

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

iii. Voided gaming vouchers;

iv. Redeemed or voided keno tickets;

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

vi. Load count arrival forms;

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

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

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

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

xi. Credit applications with unused lines of credit;

xii. Zeroed-out countercheck envelopes;

xiii. Emergency drop box approval forms;

xiv. Solicited resumes or employment applications, provided that such documents pertain to persons who were not hired by the casino licensee; and

xv. Redeemed patron checks not directly returned to the patron or not requested to be mailed within six months of redemption, pursuant to N.J.A.C. 19:45-1.26(i)3.

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

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

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

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

i. Hotel cashier envelopes.

9. The following original books, records and documents shall be retained by a casino licensee for a minimum of seven days and may be destroyed without the notice required by (f) below unless the Commission or Division directs otherwise pursuant to (g) below:

i. Pari-mutuel tickets and credit vouchers which have been cashed, cancelled or refunded in the casino licensee's casino simulcasting facility;

ii. Gaming vouchers redeemed at slot machines pursuant to N.J.A.C. 19:45-1.54, and which have been verified and electronically cancelled by the gaming voucher system; provided, however, that if the casino controller has verified that all audits have been completed pursuant to N.J.A.C. 19:45-1.54(h), such gaming vouchers may be destroyed immediately upon the casino controller's verification;

iii. Contribution invoices sent to casino licensees participating in a multi-casino progressive slot system; and

iv. Jackpot activity reports generated by a multi-casino progressive slot system.

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

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

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

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

- i. Parking ticket stubs;
- ii. Coat check tickets;
- iii. Housekeeping reports;
- iv. Maintenance department records;
- v. Patron mailing lists;
- vi. Blank entry forms;
- vii. Bellman and baggage forms;
- viii. Cash settled guest checks;
- ix. Food credit and complimentary beverage coupons;
- x. Drink chits;
- xi. Food and beverage order slips;
- xii. Bottle sales slips;
- xiii. Showroom starter slips;
- xiv. Communication department records;
- xv. Unsolicited resumes or letters requesting employment;
- xvi. Register tapes, provided that the information contained

thereon is duplicative or less than that recorded on another document retained in accordance with (c)3 above;

- xvii. Survey questionnaires regarding service in the casino hotel;
- xviii. Records of hours worked by persons employed in gaming-related positions in an abstract or other readily accessible format;
- xix. Any blank or unused form except as provided in (c)8i above, unless otherwise specified by this section;
- xx. Keno requests;
- xxi. Laundry charges;
- xxii. Slot machine meter reports generated by a multi-casino progressive slot system;
- xxiii. Handle pull or play reports generated by a multi-casino progressive slot system; and
- xxiv. Any coupon issued and mailed or otherwise given to a patron and subsequently returned unused to the sender, provided that all reconciliations required pursuant to N.J.A.C. 19:45-1.46 and the casino licensee's approved internal controls have been conducted and resolved, and that any coupons with unresolved discrepancies are retained in accordance with (c)6i above.

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

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

(e) A casino licensee may petition the Commission at any time for permission to copy and store original books, records and documents on a microfilm, microfiche or other suitable media system approved by the

Commission. A microfilm, microfiche or other media system shall be approved if it contains the following elements to the satisfaction of the Commission:

1. A system that provides for the processing, preservation and maintenance of books, records and documents in a form which makes them readily available for review and copying on the site of the approved hotel building or other site approved by the Commission;

2. A system of inspection and quality control which ensures that microfilm, microfiche or other media when displayed on a reader (viewer) or reproduced on paper exhibit a high degree of legibility and readability;

3. A reader-printer available for use by the Commission or Division on the site of the approved hotel building or other site approved by the Commission which permits the ready location, reading and reproduction of any book, record or document being stored on microfilm, microfiche or other media; and

4. A detailed index of all microfilmed, microfiched or other stored data maintained and arranged in such a manner as to permit the immediate location of any particular book, record or document.

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

(g) The Commission or the Division may prohibit the destruction of any original book, record or document by so notifying the casino licensee in writing within 15 days of receipt of the notice of destruction pursuant to (f) above or, in the case of a book, record or document governed by (c)9 above, within the specified retention period. Such original book, record or document may thereafter be destroyed only upon notice from the Commission or Division, or

by order of the Commission upon the petition of the casino licensee or by the Commission on its own initiative.

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

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

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As amended, effective: 10/04/10

19:45-1.9 Complimentary services or items

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

(b) No casino licensee may offer or provide any complimentary services,

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

1. Internal controls for complimentary distribution programs shall be subject to the requirements of N.J.A.C. 19:45-1.46;
2. Internal controls for transportation expense reimbursement programs shall be subject to the requirements of N.J.A.C. 19:45-1.9A; and
3. Nothing herein shall be deemed to require a casino licensee to identify in its submission the terms or conditions pursuant to which a complimentary service or item may be granted, or to obtain Commission approval of any limits or conditions which may be placed on the authority of its employees to approve or issue complimentary services or items, except as otherwise provided in N.J.A.C. 19:45-1.9B; provided, however, that each casino licensee shall be required to maintain a written record of all such terms, limits or conditions and the specific employees to whom they apply.

(c) All complimentary services or items shall be recorded as follows:

1. A complimentary service or item provided directly to patrons in the normal course of a licensee's business shall be recorded at an amount based upon the full retail price normally charged for such service or item by the licensee;
2. A complimentary service or item not offered for sale to patrons in the normal course of a licensee's business but provided directly by the

licensee shall be recorded at an amount based upon the actual cost to the licensee of providing such service or item;

3. A complimentary service or item provided directly or indirectly to a patron on behalf of a licensee by a third party not affiliated with the licensee shall be recorded at an amount based upon the actual cost to the licensee of having the third party provide such service or item;

4. A complimentary service or item provided directly or indirectly to a patron on behalf of a licensee by a third party who is affiliated with the licensee shall be recorded by the licensee in accordance with the provisions of this section as if the affiliated third party were the licensee.

(d) The licensee shall accumulate both the dollar amount of and number of persons provided with each category of complimentary services or items.

1. A quarterly report shall be filed with the Commission regarding the complimentary services or items provided.

2. The complimentary services or items shall, at a minimum, be separated into categories for rooms, food, beverage, travel, cash gift, non-cash gift, and other services or items.

(e) Each casino licensee shall record, on a daily basis, the name of each person provided with complimentary services or items, the category of service or item provided, the value (as calculated in accordance with (c) above) of the services or items provided to such person, and the person authorizing the issuance of such services or items. Upon the Division's request, a copy of this record shall be submitted to the Division's office located on the casino premises. Excepted from this requirement are the individual names of persons authorizing or receiving:

1. Each noncash complimentary service or item which has a value (as calculated in accordance with (c) above) of \$150.00 or less;

2. Each complimentary cash gift of \$100.00 or less; and

3. Any complimentary service or item, including a cash or noncash gift, which is issued pursuant to:

i. A table game or slot machine complimentary incentive

program regulated by (f) below;

ii. A complimentary program for invited guests regulated by (g) below;

iii. A direct mass marketing complimentary program regulated by (h) below;

iv. A complimentary distribution program regulated by N.J.A.C. 19:45-1.46; or

v. A complimentary program regulated by (i) below, except as otherwise provided in (i)7 below.

(f) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron as part of a table game or slot machine complimentary incentive program shall be subject to the requirements of N.J.A.C. 19:45-1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above if:

1. The program is prepared prior to implementation and maintained in accordance with the requirements of N.J.A.C. 19:45-1.46 as if the program were a complimentary distribution program; provided, however, that if a casino licensee utilizes an approved electronic transfer credit system and elects to convert cash complimentaries into electronic credits, the program shall nonetheless be subject to any internal controls which may be required pursuant to N.J.A.C. 19:45-1.37A(b);

2. The program is open to participation by all members of the public;

3. Each participant in the program is issued complimentaries in accordance with a predetermined schedule as a result of his or her table game or slot play; and

4. A record is maintained of the name of each participant who receives a complimentary service or item as a result of his or her participation in the program, the amount of each complimentary and the type of complimentary, which record shall be made available to the Division upon request in the format used by the casino licensee.

(g) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron as part of a complimentary program for invited guests shall be subject to the requirements of N.J.A.C. 19:45-1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above if:

1. The program is prepared prior to implementation and maintained in accordance with the requirements of N.J.A.C. 19:45-1.46 as if the program were a complimentary distribution program; provided, however, that if a casino licensee utilizes an approved electronic transfer credit system and elects to convert cash complimentaries into electronic credits, the program shall nonetheless be subject to any internal controls which may be required pursuant to N.J.A.C. 19:45-1.37A(b);

2. The program is open to participation by invited guests only and there are at least 25 participants;

3. The program involves a contest of chance or skill which is used to determine the distribution of the complimentaries to the participants; and

4. A record is maintained of the name of each participant in the program who receives a complimentary service or item as a result of his or her participation, the amount of each complimentary and the type of complimentary, which record shall be made available to the Division upon request.

(h) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron as part of a direct mass marketing complimentary program shall be subject to the requirements of N.J.A.C. 19:45-1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above if:

1. The program is prepared prior to implementation and maintained in accordance with the requirements of N.J.A.C. 19:45-1.46 as if the program were a complimentary distribution program; provided, however, that if a casino licensee utilizes an approved electronic transfer credit system and elects to convert cash complimentaries into electronic credits, the program

shall nonetheless be subject to any internal controls which may be required pursuant to N.J.A.C. 19:45-1.37A(b);

2. The complimentary services or items offered pursuant to the program are offered to at least 250 persons within 30 days from the implementation of the program;

3. A record, which shall be available to the Division upon request, is maintained identifying:

- i. The date the program was implemented;
- ii. The value and type of the complimentary services or items offered pursuant to the program;
- iii. The number of persons to whom the complimentary services or items were offered and the date that the offer was made;
- iv. The source of the names of the persons to whom the complimentary services or items were offered; and
- v. If the casino licensee has possession of the data, the names and addresses of the persons to whom more than \$100.00 in cash complementaries were offered, which data shall be maintained in accordance with the requirements of N.J.A.C. 19:45-1.8(c)5.

(i) A casino licensee may, subject to the requirements of this subsection, issue a cash or non-cash complimentary to a patron based upon either the occurrence of a predesignated event that may occur in the normal conduct of an authorized game or casino simulcasting or his or her random selection from among patrons who are playing an authorized game or making a simulcast wager. Any complimentary program operated by a casino licensee pursuant to this subsection shall:

1. Be open to any member of the public who is making a simulcast wager or playing the authorized game at which the complimentary is being offered;
2. Not permit the issuance of a complimentary from:
 - i. The table inventory in a table game;
 - ii. The keno writer's drawer in keno;

- iii. The pari-mutuel cashier's drawer;
- iv. The simulcast vault in simulcasting; or
- v. A slot machine hopper or hopper storage area.

3. Not permit the notation of the issuance of any complimentary on any document generated pursuant to this chapter that authorizes a deduction from gross revenue;

4. Prohibit the inclusion of any complimentary in calculating whether the payout on a slot machine satisfies the requirements of N.J.S.A. 5:12-100(e) or N.J.A.C. 19:45-1.37(h);

5. Require the preparation of detailed procedures controlling the program prior to its implementation, which procedures shall be maintained by the casino accounting department; provided, however, that:

i. If a casino licensee utilizes an approved electronic transfer credit system and elects to convert cash complimentaries into electronic credits, the program shall nonetheless be subject to any internal controls which may be required pursuant to N.J.A.C. 19:45-1.37A(b); and

ii. If complimentaries will be issued based upon the occurrence of an event that may occur in the normal conduct of an authorized game, the casino licensee shall submit for Commission approval a description of the rule which governs the issuance of a complimentary at least five days prior to the commencement of the program, and such approval shall be deemed to have been granted if it is not denied within the five day period; and provided, further, that all such procedures shall address, at a minimum:

(1) The period of time that the program will be offered; provided, however, nothing shall prohibit a casino licensee from offering a program for an indefinite period of time, subject to termination upon 24 hours notice to the Commission and public;

(2) The authorized game or simulcasting at which the complimentaries will be issued;

(3) The procedures for determining to whom complimentaries will be issued;

(4) A description of the complimentary services that will be issued;
and

(5) The procedures by which the casino licensee will pay cash complimentary services or deliver non-cash complimentary services;

6. Ensure that the information required by (i)5 above is available to the public in the casino or casino simulcasting facility at all times that the complimentary program is being conducted;

7. Not require that any complimentary service issued to a patron pursuant to this subsection be included on the daily complimentary report pursuant to (e) above unless the complimentary service has a value of more than \$1,000.

(j) Prize tokens shall not be offered or provided as a complimentary service or item.

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19:45-1.9A Procedures for transportation expense reimbursements

(a) All transportation expense reimbursement transactions, except as otherwise provided in (h) below, shall be performed at the casino cage.

(b) Whenever a patron requests a casino licensee to reimburse

transportation expenses, a Travel Disbursement Voucher ("Voucher") shall be prepared. Vouchers shall be maintained in a secure location approved by the Commission. Access to Vouchers, prior to use, shall be restricted to those individuals authorized by the licensee to approve such disbursements. Prior to the transportation expense reimbursement, an individual authorized to approve the disbursement shall examine the original tickets, invoices or receipts presented by the patron in support of the request for valid transportation expense reimbursement. Such tickets, invoices or receipts shall:

1. Contain the actual cost of transportation for which reimbursement is sought;
2. Be dated within 30 days of the request for reimbursement; provided, however, reimbursements may be made for tickets, invoices or receipts which are dated more than 30 days but no more than 180 days prior to the date of request for reimbursement if an explanation is included on the Voucher as to why presentation was delayed;
3. Be in the name of the requesting patron, provided, however, that the tickets, invoices or receipts may be in the name of a person accompanying said patron, or contain no name if the amount of reimbursement is \$250.00 or less, as long as an explanation thereof is noted on the Voucher; and
4. State a destination of Atlantic City, provided, however, if the destination indicated on the ticket, invoice or receipt is a location other than Atlantic City, or if no destination is indicated, the requesting patron or the casino licensee shall provide other documentation as evidence of that patron's presence in Atlantic City during the trip in which the expenses were incurred.

(c) Vouchers shall be, at a minimum, a two-part form.

(d) Vouchers shall be manually prepared or computer generated and shall contain, at a minimum, the following information:

1. The date and time of preparation;
2. The patron's name and address;

3. A description of the transportation expense incurred (that is, airfare, helicopter, limousine, etc.);

4. The amount approved for reimbursement, which amount shall not exceed the actual cost of transportation recorded on the ticket, invoice or receipt;

5. The ticket, invoice or receipt number or an indication that such number is not available, the date of issuance and the issuer of the ticket, invoice or receipt;

6. The signature of the authorizer;

7. The method of payment and, if payment is by check, the check number;

8. An indication as to which of the following methods was used by the general cashier to verify the identity of the patron:

i. A comparison of the patron's signature on the Voucher and physical appearance with that contained on an identification credential that included a photograph or general physical description of the patron;

ii. A personal attestation by the authorizer as to the identity of the patron; or

iii. A comparison of the patron's signature on the Voucher and physical appearance with the signature and general physical description recorded in a patron signature file;

9. The signature of the general cashier; and

10. The patron's signature indicating acknowledgement of the following statement which shall be included on the Voucher: "I affirm that the expenses for which I am seeking reimbursement are supported by genuine tickets, invoices or receipts which I (have provided) (will provide) to (insert name of licensee) and I have not received reimbursement for these expenses from any other source. I am aware that this Voucher is required to be prepared by the regulations of the Casino Control Commission and I may be subject to civil or criminal liability if any material information provided by me is willfully false."

(e) A list shall be maintained in the casino cage of the names and titles of those individuals authorized to approve Vouchers. A copy of this list shall be submitted to the Commission and Division as it is updated.

(f) After examination of the original tickets, invoices or receipts, the authorizer shall record the information noted in (d)1 through (d)5 above, sign the Voucher and present the original and duplicate copy of the Voucher as well as the original tickets, invoices or receipts and any other additional documentation provided in accordance with (b)4 above to the general cashier.

(g) The general cashier shall:

1. Verify the requesting patron's identity in accordance with (d)8 above and record such method of verification on the Voucher;
2. Cancel the original tickets, invoices or receipts in such a manner to prevent subsequent reimbursement and obtain a copy of the original tickets, invoices or receipts, including such cancellation marking, and a copy of any other additional documentation provided in accordance with (b)4 above;
3. Sign the Voucher;
4. Obtain the patron's signature on the original copy of the Voucher;
5. Record the method of payment in accordance with (d)7 above on the Voucher and return the canceled original tickets, invoices or receipts, and any other additional documentation provided in accordance with (b)4 above, and corresponding reimbursement funds by cash or check to the patron;
6. Attach the copy of the original tickets, invoices or receipts, canceled in accordance with (g)2 above, and a copy of any other additional documentation provided in accordance with (b)4 above, to the original Voucher;
7. Place the duplicate copy of the Voucher in a locked accounting box to be picked up on a daily basis by accounting personnel with no incompatible functions;
8. Retain the original Voucher with the attached documentation for closeout purposes and subsequent forwarding, on a daily basis, to accounting for matching and agreement with the duplicate.

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

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

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

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

i. Record the information noted in (d)1 and (d)3 through (d)5 above;

ii. Sign the Voucher; and

iii. Present the original and duplicate Voucher, and original ticket, invoice, receipt or other documents to the general cashier.

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

5. Any partially completed Voucher which is not completed within

60 days from the date of request for reimbursement shall be voided in accordance with (c) above.

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

Effective: 12/18/89

As amended, effective: 12/17/90

As amended, effective: 04/01/91

As amended, effective: 11/18/96

As amended, effective: 06/01/98

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

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

1. Public relations payments made for the purpose of resolving complaints by or disputes with casino patrons;
2. Travel or walk money payments made for the purpose of enabling a patron to return home;
3. Slot tokens issued to any person; provided, however, that prize tokens shall not be offered or provided as a complimentary service or item;
4. Cash complimentaries issued to patrons as a result of actual gaming activity;

5. Cash complimentarys issued to participants in complimentary programs for invited guests regulated by N.J.A.C. 19:45-1.9(g), except as otherwise provided in this section;

6. Match play coupons;

7. Progressive wager coupons; and

8. Coupons for slot credits issued pursuant to N.J.A.C. 19:45-1.46(a).

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

1. Record the address of the recipient; and

2. Verify the identity of the recipient by:

i. An examination of an identification credential that also contains a photograph or physical description of the recipient that is consistent with the actual appearance of the patron;

ii. Obtaining the patron's signature and comparing it and the patron's physical appearance to the signature and general physical description in a patron signature file; or

iii. A personal attestation by an authorized employee, which may include an attestation made after a telephone call to the recipient of the gift, or the receipt of a document signed by the recipient acknowledging the receipt of the gift; and

3. Record the method of verification.

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

(d) Notwithstanding the provisions of N.J.A.C. 19:45-1.9(b), no casino licensee shall permit any employee to authorize the issuance of a complimentary cash or noncash gift with a value of \$10,000.00 or more unless the employee is licensed and functioning as a casino key employee and the authorization is cosigned by a second employee licensed and functioning as a casino key employee.

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

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

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

"Pursuant to the requirements of New Jersey law, the seller agrees not to effect any transaction with (name of the patron), directly or indirectly, involving the item(s) purchased pursuant to this purchase agreement after

delivery without the express written approval of (the casino licensee). If the seller violates this condition of purchase, the seller agrees that this purchase agreement shall be null and void, and the seller further agrees to return the full purchase price of the item(s) purchased pursuant to this purchase agreement to (the casino licensee) as liquidated damages."

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

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

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

1. The written request shall include, at a minimum, the following:
 - i. The date of the request;
 - ii. The name and address of the patron;
 - iii. Instructions as to the use to which the cash complimentary is to be credited; and
 - iv. The signature of the patron.

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

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As amended, effective: 10/04/93

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As amended, effective: 10/20/97

As amended, effective: 06/01/98

As amended, effective: 03/15/04

As amended, effective: 08/15/05

As amended, effective: 11/20/06

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

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

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

1. A complete description of the computer hardware, file formats and software products to be used;

2. The hours of the day and the days of the week, if any, that the database will be inaccessible on a routine basis due to system maintenance or other technical reasons;

3. The procedures by which the Division and, if requested, the Commission will be able to read and copy data files, both current and stored; and

4. Security procedures for database access and secondary data dissemination.

Effective: 04/05/93

As amended, effective: 11/20/06