

MISSOURI GAMING COMMISSION
MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER T - TIPS

CONTENTS

<u>Section</u>	<u>Page</u>
§ 1. Tips, Gifts and Gratuities	T-2
§ 2. Transportation of Tips	T-2
§ 3. Table Game Tips	T-3
§ 4. Individual Poker Dealer Tips	T-3

Note: Sections 313.800 through 313.850, RSMo, et seq., and Title 11, Division 45 of the Code of State Regulations establish standards to which Class A licensees must comply. Class A licensees should review these statutes and rules to ensure their ICS includes compliance with the requirements set forth. Added this Chapter October 30, 2005. Revised Oct. 30, 2007. Revised August 30, 2012. Revised June 30, 2013. Revised TBD 2018 (revised sections 2.02, 2.03, 4.01, 4.03, and 4.04).

MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER T – TIPS
(11 CSR 45-8.130)

§ 1 Tips, Gifts and Gratuities

- 1.01 Tips shall be accounted for separately and shall not be considered casino funds. Tips shall be counted separately and the funds shall be logged on a Tips and Gratuity Deposit Form for each department.
- 1.02 Surveillance and Security employees are prohibited from accepting tips, gratuities, or gifts in any form.
- 1.03 Occupational licensees may accept gifts from vendors but not from players or patrons. Any gift with a fair market value of \$25 or more shall be documented on a Vendor Gift Log. It shall be the Class B Licensee’s responsibility to maintain this log. The log shall include:
- (A) name of the gift recipient;
 - (B) name and business name of the gift donor;
 - (C) description and value of the gift; and
 - (D) the date the gift was received.
- A copy of this log shall be submitted on a monthly basis to the MGC Audit Manager.
- 1.04 Except for individually assigned Poker Dealer tip boxes, all tip boxes and tip tubes shall be permanently attached to the gaming table, wall or other object, as approved by the MGC boat supervisor.
- 1.05 Employees may return smaller denomination chips as change for a larger denomination chip given as a gratuity; however, chips may not be given as change when the gratuity offered is currency.

§ 2 Transportation of Tips

- 2.01 Contents of tip boxes shall be collected, transported, stored, counted and distributed to the appropriate employees in a secure manner on a regular basis pursuant to a schedule approved by the Commission.
- 2.02 Prior to any tip box collection, the assigned Security Officer shall notify surveillance that the tip box collection process is about to begin. The Security Officer and the randomly selected pool member shall collect all of the tips and transport them to an area on the gaming floor specified in the Internal Controls. The count of the tips shall be conducted as approved in the Internal Controls. The count shall be documented on the Tips and Gratuity Deposit slip. At the completion of the count, the assets shall be transferred to either the Main Bank or the Floating Employee Window as specified in the internal controls.

Note: Sections 313.800 through 313.850, RSMo, et seq., and Title 11, Division 45 of the Code of State Regulations establish standards to which Class A licensees must comply. Class A licensees should review these statutes and rules to ensure their ICS includes compliance with the requirements set forth. Added this Chapter October 30, 2005. Revised Oct. 30, 2007. Revised August 30, 2012. Revised June 30, 2013. Revised Dec. 30, 2018 (revised sections 2.02, 2.03, 4.01, 4.03, and 4.04).

MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER T – TIPS
(11 CSR 45-8.130)

- 2.03 In the event a tip box used for pooled tips becomes full and requires an unscheduled drop, a Security Officer and an employee from the applicable department shall notify Surveillance, empty the full tip box into a secure bag or other Commission-approved container for the applicable department, and lock the bag/container. This bag/container shall be stored in the Main Bank or the Floating Employee Window until the next scheduled tip count for that pool.

§ 3 Table Game Tips

- 3.01 “Coloring Up” of Dealer Tips:

For “coloring up” of dealer tips to a higher denomination prior to insertion into the tip box, the following procedures shall be in place:

- (A) a transparent cylinder/tube shall be attached to the table to maintain the chips until “colored up.” The cylinder/tube shall have a capacity of no more than twenty-five (25) chips; and
 - (B) prior to chips being colored up, the dealer shall make the announcement in a voice that can be heard by the Table Games Supervisor that chips are being colored up. The dealer will then deposit an equal value of higher denomination chip(s) into the tip box and place the lower denomination chips into the chip tray.
- 3.02 Bets that are placed by a patron for the dealer as a tip and that are won by the house will be immediately placed in the chip tray. In the event of a push, the bet may be allowed to remain in action as a patron option. Tip bets that are lost by the house shall be placed immediately in the transparent tip box or transparent tip tube by the dealer. Any tax liability for gambling winnings from tip wagers shall be the responsibility of the wagering patron and may be withheld prior to placing the winnings in the tip box.

§ 4 Individual Poker Dealer Tips

- 4.01 If the Class B Licensee chooses to allow Poker Dealers to receive individual tips, the following restrictions shall be in place:
- (A) Dealers shall not make decisions which affect the outcome of the game;
 - (B) Dealers shall not be eligible to receive winnings from the game as an agent of the house, other than normal house rake or commission;
 - (C) Dealers shall use an approved shuffling machine during the course of the poker game;

Note: Sections 313.800 through 313.850, RSMo, et seq., and Title 11, Division 45 of the Code of State Regulations establish standards to which Class A licensees must comply. Class A licensees should review these statutes and rules to ensure their ICS includes compliance with the requirements set forth. Added this Chapter October 30, 2005. Revised Oct. 30, 2007. Revised August 30, 2012. Revised June 30, 2013. Revised Dec. 30, 2018 (revised sections 2.02, 2.03, 4.01, 4.03, and 4.04).

MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER T – TIPS
(11 CSR 45-8.130)

- (D) Tips shall be immediately deposited in a locked, individually assigned tip box, the key to which is a sensitive key only accessible to a Main Bank Cashier or Floating Employee Window Cashier;
 - (E) The tip box shall be locked and turned in at the end of the Dealer's shift for counting, tax withholding, and subsequent payment during the normal payroll process; and
 - (F) Surveillance shall conduct an audit of each Poker Dealer at least monthly to verify chip flow between the table tray, pots, rake, bad beat collection, and tips dropped.
- 4.02 Individual tip containers shall be used for the collection of dealer tips in the poker room. Each transparent container shall be individually numbered and secured with a lock to prevent the removal of contents. The tip containers shall be stored in a locked storage area, e.g., cabinet, drawer, or podium, which is under constant surveillance coverage in the poker room. The key to the storage area shall be maintained in a sensitive key box and authorized to the Poker Supervisor.
- 4.03 At the beginning of each shift, the Poker Supervisor shall assign one of the numbered tip containers to each oncoming Poker Dealer. The Tip Container Log shall be updated when the tip container is issued at the beginning of the shift and when it is returned at the end of the shift to the locked storage area.
- (A) The Poker Dealer shall attach the tip container to the poker table. A Poker Dealer going on break shall return the container to the Poker Supervisor, who shall place the tip container in the locked storage area. The log entry shall be completed and signed by the Poker Dealer and Poker Supervisor. When the Poker Dealer returns from break, the Poker Supervisor shall re-issue the same tip container to that Poker Dealer and complete a new entry on the Tip Container Log.
 - (B) At the end of the dealer's shift or if a tip container becomes full during a shift, the Poker Supervisor shall notify surveillance and the Poker Dealer shall take the tip container to the Main Bank or Floating Employee Window in the Cage. The Cashier shall count out the tips in front of the Poker Dealer, fill out a three-part Tips and Gratuity Deposit Form and sign the form. The Poker Dealer shall verify the count and sign the form. One copy of the form shall go to the Poker Dealer. The other two copies of the form shall be retained with the cashier's paperwork. This paperwork shall be sent to accounting on a daily basis where it shall be separated and one copy shall be provided to payroll for tax reporting purposes. If the Main Bank or Floating Employee Window is closed when the Poker Dealer's shift ends, the tip box may be secured in the locked storage area by the Poker Supervisor until the Poker Dealer's next shift when the Poker Dealer shall then deposit the tips at the appropriate cashiering location.
 - (C) At the end of the Poker Dealer's shift, after the tips have been counted and verified, the Poker Dealer shall return the empty tip container to the Poker Supervisor who shall secure it in the locked storage area and complete the log entry. In case of an

Note: Sections 313.800 through 313.850, RSMo, et seq., and Title 11, Division 45 of the Code of State Regulations establish standards to which Class A licensees must comply. Class A licensees should review these statutes and rules to ensure their ICS includes compliance with the requirements set forth. Added this Chapter October 30, 2005. Revised Oct. 30, 2007. Revised August 30, 2012. Revised June 30, 2013. Revised Dec. 30, 2018 (revised sections 2.02, 2.03, 4.01, 4.03, and 4.04).

MINIMUM INTERNAL CONTROL STANDARDS
CHAPTER T – TIPS
(11 CSR 45-8.130)

emergency when the Poker Dealer is unable to take the tip container to the Main Bank or Floating Employee Window in the Cage and complete the verification of the tip count, the Poker Supervisor shall perform these duties.

- 4.04 As an alternative to issuing numbered tip containers to Poker Dealers and maintaining a Tip Container Log, a tip container may be permanently assigned to each Poker Dealer. The tip container shall be permanently labeled with the Poker Dealer's name or shall have the Poker Dealer's name on a card locked within the tip container in a manner which allows the name to be readily visible from the outside of the container. Any time the dealer leaves the poker room, his assigned tip box shall be locked in the poker podium. At the end of the Poker Dealer's shift, after the tips have been counted and verified as described above, the Poker Dealer shall return the empty tip container to the Poker Supervisor who shall secure it in the locked storage area. In case of an emergency when the Poker Dealer is unable to take the tip container to the Main Bank or Floating Employee Window in the Cage and complete the verification of the tip count, the Poker Supervisor shall secure the tip container in the locked storage area. The funds shall be counted when the Poker Dealer returns to work. If the Poker Dealer does not return to work prior to the close of the payroll accounting cycle, a Poker Supervisor with Security escort may transport the Poker Dealer's tips to the Main Bank or Floating Employee Window. Once the tips are counted, the supervisor shall immediately deliver the dealer's tip receipt to Human Resources. In the event the tip container becomes full during play, the Poker Dealer shall take a break from the table and shall follow the procedures for a regular end of shift tip drop.

Note: Sections 313.800 through 313.850, RSMo, et seq., and Title 11, Division 45 of the Code of State Regulations establish standards to which Class A licensees must comply. Class A licensees should review these statutes and rules to ensure their ICS includes compliance with the requirements set forth. Added this Chapter October 30, 2005. Revised Oct. 30, 2007. Revised August 30, 2012. Revised June 30, 2013. Revised Dec. 30, 2018 (revised sections 2.02, 2.03, 4.01, 4.03, and 4.04).