

COMPLIMENTARY SERVICES OR ITEMS

Section 542.17 Updated through May 11, 2006

§ 542.17 What are the minimum internal control standards for complimentary services or items?

- (a) Each Tribal gaming regulatory authority or gaming operation shall establish and the gaming operation shall comply with procedures for the authorization, issuance, and tracking of complimentary services and items, including cash and non-cash gifts. Such procedures must be approved by the Tribal gaming regulatory authority and shall include, but shall not be limited to, the procedures by which the gaming operation 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.
- (b) At least monthly, accounting, information technology, or audit personnel that cannot grant or receive complimentary privileges shall prepare reports that include the following information for all complimentary items and services equal to or exceeding \$100 or an amount established by the Tribal gaming regulatory authority, which shall not be greater than \$100:
 - (1) Name of customer who received the complimentary service or item;
 - (2) Name(s) of authorized issuer of the complimentary service or item;
 - (3) The actual cash value of the complimentary service or item;
 - (4) The type of complimentary service or item (i.e., food, beverage, etc.); and
 - (5) Date the complimentary service or item was issued.
- (c) The internal audit or accounting departments shall review the reports required in paragraph (b) of this section at least monthly. These reports shall be made available to the Tribe, Tribal gaming regulatory authority, audit committee, other entity designated by the Tribe, and the Commission upon request.

[67 FR 43400, June 27, 2002, as amended at 70 FR 47107, Aug. 12, 2005]