

This is an amendment to 15.4.10 NMAC, Adding Section 13, effective 3/10/2026.

**15.4.10.13 DROP, COUNT, AND SECURE PROCEDURES:**

A. The drop and the count are two separate procedures. The drop is conducted when the drop box is removed from the pull-tab dispenser and set aside. The count is conducted when each drop box is individually counted and recorded and is to be done immediately following the drop.

B. Licensee shall ensure that all drop boxes are accounted for during the drop and count procedures and prevent the commingling of bills or tickets before the count is completed.

C. At a minimum, the drop and count team shall consist of two persons not related by marriage, to the third degree of consanguinity or affinity, or residing in the same household. If it is not possible to assemble such a team, a third non-related member shall be added to act as the verifier and is responsible for ensuring the accuracy of the count of all drop funds.

D. The bingo accountant shall not participate in the drop and count process. Drops shall be conducted on the day and time submitted to the audit and compliance division on the drop and count schedule form.

E. Bingo operator licensees are required to perform at least one drop, count and bank deposit at the close of business weekly and on the last day of each month or before the start of operations on the first day of the following month. The regularly scheduled drop day may be adjusted for the last week of the month to satisfy the end of the month drop requirement.

F. Drops may begin at any time up to one hour after the scheduled time. No drop shall start before the scheduled time without prior written notification to the enforcement and audit and compliance divisions. Dispenser drops shall occur, start and finish before the premises is open to the public or after the premises have ceased operations for the day and all patrons and non-bingo operation employees have vacated the facility. Licensee shall restrict access to the count procedure to authorized count team members only during the count.

G. Permanent changes to the regularly scheduled drop times shall be submitted on a drop and count schedule form to the enforcement and audit and compliance divisions at least three business days before the requested change date.

H. If licensee needs to complete more than three unscheduled, emergency or partial drops during the month in order to replenish pull-tab funds, they may be notified by their assigned auditor and required to either increase their pull-tab funds, schedule an additional weekly drop, or both.

I. The drop team shall replace the full drop boxes with a second set of empty drop boxes supplied by the distributor. Each validator box shall be assigned to a specific pull-tab dispenser, be clearly labeled with the dispenser's identification numbers and shall have working restricted key locks.

J. The general procedures for conducting the drop are as follows:

- (1) keys to the pull-tab dispensers are obtained from the secured lock box;
- (2) the pull-tab dispenser premises doors shall be locked;
- (3) the pull-tab dispensers doors are opened one at a time;
- (4) full drop boxes are removed one at a time and replaced with empty drop boxes that match the pull-tab dispenser's identification numbers;
- (5) the pull-tab dispenser doors are closed and locked;
- (6) the removed drop boxes are placed on the count table in full view of all team members who shall remain in full view of each other throughout the entire drop process; and
- (7) after the drop is completed, the keys are returned to the secured lock box.

K. Counts shall be performed immediately following the drop, allowing a reasonable amount of time for breaks.

L. General procedures for the count are as follows:

- (1) a designated team member obtains a blank copy of the drop count form;
- (2) the count room is secured and locked;
- (3) two members of the count team test the currency counter with a predetermined number of bills, if applicable. Team members shall document the test on the drop count form. If a currency counter is not used, the team shall enter n/a;
- (4) drop boxes shall be individually opened; the bills and tickets removed and placed on the count table;

- (5) the empty drop box is shown to all other team members. The empty box is then closed, locked and placed aside before the next box is opened, emptied and counted;
- (6) one member performs an initial count and another member verifies each total and records the count, by pull-tab dispenser identification number, on the drop count form;
- (7) steps four through six are repeated for each drop box until all are counted;
- (8) at the end of the count, each team member shall recalculate and verify the totals on the drop count form;
- (9) the drop total shall be reconciled to the total of transaction reports. The transaction reports for the drop period shall be totaled and attached to the drop count form as supporting documentation. If the transaction reports are not available at the time of the count, the bingo accountant can complete this step during their review;
- (10) the distribution of dropped funds shall be itemized on the drop count form. This shall include the amount of drop funds used to replenish the cashier case, the bingo vault and segregated funds required for progressive jackpot payouts. The remaining funds shall be deposited into the bingo operation's bank account.
- (11) when the count is complete, all members shall sign and date the drop count form and place it with the attached transaction reports in the accounting lock box for the bingo accountant's review;
- (12) after each drop, the bingo manager, along with one other drop team member shall conduct an individual vault/cashier drawer count. The count shall be performed after the acceptance of drop funds used to replenish the vault and each cashier drawer; and
- (13) the count team leader shall return all pull-tab dispenser and drop box keys to the secured lock box.
- M. Deposit of all dropped funds not used to replenish the pull-tab funds shall be made into the bingo operation's bank account no later than the close of business on the following business day.
- N. Variances identified between the drop funds and the transaction totals in one drop period are often offset by a variance in the prior or following drop period. These off-setting variances do not need to be immediately reported. However, all unreconciled variances (overage or shortage) of \$100 or more, that are not offset by a variance in the prior or following drop period, shall be reported to the audit and compliance division using the variance report form within 72 hours of confirmation of the variance.
- O. Licensees shall also immediately contact the assigned enforcement agent upon confirmation of the unresolved variance.
- P. When there is a pattern of variances or numerous variances in the drop funds in any drop period, the NMGC B may require the licensee to complete a variance investigation for each variance that falls below the \$100 minimum threshold. This will allow the licensee to investigate the reason(s) for the variances and to identify any malfunctioning dispensers so corrective measures can be implemented.
- Q. Licensee shall maintain physical custody of, and restrict and document access to, pull-tab dispenser cabinet keys, drop box release keys, drop box storage rack keys, and drop box contents keys.
- R. Licensee shall secure drop boxes from the time they are removed from the pull-tab dispenser cabinets to the time they are transported to the count room. Licensee shall deliver all monies and count documents to the appropriate secured location for safekeeping.
- S. Licensees shall secure pull-tab dispenser drop box contents when pull-tab dispensers are temporarily removed from the floor; refilling an empty drop box; making dispenser adjustment; and restricting access to computerized systems in a manner that prevents access by unauthorized persons and protects against fraudulent payouts.
- T. Licensee manufacturer control system shall provide or make available for review reports that:
- (1) verify that the site controller is transmitting and receiving data from the pull-tab dispensers properly and bill-in meters are reading accurate;
- (2) compare the bill in-in meter reading to the total bill acceptor drop amount or ticket printer amounts and variances shall be reported on the quarterly reports. Variances over \$100 shall be reported to enforcement division immediately upon discovery;
- (3) reconcile gross dispenser revenue monthly;
- (4) reconcile tickets printed with payouts for validated tickets;
- (5) document and maintain all pull-tab dispenser auditing reports and follow-up procedures as required in this title;
- (6) any other report as requested by board staff.

[15.4.10.13 NMAC - N, 3/10/2026]