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Services

**AIR FORCE SLOT MACHINE PROGRAM
OPERATIONS, CONTROLS, AND
PROCEDURES**

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This manual implements AFPD 34-2, *Community Service Programs*. It provides guidance and operating procedures for managing the Air Force (AF) Slot Machine Program. It defines the program's purpose, what the program encompasses, sets forth individual responsibilities for personnel involved, and describes how Services personnel are to administer and operate the program. Other references to this program are in AFI 34-202 (will convert to AFI 34-410), *Protecting Nonappropriated Fund Assets*; AFMAN 34-212 (will convert to AFMAN 34-412), *Control Procedures for Protecting NAF Assets*; and AFI 34-209 (will convert to AFI 34-409), *Nonappropriated Fund Financial Management and Accounting*. Proposed base or major command (MAJCOM) supplements to this publication are forwarded from the MAJCOM Director of Services (SV) to Headquarters Air Force Services Agency (HQ AFSVA) for processing to the AF Director of Services (HQ USAF/ILV) for approval. Maintain and dispose of records created as a result of prescribed processes in accordance with AFMAN 37-139, *Records Disposition Schedule*.

SUMMARY OF REVISIONS

This document is substantially revised and must be completely reviewed.

This document is substantially revised and must be completely reviewed. The AFSVA forms 262A, Slot Machine Payment / Turn-in Log and 268, Slot Machine Collection Report, have been replaced by Air Force Forms 4307 and 4308. These and other newly prescribed forms are listed in Paragraph 9.7. Publications and Forms referenced in this document are hyperlinked to the AFDPO E-Pubs and Forms Web Page.

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Chapter 1

OVERVIEW

1.1. Purpose. The AF Slot Machine Program provides a recreational opportunity to Service members and adult family members O-CONUS locations and is also an important source of revenue to improve AF Morale, Welfare, Recreation (MWR) programs worldwide. The AF Slot Machine Program is not considered a stand-alone program, but as another opportunity in the context of the recreational activities where they are located. Slot machines provide a controlled alternative to unmonitored host nation gambling venues.

1.2. Operating Parameters. The AF Slot Machine Program is operated under the following guidelines:

- 1.2.1. All gaming devices operated are those approved by the Nevada Gaming Commission.
- 1.2.2. Top awards do not exceed \$1,199.
- 1.2.3. Payout percentages range from 90 percent to 96 percent.
- 1.2.4. Game denominations up to \$.25.
- 1.2.5. The maximum wager does not exceed 10 coins.
- 1.2.6. Machines are operated in both stand-alone and progressive configurations.
- 1.2.7. Gross revenue (adjusted for hopper fills, hand pays, and reconciliations) is split 50/50 between the operating base MWR Fund and the AF MWR Fund (MWRF).

1.3. Locations. Slot machines are authorized at O-CONUS installations (excluding Alaska and Hawaii) in clubs (officers', enlisted, consolidated, or collocated), recreation lounges/activities at remote sites, rod and gun clubs, bowling centers, and golf clubhouses where not prohibited by United States law, foreign law, status-of-forces agreements (SOFA), or other country-to-country agreements.

1.4. Participation/Access.

1.4.1. All categories of personnel authorized patronage privileges in facilities covered by AFI 34-262, *Services Programs and Use Eligibility, attachment 1*, may participate in the slot machine program. Sponsors are responsible for presenting proper identification for their guests. Participants must be at least 18 years of age to play or to be in the game area. Host country personnel who qualify under AFI 34-262 are authorized to play slot machines, unless prohibited by SOFA or other country-to-country agreement, applicable local law, MAJCOM, numbered AF, or local base supplements to this manual. A club card, military identification card, or an equivalent form of civilian identification is required to play slot machines. Player eligibility requirements are verified by performing random identification checks. The following individuals are prohibited from playing slot machines:

1.4.1.1. All personnel directly involved in the operation of the slot machine program and their families, i.e., activity and duty managers, cashiers (in the activity where they work), independent observers (IOs), slot machine maintenance technicians, slot machine accounting technicians, and other Nonappropriated Fund (NAF) Accounting Office (AO) personnel with access to and control of slot machine keys. Slot machine program employees TDY for training or on leave at other bases where slot machines are operated are authorized to play slot machines at that base.

1.4.1.2. Other individuals, when determined by the installation commander, to preclude a real or perceived conflict of interest, or to protect an individual from excessive and unaffordable participation.

1.4.2. Placement of machines, monitoring and controls.

1.4.2.1. Slot machines must be located in a separate room or area within the MWR activity.

1.4.2.2. In facilities that cannot accommodate a separate room, slot machines must be located in an area where accessibility is restricted to adults.

1.4.2.2.1. Deviations from the above guidance will require HQ USAF/ILV approval. Request for deviation must include a plan of control to prevent unauthorized access to slot machines by individuals under 18 years of age. Deviations are discouraged, but if unique circumstances warranting a waiver exist, process the request as outlined in paragraph 1.6. below.

1.4.2.3. Slot machines may not be located in isolated areas outside of direct observation and control by facility staff in the routine performance of their duties.

1.4.2.4. Slot machine areas must be routinely monitored by facility staff trained in policy requirements governing authorized play.

1.4.2.5. Signs stating the rules for play and access to slot machines must be posted at the entrance to and within all slot machine areas.

1.4.3. Local enforcement of slot machine placement and controls.

1.4.3.1. Commanders will take steps to ensure compliance with the above authorized policies. Such steps may include:

1.4.3.1.1. Periodic patron I.D. checks.

1.4.3.1.2. Routine documented staff observations of slot machine operations.

1.4.3.1.3. Regular training of facility staff to reinforce knowledge of policy requirements.

1.4.4. Review and Oversight of Controls Over Access to Slot Machines.

1.4.4.1. Slot machine access and control will be highlighted in program oversight/review visits by higher-level headquarters (see paragraphs 2.3. and 2.7. for Major Command and HQ Air Force Services Agency responsibilities for staff assistance/oversight visits).

1.5. Gambling Abuse. The objective of the AF Slot Machine Program is to provide recreation and entertainment to those customers who enjoy them, not to become a problem for those very few who might abuse them. Should activity managers note continuing excessive play from someone who has had checks returned for insufficient funds or has other known financial difficulties within other Services' activities; the individual's unit first sergeant should be informed if the person is military or if the person is a dependent, the sponsor should be informed. Great care should always be exercised in dealing with these matters. To protect individuals identified as having a gambling abuse problem from excessive and unaffordable participation, the installation commander will restrict these individuals from playing slot machines. Individuals with gambling abuse problems must also be referred to the base medical facility or other resources for counseling and treatment.

1.6. Waivers, Exceptions, and Special Approvals. Identify this paragraph as the authority for waiver of this Air Force Manual (AFMAN).

1.6.1. MAJCOM supplements to AFMANs may limit specific base-level waiver authorities. MAJCOMs may not approve waivers that prescribe base-level actions, nor may they approve blanket waivers within their jurisdiction for their bases. Consider each waiver request separately. Only those procedures and guidelines that specifically reference this instruction are eligible for waiver.

1.6.2. Waiver requests must include the following information: AFMAN directive reference, sufficient information to describe the current situation, problems encountered, proposed waiver, benefits to be derived, and justification.

1.6.3. Operational and internal control waiver requests are sent through the MAJCOM Director of Services (SV) to the Agency Commander, AFSVA/CC, 10100 Reunion Place, Suite 500, San Antonio TX 78216-4138.

1.6.4. Waivers are not implemented until formally approved. The approved waiver is placed in the slot machine program Life-of-the-Fund (LOF) file maintained in the NAF AO. A copy is also maintained in the affected activity's slot machine continuity file.

1.7. Appropriated Funding. Appropriated funds (APFs) are authorized to pay for transportation of slot machines and related equipment from CONUS ports to overseas locations and from overseas locations back to the CONUS ports (use transportation authorization code [TAC] F8P2), and for in-theater transportation of slot machines and equipment (between bases and commands). The MAJCOM assigns TACs for in-theater transportation of machines and equipment. APFs are also authorized for communications connectivity for network or commercial Internet access to support on-line slot machine accounting, management information systems, and key control systems necessary for executive command and control, and for electrical requirements, e.g., electricity, wiring, outlets, and lighting fixtures necessary for machine operations.

1.8. Field Advisories. HQ AFSVA/SVPCA publishes slot machine program Field Advisories (FAs). These publications advise the field on current technical matters such as machine set-up, new equipment/systems installations, material deficiencies, ancillary equipment, and other technical matters necessary to maintain operational control and program standardization. Compliance with FAs is mandatory. All FAs can be viewed from the AF Services Agency web page via the Internet at <https://www-r.afsv.af.mil> or through the AF Portal.

Chapter 2

RESPONSIBILITIES

2.1. HQ USAF/ILV. Establishes program operating parameters, issues slot machine program policy, and monitors program operations.

2.2. HQ AFSVA. Establishes program internal controls, technical oversight, and guidance on the operation of the slot machine program.

2.3. HQ AFSVA/SVP.

2.3.1. Provides guidance to bases on program operations.

2.3.2. Processes and analyzes slot machine financial and maintenance data from the field.

2.3.3. Establishes operational controls, provides management oversight, conducts a staff assistance program, prepares and conducts operational and technical training, and monitors the effectiveness of program operations.

2.3.4. Provides slot machines, locks and keys, and all other systems and equipment physically or electronically attached to the slot machines that affect the operational integrity of the slot machine program. Bases are responsible for purchasing repair parts not covered by the Component Exchange Program (CEP).

2.3.5. Coordinates slot machine program equipment changes, initiatives, issues that affect facility layouts and design, maintenance and personnel scheduling, and manning, training, and spare parts requirements with the MAJCOM/SV and the base's slot machine program management.

2.3.6. Approves requests for slot machine and related equipment movements.

2.3.7. Directs actions pertaining to the transfer, modification, destruction, and disposition of slot machines and related equipment.

2.3.8. Provides the MAJCOM and affected bases with a projected staff assistance visit (SAV) schedule. Bases are scheduled for two SAVs per year. Geographically Separated Units (GSUs) will be scheduled for one visit annually. Schedule changes are coordinated no later than 30 days prior to the original scheduled date.

2.3.9. Coordinates with HQ AFSVA/SVI, SVX, and SVS on all planned new facilities or facilities being remodeled, to ensure planned game rooms will have adequate space, power, lighting, communication lines, climate control and air handling requirements, and proper décor.

2.3.10. Is responsible for functional requirements definition, acquisition, maintenance, and management of all slot machine program software applications used for general, financial, inventory, and operational controls and reporting. Ensures required documentation is submitted for the appropriate Certificates of Networthiness and Certificates to Operate. Coordinates all management information and software application requirements with HQ AFSVA/SVS to ensure technical solutions meet DoD, AF, and AFSVA Information Technology (IT) standards and criteria and can integrate into AF and Services Information Enterprise architectures. The use of locally purchased or developed software programs is not authorized.

2.4. HQ AFSVA/SVF. Establishes and directs accounting and internal control procedures relative to the slot machine program.

2.5. HQ AFSVA/SVC. Purchases all slot machines and related items and negotiates used machine trade-ins and sales through the Air Force Nonappropriated Fund Purchasing Office (AFNAFPO). NOTE: Bases are not authorized to purchase slot machines or locks and keys, component exchange parts, game conversion kits, erasable programmable read-only memory (EPROM) chips, electrically erasable programmable read-only memory (EEPROM) chips, or other items that could alter the machines' operation, security, or accounting functions.

2.6. HQ AFSVA/SVS. Coordinates and provides guidance and oversight on all management information systems, software applications communications initiatives and issues. Ensures technical solutions meet DoD, AF, and AFSVA IT standards and criteria and can integrate into AF and Services Information Enterprise architectures.

2.7. MAJCOM/SV.

2.7.1. Ensures bases operate the slot machine program in compliance with AF directives.

2.7.2. Evaluates internal controls to ensure operational efficiencies and adherence to published policies in AFI 34-202 (will convert to AFI 34-410), *Protecting Nonappropriated Fund Assets*.

2.7.3. Reviews the monthly machine assessment report provided by each base.

2.7.4. Assigns a MAJCOM representative to accompany HQ AFSVA/SVPCA personnel performing base SAVs, when requested.

2.7.5. Assists HQ AFSVA in controlling base slot machine program operational expenses.

2.7.6. Coordinates on operational and internal control procedural waivers.

2.7.7. Advises HQ AFSVA/SVPCA when new facilities involving slot machine operations are being planned. Provides blue prints of all stages of design. Affords HQ AFSVA/SVPCA the opportunity to assist in planning new game rooms for new facilities or facilities being renovated.

2.8. Installation Commander.

2.8.1. Ensures that local operating instructions are established and that program controls established by HQ AFSVA/SVP and SVF are followed.

2.8.2. Approves NAF council minutes concerning all actions on base slot machine programs.

2.8.3. Approves the use of assigned military personnel or general schedule (GS) civilian employees to act as IOs on a periodic basis if NAF employees are not available.

2.9. Services Commander or Division Chief.

2.9.1. Has overall responsibility for the operation of the base-level slot machine program.

2.9.2. Ensures slot machines are placed only in approved activities ([Chapter 1](#), paragraph [1.3](#)).

2.9.3. Appoints an individual as the slot machine program administrator. The appointee should be a senior member of the staff and will be responsible and accountable for supervising all aspects of the

slot machine program operations. Do not appoint the Resource Management Flight Chief (RMFC), or any individual under the direct supervision of the RMFC, or the slot machine account, or maintenance technicians cannot be appointed to this functional position. The individual selected must complete a HQ AFSVA training course prior to performing his/her assigned duties and responsibilities.

2.9.4. Designates, in writing, the location of the KeyKeeper System and Security Key Dispensers (SKDs). A copy of this letter must be placed in the slot machine LOF file.

2.9.5. Ensures an Internal Management Control Review (IMCR) is accomplished annually and corrective action is taken for any deficiencies that are identified. The IMCR is conducted by a disinterested third party (using the IMCR checklist provided by HQ AFSVA/SVP) and a copy is maintained in the slot machine LOF file.

2.9.6. Ensures all personnel involved with the slot machine program are trained and qualified to perform their duties and responsibilities.

2.9.7. Coordinates with the Installation Security Council (ISC) to determine the extent of needed annual risk assessments for each facility with slot machines and takes appropriate action(s) based on the outcome of the risk assessment. The ISC will determine the need for off-cycle risk assessments immediately following any substantive change to the installation or activity security environment. Intrusion alarms and surveillance cameras must be installed in activities with slot machines whenever security risk assessments identify the need.

2.9.8. Provides a maintenance facility as outlined in [Chapter 9](#), paragraph [9.5](#).

2.10. Slot Machine Program Administrator.

2.10.1. Manages the base slot machine program, tracks and ensures compliance of field advisories, and coordinates all slot machine program actions with the RMFC, Business Operations Flight Chief (SVB), and activity managers. These responsibilities may not be delegated.

2.10.2. Supervises slot machine maintenance technicians and IOs.

2.10.3. Conducts periodic inspections of slot machine operations to ensure program is operated in compliance with AF directives and takes corrective action if any discrepancies are identified.

2.10.4. Ensures all maintenance and cash collection functions are performed according to published guidance.

2.10.5. Establishes and conducts a training program for maintenance technicians, IOs, RMFC, accounting technicians, activity managers, cashiers, and other employees involved in the slot machine program. Training for all assigned employees must be documented (including a copy of training certification, if applicable) on employee's AF Form 971, Supervisor's Employee Brief

2.10.5.1. When notified by HQ AFSVA/SVPCA, ensures assigned maintenance technicians attend manufacturer training for each type of machine operated at that base.

2.10.5.2. Ensures GSU slot machine program personnel receive the same training as personnel at the host base.

2.10.6. Reviews hand payments and cash variances that exceed established variance limits and investigates any unusual machine performance, game room attendant, and/or customer behavior.

- 2.10.7. Takes corrective action and reports cash shortages and incidents sensitive to the slot machine program's integrity caused by employee misconduct, theft, loss of key control, etc. Reports any incidents to the RMFC, base SV, MAJCOM/SV, and HQ AFSVA/SVPCA within 24 hours from the time of occurrence.
- 2.10.8. Provides the RMFC a memorandum for the slot machine LOF file listing slot machine program employees and other individuals who are restricted from playing slot machines. A copy is given to all activity managers for their slot machine continuity file.
- 2.10.9. Coordinates maintenance and cash collection schedules with activity managers and the RMFC. Maintenance and cash collection schedules are re-evaluated periodically to determine if the frequency continues to satisfy the operating activities requirements.
- 2.10.10. Coordinates machine movements, denomination changes, game theme changes, new game room layouts and enhancements, and any action that directly relates to changes within the slot machine program with the RMFC, activity managers, and HQ AFSVA/SVPCA.
- 2.10.11. Initiates all requests for slot machine program controlled locks.
- 2.10.12. Signs for the receipt of all slot machines and related equipment received through the Traffic Management Office (TMO) or civilian shipping companies on DD Form 250, **Material Inspection and Receiving Report**, and gives a copy to the RMFC. Maintains inventory control of all slot machines, parts, and slot machine program related equipment and systems.
- 2.10.13. Ensures all manufacturer technical manuals and documentation are available and current for all maintenance technicians' use.
- 2.10.14. Coordinates slot machine program operating budget requirements, e.g., tools, parts, vehicles, TDY for training/new machine acceptance, etc., with activity managers and submits to the RMFC for inclusion in the base's annual MWR budget.
- 2.10.15. Approves all slot machine program repair part orders not covered by the CEP.

2.11. Maintenance Technician.

- 2.11.1. Maintains and repairs slot machines and related equipment. Reports instances of suspected tampering or abuse to the slot machine program administrator.
- 2.11.2. Establishes a preventive maintenance inspection (PMI) cycle for each slot machine and related equipment. Accomplishes preventive maintenance according to manufacturers schedule or HQ AFSVA/SVPCA standardized instructions and documents completed PMIs (computer printout acceptable).
- 2.11.3. Observes accepted safety procedures when maintaining equipment.
- 2.11.4. Ensures spare parts are available for machines and associated equipment repairs. Maintains restocking levels, performs a monthly spare parts inventory, evaluates normal usage, and orders parts to satisfy stock levels.
- 2.11.5. Ensures all maintenance actions are recorded in the slot machine Intelligent Tracking System (ITS) after giving all appropriate information to the IO.
- 2.11.6. Keeps the maintenance facility neat and in conformance with AF Occupational Safety and Health standards.

2.12. Independent Observer.

2.12.1. Observes and verifies slot machine cash collections and maintenance. An IO is always present when a machine or stand is opened, e.g., for cash collections, hopper fills, machine countdowns, hopper turn-ins, on-site machine maintenance, etc.

2.12.1.1. Monitors all functions associated with cash collections from slot machines, including signing for AF Form 4308, **Slot Machine Collection Report**, recording meter readings, counting of coins and bills, and entering the information into the portable data terminal (PDT). Completes AF Form 4308 and obtains signatures of participating activity personnel.

2.12.1.2. The IO determines the number of machines that can be opened at any one time by considering the number of technicians working and his/her appropriate span of surveillance over machines that are open.

2.12.1.3. Makes sure machines and stand doors are locked when cash collection, machine maintenance, or operational support is completed.

2.12.2. Enters machine transaction and maintenance task information into the PDT using the appropriate codes.

2.12.3. Reports any theft or loss of slot machine program funds, or any other unusual incident involving the slot machine program to the slot machine program administrator, RMFC, and activity manager.

2.12.4. Ensures the activity representative or maintenance technician checks for loose coins on the floor of the machine anytime a machine is opened. The IO witnesses the counting of any loose coins found, makes sure they are placed down the coin drop chute (never into the hopper), and documents the number and denomination of loose coins on the AF Form 4307, **Slot/Amusement Machine Payment/Turn-In Log**.

2.12.5. Maintains total security over slot machine keys in their possession at all times. Prior to departing the facility, IO secures all slot machine program keys in their possession in the SKD.

2.12.6. Assists with the daily responsibility of keeping machines and the areas in and around machines clean.

2.13. Resource Management Flight Chief.

2.13.1. Implements and monitors slot machine program cash handling procedures and internal controls. Performs periodic unannounced inspection visits of all slot machine operating locations to ensure program controls and procedures are being followed, and documents significant findings and corrective actions taken.

2.13.2. Supervises the slot machine accounting technician.

2.13.3. Makes sure the slot machine ITS financial transaction data file, RCS: HAF-SV (TW) 94101, is transmitted to HQ AFSVA/SVPCA weekly and end-of-month (EOM) data is transmitted no later than 5 working days after the end of month.

2.13.4. Maintains overall accountability of slot machines, KeyKeeper Systems, SKDs, locks and keys, progressive systems and signs, currency counters, portable data collection equipment, and other specified items by ensuring those items are placed on the appropriate asset listing. Ensures a physical

inventory of all slot machines, locks and keys, KeyKeeper Systems, SKDs, and progressive system equipment is accomplished annually and reports any deficiencies to HQ AFSVA/SVPCA.

2.13.5. Maintains accountability of all slot machine keys. Maintains the KeyKeeper System and SKDs. Issues personal identification numbers (PINs) for all employees authorized access to slot machine program keys. Coordinates cash collection schedules in the KeyKeeper System with the slot machine program administrator. Responsibility for the KeyKeeper System and SKDs may be delegated within the NAF AO, e.g., office manager or small computer systems technician. Do not delegate to the slot machine accounting technicians as they may be required to perform IO duties.

2.13.6. Approves all slot machine lock and key replacement requests and submits them to HQ AFSVA/SVPCA.

2.13.7. Ensures the monthly assessment report is reconciled to the financial statements.

2.13.8. Ensures slot machine program expenses from Cost Center A9 are prorated to those activities that operate slot machines.

2.13.9. Ensures the slot machine LOF file is properly maintained and contains all required documentation. As a minimum, the following items should be placed in the slot machine LOF file: the IMCR, restricted player list, signature cards, resource protection risk assessment, waivers, DD Forms 250, AF Forms 1297, **Temporary Issue Receipt**, and AF Forms 2534, **NAF Property Disposal/Transfer Receipt**.

2.13.10. Ensures GSU personnel adhere to all slot machine program directives, e.g., cash handling procedures, internal controls, machine maintenance, and security.

2.13.11. Appoints an individual to be the slot machine program systems administrator (ITS, KeyKeeper and other slot machine program systems) and ensures that individual receives adequate training.

2.14. Slot Machine Accounting Technician.

2.14.1. Is responsible for the slot machine ITS data collection, accounting, analysis, and reporting. The slot machine accounting technician validates, analyzes, and summarizes slot machine financial data; maintains slot machine program records and databases for cash collection and machine inventory management; and makes sure the consolidated data files transmitted to HQ AFSVA/SVPCA are both accurate and timely.

2.14.2. Records shortages caused by foreign coins or slugs. NOTE: If a particular type of coin causes significant losses or appears frequently, the problem is reported to the RMFC, slot machine program administrator, and HQ AFSVA/SVPCA.

2.14.3. Ensures the slot machine data collection software is backed-up daily.

2.14.4. Reconciles the EOM slot assessment report to the financial statements. Ensures the monthly slot assessment report is sent to the MAJCOM SVF and SVP.

2.14.5. Provides slot machine program ITS financial reports on a monthly basis to activity managers, the slot machine program administrator, and the MAJCOM SVF/SVB. Also, provides slot machine maintenance reports to the slot machine program administrator as requested. Maintenance reports containing trend analysis and historical information are furnished to the slot machine program admin-

istrator on a weekly basis. All maintenance reports must contain maintenance transactions accomplished for the previous 30 calendar days.

2.14.6. Prorates slot machine expenses from Cost Center A9 to cost centers with slot machines.

2.14.7. Documents the issue and receipt of all slot machine program controlled forms.

2.14.8. Reviews all cash variances, notifies appropriate personnel, and takes corrective action(s) when machines exceed established variance limits.

2.14.9. Ensures all hand payments are reviewed. Investigates any unusual machine performance, game room attendant, and/or customer behavior, e.g., same cashier/game room attendant and customer signing for numerous hand payments. Ensures corrective or other appropriate actions are taken promptly. Notifies the RMFC, slot machine program administrator, and HQ AFSVA/SVPCA of suspected problems.

2.14.10. Maintains signature cards for all employees who sign any slot machine program forms, documents, or make payments to customers. Signature cards for individuals who are no longer employed are maintained in the slot machine LOF inactive file for a period of 24 months.

2.15. Business Operations Flight Chief.

2.15.1. Ensures slot machine program guidance and operating procedures are being followed in all activities with slot machine operations.

2.15.2. Conducts periodic, unannounced inspections of slot machine operations. Documents significant findings and ensures corrective action is taken.

2.16. Activity Manager.

2.16.1. Ensures prescribed slot machine program internal controls and operating procedures are followed by all activity personnel.

2.16.2. Coordinates personnel changes and related work schedules with the slot machine program administrator and RMFC (so SKD PINs can be assigned and managed).

2.16.3. Establishes operating instructions for slot machine operations in their activity.

2.16.4. Coordinates with the slot machine program administrator to develop work schedules for maintenance technicians, IOs, and machine cash collections.

2.16.5. Ensures duty managers and cashiers are aware of which individuals are on the restricted player memorandum/list and maintains a copy in the activity slot machine continuity file.

2.16.6. Makes sure signature cards (with both signature and initials) for all employees who may sign slot machine program forms and paperwork are prepared and given to the slot machine accounting technician for verification of slot machine program transactions, e.g., hand pays, hopper fills, hopper turn-ins. As a minimum, the signature cards must contain the employee's name, activity where assigned, job title, and duty phone.

2.16.7. Maintains a separate continuity file for the activity's slot machine program.

2.16.8. Ensures the yellow copy of all AF Forms 4307 (void and completed) is turned-in to the slot machine accounting technician daily.

2.16.9. Either an activity manager or duty manager must verify all jackpots and payouts requiring hand pays to customers by checking the machine to make sure the payment is valid. After the AF Form 4307 is completed by the cashier or game room attendant, the activity or duty manager initials the AF Form 4307 in column to the far right of the entry.

2.16.10. Provides the Services commander a copy of the resource protection risk assessment for review and action.

2.17. Activity Cashier, Game Room Attendant, Activity Representative.

2.17.1. Issues or prepares a new AF Form 4307, for each day of game room operation.

2.17.2. Signs for all controlled forms (AF Forms 4307 and 4308) on AF Form 1875, NAF Individual Cashier's Report, at the beginning of each shift and ensures an adequate supply of forms are available for daily use. Returns all forms to the activity manager or designee at the end of their shift and annotates the number of the unused forms.

2.17.3. Signs all voided copies of AF Form 4307 and ensures all copies are turned-in.

2.17.4. Ensures all jackpots, hand payments, machine hopper fills, turn-ins, completed pay-outs, and any ineligible jackpots are correctly annotated on the AF Form 4307.

2.17.5. Performs hopper fills with the IO when required.

2.17.6. Ensures an adequate number of coins are available in the change fund to perform daily hopper fills and to provide coins to customers.

2.17.7. Releases jackpots that have been verified by activity management on machines not configured to automatically pay the top award, and completes all required entries on the AF Form 4307.

2.17.8. Verifies meter readings after the IO has annotated them during cash collection.

2.17.9. Places malfunctioning machines in an "Out of Service" status if a maintenance technician and IO are not available to immediately perform repairs.

2.17.10. Notifies the activity manager of suspected tampering or suspicious acts involving any player, machine, or employee.

2.17.11. Notifies the activity manager of players physically abusing the machines.

Chapter 3

PROGRAM ADMINISTRATION

3.1. Background Checks. The slot machine program administrator, accounting technician(s), maintenance technician(s), IO(s), and the slot machine game room cashier(s) require a national agency check (NAC), local agency check (LAC), or equivalent. The local Services Commander or Division Chief may deem other forms of background checks appropriate.

3.1.1. The NAC is for United States (US) personnel.

3.1.2. The LAC is for local national personnel and foreign-born spouses of US citizens who have not lived in the US or US possessions. Any LACs are conducted according to published installation guidelines.

3.1.3. A statement requiring the NAC or LAC must be included in the position description.

3.2. Facility Requirements.

3.2.1. HQ AFSVA/SVP uses the following criteria to determine and approve the number of machines that can be placed into operation in each activity:

3.2.1.1. Available square footage (a minimum of 14 square feet per machine is required).

3.2.1.2. Primary alternating current (AC) power circuits capable of supporting the machine manufacturer identified minimums (between 1-3 amperes at maximum load per machine).

3.2.1.3. Air conditioning equipment capable of removing 1,500 BTU/HR per machine.

3.2.1.4. Game rooms and machine placements comply with fire safety and evacuation standards.

3.2.1.5. Established occupancy rates must be followed.

3.2.1.6. Machine seating that does not interfere with public access walkways.

3.2.1.7. Trash containers available for the disposal of coin wrap paper.

3.2.1.8. Capability to support linked progressive system components.

3.2.2. Game Room Attendant: Activity managers should use a game room attendant when there are multiple machine locations or a high number of slot machines with active participation. This will ensure quality customer service and less machine out-of-service periods especially during busy game room periods. Smaller activities can combine this position with the activity cashier, game room cashier, operations assistant, bartender, or other responsible position.

3.3. Machine Placement and Security.

3.3.1. See paragraph 1.4.2. for placement of machines, monitoring and controls.

3.3.2. Activity managers should establish separate or additional game rooms when customer traffic, room size, and space permit.

3.3.3. Machines must be bolted to the machine stands at all mounting locations designed by the manufacturer. Machines must be mounted to the machine stand in a manner where there is no space

between the machine and the machine stand. Stands must be bolted together on the sides or backs. Groups of fewer than three machines (with stands) must be bolted to the floor or wall.

3.3.4. Electrical power for all slot machines must be provided on dedicated electrical circuits.

3.3.5. Program administrator coordinates with the ISC, through the SVS/CC, to determine the extent of needed annual risk assessments for each facility with slot machines and takes appropriate action(s) based on the outcome of the risk assessment. The ISC will determine the need for off-cycle risk assessments immediately following any substantive change to the installation or activity security environment. Intrusion alarms and surveillance cameras must be installed in activities with slot machines whenever security risk assessments identify the need. Activity managers should request Security Forces assistance for placement of intrusion detection equipment, surveillance, or other physical security systems when required. A copy of the Security Forces resource risk assessment must be provided to the Services Commander for review and action. The resource risk assessment is maintained in the slot machine LOF file. The previous resource risk assessment is moved to inactive and retained for 2 years.

3.3.6. Bases are encouraged to install video surveillance in cash count rooms to monitor and record the cash count process.

3.4. Game Room Signage. Activity managers must post signs displaying slot machine rules and operational policies in conspicuous, highly visible locations throughout the game room or slot machine area. The narrative must be approved by HQ AFSVA/SVP. The signs must be easy-to-read, printed in both English and in the language of the host country, and as a minimum must include:

3.4.1. A description/list of all individuals not authorized to play slot machines (see [Chapter 1](#), paragraph 1.4., Participants).

3.4.2. The operating hours of the game room or game areas.

3.4.3. A statement of the associated penalties for using slugs or foreign coins in slot machines.

3.4.4. Signs that are locally produced must be done in a manner that does not detract from the game room décor. Signs cannot be handwritten.

3.5. Machine Tampering and Abuse.

3.5.1. All employees associated with the slot machine program must be especially observant and make every possible effort to prevent machine abuse or tampering.

3.5.2. The following actions are prohibited:

3.5.2.1. Placing beverage containers or other items on the machine.

3.5.2.2. Attempting to insert foreign coins or currency in the machine.

3.5.2.3. Covering the reel or video display area of the machine with pieces of paper, packs of cigarettes, etc.

3.5.2.4. Attaching any item to the machine.

3.5.2.5. Striking or bumping machine with intent to damage.

3.5.2.6. Pouring a foreign substance on or in a machine.

3.6. Slugs, Foreign Coins, and Tokens. Use of slugs or foreign coins (unless approved by HQ USAF/ILV) in AF slot machines is a Federal offense under Title 18, United States Code, Section 491. This offense is punishable by a fine or imprisonment for not more than one (1) year, or both. Tokens are not authorized for use in AF slot machines.

3.7. Machine Malfunctions.

3.7.1. A slot machine maintenance technician is required to resolve all machine malfunctions. A machine not having sufficient coins to complete a payout is not a malfunction and a maintenance technician is not required to fill the hopper.

3.7.2. Machines that exhibit a pattern of malfunctions similar in nature to other machines of the same design and manufacturer must be reported to HQ AFSVA/SVPCA when identified.

3.7.3. Qualified slot machine program maintenance technicians are the only employees authorized to perform machine and associated equipment maintenance, adjustments, calibration, set-up procedures, testing, conversions, progressive interface connections, and technical modifications.

3.8. Machine Appearance. Activity management ensures all machines are kept clean and in a presentable manner. This includes removal of all finger marks on the machines external metal parts and glass. Machine interior cleanliness is the responsibility of the maintenance technician.

3.8.1. When a machine requires maintenance and cannot be repaired immediately, an AF Form 4319, Out of Service Sign, must be placed on the front of the machine. The activity employee who places a machine "Out of Service" must complete the blocks on the reverse side of the AF Form 4319 to inform the maintenance technician who, why, and when the machine was placed "Out of Service."

3.9. Training.

3.9.1. HQ AFSVA/SVPCA is responsible for conducting detailed financial, maintenance, and slot operations support training. Full-time/part-time regular employees who have not satisfactorily completed this training must be scheduled to attend within one year from date of employment. Employees are not fully qualified until all required training is completed.

3.9.2. HQ AFSVA/SVPCA coordinates and schedules manufacturer technical training on an annual basis. To the greatest extent possible, manufacturer technical training is conducted in the PACAF and USAFE theaters. Maintenance technicians must satisfactorily complete formal manufacturer training for each machine type and design in operation at their respective base.

Chapter 4

GAME ROOM OPERATING CONTROLS

4.1. Controlled Forms.

4.1.1. AF Form 4307 and AF Form 4308 are controlled forms, tracked by number, and are purchased and issued to the NAF AO by HQ AFSVA/SVPCA.

4.1.2. The slot machine accounting technician issues AF Form 4307 to the activities for daily use. All AF Form 4307s must be accounted for. The activity is required to turn-in the yellow copy of AF Form 4307 to the slot machine accounting technician each duty day.

4.1.3. The slot machine accounting technician issues AF Forms 4308 to the IOs performing the cash collection. The IO will return the yellow copy of AF Form 4308s to the NAF AO upon completion of the cash collection. The AF Form 4308 is tracked by a control number.

4.1.4. A new AF Form 4307 must be prepared for each day the game room is open for business. All hand payments, hopper fills, and turn-in of coins must be recorded on the AF Form 4307 daily. The original copy of the AF Form 4307 is submitted to the NAF AO as supporting documentation for reimbursement.

4.2. Hopper Fills.

4.2.1. When a machine's hopper runs out of coins during a payout, the machine will complete the balance of the payout once the hopper is refilled and the machine door is closed. All coins discharged from the machine's hopper after a hopper refill must be turned in on the AF Form 4307 and annotated as a "completed pay-out" in the turn-in column.

4.2.2. When a machine malfunctions and does not perform an authorized payout, the AF Form 4307 must be annotated as a "malfunction hand pay."

4.2.3. When a machine's hopper is refilled, AF Form 4307 must be annotated "hopper fill." Hopper fills are authorized only in increments of 1,000 coins. Multiple 1,000 coin fills are authorized with each 1,000 coin fill entered on the AF Form 4307 as a separate transaction.

4.3. Hopper Empties.

4.3.1. The complete emptying of the machine hopper may be required when a machine is moved or taken out of service for transfers or maintenance. In these cases, a complete hopper turn-in is performed and the AF Form 4307 is annotated as a "hopper turn-in."

4.3.2. When a slot machine hopper becomes empty, it must be refilled as soon as possible during the same business day.

4.4. Hand Payments.

4.4.1. Hand payments occur when the slot machine hopper is empty and cannot complete the payout to the customer. The slot machine will experience a "hopper time-out" condition and display the credits paid and credits owed by the machine. The activity manager or duty manager must verify all hand payments and sign the AF Form 4307 before payment can be made to the customer. The reason for the payment must be annotated on the AF Form 4307, i.e., "jackpot" or "short pay." After the activity/

duty manager initials the AF Form 4307, the customer prints his/her name and signs the form acknowledging receipt of payment. The cashier then completes the payment to the customer and makes sure all of the required information is recorded on the AF Form 4307.

4.4.2. **Jackpot Hand Payments:** On slot machines that are optioned to “lock-up” on top awards and jackpots over 4,000 coins, the activity representative will verify the jackpot and the award amount by reading the progressive meter or machine pay table, obtain the managers or duty managers authorization, and complete the AF Form 4307. Upon completion of the “jackpot hand payment”, the activity representative will reset the slot machine with the jackpot release/meter read key and ask the customer to play off the game from the machine.

NOTE: Locally developed operating instructions that would preclude machine-managed payments are not authorized.

4.4.3. Machine malfunction hand payments are required when bills or coins become jammed in the machine without giving the customer credits. When this condition is verified by an activity representative, a hand payment is issued to the customer in the amount of the jam. The activity representative will complete the AF Form 4307 with a reason of “coin or bill jam.”

4.5. Cash Collection Procedures.

4.5.1. Cash collection is the removal and counting of all coins and bills deposited into a slot machine’s coin drop bag and bill cassettes within the machine and stand. Cash collections should be scheduled on a frequency that will ensure the machine’s coin/bill storage components remain operational. However, every effort should be made to keep them at a minimum to preclude unnecessary program costs. AF Form 4308, is used to document coin and bill counts, a new form is prepared for each cash collection.

4.5.2. **Cash Collection Procedures:** Before starting any cash collection, the game room area must be secured to prevent unauthorized individuals from entering the cash collection area. The IO and an activity representative must first read, record, and verify all slot machine meter readings. The meter reads should be entered into the ITS PDT or manually recorded on the AF Form 4308.

4.5.2.1. The next step in the cash collection process is to remove the cash containers. Most machines have both self-locking coin drop bags located in the slot machine stand and bill cassette stacker assemblies located within the machine itself. The activity representative removes the cash containers in the presence of the IO. The IO makes sure that all cash containers removed from the machines remain under his/her direct supervision until the cash collection/counting process is concluded. If any money (bills or coins) for any reason has not made it into the cash container, this money is placed into a separate cash bag and remains with the cash container it belongs to until the counting process is completed.

4.5.2.2. An empty cash container must be put back in place of every cash container removed. Care must be taken to ensure the scan code label on the cash container matches the scan code label mounted on the machine’s exterior. It is the responsibility of the IO to ensure all cash containers access doors are locked and secured prior to leaving the game room.

4.5.2.3. After the bill and coin containers have been removed from the machines they must be transported to the count room for counting. Great care must be given to security issues when transporting funds. If cash containers must be transported to another facility for counting, the guidance in paragraph 4.6. must be followed. If a count room is not available, the cash collection count must

be done in the game room. The game room must stay secured during the collection and counting process. Employees authorized access to the count room are not authorized to bring personal items into the room during the cash collection/counting process, e.g., purses, backpacks. The IO must never leave any person alone in the count room with cash and must never let the money out of their immediate control. Once the count process is started, it must be completed before any employee breaks are authorized. All unusual incidents associated with the counting process must be reported to the slot machine program administrator and the RMFC immediately.

4.5.2.4. The IO must verify the accuracy of the coin and currency counting machines before beginning the actual count. The activity representative places a known number of coins in the coin counter (at least 40 coins) and ensures the counter indicates the same number of coins. The coin counter verification test must be performed at least twice before the actual coin count is performed. The activity representative performs this test before the count of each denomination. The accuracy of the currency counting machine must be verified in a similar manner as the coin counting machine.

4.5.2.5. The activity representative removes the bills and coins from the cash containers. The IO observes, verifies, and records the cash count. The IO ensures that the coin counter meter is reset to zero after counting each coin bag. Upon completion of the cash counting, the activity representative signs the AF Form 4308 in the "Counted By" block and the IO signs in the "Verified By" block. If the counted cash must be transported to the main cashier cage, the activity representative and the IO accompany the funds to the activity cashier's cage. A second count of all cash transported is required. The activity cashier counts the monies and signs the AF Form 4308 in the "Cash Received By" block. Once the AF Form 4308 has been completed and signed by all participants, the IO delivers the yellow copy of the AF Form 4308 to the NAF AO. The main cashier completes the original copy of the AF Form 4308 along with the completed AF Form 1875 for deposit of the cash collected.

4.5.3. The partial collection of cash from machines is not authorized, i.e., collecting all of the currency (bills) but not the coins or vice versa. However, a partial collection of the cash from the game room is authorized, e.g., all quarter machines or nickel machines. All cash collection procedures required for normal cash collections are required when only collecting cash from a portion of the machines. Partial cash collections are not authorized for EOM collections.

4.5.4. EOM cash collections are mandatory. Activities that perform cash collections on a bimonthly or monthly schedule complete the EOM cash collection on the last workday of the month. Activities performing one or more cash collections per week can schedule the EOM cash collection on the last work day of the month or on the last scheduled cash collection of the month (e.g., if an activity performs a cash collection every Thursday, and the last day of the month falls on Sunday the 31st, Thursday the 28th would be the EOM cash collection). All slot machine financial transactions (hopper fills, hand payments, jackpots, turn-ins, etc.) that are performed during the balance of the month (the period following the EOM cash collection and the last calendar day of the month) will be posted in the following month's financial transactions. This process will preclude any negative impact for the activity against the existing month's revenue reporting.

4.5.5. End of Year (EOY) Cash Collection: The EOY cash collection will be conducted on 1 October. A cash collection will be performed on all slot machines in operation and all machine hoppers will be emptied, counted, and deposited as of 30 September. The EOY hopper empty is required to accurately

reflect slot machine revenues for the fiscal year and for internal control accountability. Emptying the machine, counting, and depositing all of the money (including hoppers) enables the accounting technician to accurately track hopper levels and validate hopper fill transactions that have been performed during the fiscal year.

4.5.6. Foreign Coins: If foreign coins are discovered in the cash containers during the count, the activity representative will remove the foreign coins from the coin counting equipment and turn them into the cashier. The cashier will determine the foreign coin US dollar equivalent and post the converted amount to the cost center, GLAC 792.

4.5.7. Tamper Proof Coin Storage Bags: The use of plastic, self-sealing, tamper-proof coin storage bags is required for storage of hopper fill coins. Coins are stored in the bags in increments of 1,000 coins. When coins are placed in the bags, the number of coins in the bag must be verified by two individuals, e.g., the person filling the bag and the cashier. The signature of these two individuals must be written on the sealed bag along with the date the bag was filled. When this procedure is followed, it is not necessary for the activity representative and IO to recount the coins in the bag when performing hopper fills.

4.6. Transport of Slot Machine Cash. Each base must work with Security Forces personnel to develop instructions for cash transport procedures. AFI 31-101, *The Air Force Installation Security Program*, requires that escort procedures be determined locally and published in the Installation Security Plan. Final determination of what is contained in the plan should take into consideration the dollar amount being transported, threat, geographic location, distance, and route. The ISC should consider, along with other options, transporting monies often enough to reduce the need for escorts. Procedures should also outline actions taken when an escort is not required. This may include notifying the law enforcement desk of time and place of departure, route of travel, destination, and estimated time of arrival. Movement of funds off-base should be coordinated with the civil police. Additionally, ensure that the cash-transporting container is not transparent and can be properly secured either by a locked zipper or other locking mechanism.

4.7. Cash Count Rooms. If possible, all facilities with slot machines should have a separate cash count room, other than the slot machine game room, for counting cash collected from slot machines. If a facility is being replaced by new construction or is being renovated, a cash count room is required. As a minimum, cash count rooms must:

- 4.7.1. Be secure to prevent entry during cash counts.
- 4.7.2. Have no windows to the outside of the building.
- 4.7.3. Have sufficient space to arrange cash containers in an orderly fashion.
- 4.7.4. Have sufficient electrical outlets to operate cash counting equipment.
- 4.7.5. Have sufficient table/counter space for employees to maintain visibility of each other and the cash count process.
- 4.7.6. Have video surveillance to monitor and record the cash count process.

Chapter 5

SLOT ACCOUNTING

5.1. Change Funds.

5.1.1. Establish slot machine change funds in accordance with AFI 34-202, and AFMAN 34-212, *Control Procedures for Protecting NAF Assets*.

5.1.2. The RMFC establishes a slot machine change fund for each activity in lieu of the activities' general change fund to isolate any problems with the general change fund.

5.1.3. The slot machine change fund is used for hopper fills, hopper empties, hand payments, coins and bills for maintenance testing, turn-in of completed pay-outs and coin/bill jams, and ineligible top awards. All slot machine payouts and turn-ins are recorded on AF Form 4307. These forms are added together to balance the change fund and supporting documentation for replenishment of the change fund.

5.1.3.1. Hopper fills, hand payments, and coins and bills for maintenance testing will always be a debit cash transaction against slot revenue. However, in the event coin and bill testing results in a win, the entire amount will be turned in and the amount above the initial issue will be a credit transaction against slot revenue.

5.1.3.2. Hopper empties, completed payouts, coin/bill jams, and ineligible top awards are cash turned-in to the activity cashier and recorded as a credit transaction against slot revenue.

5.1.4. The slot machine change fund is replenished as many times as necessary, but always as of the last day of the month. The slot machine accounting technician reviews all slot machine replenishments prior to approving payment for replenishment. All AF Forms 4307 will be posted to the activities GLAC 503 XX .

5.1.4.1. Activities replenish change funds by preparing the AF Form 1875, and attaching completed AF Forms 4307, as backup. The total payouts or turn-ins will be posted as a debit to GLAC 503 XX for the activity. Or:

5.1.4.2. Use an AF Form 2539, **NAF Disbursement Request**, or a locally devised form containing the same information, and attach the original AF Forms 4307 to the request as supporting documentation and post as a debit to GLAC 503 XX for the activity.

5.1.4.3. All cash overages or shortages will be accounted for in GLAC 792 XX.

5.1.5. If the RMFC and activity manager determine the activity's funds can be managed more effectively as a single change fund, refer to AFMAN 34-212, paragraph 5.9.

5.2. Hopper Transactions.

5.2.1. Slot machines are equipped with an internal bowl to dispense coins for all machine payouts. Hopper bowls regularly discharge their full load of coins, which shuts down the operation of the machine, thus creating a "hopper time-out" condition. When a machine "times-out," a hopper fill must be performed in order to put the slot machine back into operation.

5.2.2. Hopper fills must be accomplished in increments of 1,000 coins to bring the hopper to the desired level. The cashier issues the coins to the activity employee designated to fill the hopper. The

employee fills the hopper in the presence of an IO, and records the total coins of the hopper fill on the AF Form 4307. All lines in the appropriate blocks on the AF Form 4307 must be filled in. "Hopper Fills" are entered into the ITS in "Keyboard Data Entry" as "Fill Amounts" under "Hopper Fill Transactions."

5.2.3. A hopper empty is required for fiscal EOY reconciliation and when a machine requires a game conversion, denomination change, is taken off-line, or moved to another activity. The coins are removed from the hopper, counted, and the amount is deposited to GLAC 503 XX. The IO completes the AF Form 4307; noting "hopper turn-in" as the reason. The activity cashier signs the AF Form 4307 in the payee block for the cash received. "Hopper Empties" are entered into the ITS in "Keyboard Data Entry" as "Return Amounts" under "Hopper Fill Transactions."

5.2.4. Internal accountability of the slot machine hopper can be verified by running the ITS "Slot Machine Audit Report." This report provides the current hopper level through the following calculation: Total Coins-in (hopper fills + coins-in) minus Coins Paid Out, Coins to Drop, and Hopper Turn-ins equals the current number of coins in the hopper. This report must be run from 1 October of the current fiscal year to accurately reflect the hopper levels of each machine.

5.3. Hand Payments.

5.3.1. The slot machine accounting technician validates all hand payments prior to submitting the EOM data to HQ AFSVA/SVPCA. Discrepancies are documented and sent to HQ AFSVA/SVPCA with the EOM transactions. This is accomplished by running the ITS "Hand Pay Transactions" and "Financial Adjustment Transaction" reports and comparing activity hand pay transactions against activity financial adjustments. If a discrepancy exists, research the AF Forms 4307 to identify the error. With the exception of progressive machines and machines optioned to lockup on high payouts, i.e., machines with awards exceeding 4,000 coins, all hand payments will have an offsetting completed payout.

5.3.2. Hand payments are entered into the ITS in "Keyboard Data Entry" under "Hand Pay" transactions. Completed payouts and cash turn-ins are entered into the ITS in "Keyboard Data Entry" as a "Financial Adjustment" transaction.

5.4. Cash Collection Accounting. The slot machine accounting technician will upload all cash collection transactions from the portable data collection equipment into the slot machine ITS accounting software. If portable data collection equipment is not used, the cash collection entries posted on the AF Form 4308 will be manually entered into the slot machine ITS accounting software. The cash collection transactions entered into the slot machine ITS accounting software will be reconciled with the entries recorded on the AF Form 4308.

5.5. Cash Variances. Cash variances are the result of human error, machine malfunction, or theft. Human errors in recording and entering meter readings, failure to report meter change transactions, improper turn-in procedures of metered coins discovered during maintenance, and mixing a machine's cash containers with another machine during the cash collection process are the primary cause of cash variances. To ensure accurate accountability and reduce the workload associated with researching cash variances it is critically important that every effort is made to ensure absolute accuracy in all areas pertaining to cash handling and collection procedures. Action must be taken on all cumulative cash variances

on any machine in excess of \$10 for quarter machines and \$5 for nickel machines to correct and prevent further occurrences.

5.5.1. The slot machine accounting technician determines whether the cash variance is a true variance or an accounting variance by reviewing data entry errors, meter readings, and turn-in of currency during maintenance of the machine. The accounting technician must make the appropriate corrections to all transactions recorded in error. The previous variance report must be reviewed for offsetting variances. If a machine experiences a variance greater than the cumulative limits of \$10 for quarter machines and \$5 for nickel machines and the variance cannot be attributed to a data collection or recording error, the slot machine accounting technician must submit a machine work order to the maintenance technician which requires all machine coin and currency processing assemblies to be checked for proper operation. If the maintenance technician determines the cash variance was caused by an internal faulty component operation, repair actions must be completed. If the maintenance technician is unable to identify any problems with the machine and the variance continues to increase, the slot machine accounting technician must issue a work order authorizing the machine's SAFE RAM be cleared.

5.5.2. Small overages or shortages that never offset, or are not attributable to a known cause, may indicate procedural problems or possible willful misconduct.

5.5.3. If the slot machine continues to experience unresolved variances, the slot machine accounting technician must take the following action(s) as may be appropriate:

5.5.3.1. Review the slot machine collection procedures at the activity.

5.5.3.2. Correct any procedural discrepancies.

5.5.3.3. Submit a monthly statement of machine variances to HQ AFSVA/SVPCA.

5.5.3.4. Document willful misconduct and contact the RMFC and Office of Special Investigation (OSI) for further guidance.

5.5.3.5. Proceed with an inquiry according to AFI 34-202.

5.6. Reconciliation Procedures.

5.6.1. The ITS "Assessment Report" will be reconciled with the activity's Detail Posting Ledger in GLAC 503: "Total Count" should reconcile with the Credit Balance in GLAC 503; "Hand Pays", plus "Fills", less "Returns" and "Adjustments" should reconcile with the Debit Balance in GLAC 503; and "Net Win" should reconcile with the Current Period balance in GLAC 503.

5.6.2. Slot Assessments: Once the Assessment Report is in balance with the activity's GLAC 503; the slot machine accounting technician will setup the month's slot assessment (50 percent of the Net Win/current period balance of GLAC 503 or the assessment total from the "Assessment Report"). Credit GLAC 249-00, Other Payables, for the total assessment for the base. Debit the benefiting cost center codes GLAC 908, Air Force Assessments, the monthly assessment. When the assessment is pulled through the monthly Cash Management Investment Program (CMIP) statement, GLAC 101-00, Cash in Bank, will be credited and GLAC 249-00 will be debited.

NOTE: If the cost center reflects a loss in slot revenues for the month (debit balance), the slot assessment will be reversed - Debit 249-00 and Credit 908.

5.7. Prorating Program Expenses.

5.7.1. All costs associated with the slot machine program are recorded in Cost Center A9. Costs include salaries and wages for applicable personnel (i.e., IOs and maintenance technicians), and all slot machine parts and supplies. Prorate these expenses from A9 to slot machine cost centers based on the following criteria:

5.7.2. The coin-in per activity divided by the total coin-in of all activities to arrive at a percentage for factor (A).

5.7.3. The net-win per activity divided by the total net-win of all activities to arrive at a percentage for factor (B).

5.7.4. The machine count per activity divided by the total machine count of all activities for factor (C).

5.7.5. The sum of (A), (B), and (C) divided by three will result in the percentage of expense's that should be charged to each activity. ($A + B + C$ divided by 3 = the percent of charges for each activity). This formula must be used for each activity where slot machines are operated, regardless of the number of machines operated. This formula can be placed in a spreadsheet and updated monthly utilizing reports generated from the slot machine ITS accounting software.

5.7.6. Prorate the expenses in Cost Center A9 to slot machine Cost Centers C5, D8, G5, S9, W5, X5, and Z5 based on the criteria established above. Use GLAC 729, Slot Machine Maintenance Expense, (debit) in the cost center receiving the benefit and use GLAC 801, Reimbursement from Another Activity/NAFL, (credit) in Cost Center A9.

5.8. Data Reporting.

5.8.1. The slot machine accounting technician submits transaction data, RCS: HAF-SV (TW) 94101, (ITS CTRAN.DAT) from the ITS to HQ AFSVA/SVPCA weekly (the servicing NAF AO submits data for geographically separated locations with their weekly transmission). Transactions for maintenance performed between reporting periods must be submitted with the weekly data transmission. The slot machine accounting technician faxes the EOM Assessment Report, the Total Income Variance Report, the Activities Detail Posting Ledger of GLAC 503 XX, and a statement of unresolved variances and hand payments to HQ AFSVA/SVPCA.

5.8.2. Reporting Requirements. RMFCs may request a waiver in writing for the weekly and bimonthly reporting requirement for activities when the volume of play is low and it is not cost-effective to perform cash collections on a weekly and bimonthly basis. The EOM cash collection and reporting requirements do not change. File a copy of all approved waivers for cash collection procedures in the activity's slot machine continuity file and the slot machine LOF file.

5.8.3. The slot machine ITS accounting software guidance contains the instructions for data entry, processing required reports, processing data, and closing the accounting month. The ITS user manual is provided to each base with slot machine operations by HQ AFSVA/SVPCA.

Chapter 6

KEY AND LOCK CONTROLS

6.1. High Security Electronic Key Control System. Slot machine keys and their associated controls are the primary method of assuring internal control of slot machines. These controls require that two people are always present anytime a machine or stand is opened for cash collections or maintenance. The RMFC is responsible for the control of all slot machine keys.

6.1.1. The AF slot machine program uses a high security electronic key control system to manage and control slot machine keys. The system consists of the KeyKeeper System software which resides on a dedicated personal computer (PC) in the NAF AO and a high security electronic key dispenser called the SKD. The use of AF Form 2432, **Key Issue Log**, is no longer required at bases using the KeyKeeper System.

6.1.2. The SKD is wall mounted in each activity where slot machines are operated. Each SKD must be mounted in the activity's administrative offices or cashier's cage. The SKDs may not be located in unsupervised general public access areas.

6.1.3. Each slot machine operating activity must have a data quality phone/modem line for direct support of the system's operation. Facsimile equipment may not share this line. The AC voltage power plug for the SKD must not be accessible after the installation is complete. All slot machine and machine stand program keys are kept in the SKD.

6.1.4. SKDs may not be repaired, relocated, or moved either within the facility they are located or moved to another facility without specific advanced written authorization from HQ AFSVA/SVPCA. Slot machine maintenance technicians must be trained and certified by HQ AFSVA/SVPCA to move and perform minor maintenance tasks within SKDs. The RMFC initiates and submits AF Form 4310, **AF Slot/Amusement Program Security Key Dispenser (SKD) Maintenance Authorization**, to HQ AFSVA/SVPCA for approval to move or maintain SKDs. Approved AF Forms 4310 are maintained in the slot machine LOF file.

6.1.5. Only the RMFC and a single designated assistant are authorized access to the KeyKeeper software. Slot accounting technician(s), the slot machine program administrator, IOs, maintenance technician(s), and activity employees are not authorized access to the KeyKeeper software (see [Chapter 2](#), paragraph [2.13.5](#)).

6.1.6. The slot machine ITS accounting software contains information on key location within each SKD. All keys are identified by a unique code and associated with a specific numbered key ring in the SKD.

6.1.7. The slot machine ITS accounting software contains a report identifying all key locations by position within the SKD and will be printed for each activity manager by the RMFC or slot machine program accounting technician. This report is required any time changes are made to key locations. Two copies of this report will be printed, signed, and dated by the RMFC and the activity manager. To certify key accountability, each copy will be signed with one copy placed in the activity's slot machine continuity file and one copy in the slot machine LOF file.

6.1.8. Each slot machine program employee requiring key access will be issued a PIN. When keys are needed, the PIN must be entered into the SKD keypad to release that person's authorized keys. As a

minimum, all PINs must be changed and re-issued every 180 days. Each employee will be given authorization to use only the keys required to do their assigned tasks.

6.1.9. For slot machine maintenance and activity operational tasks, e.g., hopper fills, slot machine maintenance technicians, IOs, and activity representatives must have access to the required keys during the activity's operating hours.

6.1.10. For cash collections, IOs and activity representatives will have access to cash collection keys only during specified dates and times cash collections are scheduled within the activity.

6.1.11. When an employee enters their PIN, only the keys authorized for that employee are released. Certain keys have higher controls associated with them. These keys will cause alarms (audible and silent) to go off if not returned to the SKD by the specific time required. The SKDs have special internal communications that supports specific key-related management tasks for both the RMFC and HQ AFSVA/SVPCA, for updating certain operational controls, downloading, and reporting of transaction data files. Each SKD transaction is controlled by date, time, employee, and event. RMFCs and HQ AFSVA/SVPCA will "poll" all SKDs weekly via modem following the instructions for the non-network communication software contained in the KeyKeeper System. Polling sessions will monitor all transactions, violations, SKD status, download the transaction logs, and install any required system updates.

6.1.12. Activity managers must specify the employees who require slot machine program keys and request key access from the RMFC. This request must include the employee's specific slot machine program task(s). Once this written request is submitted to the RMFC, an authorized access level and PIN is assigned and entered in the KeyKeeper System controls and the RMFC gives the employee their PIN in a sealed envelope. The employee must sign for the PIN and return the envelope to the RMFC. Once the RMFC receives the signed envelope controlling the issue of the PIN, the PIN will be activated within the KeyKeeper System. When required, activity managers must request PIN additions, deletions, and changes for their employees.

6.1.13. Certain employees can be authorized to support both operational and cash collection requirements. Employees requiring this type of access are issued two different PIN numbers.

6.1.14. Slot machine program keys are considered to be compromised if a key is not returned to the SKD within the authorized time frame or if keys are lost or checked out by an authorized employee and surrendered to another employee.

6.1.15. Compromised slot machine program keys could result in all locks and keys being replaced at the expense of the local MWR Fund. Activity managers must immediately inform the RMFC when employees no longer work in the slot machine program, when employees' responsibilities change, when new employees must be added, or when access levels or cash collection schedules are changed.

6.2. Keys and Locks.

6.2.1. Slot machine program locks used for slot machines and machine stands fall into four categories:

6.2.1.1. Category I – IO Cash Collection Support.

6.2.1.2. Category II – Activity Cash Collection Support.

6.2.1.3. Category III – IO Maintenance and Operational Support.

6.2.1.4. Category IV – Activity Maintenance and Operational Support.

6.2.2. IOs are authorized Category I keys for cash collection. Category I keys are used for access to the upper stand door lock (USD), bill cassette door (BCD), bill validator (BVD), left bill cassette (LBC), upper bill stacker door (UBSD), and the upper extractor (UE). All Category I locks and keys, within the confines of the base, can utilize the same lock code provided physical mounting of hardware is compatible. Attach Category I keys to SKD high security ring #1 (primary) and high security ring #5 (alternate) and identify with a red tag.

6.2.3. Activity employees performing cash collection responsibilities use Category II keys. Category II keys are used to gain access to the lower stand door (LSD), belly glass door (BGD), right bill cassette (RBC), lower bill stacker door (LBSD), and the lower extractor (LE). All Category II locks and keys, within the confines of an activity, can use the same lock code provided physical mounting of hardware is compatible. Attach Category II keys to SKD high security ring #2 (primary) and high security ring #6 (alternate) and identify with a blue tag.

6.2.4. IOs performing maintenance and operational work use Category III keys. Category III keys are used for access to the upper machine door lock (UMD) and, on a limited quantity of machines, the transport cover (TC). All Category III locks and keys, within the confines of the base, can use the same lock code provided physical mounting of hardware is compatible. Attach Category III keys to SKD high security ring #3 (primary) and high security ring #7 (alternate) and identify with a gold tag.

6.2.5. Maintenance technicians performing maintenance and activity employees performing hopper fills use Category IV keys. Category IV keys are used for access to the lower machine door lock (LMD). All Category IV locks and keys, within the confines of an activity, can utilize the same lock code provided physical mounting of hardware is compatible. Attach Category IV keys to SKD high security ring #4 (primary) and high security ring #8 (alternate) and identify with a green tag.

6.2.6. All requests for locks and keys are accomplished by using AF Form 4315, **AF Slot/Amusement Program Slot Machine Key and Lock Request**. The RMFC approves all requests for keys and locks. The slot machine program administrator can initiate an emergency replacement request for locks via email to expedite replacement, however; an AF Form 4315 approved by the RMFC must be received by HQ AFSVA/SVPCA before the locks will be shipped. Although HQ AFSVA/SVPCA does not maintain an inventory of spare locks or keys, emergency requirements can normally be obtained from the supplier for shipment to the requesting base within 24 hours of receipt of the order.

6.2.7. Bases are not authorized to keep spare locks or keys. Any excess locks and keys that result from key and lock replacements must be sent to HQ AFSVA/SVPCA via certified mail.

6.3. Manual Key Control.

6.3.1. The manual key control procedures outlined below will be used at small operating locations and activities not converted to use of the KeyKeeper System and in those instances when the KeyKeeper System is temporarily out of service due to a system failure or other emergency situation. In situations where the KeyKeeper System is out of service, the removal of all slot machine program controlled keys from the SKD is required.

6.3.2. NAF AO Key Control. The RMFC issues activity cash collection and maintenance keys to the activity manager on an AF Form 1297. The original AF Form 1297 goes in the slot machine LOF file and the copy goes to the activity.

6.3.2.1. The RMFC places cash collection and maintenance keys used by the IO in separate key container(s) with separate container(s) for different activities. A list of keys in the container(s) is taped to the inside of the container(s). The IO keys are locked in the container. The key to open the container is maintained by the activity cashier where the slot machines are located.

6.3.2.2. The key container(s) are issued to the office (normally base lodging) responsible for securing the container(s) on a separate AF Form 1297 for each key container. The original AF Form 1297 goes in the slot machine LOF file and the copy goes to the office securing the container(s).

6.3.3. Activity Key Control. The activity manager signs for the activity maintenance and cash collection keys from the RMFC on an AF Form 1297 and keeps the keys in a locked container, safe, or locker when not in use (normally in the cashiers cage).

6.3.3.1. The activity manager or designee issues keys within the activity as described below on AF Form 2432. The person signing out the keys prints his or her name on line 1 and signs on line 2 in the "Out" column.

6.3.3.2. Game keys are issued to the operations assistant, game room cashier, or game room attendant. The maintenance door key and meter read key are issued to the on-duty maintenance technician. Key control procedures do not allow maintenance personnel access to cash collection keys. Cash collection keys and maintenance keys are issued to activity personnel assisting cash collections or maintenance.

6.3.3.3. The activity manager or designee accepts keys turned-in by persons identified above and requires the person turning in keys to print his or her name on line 1 and signs on line 2 in the "In" column on the AF Form 2432. Activity keys are not allowed outside the activity, except to perform maintenance or cash collections in an activity annex.

6.3.4. IO Key Control. The IO signs for the locked container(s) holding the keys on AF Form 2432 by printing their name on line 1 and signing on line 2 in the "Out" column.

6.3.4.1. When the IO arrives at the activity, the IO and an activity employee ensures the container is still secure before it is opened by the activity employee. After the container is opened, the IO and the activity employee must inventory the keys to ensure the correct keys are in the container. The IO ensures each key is listed on the AF Form 2432 and signs for the keys. If all of the keys are removed from the container, the container may be left with the activity employee. If all of keys are not removed, the container must be secured and remain in the possession of the IO.

6.3.4.2. When the maintenance or cash collection is completed, the keys are inventoried by both the IO and the activity employee and secured in the key container. The activity employee prints his or her name on line 1 and signs on line 2 in the "In" column and completes AF Form 2432. The IO ensures the activity employee signs the form prior to departing the activity and completes AF Form 2432.

6.3.4.3. On return of the key container(s) to the office of responsibility, the IO ensures the receiving employee signs for the key container(s) and completes AF Form 2432.

Chapter 7

TRANSPORTATION AND MOVEMENT OF SLOT MACHINES AND EQUIPMENT

7.1. Shipping.

7.1.1. Slot machines and associated equipment are shipped using the most economical means available. Government shipping channels are used to the maximum extent possible. The use of contracted commercial companies is authorized for all shipping to overseas bases if mission requirements dictate. Shipment of machines scheduled for return to the Continental United States (CONUS) for trade-in will be shipped following specific instructions issued by HQ AFSVA/SVP.

7.1.2. HQ AFSVA/SVC stipulates to the originator of the shipment that all equipment shipping cartons contain the required identification, shipment control documents, transportation control number (TCN) and tracking documents, and shipment authorization documents.

7.1.3. Slot machines and associated equipment shipped from the manufacturer, or processed through the local TMO for transfer from one overseas base to another must be addressed to the receiving Services slot machine program administrator, who signs for the shipment.

7.2. Receiving.

7.2.1. DD Form 250 is required for receipt of slot machines shipped from the manufacturer. The DD Form 250 is used as proof of receipt and must include the manufacturer's serial number and AF property number and list any known damage by serial number. The DD Form 250 is signed by the slot machine program administrator. Receiving personnel should be prepared to take photos of the shipping containers and boxes. The signed copy of the DD Form 250 must be mailed to HQ AFSVA/SVFF, 10100 Reunion Place, Suite 400, San Antonio TX 78216-4138. A copy of the DD Form 250 must also be faxed to HQ AFSVA/SVPCA.

7.2.2. For government shipments, the slot machine program administrator annotates the DD Form 1149, **Requisition and Invoice/Shipping Document**, for any damages incurred during shipment and attaches the photographic evidence clearly showing the damage. If any of the shipment is damaged, the slot machine program administrator notifies HQ AFSVA/SVPCA within 3 working days of receipt of the shipment.

7.2.3. HQ AFSVA/SVPCA issues instructions which are the basis for adding slot machines and equipment to the base's asset listing. The RMFC establishes a locally assigned asset designator, which differs from the AF assigned number. The AF property number must appear in the description field on the local property records. Each slot machine is recorded with a zero acquisition value on the base's MWR Fund property records.

7.2.4. A copy of each DD Form 250 is maintained in the slot machine LOF file until the machines are transferred from the base.

7.2.5. All new machines received must be added to the slot machine ITS master machine database file.

7.3. Equipment Transfer Between Bases.

7.3.1. The transfer of slot machines from one base to another base is directed and controlled by HQ AFSVA/SVPCA. Prior to the initiation of any machine or program equipment transfer action, AF Form 4311, **AF Slot/Amusement Program Slot Machine Transfer Authorization**, and/or AF Form 4316, **AF Slot/Amusement Program Equipment Transfer Authorization**, must be submitted and approved by HQ AFSVA/SVPCA. Approved AF Forms 4311 and 4316 are maintained in the slot machine LOF file.

7.3.2. When notified of such actions, the base directed to transfer the machine(s) initiates an AF Form 2534, by filling in the disposing NAFI, cost center, and date of the transfer blocks. The losing activity prepares the AF Form 2534 in 4 copies. Each entry must include the locally assigned asset designator along with the AF property number and machine serial number in the description field. All locks must be removed from the slot machine and returned to HQ AFSVA/SVPCA via certified mail prior to transfer.

7.3.3. The losing activity retains copy three of the AF Form 2534, the original and copies one and two are sent to the gaining activity with the machine shipment. Once the gaining activity receives and signs the appropriate fields on the AF Form 2534, copy one is sent back to the losing activity. Copy one is used as the source document to remove the machines from the asset listing and the slot machine ITS master machine database file. A copy of the signed document is maintained in the slot machine LOF file at the losing base.

7.3.4. The gaining activity completes the AF Form 2534 in the gaining NAFI and cost center blocks, signs for the machines in the Property Custodian, Recipient, and Witness blocks. The gaining activity retains the completed original as the source document to add the transferred machines to the asset listing and to update the slot machine ITS master machine database file. Copy one is sent to the losing activity, and copy two is sent to HQ AFSVA/SVPCA. A copy of the signed document is maintained in the slot machine LOF file at the gaining base.

7.4. Equipment Movement Between Activities.

7.4.1. Movement of slot machines from one activity to another activity on a base is authorized with the advance approval of HQ AFSVA/SVPCA. The slot program administrator initiates slot machine movement actions by submitting AF Form 4314, **AF Slot/Amusement Program Slot Machine Movement Request**, to HQ AFSVA/SVPCA for approval. Approved AF Forms 4314 are maintained in the slot machine LOF file.

7.4.2. When machine movements between activities have been approved, the slot machine program administrator prepares an AF Form 2534. The AF Form 2534 is annotated to include the losing activity's cost center and the cost center of the gaining activity. Each slot machine being moved will be listed individually on the form to include the locally assigned asset designator along with the AF property number and machine serial number in the description field.

7.4.3. The completed original AF Form 2534 is used as the source document to update the equipment movement in the property listing and in the slot machine ITS master machine database file. Copy two is sent to HQ AFSVA/SVPCA, and a copy is maintained in the slot machine LOF file. Appropriate activity locks must be obtained from HQ AFSVA/SVPCA prior to movement of the machine. The removed locks must be returned to HQ AFSVA/SVPCA.

7.4.4. The use of personal, privately-owned vehicles to move slot machines and related equipment between activities or bases is not authorized.

Chapter 8

DISPOSAL OF EQUIPMENT

8.1. Disposition of Slot Machines and Gaming Equipment.

8.1.1. Slot machines and related program gaming equipment are purchased, regulated, and controlled by HQ AFSVA and are exempt from the NAF property disposition rules outlined in AFI 34-204, *Air Force Services Logistics Support Program*. At the discretion of HQ AFSVA, excess or no longer serviceable slot machines and related gaming equipment may be disposed of by any one of the following methods:

8.1.1.1. Trade-in in conjunction with the purchase of new equipment: Machines may be traded-in to a manufacturer for a credit against the purchase of new machines. Trade-in values will be negotiated by AFNAFPO with the manufacturer of the new machines.

8.1.1.2. Direct sale to dealers, distributors, or manufacturers of gaming machine equipment who are licensed to buy and sell used gaming equipment: Machines are sold "as is" with no warranty or other obligation expressed or implied by the seller (AF MWRF).

8.1.1.3. Destruction: When the sale or trade-in value is not to the financial advantage of the AF MWRF and no licensed buyers make an acceptable offer to purchase machines, or if HQ AFSVA determines it is in the best interest of the AF, machines may be destroyed locally. HQ AFSVA will issue detailed guidance if destruction is authorized.

8.1.2. Trade-ins and direct sales are negotiated by AFNAFPO. This may include delivery of the machine to the manufacturer or buyers place of business or be picked up by the manufacturer or buyer at overseas base locations. If the manufacturer or buyer elects to pick up the machines at overseas locations, it is the responsibility of the buyer to comply with local host country laws and customs regulations. It is the responsibility of the buyer to pay any storage, tariffs, or duties necessary to facilitate the sale and transfer of the machines or equipment. Payment to the AF MWRF must be made prior to machines or equipment being picked up.

8.1.2.1. Machines that are identified for trade-in within USAFE will be shipped to Ramstein AB, Germany for consolidation and shipment to CONUS.

8.1.2.2. Machines that are identified for trade-in within PACAF will be shipped to Yokota AB, Japan for consolidation and shipment to CONUS. Machines that are identified for trade-in within ACC or AFSPC will be shipped according to instructions furnished by HQ AFSVA/SVPCA.

8.1.3. The disposal or destruction of slot machines is performed only under direction of HQ AFSVA/SVPCA. When a base is notified to dispose of or destroy machines, the AF property tag is carefully removed and mailed to HQ AFSVA/SVPCA. All machine and machine stand locks and lock hardware (plugs, barrels, and flanges) are removed and returned to HQ AFSVA/SVPCA by certified mail. Machines approved for destruction must be disassembled into groups of materials such as: wood, plastics, wiring, electronics, metal, glass, etc. Machine EPROM's are destroyed in such a manner that prevents these components from being used again. Do not attempt to use electronic equipment or ultraviolet light to erase existing programming within the EPROMs. EPROMs must be destroyed by crushing, compacting, or similar physical change, which would render the machine useless for any purpose other than scrap.

8.1.3.1. When machines are destroyed, dispose of the scrap through the Services (MWR) recycling program or the base's Qualified Recycling Program (QRP).

8.1.3.2. An AF Form 2534 must be completed listing the AF property number and the manufacturer's serial number for each machine. The form must be signed by the individual accomplishing the destruction and witnessed by the RMFC or designee. Each signature block will include the typed or printed name, grade, and duty title.

8.1.3.3. All documents relating to the destruction must contain the statement "Disposition or destruction of the listed equipment is IAW instructions contained in AFMAN 34-229." Slot machines approved for destruction must be destroyed within 90 days of the date of approval. Machines approved for destruction will not be transferred to another annex or base, or placed back into operational status without the written approval from HQ AFSVA/SVPCA.

8.1.3.4. After the machines are physically destroyed, HQ AFSVA/SVPCA is notified via facsimile or email that the destruction process has been completed. The original AF Form 2534 is maintained at the base and is used as the source document to remove machine from the asset listing and to update the slot machine ITS master machine database file. Copy two is sent to HQ AFSVA/SVPCA, and a copy of the AF Form 2534 must be placed in the slot machine LOF file.

8.1.4. Slot machines cannot be removed from an operational facility and placed into a storage facility for any reason other than prescribed disposition instructions from HQ AFSVA/SVPCA. Certain facility renovation and/or machine maintenance may require the removal of machines and associated equipment on a temporary basis. HQ AFSVA/SVPCA must provide advanced approval for machine movements between an operational activity and a temporary storage facility. All machine maintenance must be performed within the activity that the machine is assigned to unless machine movement approval is obtained from HQ AFSVA/SVPCA.

8.1.5. The local disposition of slot machine game conversion materials is authorized. Glass and reel strips remaining after a game conversion, and not useable as spares for other machines, may be disposed of locally. EPROMs that have been removed from the machine as a result of installing a game conversion kit must be destroyed (see paragraph 8.1.3.). Spare EPROMs are not authorized to be stored locally.

Chapter 9

OPERATIONAL CONTROLS AND MAINTENANCE

9.1. Equipment Life Cycle.

9.1.1. Machines and ancillary equipment are managed on a 6-year life cycle. HQ AFSVA replaces approximately 1/6th of the AF machine inventory each year. HQ AFSVA/SVPCA uses a technical specification profile to ensure all new slot machine purchases meet AF slot machine program operating requirements. New machine candidates are tested and evaluated against these technical specifications in the HQ AFSVA/SVPCA machine laboratory prior to purchase. New machine purchases normally occur during the second quarter of the fiscal year. In the process of deciding which new machines to buy, HQ AFSVA/SVPCA will consider requests from the bases for specific machine models. Slot machine program administrators are encouraged to make their desires known by submitting an AF Form 4317, AF Slot/Amusement Program Slot Machine Replacement Request, to HQ AFSVA/SVPCA no later than the end of the first quarter of the fiscal year.

9.1.2. New machines may be obtained from manufacturers for field-testing for a period negotiated by AFNAFPO. Trial machines are tested at locations with records of high game use for the best possible results. Locations selected must provide HQ AFSVA/SVPCA with specified analysis data to assist in determining if the trial machines meet the AF slot machine program requirements for high entertainment value to customers, expected financial performance, and operational reliability.

9.1.3. All slot machines and related gaming equipment purchased for use by the AF slot machine program must:

9.1.3.1. Be commercial industry standard models, approved for use by the State of Nevada Gaming Commission.

9.1.3.2. Have access controlled by a double lock/double key system.

9.1.3.3. Incorporate virtual reel technology for reel-type machines and touch-screen technology for video machines.

9.1.4. HQ AFSVA/SVPCA assigns each new machine an AF property number. The AF property number is used for inventory control, revenue reporting, and machine warranty tracking purposes. Any property tag that has been damaged or has been removed for maintenance purposes must be replaced immediately. If the AF property tag becomes obliterated, dislodged, or lost, the slot machine program administrator forwards a request to HQ AFSVA/SVPCA for a replacement tag.

9.1.5. HQ AFSVA/SVPCA conducts a technical inspection of all new machines at the manufacturer's facilities prior to machine acceptance and shipment. A checklist is completed and attached to each machine exterior prior to authorizing shipment to bases.

9.1.6. Each base scheduled to receive replacement machines appoints a slot machine program maintenance technician(s) to participate in the inspection/acceptance process at the manufacturers facilities. In addition to performing the technical inspection and acceptance, the base maintenance technician(s) will be responsible for installing machine locks, game testing, and support by completing the documentation required for property management records.

9.2. Maintenance Functions.

9.2.1. The slot machine program administrator may schedule machine maintenance at the same time that activity cash collections are being conducted.

9.2.2. The IO scheduled to perform activity cash collection duties may not be used to support machine maintenance. An IO assigned duties of supporting machine maintenance tasks must accompany the maintenance technician.

9.2.3. Any machine maintenance task, game conversion, or denomination change that might include clearing machine memory is not authorized during activity cash collections. Hopper fills or hopper countdown or coin/bill testing are not authorized during activity cash collections.

9.2.4. Machine denomination changes are performed to achieve expected levels of utilization. Machine denomination changes cannot be performed without the approval of HQ AFSVA/SVPCA. The slot machine program administrator initiates a denomination change request by submitting AF Form 4313, **AF Slot/Amusement Program Slot Machine Denomination Change Request**, to HQ AFSVA/SVPCA for approval. Approved AF Forms 4313 are maintained in the slot machine LOF file. Based on the total number of machines in operation within an activity, a minimum of six different game themes should be offered for each type of machine. Machine types are defined as reel or video machines. Fifty percent of the game themes utilized must be installed on nickel and quarter machines. All machines' financial performance, using the current denominations, should be evaluated on a quarterly basis by the slot machine program administrator.

9.2.4.1. A nickel denomination machine should be converted to a quarter denomination machine if it is not achieving \$20 daily net win and all of the quarter denomination machines are achieving \$60/day net win.

9.2.4.2. A quarter denomination machine should be converted to a nickel denomination machine if it is not achieving \$60 daily net win and all of the nickel denomination machines are achieving \$20 daily net win.

9.2.5. Machine variances that have exceeded the limits of \$10 for quarter machines and \$5 for nickel machines must have a "Machine Variance" work order completed. Slot machine program accounting technicians will prepare and submit a "Machine Variance" work order to the maintenance technician. Two different "Machine Variance" work orders are available for use within the slot machine ITS accounting software with one containing an authorized maintenance procedure for clearing the machines random access memory (RAM). Clearing the machine RAM as a maintenance corrective action for financial variances is not authorized. The standard "Machine Variance" work order does not authorize RAM clearing; however, it requires the maintenance technician to verify all machine components that manage coin and bill handling components for proper operation and adjustment. Once the "Machine Variance" work order is completed, the "Variance Check Complete" repair code must be entered in the slot machine ITS accounting software.

9.2.6. Manufacturer technical publications and HQ AFSVA field advisories contain technical set-up and maintenance procedures to accomplish all maintenance tasks. To supplement manufacturer technical publications, HQ AFSVA/SVPCA also prepares and distributes Pocket Reference Guides, which contain the most common technical guidance and procedures.

9.2.7. All machine and associated equipment maintenance tasks must be entered into the slot machine ITS accounting software.

9.2.8. Preventive maintenance inspections (PMI) must be completed on all equipment following the manufacturers established schedules. In the event that an equipment manufacturer does not publish any guidance pertaining to preventive maintenance, HQ AFSVA/SVPCA will ensure a standardized detailed PMI schedule is developed and distributed to all bases. Locally developed preventive maintenance schedules are not authorized.

9.2.9. Machine coin testing should only be performed after maintenance tasks associated with coin handling components have been completed. Coin testing is not required on a regularly scheduled basis to determine or verify that each machine properly processes coins. Machine coin testing is a maintenance task, which is only authorized to be performed by a maintenance technician. The maintenance technician conducting the coin testing must follow the procedures outlined in [Chapter 5](#) to ensure proper accountability and management of funds.

9.2.10. Machines that are connected to a linked progressive system and machines containing an internally mounted progressive meter must be optioned following the set-up procedures outlined in technical field advisories issued by HQ AFSVA/SVPCA. All modifications performed on machines connected to a linked progressive system or an individual progressive machine that may alter the amount of current award, may not be performed until the accumulated jackpot amount has been won and paid to a customer.

9.2.11. Machines designated to be connected to a linked progressive system must be optioned to “lock-up” on the top award. Game themes with awards of 4,000 coins or higher must be optioned to “lock-up” on all payouts exceeding 4,000 coins.

9.3. Spare Parts Management.

9.3.1. Each base-level slot machine program must maintain a spare parts inventory. High cost items available through the CEP must not exceed 10 percent of the total inventory maintained.

9.3.2. The slot machine ITS accounting software must be used to control and manage all spare parts inventory.

9.3.3. Annual physical inventories must be accomplished and entered into the slot machine ITS accounting software as physical count transactions.

9.3.4. Quarterly physical counts must be performed on 10 percent of the inventory maintained.

9.3.5. All slot machines have a manufacturers 2-year warranty from date of acceptance, thus eliminating the requirements for an extensive spare parts inventory.

9.3.6. Processing orders for slot machine spare parts to manufacturers is accomplished following procedures established by HQ AFSVA/SVPCA. A copy of the prepared/submitted order does not have to be coordinated or processed through HQ AFSVA/SVPCA. Spare parts orders prepared at base-level are submitted directly to each vendor. Each machine manufacturer furnishes an order processing procedure that includes a customer identification number (HQ AFSVA/SVPCA provides this information to the base slot machine program administrator). Manufacturers provide each requesting base a current price quotation, which remains valid for 30 calendar days. Certain machine manufacturers spare parts orders are processed under the Central Vendor Payment Program (CVPP). Under CVPP, HQ AFSVA/SVFFC pays all invoices. The month after the order has been processed, shipped, invoiced and paid; HQ AFSVA/SVFFC will deduct funds from the submitting base through the CMIP.

9.4. Component Exchange Program.

9.4.1. The AF slot machine program CEP provides bases with high-dollar/high-value components and specific electronic components. The CEP is a “one for one” exchange of these special items at no cost to the requesting/using base.

9.4.2. A custom software application is used to manage the CEP and ensures all component exchanges are accurately processed.

9.4.3. All CEP management and reporting responsibilities are handled through operational centers at RAF Mildenhall, United Kingdom and Yokota AB, Japan. Storage and direct support for ACC and AFSPC bases are provided by HQ AFSVA/SVPCA. RAF Mildenhall, United Kingdom provides field storage for the direct depot support of all bases participating within USAFE. Yokota AB, Japan provides field storage for the direct depot support of all bases participating within PACAF. HQ AFSVA/SVPCA provides storage for the direct support for the depots at RAF Mildenhall, United Kingdom and Yokota AB, Japan.

9.4.4. HQ AFSVA/SVPCA develops operational guidance for the CEP, identifying all components that qualify to be included in the program.

9.4.5. HQ AFSVA/SVPCA obtains correct quantities of components to be maintained and provides CEP controls to ensure accountability of all materials, obtains return material authorizations (RMAs) from the component manufacturers and returns repaired components from the manufacturer to the depot bases.

9.4.6. RAF Mildenhall, United Kingdom and Yokota AB, Japan, administer base requests per guidance and procedures provided by HQ AFSVA/SVPCA, track all CEP transactions using the custom software, return faulty components to HQ AFSVA/SVPCA, and ship serviceable components to the base requesting CEP support.

9.4.7. Bases are responsible for submitting CEP requests to the CEP depot, coordinating all local requirements with the CEP depot, using the special packing containers furnished by HQ AFSVA/SVPCA and returning the faulty components to the CEP depot.

9.4.8. When a requesting base requires CEP support, slot machine maintenance technicians submit their requirement to the theater support depot on an AF Form 4312, **AF Slot/Amusement Program Component Exchange Request**. Once the depot base receives the CEP request, the CEP depot assigns the request a theater specific control number, enters the requested transaction into the CEP software and ships the requested component using in-theater shipping authorizations. Once shipping actions are complete, the depot base posts the transaction on AF Form 4309, **AF Slot/Amusement Program Depot Component Exchange Log**.

9.4.9. Within 5 days after the requesting base receives the requested component, the faulty component is placed into the same shipping container that the new item was shipped in, and returns the faulty component to the CEP depot. The CEP depot sends the consolidated transaction file from the CEP software to HQ AFSVA/SVPCA not later than the 25th day of each month.

9.4.10. The CEP depot contacts HQ AFSVA/SVPCA for a return merchandise authorization (RMA). Once the RMA is forwarded to the CEP depot, the faulty component is shipped to HQ AFSVA/SVPCA within 5 workdays after receiving the faulty component from the requesting base in the special shipping container furnished by HQ AFSVA/SVPCA. After the faulty component has been

repaired by the respective manufacturer, the serviceable component is shipped by the manufacturer to HQ AFSVA/SVPCA.

9.4.11. When repaired components are received by HQ AFSVA/SVPCA from the manufacturer, the components are shipped in the special containers to the CEP depot that shipped the faulty component within 5 workdays. This same procedure is followed every time a requesting base submits a component exchange request.

9.5. Maintenance Facility Requirements. Slot machine maintenance technicians must be provided a maintenance facility that is centrally located to all activities where slot machines are operated. The facility must have the following:

9.5.1. Sufficient floor space, water and restroom facilities, and electrical power outlets to support the testing and set-up of machines being prepared for an operational installation.

9.5.2. Interior lighting of an intensity that satisfies safety requirements.

9.5.3. An environmental control system to ensure that a mean room temperature of 70 degrees Fahrenheit can be maintained.

9.5.4. General use hand tools for all maintenance technicians.

9.5.5. Isolated worktable space for the use of electronic test equipment, coin and bill processing test equipment, and electronic component troubleshooting and repair equipment.

9.5.6. High reliability soldering equipment with de-soldering capabilities.

9.5.7. A separate storage area for program spare parts management and control.

9.5.8. Communication capabilities, to include worldwide DSN telephone and fax, and base local area network e-mail access.

9.6. Forms Adopted.

DD Form 250, **Material Inspection and Receiving Report**

DD Form 1149, **Requisition and Invoice/Shipping Document**

AF Form 971, **Supervisor's Employee Brief**

AF Form 1297, **Temporary Issue Receipt**

AF Form 1875, **NAF Individual Cashier's Report**

AF Form 2432, **Key Issue Log**

AF Form 2534, **NAF Property Disposal/Transfer Receipt**

AF Form 2539, **NAF Disbursement Request**

9.7. Forms Prescribed.

AF Form 4307, **Slot/Amusement Machine Payment/Turn-in Log**

AF Form 4308, **Slot Machine Collection Report**

AF Form 4309, **AF Slot/Amusement Program Depot Component Exchange Log**

AF Form 4310, **AF Slot/Amusement Program Security Key Dispenser (SKD) Maintenance Authorization**

AF Form 4311, **AF Slot/Amusement Program Slot Machine Transfer Authorization**

AF Form 4312, **AF Slot/Amusement Program Component Exchange Request**

AF Form 4313, **AF Slot/Amusement Program Slot Machine Denomination Change Request**

AF Form 4314, **AF Slot/Amusement Program Slot Machine Movement Request**

AF Form 4315, **AF Slot/Amusement Program Slot Machine Key and Lock Request**

AF Form 4316, **AF Slot/Amusement Program Equipment Transfer Authorization**

AF Form 4317, **AF Slot/Amusement Program Slot Machine Replacement Request**

AF Form 4319, **Out of Service Sign**

MICHAEL E. ZETTLER, Lieutenant General, USAF
DCS/Installations & Logistics

Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

AFPD 34-2, *Community Service Programs*

AFI 31-101, *The Air Force Installation Security Program*

AFI 34-202, *Protecting Non-appropriated Fund Assets (will convert to AFI 34-410)*

AFI 34-204, *Air Force Services Logistics Support Program*

AFI 34-209, *Non-appropriated Fund Financial Management and Accounting*

AFI 34-262, *Services Programs and Use Eligibility*

AFMAN 34-212, *Control Procedures for Protecting NAF Assets (will convert to AFMAN 34-412)*

Services Agency Web Page (<http://www-r.afsv.af.mil>)

Abbreviations and Acronyms

AB—Air Base

ACC—Air Combat Command

AF—Air Force

AFMAN—Air Force Manual

AFNAFPO—Armed Forces Nonappropriated Funds Purchasing Office

AFOSI—Air Force Office of Special Investigations

AFSPC—Air Force Space Command

AO—Accounting Office

APF—Appropriated Fund

BCD—Bill Cassette Door

BGD—Belly Glass Door

BVD—Bill Validator door

CEP—Component Exchange Program

CMIP—Cash Management Investment Program

CONUS—Continental United States

CVPP—Central Vendor Payment Program

EEPROM—Electrically Erasable Programmable Read-Only Memory Chip

EPROM—Erasable Programmable Read-Only Memory Chip

EOM—End of Month

EOY—End of Year

GLAC—General Ledger Account Codes

GS—General Schedule

GSU—Geographically Separated Units

HQ AFSVA—Headquarters Air Force Services Agency

HQ AFSVA/CC—Headquarters Air Force Services Agency, Commander

HQ AFSVA/SVC—Headquarters Air Force Services Agency, Directorate of NAF Purchasing

HQ AFSVA/SVF—Headquarters Air Force Services Agency, Directorate of Financial Management & Comptroller

HQ AFSVA/SVI—Headquarters Air Force Services Agency, Directorate of Operations

HQ AFSVA/SVP—Headquarters Air Force Services Agency, Directorate of Programs

HQ AFSVA/SVS—Headquarters Air Force Services Agency, Directorate of Management Systems

HQ AFSVA/SVX—Headquarters Air Force Services Agency, Directorate of Force Management & Personnel

HQ AFSVA/SVPCA—Headquarters Air Force Services Agency, Directorate of Programs, Amusement Branch

HQ USAF/ILV—Deputy Chief of Staff, Installation and Logistics, Directorate of Services

IAW—In Accordance With

IMCR—Internal Management Controls Review

IO—Independent Observer

ISC—Installation Security Council

ITS—Intelligent Tracking System

LAC—Local Agency Check

LBC—Left Bill Cassette

LBSD—Lower Bill Stacker Door

LE—Lower Extractor

LMD—Lower Machine Door

LOF—Life of Fund

LSD—Lower Stand Door

MAJCOM—Major Command

MAJCOM/SV—Services, MAJCOM

MWR—**Morale, Welfare and Recreation**

MWRF—Morale, Welfare and Recreation Fund

NAC—National Agency Check
NAF—Nonappropriated Fund
NAFFA—NAF Financial Analyst
NAFI—Nonappropriated Fund Instrumentality
PACAF—Pacific Air Forces
PC—Personal Computer
PIN—Personal Identification Number
QRP—Qualified Recycling Program
RAF—Royal Air Force
RBC—Right Bill Cassette
RMFC—Resource Management Flight Chief
SAV—Staff Assistance Visit
SKD—Security Key Dispenser
SVB—Business Operations Flight Chief
SVF—Financial Management Flight Chief
TCN—Transportation Control Number
TMO—Traffic Management Office
UBSD—Upper Bill Stacker Door
UE—Upper Extractor
UMD—Upper Machine Door
USD—Upper Stand Door
USAFE—United States Air Forces in Europe