

## **24 NCAC 06A .0412 RETENTION, STORAGE, AND DESTRUCTION RECORDS**

The Internal Controls shall include a records retention schedule, and provisions related to the storage and destruction of records that at a minimum incorporates the following provisions:

- (1) An Operator shall maintain, in a place secure from theft, loss, or destruction, adequate records of its business and accounting operations.
- (2) An Operator shall organize and index required records in a manner that enables the Commission to locate, inspect, review, and analyze the records with reasonable ease and efficiency.
- (3) An Operator shall make the records available to the Commission or Director, on request, within a reasonable time provided for by the Commission or Director. The records shall include, but not be limited to:
  - (a) a listing of all current and former employees along with their titles, chains of command, and history of employment status;
  - (b) all relevant correspondence with, or reports to, the Commission or any local, state, or federal governmental agency;
  - (c) all relevant correspondence concerning the business of an Operator, its Service Providers, Suppliers, or other third-party with whom it contracts;
  - (d) the business and organizational structure of the record holder;
  - (e) any acquisition, construction, remodeling, relocation, or maintenance of a proposed or existing Wagering Facility; and
  - (f) for Sports Wagering, the Written Designation Agreement, pursuant to Rule .0206 of Subchapter B.
- (4) An Operator shall keep and maintain, in a manner and form required by the Commission, accurate, complete, and legible records of books, records, or documents, including electronic storage media, pertaining to, prepared in, or generated by, the Operator, including but not limited to:
  - (a) forms;
  - (b) reports;
  - (c) accounting records;
  - (d) ledgers;
  - (e) subsidiary records;
  - (f) internal and external audit records;
  - (g) correspondence; and
  - (h) personnel records.
- (5) An Operator shall retain the records for not less than five years or for a period required by law for inspection by authorized State or federal government agents or officials. If a litigation, claim, or audit is started before the expiration of the five-year period, the records shall be retained until litigation, claims, or audit findings involving the records have been resolved.
- (6) Compliance with G.S. 18C-910(b).
- (7) An Operator shall, except as otherwise provided, notify the Director in writing at least 60 Days prior to the scheduled destruction of records required to be retained in accordance with this Rule. This notice shall list the types of record scheduled for destruction, including a description sufficient to identify the records included, the retention period, and the date of destruction. If documents are to be destroyed in the normal course of business in accordance with document retention policies previously set forth in the Internal Controls approved by the Director, no notice to the Director shall be required.
- (8) The Commission or Director may prohibit the destruction of records required to be retained in accordance with this Rule by so notifying the Operator in writing within 45 Days of receipt of the notice of destruction pursuant to Paragraph (7) of this Rule or within the specified retention period. Any original records in this regard may thereafter be destroyed only after notice from the Commission or Director, or by order of the Commission on the petition of the Operator or by the Commission or Director on its own initiative.
- (9) The Operator may use the services of a disposal company for the destruction of records required to be retained in accordance with this Rule.
- (10) Nothing in this Chapter shall be construed as relieving an Operator from meeting an obligation to prepare or maintain a book, record or document required by another federal, state or local governmental body, authority or agency.

*History Note: Authority G.S. 18C-114(a)(14);  
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