

Title 36 MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY

Subtitle 03 GAMING PROVISIONS

Chapter 10 Video Lottery Facility Minimum Internal Control Standards

**Authority: State Government Article, §§9-1A-02 and 9-1A-04
Annotated Code of Maryland**

.08 Record Retention.

A. Definition.

(1) In this regulation, the following term has the meaning indicated.

(2) Term Defined. “Books and records” means any document pertaining to, prepared in, or generated by a facility operator, without regard to the medium through which the record is generated or maintained, including all general ledger records, subsidiary records and ledgers, computer-generated data, forms, documents, internal audit reports and work papers, correspondence, and personnel records.

B. All original books and records shall be:

(1) Prepared and maintained in a complete, accurate, and legible form;

(2) Stored in a format that ensures readability, regardless of whether the technology or software that created or maintains it has become obsolete;

(3) Retained in a secure location equipped with a fire notification system:

(a) At the facility; or

(b) An off-site location approved by the Commission under §G of this regulation for the express purpose of document storage;

(4) Kept immediately available for inspection by the Commission during all hours of operation;

(5) Organized and indexed in a manner designed to provide immediate accessibility to the Commission; and

(6) Destroyed only after expiration of the minimum retention period required under this regulation.

For August 27, 2015 Commission. The amendments to §§C, D and E would permit facility operators to submit an alternate record retention schedule to the Commission for approval. The other amendments are required for compliance with the *Style Manual for Maryland Regulations*.

1 C. The Commission may, on submission of a written request **or alternate record retention**
2 **schedule** by a facility operator, authorize destruction prior to the expiration of the minimum
3 retention period required under this regulation.

4 D. Unless a request for destruction **or alternate record retention schedule** is submitted in
5 writing and approved in writing by the Commission, a facility operator shall retain indefinitely
6 original books and records documenting:

- 7 (1) Ownership of the facility;
- 8 (2) Internally initiated investigations and due diligence;
- 9 (3) Personnel matters;
- 10 (4) Signature cards of current employees; and
- 11 (5) Destruction of documents including:
 - 12 (a) The identity of the document;
 - 13 (b) Period of retention; and
 - 14 (c) Date of destruction.

15 E. Unless a request for destruction **or alternate record retention schedule** is submitted in
16 writing and approved in writing by the Commission, a facility operator shall retain for a
17 minimum of 5 years all original books and records not:

- 18 (1) Identified for indefinite retention under §D of this regulation; or
- 19 (2) Subject to an exemption under §F of this regulation.

20 F. **Exceptions.** The following exceptions apply to the retention period in §D of this regulation:

- 21 (1) A minimum retention period of 4 years shall apply to documentation pertaining to
22 cashiers' cage transactions;
- 23 (2) A minimum retention period of 3 years shall apply to:
 - 24 (a) Signature cards of terminated employees;
 - 25 (b) Insurance records relating to claims by players;
 - 26 (c) Surveillance and security department:

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- (i) Employee duty logs;
- (ii) Visitor logs;
- (iii) Incident logs;
- (iv) Recording logs; and
- (v) Equipment malfunction reports; and
- (d) Documentation pertaining to gaming tickets or promotional play instruments reported to the Commission as possibly counterfeit, altered, or tampered with;
- (3) A minimum retention period of 30 days shall apply to:
 - (a) Cancelled promotional play instruments for which all reconciliations required by the facility operator's approved internal controls have been conducted and resolved;
 - (b) Voided gaming tickets; and
 - (c) Gaming tickets redeemed at a location other than a video lottery terminal or ticket redemption unit; and
- (4) A minimum retention period of 7 days shall apply to gaming tickets redeemed at a video lottery terminal or ticket redemption unit.

G. **On submission of a written request by the facility operator,** ~~The~~ **the** Commission may, ~~on~~ **on** submission of a written request by the facility operator, approve a location outside the facility to store original books and records.

H. A facility operator requesting to store original books and records outside the facility shall submit to the Commission:

- (1) A description of the proposed location, including details with regard to security and fire notification systems;
- (2) Details with regard to the ownership of the proposed storage facility; and
- (3) Procedures for Commission access to original books and records retained at the proposed location.

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1 I. A facility operator may not store books and records outside the facility without the prior
2 written approval of the Commission.

3 J. **On submission of a written request by a facility operator,** ~~The~~ **the** Commission may, ~~on~~
4 ~~submission of a written request by a facility operator,~~ approve a microfilm, microfiche, or other
5 suitable media system for the copying and storage of original books and records.

6 K. A facility operator submitting a system for the copying and storage of original books and
7 records shall demonstrate to the satisfaction of the Commission that the:

8 (1) Processing, preservation, and maintenance methods to be utilized will make books
9 and records readily available for review and reproduction;

10 (2) Inspection and quality control methods to be utilized will ~~insure~~ **ensure** that when
11 books and records are viewed or reproduced they will exhibit a high degree of legibility
12 and readability;

13 (3) Equipment necessary to readily locate, read, and reproduce books and records is
14 available to the Commission at the facility or approved off-site storage location; and

15 (4) Detailed index of all microfilmed, microfiche, or other stored data maintained and
16 arranged to facilitate the immediate location of particular books and records is available
17 to the Commission at the facility or approved off-site storage location.

18 L. A facility operator may not utilize a microfilm, microfiche, or other suitable media system for
19 the copying and storage of original books and records without the prior written approval of the
20 Commission.

21 M. A facility operator may utilize the services of a contractor for the destruction of books and
22 records permitted to be destroyed under this regulation.

23 N. Nothing in this regulation shall be construed as relieving a facility operator of any obligation
24 to prepare or maintain books and records required by any other federal, State, or local
25 governmental entity.

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