

3772-10-07 Annual audit; other reports; ~~currency transaction reporting~~; suspicious transaction reporting.

(A) Each casino operator's ~~licensee's or applicant's~~ internal control system shall include internal controls for annual and other audit reports.

(B) Each casino operator ~~licensee~~ shall cause its annual financial statements to be audited by an independent certified public accountant or, when appropriate, an independent registered certified public accounting firm licensed to practice in this state. The audit shall be in accordance with generally accepted auditing standards and, when applicable, the standards of the accountancy board. The independent certified public accountant or, when appropriate, independent registered certified public accounting firm shall be approved by the commission before the audit engagement.

(C) Independent certified public accountants and independent registered certified public accounting firms performing annual audits or special reports shall not perform internal audit services for the same casino operator licensee.

(D) The annual financial statements audit shall be prepared on a comparative basis for the current and prior fiscal years and present financial position and results of operations in conformity with generally accepted accounting principles. The financial audit required by this rule shall include a footnote reconciling and explaining any differences between the financial statements included in any annual reports and the audited financial statements.

(E) The casino operator ~~licensee~~ shall require the independent certified public accountant or independent registered certified public accounting firm auditing the casino operator's ~~licensee's~~ financial statements to render a report on the prospective financial statements, including a one-year forecast and three-year projection, expressing an opinion as to whether the prospective financial information is properly prepared on the basis of the assumptions and is presented in accordance with the relevant financial reporting framework, and any additional reports required by the commission.

(F) At any time a special audit of a casino operator ~~licensee~~ may be required by the commission to be conducted by commission personnel, an independent certified public accountant, or an independent registered certified public accounting firm. The scope, procedures, and reporting requirements of any special audit shall be established by the commission.

(G) The casino operator ~~licensee~~ shall file with the commission copies of the reports required by paragraph (E) of this rule in an amount determined by the commission and copies in an amount determined by the commission of any other reports on internal controls, administrative controls, or other matters relative to the casino operator's ~~licensee's~~ accounting or operating procedures rendered by the casino operator's ~~licensee's~~ independent certified public accountant or independent registered certified public accounting firm within one hundred twenty days following the end of the casino operator's ~~licensee's~~ fiscal year or upon receipt, whichever is earlier.

(H) The casino operator ~~licensee~~ shall notify the commission of any report that is filed, or required to be filed, with the securities and exchange commission (SEC) or other securities regulatory agency. The reports shall include any S-1(adopted February 2008), 8-K(adopted September 2011) , 10-Q (adopted March 2010), 10-K (adopted March 2010), proxy or information statements, and registration statements.

(I) All of the audits and reports required by this rule that are performed by independent certified public accountants or independent registered certified public accounting firms shall be prepared at the sole expense of the casino operator licensee.

(J) Each casino operator's ~~licensee or casino operator applicant's~~ internal control system shall include internal controls to meet the requirements of 31 C.F.R. Parts 1000 to 1099 .

(1) The casino operator ~~licensee~~ shall file with the commission a copy of any suspicious activity report ~~casino~~ (SARC) the casino operator ~~licensee~~ is required to file under 31 C.F.R. 1021.320 . Each SARC shall be filed with the commission concurrently with the federal filing; and

(2) A casino operator ~~licensee~~, director, officer, employee, or agent who reports a suspicious activity shall not notify any person involved in the suspicious activity that the suspicious activity has been reported.

~~(K) The casino operator licensee shall file with the commission a copy of any currency transaction report (CTRC) that the casino operator licensee is required to file under 31 CFR 1021.311 , 31 CFR 1021.313 and 31 CFR 1010.315. Each CTRC shall be filed with the commission concurrently with the federal filing.~~

~~(KL)~~ An annual audit of the casino operator's ~~licensee's~~ compliance with commission rules may be required by the commission to be conducted in accordance with generally accepted auditing standards and the standards for financial audits under government auditing standards. The audit report shall require the expression of an opinion on compliance. The audit shall be conducted by either commission staff or an independent certified public accountant firm selected by the commission.