



Ohio Administrative Code Rule 3772-74-15 Inspections and audits.

Effective: [October 26, 2024](#)

(A) Each fantasy contest operator must have its annual financial statements audited by an independent registered certified public accounting firm. The audit must be on a comparative basis for the current and prior fiscal years, include the present financial position and results of operations, and include the fantasy contest operator's operations and separate patron fund entities, if applicable. The fantasy contest operator must file with the commission the audit in a format approved by the executive director within one hundred and twenty days following the end of the fiscal year or upon receipt, whichever is earlier. A fantasy contest operator that is publicly traded may submit its Form 10-K filed to the Securities and Exchange Commission to satisfy this requirement. Any financial audits concerning a fantasy contest operator's current fiscal year or the immediately preceding fiscal year, at the time this rule becomes effective, may still be submitted in accordance with the timelines set in an operator's internal procedures or, if not set by the operator, as set by the executive director.

(B) Each fantasy contest operator must contract with an independent registered certified public accounting firm to perform an independent audit to ensure compliance with fantasy contest law. The audit must be performed and a copy of the report provided to the commission, upon receipt and in a manner prescribed by the executive director, at least once every licensure period. The fantasy contest operator must report to the commission the name of the independent registered certified public accounting firm as well as the lead audit partner or other individual taking primary responsibility for any audit engagement under this rule before the start of the engagement.

(C) The commission may require the termination of any audit engagement under this rule due to lack of qualification, independence, or capacity or a finding that the contract or conduct performed thereunder poses a material risk to the integrity of fantasy contests in this state. The termination process is an action against the fantasy contest operator that is subject to the hearing procedures and disciplinary actions provided for under rules 3772-21 and 3772-22 of the Administrative Code, respectively. If an audit engagement contract is terminated, the fantasy contest operator must enter into a new audit engagement contract to ensure the requirements of this rule are met.



(D) Audit requirements under this rule may be waived by the commission pursuant to rule 3772-74-05 of the Administrative Code. These waiver requests should contain documentary support as to why the waiver is justified based upon risk, audits that have been or will be conducted by the commission, or other good cause. Any waiver based upon audits conducted by the commission may result in the cost of the audit being charged to the fantasy contest operator.

(E) The executive director may do the following:

(1) Require the production of and inspect and audit the documents of all persons that conduct or participate in conducting fantasy contests, including those that at one time conducted or participated in the conduct of fantasy contests in this state but have ceased doing so; and

(2) Perform all other things necessary to ensure the integrity of fantasy contests and for the effective licensing, regulating, investigating, and penalizing of all persons conducting or participating in the conduct of fantasy contests authorized by fantasy contest law.

(F) A person must cooperate at all times with the direction of the commission and must not interfere or hinder an inspection, audit, or investigation or allow others to interfere or hinder an inspection, audit, or investigation.

(G) All applicants and licensees consent to inspections, searches, and seizures and to the disclosure to the commission of non-privileged confidential records, including tax records, held by any federal, state, or local agency, credit bureau, or financial institution and to provide handwriting exemplars, photographs, fingerprints, and any other information requested.