

**STATE OF LOUISIANA
OFFICE OF FINANCIAL INSTITUTIONS
BATON ROUGE, LOUISIANA**

January 16, 2009

POLICY NO. CKC-01-09

(Rescinds Policy CKC-02-08)

**Records Retention Schedule
Check Cashers**

PURPOSE:

To provide a schedule of minimum records to be retained by persons subject to the Louisiana Check-Cashing Law ("CKC"), LSA-R.S. 6:1001 et seq. The Office of Financial Institutions deems these records necessary to determine compliance with the CKC and to protect the welfare of citizens of the State of Louisiana.

TO WHOM THIS POLICY APPLIES:

Those persons subject to the Louisiana Check-Cashing Law who engage in the business of cashing checks, drafts, money orders, or other commercial paper serving the same purpose who are compensated more than two dollars for any of these transactions.

AUTHORITY:

LSA-R.S. 6:1013 Books of account; examinations

A. The licensee shall maintain sufficient books, accounts, and records that will enable the commissioner to determine if the licensee is complying with the provisions of this Chapter and with the rules adopted by the commissioner.

B. A licensee shall preserve the books, accounts, and records for at least two years after making the final entry.

C. (1) The commissioner, through his employees, may examine the records of a licensee at any time during normal business hours without prior notice.

(2) If the licensee's records are located outside this state, the licensee, at the commissioner's option, shall make them available to the commissioner at a location within this state convenient to the commissioner, or pay the reasonable and necessary expenses for the commissioner or his representatives to examine them at the place where they are maintained. The commissioner may designate representatives, including comparable officials of the state in which the records are located, to inspect them on his behalf.

LAC 10:XI.501 and XVII.701 Non-Depository records Retention

- A. Each non-depository person subject to the supervision of the Office of Financial Institutions shall retain such minimum records which are deemed necessary for the examination and supervision of such persons by this office and for such minimum retention periods as determined by the commissioner and set forth in a "record retention schedule" to be detailed in policy which may be amended from time to time as necessary...

SPECIFICS:

- All licensees shall prominently display a current check cashing license issued by the Office of Financial Institutions.
- The notice of all fees charged by a licensee for cashing checks shall be prominently displayed on the premises of the check cashing location. (If the licensee changed the check cashing fees during the previous 2 year examination period, maintain a record of the previous fees until the next examination).

All licensed check cashers shall maintain and preserve such records as detailed below for a period of two years, or longer if required by the commissioner to resolve examination, investigation, or complaint issues. The records or supporting documentation may be kept or stored on computer, electronic media, or otherwise, provided the information can be accessed within a reasonable period of time. The Commissioner or his designee shall have the authority to copy relevant records to support his or her findings. At a minimum, the licensee must maintain and preserve the following documents:

- Documentation that the check cashing fee for checks issued by or drawn upon the account of a public welfare or public assistance agency of the United States, the State of Louisiana, or any political subdivision of the state did not exceed two percent of the total amount of the check presented for cashing or five dollars, whichever is greater.
- Documentation that the check cashing fee for checks other than those issued by public welfare or public assistance agencies did not exceed ten percent of the total amount of the check presented for cashing or five dollars, whichever is greater.
- General, operating, or other bank accounts held in the name of the licensee, including but not limited to, bank deposit slips, check books, check stubs, check registers, canceled checks, a complete copy of the bank statements, and bank statement reconciliations.

Money Services Business (“MSB”) as defined by federal law, 31 CFR 103.11(uu)(2) is: “A person engaged in the business of a check casher (other than a person who does not exchange currency in an amount greater than \$1,000 in currency or monetary or other instruments to any person on any day in one or more transactions).” Licensees who are also Money Services Businesses as defined herein must also comply with the USA PATRIOT Act while maintaining and preserving the following documents:

- A copy of the registration confirmation from the Internal Revenue Service, Detroit Computing Center, Department of Treasury as a money services business. A copy of the registration form (FinCEN Form 107) should be maintained until the official confirmation is received.

- A copy of the prior and current versions of the licensee's anti-money laundering compliance program which were in effect during the two-year period as required by Section 352 of the USA PATRIOT Act and implemented by Regulation 31 CFR 103.125, including the name of the designated compliance officer.
- Documentation describing your system for identifying reportable transactions.
- Maintain copies of all Suspicious Activity Reports (SARS-MSB FinCEN Form 109) filed and the original or business record equivalent of any supporting documentation for a period of five years from the date of the report. Supporting documentation must be identified as such, and attached to the copy of the report.
- A detailed list of checks received in amounts from \$3,000 to \$10,000 that are exchanged for money orders and include the identifying information of the person presenting the check.
- A copy of all currency transaction reports (FinCEN Form 104) when transactions in currency involve more than \$10,000 in checks cashed, conducted by, through, or to the licensee on any one day by or on behalf of the same person.



John Ducrest, Commissioner