**Section 281.40 Required Records**

a) Daily Position Record

1) A daily position record means a written or electronic document that is maintained on a daily basis for each commodity. Postings for each day shall reflect actual changes in inventory for that business day. The daily position record shall provide for a separate accounting for the following:

A) Summary stock record showing total bushel amount of grain received, grain loaded out of the warehouse, adjustments, total grain inventory in the warehouse, redeposited grain and total of the grain inventory in the warehouse plus redeposited grain.

B) Negotiable warehouse receipts obligations, total bushels covered by receipts issued and total bushels covered by receipts cancelled.

C) Non-negotiable warehouse receipts obligations, total bushels covered by receipts issued and total bushels covered by receipts cancelled.

D) Non-receipted storage obligations including total bushel increases and total bushel decreases.

E) Non-receipted company owned grain.

F) Inventory bushel adjustments to the daily position record as set forth in subsection (a)(2).

2) Warehousemen may make adjustments to their inventory as long as documentation is available to substantiate the following types of adjustments:

A) Adjustments to shrink calculations;

B) Adjustments for error correction;

C) Adjustments based upon certified public accountant inventories;

D) Adjustments based upon weighed inventories.

3) Licensees must maintain a master daily position record combining all locations, inventory and storage obligations in the case of multiple locations.

4) Actual grain inventories must at all times be in balance with the summary stock quantity as indicated in the daily position record.

b) Long/Short Position Record

Each grain dealer shall maintain a master long/short risk position record, as either a written or electronic document, that combines all marketing activity of all locations each business day. The risk position record shall at a minimum contain the net position; grain owned; grain sold and shipped on price later contracts that have not been priced; open cash purchase contracts, including purchase contracts issued and purchase contracts cancelled; all futures purchased or sold; grain in transit not sold; grain owned and stored in other grain warehouses; grain purchased and received on price later contracts that have not been priced; open cash sales contracts, including sales contracts issued and sales contracts cancelled; and any options purchased or sold. The position record shall also contain a comments section. The grain dealer shall note in the comments section any actions taken to regain a balanced position as required in Section 10-10 of the Code. The comments shall, at a minimum, indicate bushel amounts, name of buyer/seller/broker and approximate times of transactions.

c) Scale Tickets

1) Scale tickets shall be pre-numbered by an independent printer, or, in the case of computer generated scale tickets, numbered consecutively by the computer recordkeeping system.

2) Scale tickets shall be issued in numerical sequence. All scale tickets must be accounted for numerically either by paper or electronic documentation. A separate series of scale tickets shall be used for each location that has scales under the licensee's control over which grain is received.

d) Cross-reference

All accounts and records relating to grain operations are to be properly cross-referenced. An adequate system of cross-reference shall exist beginning at the time of delivery, clearly indicating the current status of the grain and changes in that status, and indicating the final disposition of the grain.

e) Settlement and/or Receiving Sheets

Settlement and/or receiving sheets shall either be pre-numbered by an independent printer or, in the case of computer generated sheets, numbered consecutively by the computer recordkeeping system. The licensee shall use settlement and/or receiving sheets in numerical sequence and account for all settlement and/or receiving sheets either by paper or electronic documentation. Settlement and/or receiving sheets shall contain evidence of the method of settlement, such as check number, warehouse receipt number, or other evidence of settlement. Settlement and/or receiving sheets, both open and closed, shall be filed in a manner to be readily available for examination purposes, such as alphabetical or numerical. If price later contracts are used, the settlement/receiving sheets shall clearly indicate the price later contract numbers against which grain is to be applied.

f) Safeguarding and Retention of Records

The licensee shall provide a secure place at each licensed location and at the principal office for storage of all records pertaining to the operation of the licensee. The records shall be kept current and made available for inspection by Department personnel at the principal office of the licensee and at each licensed location. The records shall be retained by the licensee for a period of not less than 2 years from the closing date of any transaction.

g) Grain Inventory Accountability Report

A grain inventory accountability report means a written or electronic document that is maintained monthly for each commodity with an option to forgo one month’s measurement per calendar year. In addition to that option, a licensee may also submit a written request to the Department for a waiver setting forth its justification for being unable to complete the monthly grain inventory accountability report. The Department may grant a waiver, at its discretion, for good cause shown. Good causes are those that may jeopardize the health or safety of the licensee's employees, including acts of nature. The monthly grain inventory accountability report shall provide for a separate accounting for the following:

1) The total grain inventory contained within each licensed storage structure.

2) The bin worksheets signed by the individual who collected the data provided on the bin worksheets.

3) The inventory calculations derived from the data provided in the bin worksheets.

4) A monthly comparison of the total grain inventory accountability report of each commodity to the daily position record of total stock of that same commodity.

(Source: Amended at 47 Ill. Reg. 5939, effective April 12, 2023)