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CHEROKEE NATION GAMING COMMISSION

MEETING DATE / LOCATION:

5 October 2018

Cherokee Nation Gaming Commission
Conference Room

COMMISSIONERS PRESENT:

John Sparks, Chairman
Steven Barrick, Vice Chairman
Jennifer Goins, Commissioner
Tina Glory-Jordan, Commissioner
Janice Walters-Purcell, Commissioner

COMMISSIONERS ABSENT:

None

COMMISSION STAFF:

Jamie Hummingbird, Director
Debra Wilson, Administrative Officer
Tracy Christie, Gaming Systems Analyst
Kelly Myers, Licensing Manager
Jeannie Bunch, Compliance Officer

CHEROKEE NATION ENTERTAINMENT: Gary Weddell, Gaming Operations
Bear Christensen, Compliance
Jennifer Province, Marketing
Jennifer Watkins, Compliance
Reba Chambers, Compliance
Kevin Scrapper, Marketing
Dena Geib, CNB Legal
Jennifer Bryant, Human Resources
David Ledford, IT
Angela Jobe, IT
Belinda Fuller, Audit
Monica Richards, Finance
Donald Childers, VP Surveillance & Loss Prevention
Dustin Dye, CNB Audit
Joe Washum, CNB Safety & Environment
Jacelyn W. Ferguson, Compliance
Lauren Redden, Compliance

VISITORS:

Todd Hembree, Office of the Attorney General
Chrissi Nimmo, Office of the Attorney General

CHEROKEE NATION GAMING COMMISSION MEETING MINUTES

5 October 2018

Cherokee Nation Gaming Commission
Conference Room

CALL TO ORDER:

Chairman Sparks called the meeting to order at approximately 9:46 a.m.

ROLL CALL:

Present: Chairman Sparks
Vice-Chairman Barrick
Commissioner Goins
Commissioner Jordan
Commissioner Purcell

Absent: None

A quorum was established.

APPROVAL OF AGENDA:

Commissioner Barrick motioned to approve the agenda, seconded by Commissioner Jordan. Motion carried.

APPROVAL OF MINUTES:

Commissioner Barrick motioned to approve the 24 August 2018 meeting minutes. The motion was seconded by Commissioner Goins. Motion carried.

INTRODUCTION OF GUESTS:

Introductions were made by attendees from the Cherokee Nation Gaming Commission (CNGC), Cherokee Nation Entertainment (CNE), Cherokee Nation Businesses (CNB), Cherokee Nation (CN), and guests.

Commissioner Jordan motioned to enter into executive session for the CNE reports; seconded by Commissioner Purcell. Motion carried.

Jamie asked if the item under old business could be included in executive session.

Commissioner Barrick amended the motion to include old business in executive session at 9:25 a.m.; seconded by Commissioner Goins. Motion carried

CNE REPORTS:

A. FINANCIAL REPORT

B. FACILITIES REPORT

OLD BUSINESS:

A. FACILITY EPH&S AUDIT REPORT – D. WILSON

Commissioner Purcell motioned to exit executive session at 11:03 a.m.; seconded by Commissioner Goins. Motion carried.

Chairman Sparks reported that the old business Item A Facility Environmental Protection Health and Safety (EPH&S) Audit Report was received and there were no items to be carried over.

A break was taken at 11:05 a.m. and the meeting resumed at 11:17 a.m.

Commissioner Jordan motioned to table VIII Items A-G until after Item VIII H; seconded by Commissioner Goins. Motion passed.

Item H was taken up at this time. See respective line item below.

NEW BUSINESS

A. PERMITS & LICENSES – K. MYERS

Kelly presented the following and requested approval.

1. Employees

List for 21 September 2018

- One hundred and one (101) individual(s) for temporary permits
- Eighty-one (81) individual(s) for suitability determination
- One hundred and thirteen (113) orders
- One hundred and fifty-eight (158) renewals for 19 October 2018

Commissioner Goins motioned to approve; seconded by Commissioner Purcell. Motion carried. Commissioner Jordan abstained.

List for 19 October 2018

- Fifty (50) individual(s) for temporary permits
- Forty-nine (49) individual(s) for suitability determination
- Eighty-seven (87) orders
- Two hundred and ninety-eight (298) renewals for 16 November 2018

Commissioner Goins motioned to approve as submitted; seconded by Commissioner Jordan. Motion carried. Commissioner Purcell abstained.

2. Vendor & Vendor Representatives

List for 21 September 2018

- Four (4) new company orders for 21 September 2018
- Thirty (30) individual orders for 21 September 2018
- Six (6) company renewals for 19 October 2018
- Thirty-eight (38) individual renewals for 19 October 2018

Commissioner Barrick motioned to approve as submitted; seconded by Commissioner Goins. Motion carried.

List for 19 October 2018

- Zero new company orders for 19 October 2018
- Zero individual orders for 19 October 2018
- Three (3) company renewals for 16 November 2018
- Eighteen (18) individual renewals for 16 November 2018

Commissioner Jordan motioned to approve as submitted; seconded by Commissioner Purcell. Motion carried.

B. LICENSE CLASSIFICATIONS – K. MYERS

Kelly presented nine (9) new license classifications and requested approval.

Commissioner Goins motioned to approve; seconded by Commissioner Barrick.

Commissioner Purcell requested additional information as to why CNGC was licensing the Cultural Collection Manager and the Cultural Art & Design Specialist. Kelly explained that

it is a National Indian Gaming Commission (NIGC) requirement to license management. CNE confirmed that these new positions would be making purchases, signing contracts, getting loans from other museums, and managing the system. Bear added that CNE and CNGC are currently working on Vendor Licensing.

Motion carried.

C. GAME & SYSTEM APPROVALS – K. MEYERS

Kelly presented the following and requested approval.

1. Electronic Game Themes

➤ AGS	33
➤ Aristocrat	18
➤ Ainsworth	3
➤ IGT	18
➤ Bally	10
➤ Konami	6
➤ Everi	3

OS/Main Programs

➤ AGS	2
➤ IGT	1

New Cabinets

➤ Bally	2
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Director Approved Items

➤ IGT	6
➤ Bally	1
➤ Konami	4
➤ Aristocrat	1

Commissioner Purcell motioned to approve as listed; seconded by Commissioner Goins. Motion carried.

2. Table & Card Games

Jamie presented the following:

Roland Dice Affirmation of Approval

Jamie reported that CNE requested approval for Roland dice to be utilized for the newly approved craps game. This received prior Directors approval on 15 August 2018 to allow for the gaming operation to move forward with the ordering process.

West Siloam Springs Felt Approval

CNE requested approval for new Table Game felts for West Siloam Springs property. The felts will be distributed by the CNGC Class A licensed gaming vendor "Avalon Gaming."

Card Change

There were a couple of additional items up for approval that CNGC just recently received. Jamie provided a handout on information regarding the Hard Rock facility requesting approval to change the current card from yellow to orange. Everything with the card meets all the specifications and regulations.

Trilux

CNE also requested approval for a couple of modifications to the game rules for the Trilux game that was recently approved. Jamie explained the modifications and reported that all information with the revised game play was in compliance.

Jamie recommended approval for the modification to Trilux and the new cards for the Hard Rock property as well as the two items in the packet.

Commissioner Barrick motioned to approve both submissions as well as the two (2) new items provided this day as submitted; seconded by Commissioner Goins. Motion carried.

3. Systems

Kelly reported that CNE submitted a request for approval for the LaserFiche document retention/document flow system provided by ImageNet, a class A CNGC licensed vendor. This system will be used as a supplement to the currently used Everi Title 31 compliance software and also for the processing of subpoena requests to CNE Compliance from CNB legal. The benefits are better tracking, security, and organization for the suspicious activity reports (SARS) document flow prior to filing. It also allows greater access to CNE employees to initiate and SARS to CNE Compliance for investigation and filing. All information was reviewed by CNGCs Gaming Systems Analyst Tristan Trumbla. Approval was requested

Commissioner Barrick motioned to approve as distributed; seconded by Commissioner Purcell. Commissioner Jordan asked whey an additional system is needed. Bear explained that the current system limits the number of employees who have access to it. This will make suspicious activity reporting available across all employees resulting

in more reporting availability from the floor. It also has a document tracking and approval function. Motion carried.

Mobile App Update

Jamie reported that CNGC had just received new updated information with the possibility of introducing a mobile app that was presented at a past meeting. CNGC is in the process of reviewing the documents provided. Jamie requested a delegation of authority to approve this app upon completion of the review process and will affirm at the next meeting.

Commissioner Goins motioned to approve the delegation of authority request; seconded by Commissioner Barrick. Motion passed.

D. PROMOTIONS & CALENDAR OF EVENTS – J. BUNCH

September

Jeannie presented the promotions and calendar of events for the month of September and requested approval.

Commissioner Jordan motioned to approve as distributed; seconded by Commissioner Purcell. Motion carried.

October

Commissioner Goins motioned to table the October promotions until the documentation could be presented; seconded by Commissioner Purcell. Motion carried.

The meeting returned to this item to take action after documents were provided and at the conclusion of Item G CNGC 2018 Audit Cycle Update.

Commissioner Jordan motioned to approve; seconded by Commissioner Purcell. Motion carried.

The meeting went back to Item H Investigations, License Actions & Hearings to be acted upon. See respected line item below.

E. TOURNAMENTS – J. BUNCH

September

Jeannie presented the tournaments and calendar of events for September and requested approval.

Commissioner Goins motioned to approve as distributed; seconded by Commissioner Barrick. Motion carried.

October

Jeannie presented the tournaments and calendar of events for October and requested approval.

Commissioner Jordan motioned to approve as distributed; seconded by Commissioner Barrick. Motion carried.

F. IN-HOUSE PROGRESSIVE TRANSFERS – J. BUNCH

Jeannie presented and recommended approval for the transfer of retired in-house progressive (IHP) funds to promotional funds for the direct benefit of e-games patrons.

Commissioner Purcell motioned to approve as submitted; seconded by Commissioner Jordan. Motion carried.

G. CNGC 2018 AUDIT CYCLE UPDATE – T. ASHER

Jamie updated the Commissioners on the audit cycle. CNGC is in the process of closing out a few audits. Dustin Dye Reported that four (4) audits were issued and in the packet. The audits were on Gaming Systems, Financials, Key & Access, and Drop & Count. They also issued an ongoing activities report cash memo. He made himself available to questions, there were no questions.

Jamie also notified the Commissioners of an external audit kicking off soon to satisfy NIGCs statutory deadline of 28 January 2019.

Chairman Sparks announced that the audits were received.

The documents for the tabled Item D Promotions were provided at this time and acted upon.

See respected line item above.

H. INVESTIGATIONS, LICENSE ACTIONS & HEARINGS (EXECUTIVE SESSION REQUESTED) – MYERS

Commissioner Goins motioned to enter into executive session at 11:18 a.m. for briefings on the hearings and/or investigations and hear each individual as scheduled; seconded by Commissioner Purcell. Motion carried.

Chairman Jordan motioned to exit executive session at 12:37 p.m. The motion was seconded by Commissioner Goins. Motion carried

A lunch break was taken and the meeting resumed at 1:05 p.m.

The meeting returned to new business Item A on the agenda at this time. See respective line item above.

Actions for the hearings discussed previously in executive session were recommended and acted upon after action was taken on Item D - October Promotions and Calendar of Events.

Kelly made the following recommendations and requested approval:

Tab 6

Action: Remove the finding of non-suitability

Commissioner Jordan motioned to remove the finding of non-suitability; seconded by Commissioner Purcell. Motion carried. Commissioner Goins opposed.

Tab 1

Action: Rescheduled to the November meeting

Tab 2 - Present

Action: Remove the finding of non-suitability

Tab 3

Action: License revocation

Tab 4

Action: License revocation

Tab 5

Action: License revocation

Tab 7 - Present

Action: License revocation

Tabs 8

Action: License revocation

Tab 9

Action: Rescheduled to the November meeting

Commissioner Goins motioned to approve as recommended; seconded by Commissioner Purcell. Motion carried.

Commissioner Jordan requested additional documentation/statement that non-suitability determinations were acted upon on 6 September 2018.

The previously tabled Item H was taken up at this time. See respective line item above.

DIRECTORS REPORT - J. HUMMINGBIRD

Vendor Licensing – CNGC and CNE will be working together on vendor and individual licensing. They will also meet to continue their discussion on the System of Internal Control Standards (SICS) submission regulation and anticipate presenting those to the commission in November.

SICS – CNGC is on schedule to present SICS in November.

This report was accepted by the Commission.

OPEN SESSION:

None

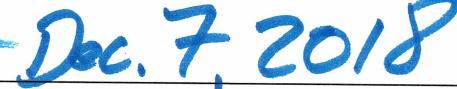
ADJOURNMENT:

Commissioner Jordan motioned to adjourn at 1:48 p.m. The motion was seconded by Commissioner Barrick. Motion carried.

Approval of Minutes:



John H. Sparks



Dec. 7, 2018

CHAIRMAN SPARKS

DATE