



CWYΛ DΒR JΕΛGΛΛΛY DΗΩΩΛΗ

## CHEROKEE NATION GAMING COMMISSION

MEETING DATE / LOCATION:

27 July 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  
Tammy Dry, Executive Assistant  
Debra Wilson, Administrative Officer  
Tracy Christie, Gaming Systems Analyst  
Traci Asher, Internal Audit Manager  
Gena Caviness, Compliance Manager  
Jeannie Bunch, Compliance Officer

CHEROKEE NATION ENTERTAINMENT:

Gary Weddell, Gaming Operations  
Bear Christensen, Compliance  
Jennifer Province, Marketing  
Jennifer Watkins, Compliance  
Reba Chambers, Compliance  
Donald Childers, Surveillance & Loss Prevention  
Kevin Scrapper, Marketing  
Dustin Dye, CNB Audit  
Dena Geib, CNB Legal  
Jennifer Bryant, Human Resources  
David Ledford, IT  
Angela Jobe, IT  
Sammye Walton, IT  
Joshua Anderson, Surveillance  
Tim Mannon, Corporate Gaming  
Jacelyn W. Ferguson, Compliance  
Alex Bohanon, CNB Audit  
Joseph Byrd, CNB Legal Intern

**VISITORS:**

Janees M. Taylor, Tribal Council  
Todd Hembree, Office of the Attorney General  
Chrissi Nimmo, Office of the Attorney General

# CHEROKEE NATION GAMING COMMISSION MEETING MINUTES

27 July 2018

Cherokee Nation Gaming Commission – Conference Room

## CALL TO ORDER:

Chairman Sparks called the meeting to order at approximately 9:38 a.m.

## ROLL CALL:

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

Absent: Commissioner Goins

A quorum was established.

## APPROVAL OF AGENDA:

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

## APPROVAL OF MINUTES:

Commissioner Jordan motioned to approve the 8 June 2018 and the 29 June 2018 meeting minutes. The motion was seconded by Commissioner Barrick. 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 Goins arrived at 9:42 a.m.

Commissioner Jordan motioned to enter into executive session at 9:43 a.m. for the CNE reports; seconded by Commissioner Barrick. Motion carried.

## CNE REPORTS:

### A. FINANCIAL REPORT

## B. FACILITIES REPORT

Commissioner Goins motioned to exit executive session at 10:50 a.m.; seconded by Commissioner Purcell. Motion carried.

No action was taken.

## OLD BUSINESS:

- A. PERSONNEL ISSUE – COMMISSION
- B. USE OF RECORDING DEVICES POLICY – COMMISSION
- C. OFF-TRACT WAGERING AUDIT – T. ASHER

Commissioner Jordan motioned to move Items A and B and take up after the Director's Report on the agenda; seconded by Commissioner Goins. Motion carried.

Commissioner Jordan requested to place Item C on the next meeting's agenda under executive session. All agreed.

## NEW BUSINESS

- A. PERMITS & LICENSES – K. MYERS

Gena presented the following and requested approval.

### 1. Employees

- One hundred and eleven (111) individual(s) for temporary permits
- Eighty-eight (88) individual(s) for suitability determination
- Fifty-three (53) orders
- One hundred and sixty-five (165) renewals for 24 August 2018

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

### 2. Vendor & Vendor Representatives

- Zero new company orders for 27 July 2018
- Eight (8) individual orders for 27 July 2018
- Eleven (11) renewals for 24 August 2018
- Forty (40) individual renewals for 24 August 2018

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

**B. LICENSE CLASSIFICATIONS – K. MYERS**

Gena presented seventeen (17) new license classifications and requested approval.

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

**C. GAME & SYSTEM APPROVALS – G. CAVINESS**

Gena presented the following and requested approval.

**1. Electronic Game Themes**

➤ Everi	14
➤ IGT	13
➤ Ainsworth	8
➤ Bally	8
➤ AGS	24
➤ VGT	4
➤ Aruze	8
➤ Konami	6

**OS/Main Programs**

➤ IGT	1
➤ Bally	1
➤ AGS	6
➤ Everi	2
➤ Aruze	2
➤ VGT	1

**New Cabinets**

➤ Aruze	1
➤ Bally	1

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

**2. Table & Card Games**

CNE requested approval for the following items to be approved for the upcoming Roulette and Craps games.

- Roulette Balls and Wheel which will be used at all three gaming facilities (West Siloam Springs, Hard Rock, and Roland)
- Hard Rock Non-Value Roulette Chips
- West Siloam Springs Dice
- Hard Rock Dice

These items received Directors approval to allow the gaming operation to move forward with the ordering process. Gena recommended approval based on the review of the information provided.

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

### 3. Systems

None presented

## D. PROMOTIONS & CALENDAR OF EVENTS – J. BUNCH

Jeannie presented the promotions and calendar of events and recommended approval as listed in the packet.

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

## E. TOURNAMENTS – J. BUNCH

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

Commissioner Goins 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; seconded by Commissioner Jordan. Motion carried.

Commissioner Jordan requested a year-to-date total on the IHP funds that have been transferred.

#### G. CNGC 2018 AUDIT CYCLE UPDATE – T. ASHER

Traci reported that the Cards & Tournaments Audit had been completed and was ready to be issued with the exception of a couple of items on CNEs policies and procedures. Management had agreed on the majority of CNGC's findings. Traci recommended approval to release the report. Commissioner Jordan asked Bear if all were in agreement to release, Bear confirmed.

Commissioner Jordan had questions on the disagreements. Bear explained the process when things of this nature come into place and added that these types of disagreements come to the Commission for the ultimate decision. Chairman Sparks explained that before the report is approved for release, in most cases the issues have been resolved.

Jamie explained that Traci is limited on what to do when it comes to policies. He suggested that when this type of issue arises, CNGC reviews the question at hand and report both sides of the disagreement to legal counsel and asks for their recommendation to move forward, then report back to the commissioners for action. Commissioner Jordan asked if this could be done by the next meeting. Jamie affirmed.

Chrissy recommended listing it under new business at the next meeting since this item was listed on the agenda as an update and no action was taken. All Agreed.

Dustin Dye provided a copy of a memo regarding ongoing activities that they certify. He reported a summary of activities and had no findings to report.

#### H. CNE SICS - J. HUMMINGBIRD

Jamie provided an additional handout, TGM009. The policies have been out for review on the shared drive policies and procedures review sight. The System of Internal Control Standards (SICS) being presented is the result of the meetings with CNE over the outstanding policies. The additional handout was received from CNE last week and is a slight modification to the ball and dice policies that were approved at last month's meeting. At the last meeting, there was a discussion about the methodology by which dice will be inspected once received in the warehouse. The decision at that time was to have management compose a methodology and bring before the commission for approval, which is included in the revised policy.

Jamie recommended approval of the twenty-nine (29) listed including the TGM009 SICS provided today making thirty- (30) in total.

Commissioner Goins motioned to approve, seconded by Commissioner Purcell. Motion carried.

I. CNGC CRAPS AND ROULETTE REGULATIONS – J. HUMMINGBIRD

Jamie reported that the draft regulation in the packet would put the current SICS submission and approved guidelines into regulatory format. This is a process that has been used since December 2015. After discussion with CNE regarding the processes, CNE requested the guidelines be placed in regulation format. Jamie requested approval to authorize this for a thirty- (30) day publication comment period under the Cherokee Nation Administrative Procedures Act (APA).

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

J. INVESTIGATIONS, LICENSE ACTIONS & HEARINGS (EXECUTIVE SESSION REQUESTED) – MYERS/CAVINESS

Jamie reported that the Commission received a letter from the Vice President (VP) and General Counsel Tim Baker regarding the licensing of a vendor and the inability to use that company on projects that are currently underway. The letter refers the company as a non-gaming vendor and he requested that the commission reconsider suspending and placing on hold the company's license status. After Jamie's review, he sent a response letter to the Commissioners and Tim. The company was previously licensed as a non-gaming Class B vendor in 2009 by CNGC. At that time, the Commission had a regulation that authorized and actively licensed non-gaming vendors, which changed in 2015 when the Attorney General issued an opinion saying that the CNGC no longer had the authority to license non-gaming vendors because that portion of the gaming ordinance was repealed.

What was learned prior to the new ordinance going into effect in 2014, the company was performing gaming related services and products, which CNGC Licensing confirmed with both the vendor and Operations at the time. The decision was made to move the company from a non-gaming classification to a gaming classification and has been licensed since 2014. On the spreadsheet CNGC Licensing received from CNE listing the companies, this company was marked as not to be renewed. Therefore, communication was sent to the company on 11 May 2018 that CNGC would not be sending a renewal application this year. No communication was received from the company. On 9 July 2018, notice was sent to the company and CNE Operations that the gaming license of the Company's Vice President was expiring on 21 July 2018. At no time did the CNGC's licensing staff provide a notice stating the company was suspended or that they were not to be used as a vendor because the vendor license does not expire until 18 August 2018.

After communications between CNGC Licensing, CNE Operations, and the vendor regarding the need to renew, a renewal packet was provided to the vendor on 10 July 2018.

An extension for the vendor to submit the application was granted to 24 July 2018 at the vendor's request. The application was hand delivered by the vendor on Monday, 23 July 2018 and is currently being processed. Since the vendor has been treated as a gaming vendor for the past four (4) years, Jamie did not see any issues with the license renewal for the company. Jamie added that the expiration date should be changed to the next meeting date of 24 August 2018.

Commissioner Jordan requested that all get together within the next sixty- (60) days to make a unified recommendation.

Chairman Sparks entertained a motion to extend the license until 1 October 2018 and put the renewal license on hold until the CNGC acts on the applicability of the vendor license regulation. Commissioner Jordan agreed to make the motion; seconded by Commissioner Goins. Motion carried.

Jamie will schedule the meetings necessary with CNE.

A break was taken at 12:17 p.m.

The meeting reconvened to regular session.

Commissioner Jordan motioned to enter into executive session at 12:20 p.m. for briefings on the hearings and/or investigations and hear each individual as scheduled; seconded by Commissioner Purcell. Motion carried.

Commissioner Goins motioned to exit executive session at 12:47 p.m. and return to regular session; seconded by Commissioner Purcell. Motion carried.

Gena made the following recommendations and requested approval.

**Tab 1**

Action: License revocation

**Tab 2**

Action: Tabled to the next meeting

**Tabs 2**

Action: Adopt recommendation of staff

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

DIRECTORS REPORT - J. HUMMINGBIRD

Jamie presented an item that was not in the packet. Approval was requested for the Hard Rock to begin a promotion the following week that involves gaming cubes that contain dollar amounts on the sides. They would like to begin registering individuals next Wednesday then execute the promotion the following week. Jamie contacted Chrissy to see if there were any concerns. Chrissy did not see any issues.

Chairman Sparks suggested Jamie review the information and provide Director's approval, then provide the Commission with a follow-up at the next meeting. None opposed.

Jamie provided Environmental Health and Safety reports from Debra Wilson and offered to answer any questions.

Commissioner Jordan motioned to enter into executive session at 12:55 p.m. to take up old business items A (Personnel Issue) and B (Use of Recording Devices Policy). The motion was seconded by Commissioner Purcell. Motion carried.

Commissioner Purcell motioned to exit executive session; seconded by Commissioner Jordan. Motion carried.

Both items received no action and have been concluded.

OPEN SESSION:

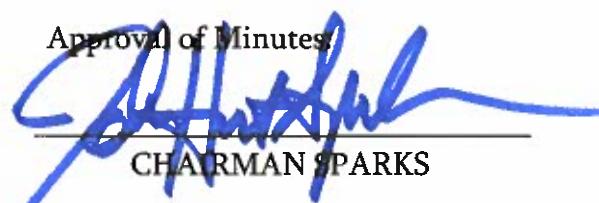
Chairman Sparks reported on his attendance at the National Council of Legislators from Gaming States (NCLGS) conference the previous week. The main subject was sports betting.

He also reported he attended the Oklahoma Indian Gaming Association (OIGA) conference earlier in the week.

Chrissy spoke on the legalization of Marijuana and where Cherokee Nation currently stands on the subject.

ADJOURNMENT:

Commissioner Goins motioned to adjourn at 2:16 p.m. The motion was seconded by Commissioner Purcell. Motion carried.

Approval of Minutes  
  
CHAIRMAN SPARKS

Aug. 24, 2018  
DATE