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CHEROKEE NATION GAMING COMMISSION

MEETING DATE / LOCATION:

31 January 2020
Hard Rock Hotel & Casino
Cherokee Hills Golf Club

COMMISSIONERS PRESENT:

John Sparks, Chairman
Steven Barrick, Commissioner
Jennifer Goins, Commissioner
Linda O'Leary, Commissioner
Shawna Baker, Commissioner

COMMISSION STAFF:

Janice Walters Purcell, Executive Director
Shannon Vahdatipour, Interim Audit Manager
Tiffany Cochran, Compliance Manager
Kristi Cole, Licensing Agent
Meagan Thompson, Licensing Agent
Jeannie Bunch, Compliance Officer
Sydney Kimble, Gaming Auditor
Haley Noe, Gaming Agent Supervisor

CHEROKEE NATION ENTERTAINMENT:

Gary Weddell, Gaming Operations
Liz Rosebrough, Corporate Gaming
Jennifer Watkins, Compliance
Angelia Jobe, Information Technology
David Ledford, Information Technology
Reba Chambers, Compliance
Bear Christensen, Compliance
Ben Blosch, Accounting
Kyle Culver, Marketing
Jennifer Provence, Marketing
Jessica Graham, Legal
Melody Cable, Audit

VISITORS:

John Young, Office of the Attorney General
Todd Hembree, Office of the Attorney General
Janees Taylor, Tribal Council
Wes Nofire, Tribal Council

CHEROKEE NATION GAMING COMMISSION MEETING MINUTES

31 January 2020

Hard Rock Hotel & Casino

Cherokee Hills Golf Club

I. CALL TO ORDER:

Chairman Sparks called the meeting to order at approximately 9:45 a.m.

II. ROLL CALL:

Present: Chairman Sparks
Vice Chairman Barrick
Commissioner Goins
Commissioner O'Leary
Commissioner Baker

A quorum was established.

III. APPROVAL OF AGENDA:

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

IV. APPROVAL OF MINUTES:

Commissioner Baker motioned to approve the 3 January 2020 meeting minutes; seconded by Commissioner Goins. Motion passed.

Executive Director Purcell inquired about amending the November 8 2019 minutes to reflect a correction. Chairman Sparks stated that item needs to be presented at a future meeting after listing it on a future agenda.

V. 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.

VI. CNE REPORTS:

A. FINANCIAL REPORT

Commissioner Barrick motioned to enter into executive session at 9:52 a.m. to discuss items VI. A-D. The motion was seconded by Commissioner O'Leary. Motion carried.

- B. FACILITIES REPORT
- C. TRIBAL GAMING COMPACT
- D. ARKANSAS GAMING

VII. OLD BUSINESS:

Commissioner O'Leary motioned to exit the executive session at 11:25 a.m. The motion was seconded by Commissioner Goins. Motion carried.

Chairman Sparks requested to take a short break and return to regular session at 11:40 a.m.

Upon returning from the break, there was a discussion to temporarily table items VIII. A-H. in order to move the license appeal hearings in item VIII. I. further up the agenda.

Commissioner Baker made the motion to table items VIII. A-H. until after item VIII. I.; seconded by Commissioner O'Leary. Motion passed.

A. CNGC TRIBAL INTERNAL CONTROL STANDARDS-PROPOSED REVISIONS – J. WALTERS PURCELL

Executive Director Purcell informed the Commission that John Young and the Office of the Attorney General received the comments from outside counsel regarding the revised reports in early January. It was requested that the review and any revisions from the Office of the Attorney General be expedited due to impending audits. John Young informed the Commission that the review and revisions should be completed before the next Commission meeting held on 28 February 2020. Once the comments from Cherokee Nation Enterprises (CNE) have been addressed, the Office of the Attorney General will issue the final revised report(s) to Executive Director Purcell by the tentative date of 21 February 2020. Executive Director Purcell may then distribute the final revisions to the Commission for review, however, no action will be required to adopt the revisions during the 28 February 2020 meeting.

Following the revisions update, Commissioner O'Leary motioned to enter into executive session at 11:53 a.m. to complete item VIII. I. The motion was seconded by Commissioner Goins. Motion carried.

VIII. NEW BUSINESS

Commissioner O'Leary motioned to exit the executive session at 1:29 p.m. The motion was seconded by Commissioner Goins. Motion carried.

A. PERMITS & LICENSES – K. COLE

Kristi Cole presented the following and requested approval:

1. Employees

- Seventy-five (75) individual(s) for temporary permits
- Seventy-two (72) individual(s) for suitability determinations
- Eighty-one (81) license orders
- Zero (0) renewals due to the additional Commission meeting held on 3 January 2020

License orders included CNGC staff member, Samantha Phillips.

Commissioner O’Leary motioned to approve; seconded by Commissioner Goins. Motion carried.

2. Vendor & Vendor Representatives

- Two (2) new company orders for 31 January 2020
- Eighteen (18) individual orders for 31 January 2020
- Zero (0) company renewals for 28 February 2020
- Zero (0) individual renewals 28 February 2020

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

B. LICENSE CLASSIFICATIONS – K. COLE

Kristi Cole presented six (6) new or updated license classifications and requested approval.

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

C. GAME & SYSTEM APPROVALS – T. COCHRAN

Tiffany Cochran presented the following:

1. Electronic Gaming Machines

Electronic Game Themes

- | | |
|-------------|----|
| ➤ Ainsworth | 7 |
| ➤ AGS | 7 |
| ➤ Everi | 20 |
| ➤ VGT | 2 |

New Game Client

➤ Everi

2

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

2. Felt Approvals

Tiffany Cochran reported that CNE submitted and requested approval for two (2) new Poker felt designs and seven (7) new Table Games felt designs for the Hard Rock Casino. In addition, CNE submitted and requested approval for modification to the Bonus Craps felt at the West Siloam Springs casino. The modification would allow for more work space between “Bonus Craps” and the prop box.

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

D. PROMOTIONS & CALENDAR OF EVENTS – J. BUNCH

Jeannie Bunch presented the report and requested approval.

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

Roland Addendum

Jeannie Bunch presented the revised report and requested approval.

Commissioner Baker motioned to approve the addendum to Roland; seconded by Commissioner O’Leary. Motion carried.

E. TOURNAMENTS – J. BUNCH

Jeannie Bunch made the presentation and requested approval for one (1) schedule of event at the Hard Rock Catoosa facility and one (1) schedule of event for the West Siloam Springs facility.

Commissioner O’Leary motioned to approve as listed; seconded by Commissioner Goins. Motion carried.

F. IN-HOUSE PROGRESSIVE TRANSFERS – J. BUNCH

Jeannie Bunch 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 Barrick motioned to approve as listed; seconded by Commissioner Baker. Motion carried.

G. CNGC AUDIT CYCLE UPDATE – S. VAHDATIPOUR

Shannon Vahdatipour reported that three (3) additional FY 2019 audits have been completed since the Commission received their current packet. Also, a fourth FY 2019 audit is expected to be completed during the first week of February. Tentatively, all four (4) outstanding FY 2019 audits will be included in the Commission packet for the 28 February 2020 meeting.

For informational purposes only, Shannon Vahdatipour stated that the 20-01AP Cards and Tournaments audit has been issued internally and externally for responses and should be included in the Commission packets for the 28 February 2020 meeting. In addition, the 20-05AP Player Tracking audit has been preliminarily released to CNE in order for the respective departments to provide additional insight and potentially decrease the amount issues found. Because of this, the 20-05AP audit may not be completed until the meeting held on 27 March 2020.

Shannon Vahdatipour reported that the 19-05AP Accounting and Purchasing audit was included in the current Commission packet and requested Commission approval before releasing it to the Tribal Council and CNE.

Commissioner O’Leary motioned to approve the release of the 19-05AP Accounting and Purchasing audit; seconded by Commissioner Goins. Motion carried.

H. SICS MEMO – T. COCHRAN

Tiffany Cochran reported that CNGC is currently requesting approval for seven (7) revisions and one (1) notice of deactivation to the CNE SICS referenced in the memorandum from Bess Warren.

Commissioner Barrick motioned to approve the SICS revisions and/or deactivations; seconded by Commissioner O’Leary. Motion carried.

I. INVESTIGATIONS, LICENSE ACTIONS & HEARINGS – K. COLE

Kristi Cole made the following recommendations and requested approval:

Tab 1

Action: License revocation.

Tab 2

Action: Conditional removal.

Tab 3

Action: License denial.

Tab 4

Action: Continuance until 27 March 2020.

Tab 5

Action: License revocation.

Commissioner Baker motioned to approve the staff recommendations; seconded by Commissioner O'Leary. Motion carried.

IX. EXECUTIVE DIRECTOR'S REPORT

Executive Director Purcell took the opportunity to thank the CNGC staff members for working diligently to complete the projects assigned throughout the last couple of months.

Executive Director Purcell also asked the commissioners if they would be interested in eating at the Hwy 66 Diner in the future due to the Hard Rock buffet closing at 2:30 p.m. The Commission agreed that having that as an option would be beneficial.

No action taken.

X. OPEN SESSION:

No action taken.

XI. ADJOURNMENT:

Commissioner Goins motioned to adjourn at 1:56 p.m. The motion was seconded by Commissioner Baker. Motion carried.

Approval of Minutes:



CHAIRMAN SPARKS



DATE