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CHEROKEE NATION GAMING COMMISSION

MEETING DATE / LOCATION: 11 September 2020
Cherokee Nation Gaming Commission - Tahlequah
Conference Room- Web Ex

COMMISSIONERS PRESENT: John Sparks, Chairman
Steven Barrick, Vice Chairman
Jennifer Goins, Commissioner

COMMISSIONERS ABSENT: Linda O'Leary, Commissioner

COMMISSION STAFF: Janice Walters Purcell, Executive Director
Tiffany Cochran, Compliance Manager
Kelly Myers, Licensing Manager
Sherri Combs, Audit Manager
Sydney Kimble, Gaming Auditor III
Bess Warren, Special Projects Officer
Jeannie Bunch, Compliance Officer
Tammy Perry, Executive Assistant

CHEROKEE NATION ENTERTAINMENT: Gary Weddell, Gaming Operations
Jennifer Watkins, Compliance
Angelia Jobe, Information Technology
Michael Ward, Corporate Gaming
Bear Christensen, Compliance
Monica Richards, Accounting
Mitch Moren
Ben Blosch
Jennifer Provence
Tim Mannon
Kyle Culver
Melody Cable, Audit
Todd Hembree, Legal

VISITORS: John Young, Office of the Attorney General

CHEROKEE NATION GAMING COMMISSION MEETING MINUTES

11 September 2020

CNGC Conference Room - Tahlequah

Conference Room

I. CALL TO ORDER:

Chairman Sparks called the meeting to order at approximately 9:43 a.m.

II. ROLL CALL:

Present: Chairman Sparks
Vice Chairman Barrick
Commissioner Goins

Not Present: Commissioner O'Leary

A quorum was established.

III. APPROVAL OF AGENDA:

Chairman Sparks stated the first item was the approval of the September 11, 2020 agenda. Commissioner Barrick motioned to approve, seconded by Commissioner Goins. Motion passes. Chairman Sparks stated he would entertain a motion to amend the agenda by changing the numbering or lettering. You will see on the Game & System Approval item 8; C, letter D was omitted. Chairman Sparks stated he would like to insert the letter D and re letter the rest of the items in that subsection accordingly. Commissioner Goins motioned to amend the agenda, seconded by Commissioner Barrick. Chairman Sparks stated he would also like the information deleted at the Roman Numeral 11. The motion is to delete the information and at Roman Numeral 11 add adjournment. Commissioner Barrick motioned to amend the changes to Roman Numeral 11, seconded by Commissioner Goins. Motion passes. Chairman Sparks stated he was unsure he took a vote on the first motion. Motion passes. Chairman Sparks stated two amendments that have passed change in the numbering of the agenda. The agenda is amended.

IV. APPROVAL OF MINUTES:

Commissioner Barrick motioned to approve the August 14, 2020 minutes, seconded by Commissioner Goins. Motion passes

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. Chairman Sparks stated he would like to recognize a guest, Justice Shawna Baker, formerly of the Gaming Commission, has joined us and would like to give us her opinion on this matter. Shawna Baker stated she just wanted to say Thank you to everyone for your service while I was on the Gaming Commission. I had an excellent time with the Chairperson, as well as Commissioner Goins, Commissioner Barrick and Commissioner O’Leary. Justice Baker stated she wanted to say “Thank you to the Executive Director and the members of the Gaming Commission serving under you and the individuals with CNB and CNE that always came prepared and made the meetings so much easier and made our jobs look easy. I will certainly miss serving with the Gaming Commissioners and serving on the Gaming Commission. I look forward to seeing you in Tahlequah soon.” Executive Director Purcell replied “Thank you Shawna.” Chairman Sparks replied, “You will make a great addition to the court.”

VI. CNE REPORTS:

Commissioner Goins motioned to enter Executive Session at 9:57a.m. for the purpose of the Financial and Facility Reports as reflected under amended agenda items A & B. Seconded by Commissioner Barrick. Motion passes.

- A. FINANCIAL REPORT, MONICA RICHARDS
- B. FACILITIES REPORT, GARY WEDDELL

Commissioner Goins motioned to exit Executive Session at 10:24 a.m., seconded by Commissioner Barrick. Motion passes.

VII. OLD BUSINESS:

- A. CNGC Tribal Internal Control Standards TICS
 - 1. Vote to Publish

Chairman Sparks stated to Executive Director Purcell we are now on Item 7 under Old Business of the TICS agenda there is a note to publish. If you would like to request action in the form of a motion what is your position as far as the request to the Commission. Executive Director Purcell replied, we want to take a vote to publish, but I would like to defer to Attorney John Young to explain the situation. Chairman Sparks stated that as a procedural matter we need a motion. Is there a motion to publish the TICS as indicated on the amended agenda previously distributed. Commissioner Goins made the motion, seconded by Commissioner Barrick. Chairman Sparks asked Counsel Young if he could provide a summary of the status of the TICS and the effect of the motion if its passed by the Commission. Counsel Young replied Mr. Chairman we would just be publishing all the comments received in toto pursuant to section 305C4 of the code and that allows us to give one big response to everything that we have. It's anticipated we will make some changes in response to those comments, so when we publish those final comments I'll recommend to the Commission again to provide further comments, which is what the code requires. I don't anticipate there will be many that should be many comments and we should be wrapping it up at that point, but at this point we're just going to put all the pages on line and that's all the additional proposed TICS and receive comments so this won't be our final publication. Chairman Sparks asked how many days before the next action is posted and Counsel Young answered, I think if we leave them posted as is wouldn't do anything sooner than the next regularly scheduled meeting. It's my sense that we would put up what will essentially be the final revision at that point again the code contemplates if make changes like we done in response to public comments not in the same way we have before, but in a similar manner. We should be getting pretty close to the end after we publish at the next regular scheduled meeting. Chairman Sparks asked the Commissioners if either of them had any questions . Chairman Sparks asked Executive Director Purcell does this give a couple of pages to put up on the screen and Executive Director Purcell replied, yes this is on the provisions of the APA and the public participation, so I submitted that to the Commissioners under comments. There is a response to each comment , so this is what Counsel Young was discussing. The publication on this is for the 26th of June 2019, Counsel Young replied that was the initial publication date. Chairman Sparks asked as a result of that publication date comments have been received and analyzed between that point and today. Counsel Young replied, correct. Chairman Sparks asked as a result of that back and forth with the items that we're going to vote to publish today, that is a cumulative result of the comments generated as a result of this postdate last year. Counsel Young answered, yes Chairman. Chairman Sparks asked if everyone was tracking with that. Executive Director Purcell answered yes. Chairman Sparks asked if anything else we need to know at this point, Counsel? Counsel Young answered nothing else Mr. Chairman. Chairman Sparks thanked everyone for their work on this and asked all those if favor to motion to publish. Motion passes. Chairman Sparks asked Counsel and Executive Director Purcell if you would when this publication goes up will you distribute a link or just an e-mail to the Commissioners to let us know that this is the final publication. Executive Director Purcell replied, yes, Chairman.

VIII. NEW BUSINESS

A. PERMITS & LICENSES –

Kelly Myers presented the following and requested approval:

1. Employees

- Sixteen (16) Temporary permits
- Eight (8) individual(s) for suitability determinations

- Seventeen (17) license orders
- 189 Renewals- (3 CNGC Employees Judson Bolin, Atira Chapman, Florence Northington, and Commissioner Linda O’Leary)

Commissioner Goins motioned to approve, seconded by Commissioner Barrick. Motion is passed.

2. Vendor & Vendor Representatives

Kelly Myers presented the following and requested approval:

- Eleven (11) company renewals
- Fifty-eight (58) individual renewals

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

B. License Classifications

Kelly Myers stated for this month stated they have 4 new and or updated license classifications

- Investigative Analyst III ED
- Sales Specialist WRD
- Senior Investigator
- Sr. Manager of Casino Operations

Commissioner Barrick motioned to approve, seconded by Commissioner Goins. Motion passes.

C. Investigations, License Actions, & Hearings

Commissioner Goins motioned to enter Executive Session at 10:48 a.m. seconded by Commissioner Barrick. Motion passes.

Commissioner Goins motioned to exit Executive Session at 11:09a.m. seconded by Commissioner Barrick. Motion passes.

Recommendation for Tab 1 is license revocation. Commissioner Goins made the motion, seconded by Commissioner Barrick. Recommendation is adopted.

D. Game & System Approvals

Bess Warren stated that the memorandum had been revised to reflect that 4 Aristocrat games were originally listed as In House Progressive (IHP) and they were revised to Wide Area Progressive (WAP). Approval is requested for the following:

1. EGM Memorandum

Electronic Game Themes

- Novamatic 7
- IGT 3
- Aristocrat 13

Game Package Upgrade

- Eclipse 1

New Main Programs

- Aristocrat 3

New Gaming Cabinets

- Aristocrat 2

New Gaming Component

➤ Novamatic 1

Commissioner Barrick made the motion to approve as listed, seconded by Commissioner Goins. Motion passes.

2. Confirm Change Request

CNE submitted a request for a request for an IGT EZPay Configuration Change to be implemented on Global Kiosk at all CNE Sites due to Coin Shortage. This change will replace the IGT EZPay VRT licenses with the CTN licenses. By implementing the IGT EZPay CTN licenses, the redemption kiosks (Global Kiosks) will be able to print a cashable ticket-in, ticket out (TITO) ticket rather than dispensing change. Commissioner Barrick motioned to approve as requested by staff, seconded by Commissioner Goins. Motion passes.

3. NEWave 2020 Upgrade v4.0.0.2

CNE submitted a request for an upgrade to the NEWave system from version 3.8.5.3. to version 4.0.0.2 for compliance with the Bank Secrecy Act (Title 31) and to meet new compliance requirements by Financial Compliance Enforcement Network for the U.S. Treasury Department (FinCen) by September 1, 2020. NEWave is the system that CNE uses to track cash transactions at our gaming facilities for Title 31 purposes. This upgrade directly addresses the new requirements of FinCen for the identification of transactions with multiple parties. Commission Goins motioned to approve as requested by staff, seconded by Commissioner Barrick. Motion passes.

4. PeopleSoft Tools 857 (2020)

An approval is being sought for an upgrade to the PeopleSoft Financials System currently being utilized. This system has been used since 2004 by CNB and CNE. The upgraded version will provide corrections and fixes to the current application as well as new functionalities that could be utilized. Commissioner Barrick motioned to approve as requested by staff, seconded by Commissioner Goins. Motion passes.

5. Secondary Set of Chips Order

CNE submitted a request for approval to order a secondary set of chips for the West Siloam Springs Facility. The chips will be provided by Avalon Gaming a CNGC Class A licensed gaming vendor. On December 16, 2019 Executive Director's approval was granted to allow CNE to move forward with

ordering Hard Samples, with the directive the manufacturer must obtain a gaming license prior to ordering chips. On June 25, 2020 David Davis, Cage Operations Manager, and Tiffany Cochran, Compliance Manager, reviewed and inspected the new notched hard samples. The company sent four (4) chips for each denomination (\$25, \$100, \$500, & \$1,000). All chips were inspected and passed inspection in accordance with CNGC Regulation VII (D) Card & Table Game Chip Standards. Commissioner Goins motioned to approve as requested by staff, seconded by Commissioner Barrick. Motion passes.

E. PROMOTIONS & CALENDAR OF EVENTS

No memo to submit, no motions on points of order

F. TOURNAMENTS

No, memo to submit, Jeannie is in weekly contact with the marketing team.

G. 2020 IHP APPROVAL MEMO

Jeannie presented and recommended approval for the transfer of retired In House Progressive Funds (IHP) for the direct benefit of the E-game patrons in the amount of \$170, 903.09. Commissioner Barrick motioned to approve the transfer of IHP funds to Promotions, seconded by Commissioner Goins. Motion passes.

H. CNGC FINAL AUDITS AND REVIEW

1. 20-01 Card Games and Tournaments Final Audit Report

Sherri Combs, Audit Manager, presented the Card Games and Tournament Final Audit Report for approval. Sherri stated that the Audit was completed prior to her arrival on 7/9/2020 and she had reviewed it and said she felt comfortable presenting it to the Commission for approval and release to the NIGC. Commissioner Barrick motioned for approval, seconded by Commissioner Goins. Motion passes.

2. 20-05 Player Tracking Final Audit Report

Sherry stated the Player Tracking Final Audit Report was ready for approval, the Lead Auditor was not available, one of the team members was should the Commissioners have any questions. Commissioner Barrick motioned to approve and release the audit, seconded by Commissioner Goins. Motion passes.

3. Audit Implementation Review (2020 Q3)

Chairman Sparks stated let the minutes reflect that the Commission has received the Audit Implementation Review 2020 Q3 . We will be awaiting the follow up report on the matters. No Action.

I. SICS MEMO

Bess Warren presented and requested approval for eight (8) new policies and three (3) revised policies stated in the SICS Memorandum dated September 11, 2020. Commissioner Barrick motioned to approve, seconded by Commissioner Goins. Motion passes.

IX. EXECUTIVE DIRECTORS REPORT

Executive Director Purcell introduced Sherry Combs and stated she comes to us with a lot of audit experience and are happy for her to be here. Executive Director Purcell stated that we are on track to finish the requirements for this fiscal year and we appreciate the Commissioner and hope to see you live soon.

X. OPEN SESSION:

Chairman Sparks took this time to acknowledge the events that took place 19 years ago on today's date.

XI. ADJOURNMENT:

Commissioner Barrick motioned to adjourn at 11:45 a.m. The motion was seconded by Commissioner Goins. Motion carried.

Approval of Minutes:


CHAIRMAN SPARKS

October 9,2020
DATE