



NIGC NOTICE OF INQUIRY AND REQUEST FOR INFORMATION MEETING JANUARY 11, 2011 SAN DIEGO

Introduction

- Augustine has always fully supported the NIGC MICS as it currently exists having originally adopted it in July of 2002 and continued its use with the amended version in July 10, 2006 by resolution 7.02 with the approval of NIGC.
- Augustine recognizes that 25 CFR 514.1 empowers the NIGC to access fees including annual fees. Therefore Augustine voluntarily submits our annual audit to NIGC to verify the accuracy of our gross gaming revenue.
- Augustine has always made available to NIGC agents the annual audit for review and examination.
- Augustine has also always endeavored to maintain complete transparency with both the State and NIGC.

Augustine State Compact

- Augustine's Class III Tribal State Compact Sec.7.4.3 requires that we make available all applicable records to the State Gaming Agency necessary for completion of any investigation of the Tribe's compliance with its Compact.
- Additionally the Tribal State Compact Sec. 8.1.8 requires that an annual audit be conducted by an independent certified public accountant, in accordance with the auditing and accounting standards for audits of casinos of the American Institute of Certified Public Accountants.

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- The State of California has already adopted the NIGC MICS as a uniform state wide regulation.
- Therefore Augustine feels there is no need for the NIGC to conduct actual audits of California Gaming Tribes which would in actuality create an unnecessary redundancy and additional burden and expense for both the Tribes and NIGC.
- The California Tribal State Compact contains a definition of Class III gaming device “Net Win”. That definition recognizes the right of a tribe to deduct the WAP operators fees be they fixed or a percentage. Therefore the NIGC proposal to define WAP contracts as “Management Agreements conflicts with the language of the California Tribal State Compact.

Recommendations

- Augustine suggests the NIGC continue in its valuable efforts to update the NIGC MICS.
- Augustine suggests the NIGC publish updated MICS proposals that are the combined work product of NIGC Advisory Committees made up of tribal gaming representatives nationwide and post them as bulletins or advisories as opposed to regulations.

Clay Lambert
Executive Director
Augustine Gaming Commission