



June
15th – 16th
2022

National Indian Gaming Commission National Training Conference



Located at

**The GRAND CASINO
HOTEL & RESORT**

777 Grand Casino
Blvd., Shawnee, OK
74804



AGENDA

*Indicates courses to be virtually streamed via ZOOM
Times listed in CST

START TIME	NIGC National Training Conference June 15 th & 16 th , 2022 Grand Casino Shawnee, Oklahoma			
Day One	08:00	Welcome		
	08:30	NIGC Chairman Address		
	09:00	Leadership Discussion		
	10:00	Break/Networking		
	11:00	Introduction to Self-Regulation*		
	12:00	<i>Lunch (On Your Own)</i>		
		AUDITING TRACK	COMPLIANCE TRACK	
	01:00	How to Audit to 543.20	Mission Statements	
	02:00	Break	Break	
	02:15	How to Audit to 543.20	Overview of the Indian Gaming Regulatory Act	
	03:15	Break	Break	
	03:30	Understanding Intent and Testing*	Tribal Gaming Ordinances	
	04:30	Day One Wrap up, Q&A		
	Day Two		Day Two- TRACKS	
08:30		Auditing to the SICS*	How to Avoid IGRA Violations "Misuse of Gaming Revenue"	
09:30		Break	Break	
09:45		Auditing to the SICS*	How To Avoid IGRA Violations "Management without an Approved Contract"	
10:45		Break	Break	
11:00		Auditing Digital Wallets*	Intro to Emergency Preparedness Plans	
12:00		<i>Lunch (On Your Own)</i>		
01:00		Auditing Revenue "A Deep Dive"	Background Investigations	
02:00		Break	Break	
02:15		Auditing Revenue "A Deep Dive"	Licensing Files	
03:15		Break	Break	
03:30		Auditing Revenue "A Deep Dive"	CHRI and Part 558.3(e)	
04:30		Course Close		



Course Descriptions

General Track

Leadership Discussion: This panel presentation will provide an opportunity for attendees to hear from the NIGC Leadership and staff regarding agency updates, outreach efforts and operational priorities.

Introduction to Self-Regulation: The Indian Gaming Regulatory Act allows for a tribe to petition the Commission of the NIGC for a certificate of self-regulation for its Class II gaming. This discussion will detail what the requirements are for a tribe to submit a petition for self-regulation and provide a general overview of the petition review process.

Audit Track

How to Audit to 543.20: This course is designed for tribal gaming regulators, operational and IT personnel. It will explore the 25 C.F.R. Part 543.20 Minimum Internal Control Standards for Class II Gaming. We will discuss and step through each section of the IT MICS and how to apply relevant best practices for overcoming the recognized concerns. Utilizing real world examples, we will highlight various MICS and emphasize common IT compliance issues.

Understanding Intent and Testing: This course will introduce the Cage Tool Kit, discuss how it can be used, and identify the top Cage findings from the FY20 AUPS. Provide practical exercises and discuss the intent and testing to help build better controls. The course will help Tribal Regulators especially your internal auditors and Operations cage personnel better understand the MICS for class II gaming.

Auditing to the SICS: This training is designed to help auditors understand through practical exercises and hands-on activities on how to develop an audit checklist that includes auditing down to the System of Internal Controls (SICS).



Auditing Digital Wallets: This Panel discussion will discuss TGRA and Internal Audit considerations as it relates to Digital Wallets and Cashless Wagering.

Auditing Revenue “A Deep Dive”: The objectives for this course are to identify the standards for auditing revenue, discuss the intent of the standards, and the importance of implementing procedures. This course will focus on providing specific information for MICS auditing revenue sections by providing handouts, practical exercises, and discussions about implementing procedures. Exercises include identifying, documenting, and reporting errors and non-compliance.

Compliance:

Mission Statements: Join us for a hands on session where we will be creating a mission statement for your organization. The mission statement is a specific description of your organizations core purpose. The statement answers the question: “Why do we exist?” The best mission statements details with ease and clarity, the organization’s core purpose and why it exists.

Overview of the Indian Gaming Regulatory Act: This is an activity based training, where we will be identifying the tribe’s authority to regulate gaming. In this hands on course you will learn about the statutory basis for the tribal gaming, which promotes economic development and strong tribal governments. We will explore how this act shields tribal gaming from corrupting influence and ensures the tribe is the primary beneficiary of the gaming enterprise.

Tribal Gaming Ordinances: Prior to tribes engaging in gambling, they need to obtain an ordinance approved by the NIGC Chairperson. Each ordinance issued is unique to each specific tribe, laying the foundation for gaming occurring on approved land. Your tribe’s gaming ordinance should include the tools necessary to effectively regulate your tribe’s gaming facilities. We will be working through this activity based training to identify some of your tribe’s specific requirements and help you understand what your authority is as it relates to regulating gaming.



How to Avoid IGRA Violations “Misuse of Gaming Revenue”: MGR is a violation of the Indian Gaming Regulatory Act, there are five specific purposes of use of revenue. When used for something other than those purposes, violations occur. Let’s take an activity filled hour to see how this may occur and what you can do to prevent it.

How to Avoid IGRA Violations “Management without an Approved Contract”: What are management contracts and how does TGRA play a role in insuring your operations doesn’t cross the line into a violation of IGRA. Join us for an hour long activity filled training on managing without a contract and what red flags to look out for!

Introduction to Emergency Preparedness Plans: This session will help attendees understand what an Emergency Preparedness Plan (EPP) is, what it consists of, why it’s critically important to have, practice and exercise the plan. In addition, a model template will be discussed and made available

Background Investigations: Let’s take a close look the requirements for Part 556 and 558. In this activity filled hour we will look at the definition of the Key and Primary Management official and look at some job description that may or may not signify an individual is Key or Primary official. As well as submission requirements and timelines.

Licensing Files: This will be an hour long session on delving into the files held by the TGRA for at least three years after termination. We’ll explore some of the most common areas of non-compliance and work collectively in groups to develop a checklist to ensure accuracy of the information.

CHRI and Part 558.3(e): TBA



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A series of 20 horizontal black lines spanning the width of the page, intended for text entry or handwritten notes.



Lined writing area with 30 horizontal lines.




A series of horizontal lines for writing.

 National Indian Gaming Commission




**An Introduction to Part 518
Self Regulation**

Presenter, Title
Office Title Date

 Training Objective

The objective of this lesson is to provide an overview of the process and procedures for review and approval of Self Regulation petitions from tribes under 25 CFR section 518.

2

 Overview

- Mission
- Purpose of Review process
 - Regulatory focus

3



Waiver

➤ On May 25, 2022 the Commission temporarily waived 25 C.F.R. § 518.3(a) eligibility requirement.

➤ Waiver only applies to closures due to the Covid-19 pandemic.

4



NIGC OSR

➤ Office of Self Regulation
➤ Key Players

➤ Specific Process
➤ Identify additional key players
➤ Identify tasks
➤ Timeline

5



Process

➤ Checklists
➤ Readiness Checklist
➤ Created to assist tribes
➤ Eligibility Checklist
➤ Follows 518.3
➤ Submission Checklist
➤ Follows 518.4
➤ Criteria Measurement Checklist
➤ Follows 518.5

6



STEP 1

Petition for Self Regulation

- What must a Tribe Submit to the Commission as part of its petition? §518.4
- Requirements will follow the Submission checklist



7



STEP 2

Within 30 days of receiving petition, OSR will review for completeness.
If incomplete, OSR will contact tribe by letter



8



STEP 3

If incomplete, Tribe has 30 days from receipt of notification letter to submit more information or clarification.
If complete, OSR will notify tribe in writing.



9



STEP 4

OSR will conduct eligibility review. During this process, OSR may ask for additional information. This will include the Eligibility Checklist and Criteria Measurement Checklist.



10



STEP 5

As part of the eligibility determination, OSR will conduct on-site review and visit the TGRA and the gaming operations.



11



STEP 6

REVIEW AND RESULTS
Within 120 days of notification of completed application, OSR will draft a report and recommendation to Commission.



12



STEP 7

REVIEW AND RESULTS

Within 30 days after the issuance of the recommendation and report, the tribe may submit a written response to the Commission.

Tribe may request a hearing immediately, or may withdraw and resubmit its application any time prior to a final determination.

13



STEP 8

REVIEW AND RESULTS

Within 45 days after receiving the OSR recommendation and report, and the tribe's response the Commission will issue its preliminary findings.



14



STEP 9

REVIEW AND RESULTS

Within 30 days after issuance of the preliminary findings or after the conclusion of a hearing, if one is held, the Commission will issue its final determination.



15



CERTIFICATION



ISSUANCE OF CERTIFICATE EFFECTIVE
JANUARY 1 OF THE FOLLOWING YEAR



16



Annual Requirements

AFTER THE ISSUANCE OF CERTIFICATE
OF SELF REGULATION WHAT ARE THE
ANNUAL REQUIREMENTS?

1. Submission of Annual Audits
2. Updated list and resumes of TGRA employees

Annual requirements need to be
received by April 15th or within
120 days after the end of the
tribe's fiscal year.



17



Additional Resources

- Bulletin 2022-01 Self-Regulation under
the Indian Gaming Regulatory Act
- Bulletin 2022-02 Self-Regulation and
Post-Certification Compliance

18



Benefits of Self-Regulation

- Reduction in fees for Class II Gaming
- If the Commission grants a self-regulation petition, the tribe is no longer subject to the Commission's authorities stated in Section 2706(b)(1-4).
- IGRA recognizes that tribal gaming is a means of promoting tribal economic development, self-sufficiency, and strong tribal governments.

19



Questions

Are there any questions?



20



Auditing 543.20

Division of Technology

Training Overview



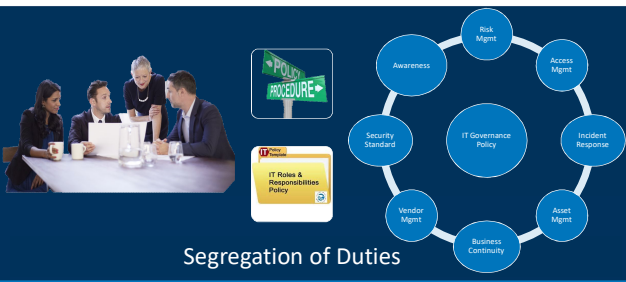
Part 1

- (a) Supervision
- (c) Class II Gaming Logical and Physical Controls
- (d) Physical Security
- (e) Logical Security
- (f) User Controls
- (g) Installation and/or Modifications


Part 2

- (h) Remote Access
- (i) Incident Monitoring and Reporting
- (j) Data Backups
- (k) Software Downloads
- (l) Verifying Downloads

(a) Supervision




Segregation of Duties




(c) Class II Gaming Logical and Physical Controls

Importance of:


- Tribal Internal Controls or (TICS)**
How best to direct Operations/IT
- System of Internal Controls or (SICS)**
Create required Policies and Procedures





Control Types

- Preventive** Designed to deter undesirable events from occurring.
- Detective** Designed to detect and correct undesirable events which have occurred.
- Directive** Designed to cause or encourage a future desirable event to occur.



Preventive, Detective or Directive Examples

- Separation of Duties, Passwords, Authorization Requirements
- An exception report from the electronic timekeeping system
- A policy that advise employees of an expected behavior of protecting tribal assets from unauthorized access

Exercise 1 Segregation of Duties/C2 Gaming Logical and Physical Controls

(d) Physical Security



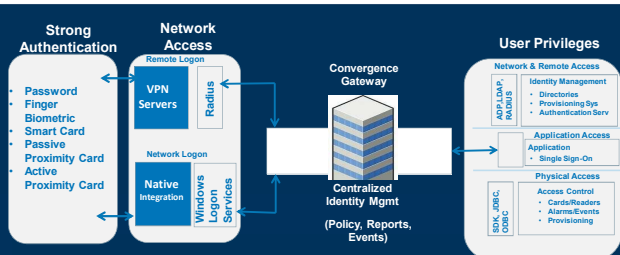
Access History / Access Audit

Physical Access

Data & Hardware
Separation

What Personnel Have Access

(e) Logical Security



(e) Logical Security



Cloud Logical Security

SecLaaS: Secure & PCI Compliant Cloud

Compliance Mgmt (Dashboards, Integration with: CCM, VM/PM)

24x7 Real Time Threat Mgmt (Advanced Reporting & Response)

Vulnerability & Patch Mgmt (Automation, Streamlining & Integration)

Log Mgmt & Archiving (Collection from systems, apps & security controls)

Identity & Access Mgmt (Automation, Delegation, Governance)

Secure Access (Dedicated VDI/TS, Strong Authentication, Workflows)

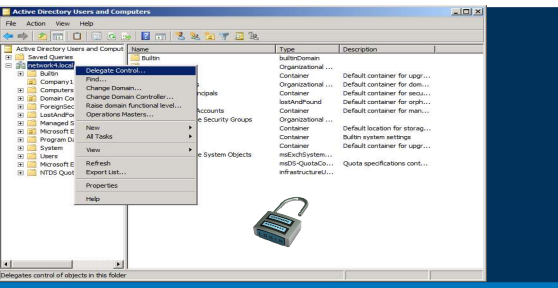
Data Security (Storage & DB Encryption, Tokenisation)

Application Security (WAF, optional Anti-DDos)

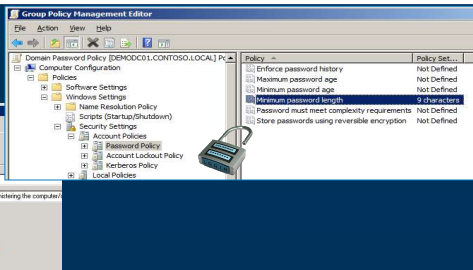
System Security (Hypervisor Protection, CCM/FIM, AV/HIPS, Hardening)

Network Security (FW & DMZs, IDS/IPS, VPNs, Virtual FW)

(f) User Controls



(f) User Controls





Exercise 2 Physical & Logical Security/User Controls

(g) Installations and/or Modifications



Installations and Upgrades

When downloading a product for the first time, download the Installation. If you want to upgrade to the next version of the product, download an Upgrade.

DAILY LOG REVIEW

Download Software, Download Upgrade, Application Overview and Help (PDF)

Download Software → Download Upgrade → Application Overview and Help (PDF) → Installation → Daily Log Review

(h) Remote Access



Are you Tracking?

Remote Access

Top	User	Service	Source IP	Login	Duration	Virtual IP	Down	Up
1	Dz		2018-01-21	00:03:04		0	0	
2	Dz		2018-01-21	12:03:07		0	0	
3	Dz		2018-01-21	11:48:34	00:00:10	0	0	
4	Dz		2018-01-21	00:02:01		0	0	
5	Dz		2018-01-21	11:48:02	00:00:32	0	0	
6	Dz		2018-01-21	11:38:13	00:04:32	0	0	
	Dz		2018-01-21	00:02:49		0	0	
	Dz		11:28:44	01:00:11		0	0	
Total								

Are you Reporting?



Exercise 3 Remote Access

(i) Incident Monitoring and Reporting



(i) Incident monitoring and reporting.

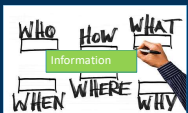
(1) Procedures must be implemented for responding to, monitoring, investigating, resolving, documenting, and reporting security incidents associated with information technology systems.

(2) All security incidents must be responded to within an established time period approved by the TGRA and formally documented.

(i) Incident Monitoring and Reporting





IT Incident report:
Documentation of an event that (potentially) disrupted the normal operation of some IT system, and work performed regarding that event.




Regulations
543.20(i)(2)
GC TICS/SICS

(i) Incident Monitoring and Reporting





Define Response Procedures



Define Criticality

Incident Response Plan
 The operational component of incident management. Including documented procedures guidelines for defining the severity of incidents, reporting and escalation process, and recovery procedures.

- Different outage/support ticket types
- Write flexible SICS - Add discretionary open-ended classification.

(i) Incident Monitoring and Reporting



Incident Monitoring and Reporting



- Reporting

Conduct Forensic and Remedial Actions



- Incident Management Lifecycle

Apply Analysis



Know Your Assets and People



- What kind of Data
- What is It
- Who has Access

(j) Data Backups







(k) Software Downloads



File Name	MD5	SHA1
infocase.exe	4b0c440c0822e96a4f70007aa19a4e	09677a9b2ca9321e4a9a8d775340106
background.dat	4d02a2e07215268a8819a4b43171e	08022a4851a1a4505872839a3a1a1
chocoolat.kug	a0f9f48f401e13137a2aa41301930	46355a300613a713a2030002274a
background.exe	2a64e1e241e2a22102013a10108	01a064e241e2a22102013a10108
background.exe	4b0c440c0822e96a4f70007aa19a4e	09677a9b2ca9321e4a9a8d775340106
background.exe	60223333a01a010044c08364a4a5	41c384a4988315c2395e454801091
background.exe	9f324291481481481481481481481	4a481481481481481481481481481
background.exe	9b0a0c78a71a481481481481481481	8a2c087a051a211a4a0c07790e2a2
background.exe	50c4a019814814814814814814814	8a2c087a051a211a4a0c07790e2a2
background.exe	671c4a01981481481481481481481	295a1479268568a0847a2c480e4a0
background.exe	481481481481481481481481481481	50007170a901a01015a2c1a480441
background.exe	481481481481481481481481481481	6f481481481481481481481481481
background.exe	07104917012104917012104917012	07104917012104917012104917012
background.exe	481481481481481481481481481481	4a391481481481481481481481481
background.exe	481481481481481481481481481481	48051481481481481481481481481
background.exe	481481481481481481481481481481	284c77a2a481481481481481481481
background.exe	481481481481481481481481481481	481481481481481481481481481481

(l) Verifying Downloads



Verified By
YOU!

Exercise 4 Incident Monitoring and Reporting/Data Backups



Scenario #1



Cloud Related
Loss of Data



It is discovered that the access credentials to the cloud based backup system have been lost due to turnover.

Scenario #1 Answers



543.20(c) Access Controls

543.20(j) Data backups



- Review service contracts, SLAs
- Extra TICS/SICS regarding cloud based systems
- Who owns the account to the cloud system, the tribe or the department
- Define in regulations who has access.

Scenario #2



Internal Data Breach via
online shared drive



It is discovered that a large volume of data was stolen via a Dropbox/Google Drive style file sharing service.

Scenario #2 Answers



543.20(c) Access Controls



543.20(e) Logical Security

- Extra TICS/SICS regarding such cloud services.
- Extra IT systems to block specific domain names.

Scenario #3



External Attack



The public facing website is down. It appears to be the result of an attack.

Scenario #3 Answers



543.20(f) User Controls

543.20(e) Logical Security



- Extra TICS/SICS to specify stronger rules
- User education
- Identify critical areas.
- Regular ITVA and Penetration tests

Scenario #4



Password policy



A finance manager sends an email notifying IT that the Kiosk management system doesn't support 4 character types.

Scenario #4 Answers



543.20(f) User Controls

543.20(e) Logical Security



- Extra TICS/SICS to mitigate exceptions or stronger rules
- User education
- Dual factor authentication and other mitigating technologies





Place the correct control in the blank and let's discuss the differences.

Preventive

Detective

Directive

1. _____ Physical, administrative and technical measures intended to prevent unauthorized access to organizations information asset.
2. _____ Practices, processes and tools that identify and possibly react to unauthorized access to information asset.
3. _____ Regulations, policies, standards, guidelines, processes and procedures.
4. _____ Malicious code protection, periodic update of anti-virus signatures
5. _____ Define users (non-privileged & privileged) rules of behavior
6. _____ Correctness of Processing i.e. summaries, sequence checks
7. _____ Physical inventory, transaction trails, and management reviews
8. _____ Review and approval process for purchase orders to make sure they are appropriate before purchase.
9. _____ System and information integrity; define systems rules of behavior
10. _____ The internal audit functions



In the spaces below identify where each security type would reside. i.e. are User ID's Physical or Logical Security?

Physical security:	Logical security:
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.

System Authentication

Locks

Antivirus Software

Access Cards/Biometrics

Intrusion Detection Systems

User ID/Password

Smart Cards

Electronic Access Controls

Walls, Doors, Fences

Cameras/Surveillance

Application-level firewalls

Alarm Systems



Remote Access

1. Read each scenario
2. Identify the problem
3. Provide solution to correct the problem

Scenario #1:

Vendor Z has an always on or constant connection between their service center and the Class II server housed in the tribe's server racks. This connection has been approved by IT Security and by the Gaming Commission since 10/03/2020. The vendor has a staff of properly licensed database admins that utilize the connection to perform daily manual database backups and trouble shooting at the tribe's request. On 01/15/2021 Erik Magnus, the external auditor, asks for a log of all remote access to that server from 12/01/2020 to 12/31/2020. He is given a screenshot of windows usernames and logins for the time period.

Scenario #2:

Bobby Drake from Vendor A calls in at 11:00, 10/21/2020, saying he has a critical software patch for the player card printing services. Access is enabled by Helpdesk staff James Howlett from 03:00 to 03:45 – 10/23/2020. The software is updated and tested afterwards.




Scenario #3:

On 08/11/2020 Kitty Pryde from our gaming commission sends an email informing you that Vendor B is going to update the Wide Area Progressive payable to a higher hold on 08/15/2020. Vendor B's representative Kurt Wagoner is licensed, and access is approved by IT manager, Jean Grey. VPN access is enabled by Hank McCoy at 03:00am 08/15/2020.


Scenario #4:

Database engineer Peter Rasputen from Vendor C is requesting cloud services be enabled on their Class II server indefinitely for the purposes of running periodic database backup scripts. Access is approved by IT Supervisor Wade Wilson on 07/15/2020. And the service is enabled on 07/16/2020 at 09:20 by Warren Worthington.

National Training Conference 

**Intent and Testing:
Cage Toolkit**


Charlie Parker, NIGC Auditor
Lora Taylor, NIGC Auditor

Objectives 

- Introduction to 543.18 Cage Toolkit
- How to use the Toolkit
- Identify top Cage AUP findings
- Discuss Importance of Intent and Testing

Where to find it

NIGC.GOV



What it looks like

Citation	Language	Intent and Testing
§ 543.18(a)		
543.18(a)	Supervision: Supervision must be provided as needed for cage, vault, kiosk, and other operations using cash or cash equivalents by an agent(s) with authority equal to or greater than those being supervised.	<p>Intent: To provide for the proper supervision of cage, vault, kiosk, and other operations using cash or cash equivalents, which may include monitoring work, providing training, scheduling staff, and other supervisory functions.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review organizational chart, department schedules, and/or job descriptions for personnel who perform and supervise cage operations to determine the structure of supervision for revenue audit. 2. Observe supervision of the performance of cage operations to verify proper supervision is provided. 3. Inquire with supervisory personnel to determine what types of tasks are performed as part of the supervision of the cage, such as monitoring staff, scheduling, providing training, etc. Further inquiries may be needed based on what is verified by reviews and observations from testing #1 and #2.

How to use the toolkit:

Standard:	States the requirement for the specific section
Intent:	Provide the goal of the standard
Testing:	Steps to assist in auditing and developing controls

543.18 Cage – Top National Findings

543.18(c) Cage and Vault Accountability	31% Total Cage AUP Findings
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543.18(c)(3) – 11.4% of Total Cage Findings

Based on Fiscal Year 2020 AUP Data

Standard – 543.18(c)(3)

The cage and vault inventories (including coin rooms) must be counted independently by at least two agents, attested to by signature, and recorded in ink or other permanent form at the end of each shift during which the activity took place. These agents must make individual counts to compare for accuracy and maintain individual accountability. All variance must be documented and investigated.

7

Intent – 543.18(c)(3)

To provide for the protection of assets and ensure accountability of cage and vault inventories.

8

Testing – 543.18(c)(3)

1. Observe shift change inventory count(s) to confirm cage and vault inventories are counted independently by at least two persons and that each person performing the count(s) does not have prior knowledge of the amounts counted.

Note: the standard requires at least two active independent counts, one person performing a count and another person only observing the count does not satisfy this standard.

9

Testing – 543.18(c)(3)

2. Review documentation for counts to confirm documentation is signed by personnel performing the independent counts and counts are recorded in ink or other permanent form.

10

Testing – 543.18(c)(3)

3. If any variances between the independent counts occur, verify they the variance is resolved either through a matching recount of funds or an investigation determining the cause of the discrepancy.

11

Activity



12

Intent & Testing



13

Summary



- Introduced the 543.18 Cage Tool Kit
- Reviewed how to use the Tool Kit
- Highlighted the top AUP finding areas for 543.18 Cage

Questions



Intent and Testing Activity #1

Activity: In the appropriate columns below come up with the intent of the standard listed below (about 3 minutes). We will take about 5 minutes to discuss the answers provided and go over the intent. Next come up with the testing methods that best fit this standard (about 5 minutes). We will take another 5 minutes to discuss the answers and go over the testing methods identified.

Standard: 543.18(c)(2) Cage and vault accountability. (2) Increases and decreases to the total cage inventory must be verified, supported by documentation, and recorded. Documentation must include the date and shift, the purpose of the increase/decrease, the agent(s) completing the transaction, and the person or department receiving the cage funds (for decreases only).

Identify the INTENT

Identify the TESTING METHODS

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Cage, Vault, Kiosk, Cash and Cash Equivalents 25 CFR 543.18 Toolkit

Version 1.0

Division of Public Affairs



NIGC Cage, Vault, Kiosk, Cash, and Cash Equivalents—25 CFR 543.18 Toolkit

Over thirty years ago, Congress adopted the Indian Gaming Regulatory Act (IGRA) to provide a statutory basis for gaming by Indian tribes. The National Indian Gaming Commission (NIGC) was created by IGRA to regulate gaming activities conducted by sovereign Indian tribes on Indian lands. The mission of the NIGC is to fully realize IGRA's goals of: (1) promoting tribal economic development, self-sufficiency, and strong tribal governments; (2) maintaining the integrity of the Indian gaming industry; and (3) ensuring that tribes are the primary beneficiaries of their gaming activities. One of the primary ways the NIGC does this is by providing training and technical assistance to Indian tribes and their gaming regulators.

The NIGC is pleased to present this Toolkit to all Compliance and Auditing staff. This reference guide is intended to assist Auditors, Gaming Commissioners, and Operations' personnel in the performance of measuring compliance of their operation(s) with 25 CFR 543.18. The Toolkit is designed to provide each standard of 543.18, the intent of the standard, and a *recommended* testing step, which will ensure minimum regulatory compliance.

This Toolkit is designed to meet the minimum requirements of the NIGC Minimum Internal Control Standards (MICS) and does not take into account Operations' Tribal Internal Control Standards (TICS) and/or System of Internal Control Standards (SICS), which may require further testing. The NIGC encourages Operations to develop standards that exceed the MICS because each Operation is unique, therefore a robust set of controls is warranted.

If you have questions or comments about this guide, please contact the NIGC Division of Public Affairs at traininginfo@nigc.gov. For more information, visit the NIGC website at <http://www.nigc.gov>.

How to use this Toolkit

The Training Department has designed this Toolkit as a resource for understanding the Cage, Vault, Kiosk, Cash and Cash Equivalents 543.18 Minimum Internal Control Standards (MICS) and to use as a tool in conducting an audit of the revenue standards of all gaming departments in determining compliance with 543.18. This Toolkit table can help:

- 1) Clarify the meaning of terms used in this Toolkit (Definitions);
- 2) See the regulation for Cage, Vault, Kiosk, Cash and Cash Equivalent 543.18. (The regulation is listed in the first column of the table verbatim);
- 3) Understand the intent of the regulation and why the control was created. (The intent is listed in the second column of the table);
- 4) Determine testing steps to determine compliance with the regulation. (The testing step is listed in the second column of the table under the intent information);
- 5) Identify best practices. (These have been included in either the intent or testing steps to provide the user with current industry procedures); and
- 6) Additional information is provided as a Note. This information provides practical advice to consider when performing the testing step, such as the step being completed in another section.

The Toolkit provides many practical and concrete suggestions for understanding and evaluating compliance with 543.18. This Toolkit can be used by either the new or experienced auditor during various stages of the audit.

GLOSSARY	DEFINITION
Accountability	All financial instruments, receivables, and patron deposits constituting the total amount for which the bankroll custodian is responsible at a given time.
Agent	A person authorized by the gaming operation, as approved by the TGRA, to make decisions or perform assigned tasks or actions on behalf of the gaming operation.
Automated payout	Payment issued by a gaming machine, commonly referred to as payout slips, vouchers, or tickets.
Cage	A secure work area within the gaming operation for cashiers, which may include a storage area for the gaming operation bankroll.

Cash equivalents	Documents, financial instruments other than cash, or anything else of representative value to which the gaming operation has assigned a monetary value. A cash equivalent includes, but is not limited to, tokens, chips, coupons, vouchers, payout slips and tickets, and other items to which a gaming operation has assigned an exchange value.
Cashless System	A system that performs cashless transactions and maintains records of those cashless transactions.
Class II gaming	Games of chance such as bingo (whether or not electronic, computer, or other technological aids are used in connection therewith in), pull tabs, and non-banked card games (poker).
Class II gaming system	All components, whether or not technologic aids in electronic, computer, mechanical, or other technologic form, that function together to aid the play of one or more Class II games, including accounting functions mandated by these regulations or part 547 of this chapter.

Counter Check	A form (similar to a marker form) provided by the Gaming Operation that is completed as is necessary for the instrument to be presented to the patron's bank for payment.
Independent	The separation of functions to ensure that the agent or process monitoring, reviewing, or authorizing the controlled activity, function, or transaction is separate from the agents or process performing the controlled activity, function, or transaction.
Kiosk	A device capable of redeeming vouchers and/or wagering credits or initiating electronic transfers of money to or from a patron deposit account.
Manual payout	Any non-automated payout.

MICS	Minimum internal control standards in this part.
Patron	A person who is a customer or guest of the gaming operation and may interact with a Class II game. Also may be referred to as a "player".
Player interface	Any component(s) of a Class II gaming system, including an electronic or technologic aid (not limited to terminals, player stations, handhelds, fixed units, etc.), that directly enables player interaction in a Class II game.
Prize payout	Payment to a player associated with a winning or qualifying event.

Sample	A set of records, data, or elements drawn from a larger population and analyzed to estimate the characteristics of that population.
Shift	A time period, unless otherwise approved by the tribal gaming regulatory authority, not to exceed 24 hours.
SICS (System of Internal Control Standards)	An overall operational framework for a gaming operation that incorporates principles of independence and segregation of function, and is comprised of written policies, procedures, and standard practices based on overarching regulatory standards specifically designed to create a system of checks and balances to safeguard the integrity of a gaming operation and protect its assets from unauthorized access, misappropriation, forgery, theft, or fraud.
Tier A	Gaming operations with annual gross gaming revenues of more than \$3 million but not more than \$8 million.

Tier B	Gaming operations with annual gross gaming revenues of more than \$8 million but not more than \$15 million.
Tier C	Gaming operations with annual gross gaming revenues of more than \$15 million.
TGRA	Tribal gaming regulatory authority, which is the entity authorized by tribal law to regulate gaming conducted pursuant to the Indian Gaming Regulatory Act.
TICS	Tribal Internal Control Standards established by the TGRA that are at least as stringent as the standards set forth in this part.

Vault	A secure area where cash and cash equivalents are stored.
Voucher	A financial instrument of fixed waging value, usually paper, that can be used only to acquire an equivalent value of cashable credits or cash through interaction with a voucher system.

<u>Citation</u>	<u>Language</u>	<u>Intent and Testing</u>
§ 543.18(a)		
543.18(a)	<p><i>Supervision.</i> Supervision must be provided as needed for cage, vault, kiosk, and other operations using cash or cash equivalents by an agent(s) with authority equal to or greater than those being supervised.</p>	<p>Intent: To provide for the proper supervision of cage, vault, kiosk, and other operations using cash or cash equivalents, which may include monitoring work, providing training, scheduling staff, and other supervisory functions.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review organizational chart, department schedules, and/or job descriptions for personnel who perform and supervise cage operations to determine the structure of supervision for revenue audit. 2. Observe supervision of the performance of cage operations to verify proper supervision is provided. 3. Inquire with supervisory personnel to determine what types of tasks are performed as part of the supervision of the cage, such as monitoring staff, scheduling, providing training, etc. Further inquiries may be needed based on what is verified by reviews and observations from testing #1 and #2.

§ 543.18(b)(1)(i-iv)

<p>543.18(b)(1)(i-iv)</p>	<p><i>Check cashing.</i></p> <p>(1) If checks are cashed at the cage, the controls must provide for security and integrity. For each check cashing transaction, the agent(s) conducting the transaction must:</p> <p>(i) Verify the patron’s identity;</p> <p>(ii) Examine the check to ensure it includes the patron’s name, current address, and signature;</p> <p>(iii) For personal checks, verify the patron’s check cashing authority and record the source and results in accordance with management policy; however</p> <p>(iv) If a check guarantee service is used to guarantee the transaction and the procedures required by the check guarantee service are followed, then the above requirements do not apply.</p>	<p>Intent: To provide for the protection of assets and control for the security and integrity of the acceptance of checks by the Gaming Operation.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine what controls are established to provide security and integrity for cashing of checks and determine whether the operation utilizes a check guarantee service. 2. If a third-party check guarantee service is used, inquire with cage personnel whether any checks are allowed to be cashed outside of (not utilizing) the guarantee service. Note: These standards apply for any checks cashed outside of a guarantee service. 3. Observe check cashing procedures to verify the cashier: confirms the patron’s identity; examines the check to ensure it includes the patron’s name, current address, and signature; reviews the patron’s check cashing authority and documents results in accordance with policy, for personnel checks; and follows any other requirements established in the operation’s controls.
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§ 543.18(b)(2)(i-v)

<p>543.18(b)(2)(i-v)</p>	<p><i>Check cashing.</i></p> <p>(2) When counter checks are issued, the following must be included on the check:</p>	<p>Intent: To provide for the protection of assets and require specific information be recorded on counter checks issued by the Gaming Operation so the instrument can be presented to the patron’s bank for payment.</p>
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	<p>(i) The patron’s name and signature;</p> <p>(ii) The dollar amount of the counter check;</p> <p>(iii) Patron’s bank name, bank routing and account numbers;</p> <p>(iv) Date of issuance; and</p> <p>(v) Signature of the agent approving the counter check transaction.</p>	<p>Testing:</p> <ol style="list-style-type: none"> 1. Inquire with cage personnel if the operation issues counter checks. If counter checks are not issued, these standards do not apply. Note: The issuance of counter checks has become very rare, particularly if the operation does not also offer marker credit. 2. Observe procedures for the issuance of counter checks and examine issued counter check(s) from cage cashier’s drawer to verify the counter check includes: the patron’s name and signature; the dollar amount; the patron’s bank name, routing number, and account number; date of issue; and signature for approval of the counter check issuance.
§ 543.18(b)(3-5)		
543.18(b)(3)	<p><i>Check cashing.</i></p> <p>(3) Checks that are not deposited in the normal course of business, as established by management, (held checks) are subject to §543.15 lines of credit standards.</p>	<p>Intent: To provide for the protection of assets and require adherence to §543.15 if checks are not promptly deposited.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine whether any cashed checks are held and not deposited in the normal course of business. 2. Inquire with cage and vault personnel to determine whether any cashed checks are held and not deposited in the normal course of business. 3. Review cage paperwork and/or general ledger for any indication of “held” checks.

		<p>4. If any checks are not deposited in the normal course of business, perform testing for §543.15 lines of credit standards.</p>
543.18(b)(4)	<p><i>Check cashing.</i></p> <p>(4) When traveler’s checks or other guaranteed drafts, such as cashier’s checks, are presented, the cashier must comply with the examination and documentation procedures required by the issuer.</p>	<p>Intent: To provide for the protection of assets and require adherence to procedures from the issuer of traveler’s checks and guaranteed drafts.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS and inquire with cage personnel to determine whether traveler’s checks and/or other guaranteed drafts (e.g., money orders, cashier’s checks, etc.) are cashed at the cage. 2. For the instruments accepted, observe procedures for cashing these instruments to verify examination and documentation procedures, as required by the instrument or available issuer’s guidelines/procedures, are followed. If observation is not possible due to low frequency of transactions, inquire with cage personnel to confirm compliance with required procedures.
543.18(b)(5)	<p><i>Check cashing.</i></p> <p>(5) If a third party check cashing or guarantee service is used, the examination and documentation procedures required by the service provider apply, unless otherwise provided by tribal law or regulation.</p>	<p>Intent: To provide for the protection of assets and require adherence to procedures from third-party check guarantee services.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS and inquire with cage personnel to determine whether the operation uses a third-party check cashing guarantee service. Note: if the operation

		<p>does not utilize a third-party service, this standard does not apply.</p> <ol style="list-style-type: none"> 2. Review contract, agreement, and/or procedures required by the third-party vendor for their guarantee of cashed checks. 3. Observe check cashing procedures to verify the examination and documentation procedures required by the third-party provider are followed. 4. Inquire with cage and/or accounting personnel to determine whether any returned checks were not guaranteed by the provider due to failure to follow required procedures Review supporting documentation for such instances if they occurred to determine procedures not followed.
§ 543.18(c)		
543.18(c)(1)	<p><i>Cage and vault accountability.</i></p> <p>(1) All transactions that flow through the cage must be summarized for each work shift of the cage and must be supported by documentation.</p>	<p>Intent: To provide for the protection of assets and ensure accountability of cage transactions and inventory by shift.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. For the selected test period, examine cage count summaries (count sheets, accountability, inventory) and supporting documentation. Trace supporting documentation to count summaries to confirm cage inventory is properly supported for each shift.

<p>543.18(c)(2)</p>	<p><i>Cage and vault accountability.</i></p> <p>(2) Increases and decreases to the total cage inventory must be verified, supported by documentation, and recorded. Documentation must include the date and shift, the purpose of the increase/decrease, the agent(s) completing the transaction, and the person or department receiving the cage funds (for decreases only).</p>	<p>Intent: To provide for the protection of assets and ensure accountability of cage inventories.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. For the selected test period, examine supporting documentation for increases and decreases to the cage inventory to verify documentation includes date and shift, purpose/reason, identification of the personnel completing the transaction(s), and the personnel receiving cage funds (for decreases).
<p>543.18(c)(3)</p>	<p><i>Cage and vault accountability.</i></p> <p>(3) The cage and vault inventories (including coin rooms) must be counted independently by at least two agents, attested to by signature, and recorded in ink or other permanent form at the end of each shift during which the activity took place. These agents must make individual counts to compare for accuracy and maintain individual accountability. All variances must be documented and investigated.</p>	<p>Intent: To provide for the protection of assets and ensure accountability of cage and vault inventories.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Observe shift change inventory count(s) to confirm cage and vault inventories are counted independently by at least two persons and that each person performing the count(s) does not have prior knowledge of the amounts counted. Note: the standard requires at least two active independent counts, one person performing a count and another person only observing the count does not satisfy this standard. 2. Review documentation for counts to confirm documentation is signed by personnel performing the independent counts and counts are recorded in ink or other permanent form. 3. If any variances between the independent counts occur, verify they the variance is resolved either through a

		matching recount of funds or an investigation determining the cause of the discrepancy.
543.18(c)(4)	<p><i>Cage and vault accountability.</i></p> <p>(4) The gaming operation must establish and comply with a minimum bankroll formula to ensure the gaming operation maintains cash or cash equivalents (on hand and in the bank, if readily accessible) in an amount sufficient to satisfy obligations to the gaming operation's patrons as they are incurred.</p>	<p>Intent: To safeguard the integrity of the gaming operation by ensuring that it is able to meet its obligations to patrons.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine the established minimum bankroll formula. 2. For the selected test period, review documentation for the calculation of the minimum bankroll formula and supporting documentation. Verify the calculation was performed properly by recalculating the formula and confirming the correct numbers were used for the calculation. 3. Verify that the gaming operation maintains cash or cash equivalents readily accessible in the amount determined by the minimum bankroll formula.
§ 543.18(d)		
543.18(d)(1)	<p><i>Kiosks.</i></p> <p>(1) Kiosks must be maintained on the cage accountability and must be counted independently by at least two agents,</p>	<p>Intent: To provide for the protection of assets and ensure accountability of kiosks as part of the cage's inventory.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Observe count for kiosks to confirm kiosk funds are counted independently by at least two persons and that

	documented, and reconciled for each increase or decrease to the kiosk inventory.	<p>each person performing the count(s) does not have prior knowledge of the amounts counted. Note: the standard requires at least two active independent counts, one person performing a count and another person only observing the count does not satisfy this standard.</p> <ol style="list-style-type: none"> 2. For the selected test period, examine kiosk reconciliation documentation (kiosk count documentation, cage inventory documentation, etc.) to verify increases and decreases of kiosk inventory is reconciled to the cage inventory and maintained on the cage's accountability.
543.18(d)(2)	<p><i>Kiosks.</i></p> <p>(2) Currency cassettes must be counted and filled by an agent and verified independently by at least one agent, all of who must sign each cassette.</p>	<p>Intent: To provide for the protection of assets and accountability for the count and filling of kiosk cassettes.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Observe count and filling of kiosk cassettes to confirm funds are counted and independently verified by at least two separate personnel. 2. Review documentation of count and independent verification to ensure each person signed for accountability of the count and verification for each cassette.
543.18(d)(3)	<p><i>Kiosks.</i></p> <p>(3) Currency cassettes must be secured with a lock or tamper resistant seal and, if not placed</p>	<p>Intent: To provide for the protection of assets and security of currency cassettes for kiosks.</p> <p>Testing:</p>

	inside a kiosk, must be stored in a secured area of the cage/vault.	<ol style="list-style-type: none"> 1. Observe cassettes for kiosks to ensure each cassette is secured by a lock or tamper resistant seal and stored cassettes are in a secured area of the cage/vault.
543.18(d)(4)	<p><i>Kiosks.</i></p> <p>(4) The TGRA or the gaming operation, subject to approval of the TGRA, must develop and implement physical security controls over the kiosks. Controls should address the following: forced entry, evidence of any entry, and protection of circuit boards containing programs.</p>	<p>Intent: To provide for the protection of assets and controls for the security of kiosks.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine the controls established for the physical security of kiosks and the controls address forced entry, evidence of entry, and protection of program circuit boards. 2. Observe kiosks to confirm the established physical security controls are in place.
543.18(d)(5)	<p><i>Kiosks.</i></p> <p>(5) With regard to cashless systems, the TGRA or the gaming operation, subject to the approval of the TGRA, must develop and implement procedures to ensure that communications between the kiosk and system are secure and functioning.</p>	<p>Intent: To provide for the protection of assets and procedures for communication between kiosks and cashless systems.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine the controls established to ensure communication between kiosk(s) and the cashless wagering system is secure and functioning properly. 2. Inquire with cage personnel to determine whether the operation uses a cashless system for wagering (e.g., Patron Player Account). If the operation does not use a cashless system, this standard does not apply.

		<p>3. Observe, inquire with operational personnel, and review supporting documentation as needed to confirm procedures are performed as required by the controls.</p>
<p>543.18(d)(6)(i-xii)</p>	<p><i>Kiosks.</i></p> <p>(6) The following reconciliation reports must be available upon demand for each day, shift, and drop cycle (this is not required if the system does not track the information, but system limitation(s) must be noted):</p> <p>(i) Starting balance dollar amount per financial instrument;</p> <p>(ii) Starting balance number of items per financial instrument;</p> <p>(iii) Dollar amount per financial instrument issued;</p> <p>(iv) Number of items per financial instrument issued;</p> <p>(v) Dollar amount per financial instrument redeemed;</p> <p>(vi) Number of items per financial instrument redeemed;</p>	<p>Intent: To provide for the protection of assets and availability of reports to perform kiosk count reconciliations.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS and inquire with cage personnel to determine whether any system limitations are noted for the availability of any of the required information from the kiosk reconciliation reports. 2. For the selected test period, examine kiosk reconciliation reports to confirm the required information is available upon demand for each day, shift, and drop period from the kiosk system. If any information is not tracked by the system, confirm the limitation is noted.

	<p>(vii) Dollar amount per financial instrument increases;</p> <p>(viii) Number of items per financial instrument increases;</p> <p>(ix) Dollar amount per financial instrument decreases;</p> <p>(x) Number of items per financial instrument decreases;</p> <p>(xi) Ending balance dollar amount per financial instrument; and</p> <p>(xii) Ending balance number of items per financial instrument.</p>	
§ 543.18(e)		
543.18(e)(1)	<p><i>Patron deposited funds.</i> If a gaming operation permits a patron to deposit funds with the gaming operation at the cage, and when transfers of patron deposited funds are transferred to a gaming area for wagering purposes, the following standards apply:</p> <p>(1) The receipt or withdrawal of a patron deposit must be documented, with a copy given to the patron and a copy remaining in the cage.</p>	<p>Intent: To provide for the protection of assets and accountability of patron deposited funds.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Perform observation of receipt and withdrawal of patron deposited funds to confirm a copy of the transaction documentation is provided to the patron and a copy remains in the cage. 2. Review documentation for observed receipt and withdrawal transactions to confirm transaction activity was accurately documented.

543.18(e)(2)(i-vi)	<p><i>Patron deposited funds.</i> If a gaming operation permits a patron to deposit funds with the gaming operation at the cage, and when transfers of patron deposited funds are transferred to a gaming area for wagering purposes, the following standards apply:</p> <p>(2) Both copies of the document of receipt or withdrawal must contain the following information:</p> <p>(i) Same receipt number on each copy;</p> <p>(ii) Patron’s name and signature;</p> <p>(iii) Date of receipt and withdrawal;</p> <p>(iv) Dollar amount of deposit/withdrawal (for foreign currency transactions include the US dollar equivalent, the name of the foreign country, and the amount of the foreign currency by denomination);</p> <p>(v) Nature of deposit/withdrawal; and</p> <p>(vi) Name and signature of the agent who conducted the transaction.</p>	<p>Intent: To provide for the protection of assets and accountability of patron deposited funds.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review documentation for observation completed in 543.18(e)(1) of the receipt and withdrawal transactions to confirm both copies include the same receipt number, patron’s name and signature, date of transaction, dollar amount of transaction, nature of deposit/withdrawal, and name and signature of cage personnel performing the transaction. Note: for transactions in foreign currency, the documentation should include U.S dollar equivalent, name of the foreign country, and amount of foreign currency by denomination. It is recommended that the exchange rate at the date of the transaction also be documented.

543.18(e)(3)(i-iii)	<p><i>Patron deposited funds.</i> If a gaming operation permits a patron to deposit funds with the gaming operation at the cage, and when transfers of patron deposited funds are transferred to a gaming area for wagering purposes, the following standards apply:</p> <p>(3) Procedures must be established and complied with for front money deposits to:</p> <p>(i) Maintain a detailed record by patron name and date of all funds on deposit;</p> <p>(ii) Maintain a current balance of all patron deposits that are in the cage/vault inventory or accountability; and</p> <p>(iii) Reconcile the current balance with the deposits and withdrawals at least daily.</p>	<p>Intent: To provide for the protection of assets and accountability of patron deposited funds.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine what procedures are established for front money deposits. 2. Review current documentation for front money deposits; confirm records by patron name and date including the current balance of all patron deposits in the cage/vault accountability are maintained. In addition, confirm that a reconciliation of the current balance of all patron deposits in the cage/vault accountability with the deposit and withdrawal transactions is performed at least daily.
§ 543.18(f)		
543.18(f)(1),(2)(i-v)	<p><i>Promotional payments, drawings, and giveaway programs.</i> The following procedures must apply to any payment resulting from a promotional payment, drawing, or giveaway program disbursed by the cage department or any other department. This section does not apply to payouts for card game promotional pots and/or pools.</p>	<p>Intent: To provide for the protection of assets and help ensure the integrity of promotional activity.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. For the selected test period, review payout documentation (related to promotional payments, drawings, and giveaway programs) and cage accountability documentation to confirm promotional payments are supported by documentation.

	<p>(1) All payments must be documented to support the cage accountability.</p> <p>(2) Payments above \$600 (or lesser amount as approved by TGRA) must be documented at the time of the payment, and documentation must include the following:</p> <p>(i) Date and time;</p> <p>(ii) Dollar amount of payment or description of personal property;</p> <p>(iii) Reason for payment; and</p> <p>(iv) Patron’s name and confirmation that identity was verified (drawings only).</p> <p>(v) Signature(s) of at least two agents verifying, authorizing, and completing the promotional payment with the patron. For computerized systems that validate and print the dollar amount of the payment on a computer generated form, only one signature is required.</p>	<p>2. For payments above \$600 (or a lesser approved threshold), review payout documentation to confirm that it contains: the date and time; dollar amount or description of property; reason for payment; patron’s name and ID confirmation (for drawings only); and signature of at least two personnel verifying, authorizing, and completing the payment are documented. Note: Only one signature is required if a computerized system is utilized to validate and print the amount of the promotional payment.</p>
§ 543.18(g)		
543.18(g)(1-5)	<p><i>Chip(s) and tokens.</i> Controls must be established and procedures implemented to ensure accountability of chip and token inventory. Such</p>	<p>Intent: To provide for the protection of assets and accountability of chips and tokens.</p> <p>Testing:</p>

	<p>controls must include, but are not limited to, the following:</p> <ul style="list-style-type: none"> (1) Purchase; (2) Receipt; (3) Inventory; (4) Storage; and (5) Destruction. 	<ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine what controls and procedures are established for accountability of chips and tokens, including purchases, receipt, inventory, storage, and destruction. 2. For the selected test period, review supporting documentation for chip and token purchases, receipts, inventories, storage, and destructions, and cage/vault accountability documentation to confirm chips and tokens are properly accounted for in accordance with established controls and procedures.
§ 543.24 18(h)		
543.18(h)(1)(i-v)	<p><i>Vouchers.</i></p> <p>(1) Controls must be established and procedures implemented to:</p> <ul style="list-style-type: none"> (i) Verify the authenticity of each voucher redeemed. (ii) If the voucher is valid, verify that the patron is paid the appropriate amount. (iii) Document the payment of a claim on a voucher that is not physically available or a voucher that cannot be validated such as a mutilated, expired, lost, or stolen voucher. 	<p>Intent: To prevent potential misappropriation of assets by establishing and implementing procedures for the redemption of vouchers which include verifying the voucher in the validation system, verifying patron is paid appropriately, documenting payment of vouchers which cannot be validated (printer errors, expired (if honored), etc.), retaining voucher for reconciliation and supervisory verification for payouts over \$500 when the system is down.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS to ensure controls are established and review SICS to determine the procedures for verifying authenticity, payment of mutilates, expired, lost, stolen vouchers, and manual payments of vouchers. 2. Interview appropriate personnel to verify actual procedure (Cage management, Cage cashier)

	<p>(iv) Retain payment documentation for reconciliation purposes.</p> <p>(v) For manual payment of a voucher of \$500 or more, require a supervisory employee to verify the validity of the voucher prior to payment.</p>	<ol style="list-style-type: none"> 3. Review sample of vouchers redeemed and manual vouchers redeemed including those in the cashier's drawer to verify the payment is documented Review sample of reports from validation system to confirm supervisory verification. (Look at sample as defined in the Glossary) <i>(Note: Manual payouts exist when the system is down.)</i> 4. Observation of a voucher redemption paid by an employee (e.g., cage, slot booth, etc.) either live or through surveillance coverage.
543.18(h)(2)	<p><i>Vouchers.</i></p> <p>(2) Vouchers paid during a period while the voucher system is temporarily out of operation must be marked "paid" by the cashier.</p>	<p>Intent: To prevent misappropriation of assets by ensuring a voucher redeemed while the validation system is out of operation is properly marked as paid so it cannot be redeemed again.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and or SICS to determine the procedure for paying vouchers when the voucher system is down. 2. If no sample can be located, interview appropriate personnel to verify procedure (e.g., Cage Cashier, Floor Cashier) 3. Review sample of vouchers paid while the system is down. (Look at sample as defined in the Glossary)

<p>543.18(h)(3)</p>	<p><i>Vouchers.</i></p> <p>(3) Vouchers redeemed while the voucher system was temporarily out of operation must be validated as expeditiously as possible upon restored operation of the voucher system.</p>	<p>Intent: To prevent potential misappropriation of assets by ensuring vouchers redeemed while the validation system is out of operation are validated through the validation system as soon as reasonably possible to ensure tickets are properly recorded as redeemed in the system and for reconciliation purposes.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine the procedure for paying vouchers when the voucher system is down. 2. Interview appropriate personnel if no sample can be located to verify procedure (e.g. Cage Cashier, Floor Cashier) 3. Review sample of vouchers paid while the system is down. Including reviewing the report from the validation system to verify tickets were redeemed within a reasonable time frame after the system was restored.
<p>543.18(h)(4)</p>	<p><i>Vouchers.</i></p> <p>(4) Paid vouchers must be maintained in the cashier's accountability for reconciliation purposes.</p>	<p>Intent: To prevent potential misappropriation of assets by ensuring vouchers are accounted for and available for reconciliation purposes.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Interview appropriate personnel to determine accountability for reconciliation procedure (Cage Management, Cage Cashiers). 2. Observe vouchers in the cashier's bank and end-of-shift reconciliation. 3. Review cashier's reconciliation report from the voucher redemption system.

543.18(h)(5)	<p><i>Vouchers.</i></p> <p>(5) Unredeemed vouchers can only be voided in the voucher system by supervisory employees. The accounting department will maintain the voided voucher, if available.</p>	<p>Intent: To prevent potential misappropriation of assets by requiring supervisory personnel to void unredeemed vouchers and to providing for a separate department to maintain voided vouchers.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Test a sample of voided vouchers and the report that identifies the person who voided the voucher to determine that it was completed by supervisory employees. 2. Review permission listing from the voucher redemption system to verify only supervisory employees can void unredeemed vouchers.
§ 543.18(i)		
543.18(i)(1)	<p><i>Cage and vault access.</i> Controls must be established and procedures implemented to:</p> <p>(1) Restrict physical access to the cage to cage agents, designated staff, and other authorized persons; and</p>	<p>Intent: To provide for the protection of assets and restrict access to cash handling and storage areas.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine what controls and procedures are established for restricting access to the cage and vault. 2. Review current access listing to determine access to the cage and vault area is adequately restricted. Inquire and/or observe with cage and vault management how

		access is restricted (door buzzer, key card, and/or physical key(s)) and confirm access to key cards and/or keys granting access to cage and vault areas is adequately controlled.
543.18(i)(2)	<p><i>Cage and vault access.</i> Controls must be established and procedures implemented to:</p> <p>(2) Limit transportation of extraneous items such as personal belongings, tool boxes, beverage containers, etc., into and out of the cage.</p>	<p>Intent: To provide for the protection of assets and limit extraneous items from being in cage and vault areas.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine what controls and procedures are established for limiting extraneous items in the cage and vault. 2. Observe cage and vault areas to confirm extraneous items are limited in the cage and vault areas in accordance with established controls.
§ 543.18(j)		
543.18(j)	<p><i>Variances.</i> The operation must establish, as approved by the TGRA, the threshold level at which a variance must be reviewed to determine the cause. Any such review must be documented.</p>	<p>Intent: To provide for the protection of assets and establish review and investigation processes for identified variances in cage and vault accountabilities and transactions.</p> <p>Testing:</p> <ol style="list-style-type: none"> 1. Review TICS and/or SICS to determine what controls and procedures are established for the threshold level at which

		<p>variances are reviewed. Note: It is recommended that the controls also identify the type(s) of variances reviewed.</p> <ol style="list-style-type: none">2. For the selected test period, inquire with cage and/or accounting personnel to determine whether any variances for the established threshold had occurred.3. Review system reports (if available) and cage and vault count accountability documents to determine whether any variances for the established threshold had occurred. For variances identified, review documentation for variance review(s) to determine whether the cause was identified and the reviews were adequately documented.
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25 CFR 543.18 Toolkit
Version 1.0
NIGC Division of Public Affairs

National Indian Gaming Commission


Training Manager
Training Program

National Indian Gaming Commission 



Auditing to the SICS



Objectives 

- Learn why you should audit to the SICS
- Learn how to identify weaknesses in SICS
- Learn how to develop audit checklist







Is Internal Audit required to audit to the SICS?



Tribal Internal Control Standards (TICS)	Minimum Internal Control Standards (MICS)
System of Internal Controls (SICS)	

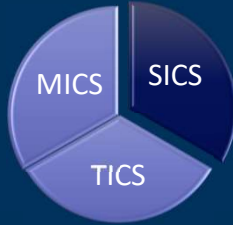
§ 543.3 How do tribal governments comply with this part?

<p>(b) TICS. TGRAs must ensure that TICS are established and implemented that provide a level of control that equals or exceeds the applicable standards set forth in this part.</p>	<p>(c) SICS. Each gaming operation must develop a SICS, as approved by the TGRA, to implement the TICS. <i>(detailed policy and procedure)</i></p>
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Audit Preparation



Internal Audit should review the standards



7. Storage - Are controls established and procedures implemented to ensure the following:

Bingo cards are maintained in a secure location, accessible only to authorized agents? (Inquiry, observation, and review SICS) — — — 543.8(b)(3)(i)

8. Storage - Are controls established and procedures implemented to ensure the following:

The bingo card storage has surveillance coverage adequate to identify persons accessing the storage area? (Inquiry and/or coordination with auditor conducting Surveillance Audit for observation) — — — 543.8(b)(3)(i)

What should the SICS include?



What should the SICS include?



Activity #1



11

Activity – SIC Example



SICS: Operations personnel will investigate, document and resolve malfunctions for class II gaming machines. If the machine cannot be fixed or malfunction corrected, then the vendor will be called.

SICS: Gaming Machine Malfunctions



Detailed SIC Example:

SICS: The Revenue Audit department will complete the following steps for review of statistical reports for deviations from the mathematical expectation exceeding the threshold of +/- 3%.

Monthly, the revenue auditor for bingo/class II electronic games will create a report with criteria for month-to-date, year-to-date, and if available, life-to-date actual hold percentage computation for individual machines along with a comparison to each machine's theoretical hold percentage.

a.) The report will include variance calculations for deviations between actual and theoretical holds exceeding the +/- 3% per machine.

i) This report will be reviewed by both the Gaming Machine Department Management and other Casino Management at least monthly.

b.) Any variations in hold which exceed the established threshold will be investigated by casino management (see policy Gaming Machine Department Hold Deviation Investigation), results documented on the report in the column labeled "results," and provided back to the revenue auditor for retention.

c.) Signatures of the revenue auditor and casino management completing the investigation must be documented on the report with name, employee ID, and date of review.

Activity #2



14

Audit checklist



Pull up Auditing Revenue Checklist, include missing SICS for the bad example from the good example show how those can be added to the checklist, example is that you don't need to create multiple checklist for a review. Also reiterate that if you are only using the MICS checklist and not including the SICS you are not auditing far enough down

Checklist



542.24 Revenue Audit Checklist

[54324AuditingRevenueChecklist10012014.docx](#)

Recap



- We learned to identify weaknesses in SICS
- We learned why it is important to review the SICS
- Answering the Who, What, When, Where and How helps us to develop audit questions for the audit checklist

Questions



Instructions:

1. Review the provided MIC/TIC and SIC with your group for this standard (if virtually solo unless you are in a group)
2. Discuss if this SIC example is enough to satisfy the MICS above
3. If yes, why?
4. If no, why?
5. Select a spokesperson for your group to explain. (If virtual be willing to go on camera and MIC to discuss with the audience).

Example 1:

MICS: 25 CFR 543.8(h)(1) **Malfunctions** Procedures must be implemented to investigate, document and resolve malfunctions. Such procedures must address the following:

- (i) Determination of the event causing the malfunction;
- (ii) Review of relevant records, game recall, reports, logs, surveillance records;
- (iii) Repair or replacement of the Class II gaming component;
- (iv) Verification of the integrity of the Class II gaming component before restoring it to operation; and

TICS: Procedures must be implemented to investigate, document and resolve malfunctions. Such procedures must address the following:

- (i) Determination of the event causing the malfunction;
- (ii) Review of relevant records, game recall, reports, logs, surveillance records;
- (iii) Repair or replacement of the Class II gaming component;
- (iv) Verification of the integrity of the Class II gaming component before restoring it to operation; and

Activity #1 SIC Example:

SICS: Operations personnel will investigate, document and resolve malfunctions for class II gaming machines. If the machine cannot be fixed or malfunction corrected, then the vendor will be called.

Instructions:

- 1. Review the provided MIC/TIC and SIC with your group for this standard (if virtually solo unless you are in a group)**
- 2. Go to the Post-It note with the number corresponding with your group number.**

At the top of the Post-It is pre-written one of the testing questions:

#1 – WHO

#2 – WHAT

#3 – WHERE

#4 - WHY

#5 - HOW

- 3. Each team (or group) will write out a checklist question asking the Who, What, When, Where or How as determined by what is written at the top of the Post-it.**
- 4. You will have 3 minutes for your group to come up with your question.**
- 5. You cannot write the same question as any group before you.**
- 6. At the 3 minute mark, rotate to the next Post-It and repeat the process until your group has visited all 5 stations and developed a checklist question for each of the 4 W's and H.**

For those of you joining virtually, grab your pack of Post-Its or a note pad and play along with us. If you are in a group watching together, even better! Collaborate and come up with what you think are some good checklist questions for each of the 4Ws and H (Who, What, When, Where or How).

We will discuss the checklist questions from the group onsite and some from those joining us virtually.

CRITERIA:

MICS: 25 CFR 543.24(d)(1)(iv) At least monthly, review statistical reports for any deviations from the mathematical expectations exceeding a threshold established by the TGRA. Investigate and document any deviations compared to the mathematical expectations required to be submitted per §547.4.

TICS: The Revenue Audit department must review statistical reports for any deviations from the mathematical expectations exceeding the established threshold at least monthly. The TGRA established threshold is +/- 3% from the mathematical expectation. Revenue Audit will Investigate and document any deviations compared to the mathematical expectations which can be found in test laboratory reports per §547.4.

EXAMPLE:

SICS: The Revenue Audit department will complete the following steps for review of statistical reports for deviations from the mathematical expectation exceeding the threshold of +/- 3%.

Monthly, the revenue auditor for bingo/class II electronic games will create a report with criteria for month-to-date, year-to-date, and if available, life-to-date actual hold percentage computation for individual machines along with a comparison to each machine's theoretical hold percentage.

- a) The report will include variance calculations for deviations between actual and theoretical holds exceeding the +/- 3% per machine.
 - i) This report will be reviewed by both the Gaming Machine Department Management and other Casino Management at least monthly.
- b) Any variations in hold which exceed the established threshold will be investigated by casino management (see policy Gaming Machine Department Hold Deviation Investigation), results documented on the report in the column labeled "results," and provided back to the revenue auditor for retention.
- c) Signatures of the revenue auditor and casino management completing the investigation must be documented on the report with name, employee ID, and date of review.

Have fun!

Be creative!

Think outside the box!



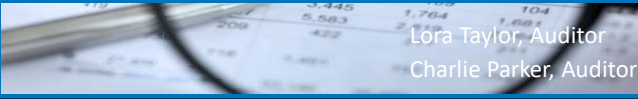
A series of horizontal lines for writing, consisting of 20 evenly spaced lines.



A series of 25 horizontal lines, evenly spaced, providing a ruled area for text or content. The lines are black and extend across the width of the page.



Auditing Revenue – A Deep Dive



Lora Taylor, Auditor
Charlie Parker, Auditor

Objectives

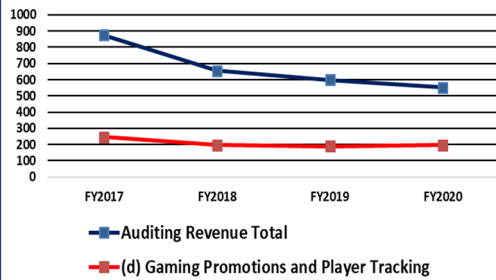


- Identify most common areas of noncompliance within Auditing Revenue standards
- Outline common practices that will help operations become compliant

MM/00/2022

2

Part 543 AUP - 543.24 Auditing Revenue Trend
FY2017, FY2018, FY2019, FY2020



Gaming Promotions



Activity #1



Why is Player Tracking considered a high risk area?



What controls and procedures can the auditing revenue function perform to detect and limit fraud?



Activity #2



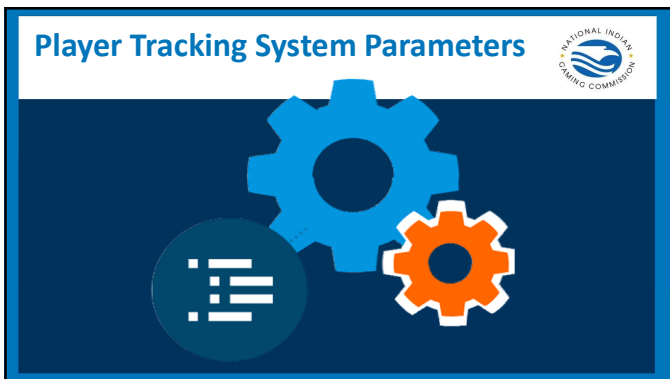
**Turn to
Handout
Titled**

**Player
Tracking**

**Exception
Report**









Player Tracking System Parameters

**Review
Verify
Document Results**




Activity #3



Drop & Count



Currency Counter and
Currency Counter Interface Testing



Testing



Activity #4



ACTIVITY





Key Report

REVIEW



Controlled Key Inventory



Controlled Keys

- Contents and release keys
- Drop cart/storage rack keys
- Count room keys
- Kiosk keys
- Operation can determine additional keys for control

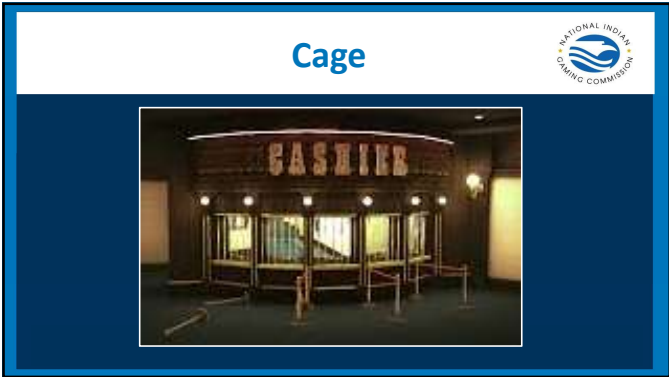
Controlled Key Inventory



Key Inventory Process









Bingo



B I N G O				
7	26	40	58	73
14	22	34	55	68
4	24	FREE	46	72
9	20	36	52	74
6	28	35	49	64

Player Interface Statistical Review

At least monthly, for player interfaces, perform the following procedures:

- Obtain a system report containing theoretical and actual hold.
- Review actual hold to theoretical hold.
- Investigate and document any deviations exceeding threshold established by the TGRA.

Controlled Inventory



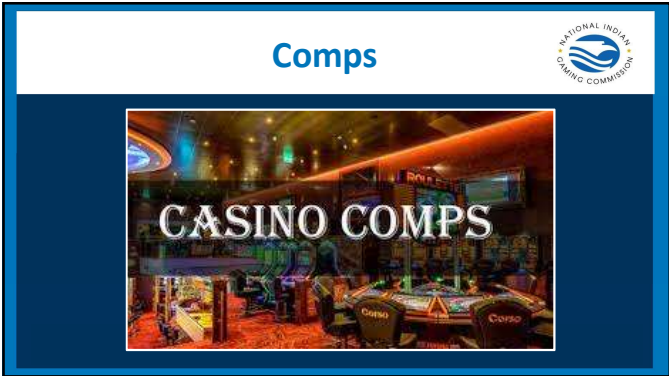
Why is it important for controlled inventory to be closely monitored?



Logs?



Comps



NATIONAL INDIAN CASINO COMMISSION

Complimentary Services or Items

At least monthly, for complimentary services or items, perform the following procedures:

- Prepare summary of complimentary services/items
- Review for proper authorization
- Review for compliance with established authorization thresholds

Activity #5



Questions?



Practical Exercise #1

Winter Weekend Escape Promotion

Greetings! All of us at the Generic Casino want to heat up your winter with a weekend drawing promotion. From 5:00 PM through 11:00 PM each day on January 12th and 13th we will hold a drawing each hour and award 2 patrons a cash prize. Cash prizes will increase throughout the evenings. You will be given one entry to the drawing event based on verified membership in the “Generic Casino Players Club” and can earn additional entries based on your play at the Casino during the promotional hours. So put on your snow boots and head out to the Generic Casino for your Winter Weekend Escape.

Rules: Guests must register for entry into the promotion at the Generic Casino Players Club booth area beginning January 5th through January 13th. Upon verification of Players Club membership guests will be given one entry to the drawing event. Guests may earn additional entries into the drawings with verified play on the Casino’s gaming machines between 5:00 PM through 10:55 PM each day of the promotion. The rate for additional entries will be one entry per 100 points of play. Guests must use their Player’s Club Cards during play to earn additional entries. All entries will accumulate throughout the promotional weekend. Guests may only win one drawing for the duration of this event. Players must be present to win. If drawing winner does not claim prize within 10 minutes of announcement, a new winner will be drawn.

Award Schedule*

	January 12	January 13
5:00 PM	\$50	\$50
6:00 PM	\$100	\$100
7:00 PM	\$150	\$150
8:00 PM	\$200	\$200
9:00 PM	\$250	\$250
10:00 PM	\$300	\$300
11:00 PM	\$500	\$500

*Two prizes of the indicated amounts will be awarded each hour

Winter Weekend Escape Promotion Payout Log

Date	Time*	Award	Patron Name
1/12	5:05 PM	\$50	Ralph Jones
1/12	5:10 PM	\$50	Kari Woods
1/12	6:02 PM	\$50	Stefi Hienz
1/12	6:08 PM	\$50	Rich Miller
1/12	7:02 PM	\$150	Jose Ramierez
1/12	7:06 PM	\$150	Victor Hill
1/12	8:00 PM	\$200	Betty McGregor
1/12	8:04 PM	\$200	Wendy Stine
1/12	9:05 PM	\$250	Barbara Bentley
1/12	9:20 PM	\$250	Jim Fergosi
1/12	10:05 PM	\$300	Rod Carew
1/12	11:09 PM	\$500	Katrina Witt
1/12	11:12 PM	\$500	Sara Bechtal
1/13	6:03 PM	\$50	Wendy Stine
1/13	6:10 PM	\$50	Carin Burmeister
1/13	7:04 PM	\$100	Alana Burns
1/13	7:07 PM	\$100	Richard Harris
1/13	8:04 PM	\$150	Jaime Lopez
1/13	8:10 PM	\$150	Deana Quinlan
1/13	9:02 PM	\$200	Miwan Park
1/13	9:17 PM	\$200	Chris Taylor
1/13	10:03 PM	\$250	Alex Young
1/13	10:10 PM	\$250	Cristiano Alburitel
1/13	11:05 PM	\$300	Heidi Jo Wade
1/13	11:05 PM	\$300	Melanie Holley
1/13	12:02 AM	\$500	Henry Washington
1/13	12:04 AM	\$500	Jaime Stauffer

*Actual time prizes awarded/collected

Player Tracking

Monthly Manual Point Activity Report

Run Date: 1/2/2022

Date	User Name	Player Name	Player ID	Reason	Prior Balance	Adjustments	New Balance	Comment
12/1/2021	Frank Smith	Stephanie Robinson	1	Customer Service	455,600.00	10,000.00	467,600.00	Adjustment
12/7/2021	Tony Jones	John Brown	2	Promotion	154,504.00	12,000.00	166,504.00	Points Play Promo per Mkt e-mail
12/7/2021	Tony Jones	Jane Miller	3	Promotion	89,060.00	12,000.00	101,060.00	Points Play Promo per Mkt e-mail
12/7/2021	Tony Jones	Thomas Williams	5	Promotion	36,457.00	12,000.00	48,457.00	Points Play Promo per Mkt e-mail
12/15/2021	Frank Smith	Michael Taylor	4	Customer Service	119,172.00	10,000.00	131,172.00	Adjustment

Report Period: 12/1/21- 12/31/21

Tony Jones

From: James Car <Marketing_Director@Casino1.com>
Sent: Thursday, December 06, 2021 2:46 PM
To: Tony Jones
Subject: <Players_Club_Manager@Casino1.com> Point
Attachments: Adjustment Week Ending 12/6/2021

Categories:
Yellow Category

Please add 12,000 points to each account below for the December Holiday Bonus Points Promotion.

Player Name	Player ID
John Brown	2
Jane Miller	3
Thomas Williams	5

Best Regards,

James Car
Director of Marketing
Casino 1
Phone (702) 123-4567

Player Tracking

Monthly Exception Report Detail

Run Date: 1/2/2022

Date	User Name	Player Name	Player ID	Reason	Prior Balance	Adjustments	New Balance	Comment
12/4/2021	Frank Smith	Thomas Williams	1	Merge Duplicate Account	10,652.00	9,275.00	19,927.00	Point Transfer
12/4/2021	Frank Smith	Tomas Williams	6	Merge Duplicate Account	9,275.00	(9,275.00)	-	Point Transfer
12/5/2021	Frank Meyers	Jane Miller	3	Merge Duplicate Account	23,000.00	24,000.00	47,000.00	Husband Deceased
12/5/2021	Frank Meyers	John Miller	7	Merge Duplicate Account	24,000.00	(24,000.00)	-	Deceased. Transfer Points to Wife
12/29/2021	Fred Hayes	Steve Rich	10	Merge Duplicate Account	-	6,532.00	6,532.00	Transfer
12/29/2021	Fred Hayes	Barbara Biggs	13	Merge Duplicate Account	6,532.00	(6,532.00)	-	Transfer
12/29/2021	Fred Hayes	Steve Rich	10	Merge Duplicate Account	6,532.00	12,654.00	19,186.00	Transfer
12/29/2021	Fred Hayes	Wendy Davis	16	Merge Duplicate Account	12,654.00	(12,654.00)	-	Transfer
12/29/2021	Fred Hayes	Steve Rich	10	Merge Duplicate Account	19,186.00	8,766.00	27,952.00	Transfer
12/29/2021	Fred Hayes	Bob Hersch	18	Merge Duplicate Account	8,766.00	(8,766.00)	-	Transfer
12/29/2021	Fred Hayes	Steve Rich	10	Merge Duplicate Account	27,952.00	3,200.00	31,152.00	Transfer
12/29/2021	Fred Hayes	Tina Eutsy	19	Merge Duplicate Account	3,200.00	(3,200.00)	-	Transfer

Report Period: 12/1/21-12/31/21

Player Tracking
Inactive Account Activity Report
Run Date: 1/2/2022

Inactive Date	Date Accessed	Access User Name	Player Name	Player ID	Inactive Category	Prior Balance	Adjustment	New Balance	Comment
3/4/2021	12/1/2021	Tony Jones	Kandis Davis	21	No recent activity	10,652.00	(10,652.00)	-	Inactive: Expiring of point balance
3/4/2021	12/1/2021	Tony Jones	John Miller	25	No recent activity	9,275.00	(9,275.00)	-	Inactive: Expiring of point balance
3/4/2021	12/1/2021	Tony Jones	Chris Goodrich	29	No recent activity	23,000.00	(23,000.00)	-	Inactive: Expiring of point balance
5/6/2021	12/29/2021	Fred Hayes	Barbara Biggs	13	No recent activity	6,532.00	(6,532.00)	-	Transfer
7/2/2021	12/29/2021	Fred Hayes	Wendy Davis	16	No recent activity	12,654.00	(12,654.00)	-	Transfer
7/2/2021	12/29/2021	Fred Hayes	Bob Hersch	18	No recent activity	8,766.00	(8,766.00)	-	Transfer
8/4/2021	12/29/2021	Fred Hayes	Tina Eutsy	19	No recent activity	3,200.00	(3,200.00)	-	Transfer

Report Period: 12/1/21-12/31/21

PlayerTracking
SettingsReport
Date Run: 12/10/2021

MACHINES

Normal Play

Amount Played

Points Awarded

Bonus Play

Date Start Date End

Frequency

Day(s) of Bonus

Time Start

Type of Bonus

Amount Played

Bonus Award

Points Awarded with Bonus

Memo to File

Date: 4/19/18

Re: Player's Club Point Structure

As of 4/20/2018 the Player's Club Point Structure for the Generic Casino will be 1 point awarded per \$0.01 of coin-in. No change to the basic point structure is authorized without documented notification from the Director of Marketing and Player Development and approval by the Gaming Commission.

Signed,

James Car

James Car
Director of Marketing
Generic Casino
Phone (702) 123-4567

Gaming Commission Approval *Berta Davis* 4/19/18

Memo to File

Date: 12/30/18

Re: Player's Club Bonus Point Structure

Beginning on 1/1/2019 we will begin to offer a new Player's Club Promotional Point Structure. On every Friday beginning at 10:00 PM through 12:00 AM 1 bonus point will be awarded to the basic point structure resulting in 2 points being awarded per \$0.01 of coin-in. This promotion will run until further notice per documented notification from the Director of Marketing and Player Development and approval by the Gaming Commission.

Signed,

James Car

James Car
Director of Marketing
Generic Casino
Phone (702) 123-4567

Gaming Commission Approval *Berta Davis* 12/30/18

Player Tracking

Exception Report

Reporting Period: 1/1/2021 to 12/31/2021

Date/Time of Exception	User Login Name	User Name	Job Description	User Groups	Activity	Prior Data	New Data
10/16/2021 23:45	Jdoe	John Doe	IT	IT Administrator	Change to basic point structure	Points Awarded:1	Points Awarded:10
10/17/2021 3:15	Jdoe	John Doe	IT	IT Administrator	Change to basic point structure	Points Awarded:10	Points Awarded:1
10/23/2021 23:55	Jdoe	John Doe	IT	IT Administrator	Change to basic point structure	Points Awarded:1	Points Awarded:10
10/24/2021 3:05	Jdoe	John Doe	IT	IT Administrator	Change to basic point structure	Points Awarded:10	Points Awarded:1
11/1/2021 23:52	Jdoe	John Doe	IT	IT Administrator	Change to basic point structure	Points Awarded:1	Points Awarded:10
11/2/2021 2:07	Jdoe	John Doe	IT	IT Administrator	Change to basic point structure	Points Awarded:10	Points Awarded:1
11/9/2021 23:49	Jdoe	John Doe	IT	IT Administrator	Change to basic point structure	Points Awarded:1	Points Awarded:10
11/10/2021 3:52	Jdoe	John Doe	IT	IT Administrator	Change to basic point structure	Points Awarded:10	Points Awarded:1

Cage Disbursement Form

Date: 12/15/21

Purpose: Test Money for Quarterly Currency Counter Test

Denomination	Amount
\$1	\$50
\$5	\$100
\$10	\$350
\$20	\$500
\$50	\$500
\$100	\$1000
Test Tickets	\$500

Clara Baker

Cage Cashier

Michelle Terrel

Cage Supervisor

Greg Rowland (Revenue Auditor)

Received by (include position)

Cashstar Currency Counter System v.2.1

Date: 12/15/2021

Count ID: Test

Type	# Instruments	Amount
\$1	50	50
\$5	20	100
\$10	35	350
\$20	25	500
\$50	10	500
\$100	10	1,000
Tickets	4	500
Total:		3,000

Casino Management System

Count Data for: 12/15/21

Count Type: Test

	# Instruments	Amount
\$ 1	50	\$ 50
\$ 5	20	\$ 100
\$ 10	35	\$ 350
\$ 20	25	\$ 500
\$ 50	10	\$ 500
\$ 100	10	\$ 1,000
Tickets	4	\$ 500
Total count:		\$ 3,000

Manual Count Sheet for Quarterly Currency Counter Test

Date of Test: 12/15/21 (4th Quarter)

Denomination	# of Instruments	Hand Count	Currency Counter	System	Issues Noted
\$1	50	\$ 50	\$ 50	\$ 50	None
\$5	20	\$ 100	\$ 100	\$ 100	None
\$10	35	\$ 350	\$ 350	\$ 350	None
\$20	25	\$ 500	\$ 500	\$ 500	None
\$50	10	\$ 500	\$ 500	\$ 500	None
\$100	10	\$ 1,000	\$ 1,000	\$ 1,000	None
Tickets	4	\$ 500	\$ 500	\$ 500	None
Total Counted		\$ 3,000	\$ 3,000	\$ 3,000	None

- ✓ Counter Equipment Working Properly
- Counter Equipment Not Working Properly

Test performed by: Greg Rowland

Date: 12/15/2021

**Comp Thresholds
Effective 1/1/2022**

Employee		Position	ID #	Comp Limit
Jennifer	Cook	General Manager	151	\$5,000
Evelyn	Jones	Slot Manager	871	\$1,000
Zachary	Garcia	Slot Supervisor	677	\$500
Kayla	Kelly	Slot Supervisor	368	\$500
Bobby	Bennet	Players Club Manager	719	\$1,000
Alexander	Parker	Players Club Supervisor	902	\$500
Alan	Peterson	Players Club Representative	258	\$25
Ronald	Ross	Players Club Representative	845	\$25
Kenneth	Martin	Players Club Representative	544	\$25

Jennifer Cook

General Manager

12/4/2021

Date

Walter Lewis

TGRA Executive Director

12/9/2021

Date

**Comp Report
March 2022**

Date	Comp Issuer	Voucher #	Guest Name	Guest Account #	Reason	Amount
3/4/2022	Kenneth Martin	9996	Jeremy Ward	276	Customer Satisfaction, spilled drink	10
3/5/2022	Ronald Ross	9997	Sarah Rogers	647	Customer Satisfaction, Favorite machine not available	10
3/5/2022	Jennifer Cook	9998	Isabella Sanders	488	Customer Satisfaction, wait for Slot Attendant too long	10
3/8/2022	Zachary Garcia	9999	Cheryl Clark	871	Customer Satisfaction, spilled drink	10
3/9/2022	Alexander Parker	10000	Marie Lewis	259	Customer Satisfaction, spilled drink	10
3/10/2022	Zachary Garcia	10001	Megan Banker	102	Customer Satisfaction, Favorite machine not available	25
3/11/2022	Jennifer Cook	10002	Jean Rivera	132	Customer Satisfaction, wait for Slot Attendant too long	10
3/12/2022	Bobby Bennet	10003	Mary Peterson	894	Customer Satisfaction, Favorite machine not available	10
3/15/2022	Zachary Garcia	10004	Jacqueline Martinez	934	Customer Satisfaction, Favorite machine not available	10
3/17/2022	Ken Martin	10005	Dorris Sterwart	544	St Patrick's Day	10
3/17/2022	Kayla Kelly	10006	Jerry Murphy	562	Hotel, Customer too tired to drive	100
3/18/2022	Alexander Parker	10007	Christina Kim	289	Customer Satisfaction, spilled drink	10
3/19/2022	Bobby Bennet	10008	Alexis Garcia	304	Customer Satisfaction, spilled drink	10
3/20/2022	Evelyn Jones	10009	Jacqueline Jones	289	Customer Satisfaction, Favorite machine not available	10
3/23/2022	Bobby Bennet	10010	Ethan Clark	252	Customer Satisfaction, Player lost \$10,000 today	500
3/25/2022	Evelyn Jones	10011	Carol Mendoza	300	Customer Satisfaction, spilled drink	10
3/26/2022	Ronald Ross	10012	Jordan Davis	109	Customer Satisfaction, Birthday	10
3/27/2022	Kayla Kelly	10013	Cynthia Castillo	494	Customer Satisfaction, wait for Slot Attendant too long	10
3/28/2022	Evelyn Jones	10014	Michael Smith		Lunch for slot vendor	15
3/31/2022	Kayla Kelly	10015	Carol Anderson	482	Customer Satisfaction, spilled drink	10

Jennifer Cook

General Managar Review

4/7/2022

Date

Bobby Bennet

Players Club Manager Review

4/7/2022

Date

Evelyn Jones

Slot Manger Review

4/7/2022

Date

Comp Slip

Voucher Number	9998
Date	3/5/2022
Guest Name	Isabella Sanders
Account Number	488
Comp Award	\$10
Comp Type	F&B
Reason	Customer Satisfaction Wait for Slot Attendant too long
Authorizer Name	Jennifer Cook
Authorizer Signature	<i>Jennifer Cook</i>
ID#	677

Comp Slip

Voucher Number	10001
Date	3/10/2022
Guest Name	Megan Baker
Account Number	102
Comp Award	\$25
Comp Type	F&B
Reason	Customer Satisfaction Favorite machine not available
Authorizer Name	Zachary Garcia
Authorizer Signature	<i>Zachary Garcia</i>
ID#	677

Comp Slip

Voucher Number	10005
Date	3/17/2022
Guest Name	Dorris Sterwart
Account Number	544
Comp Award	\$10
Comp Type	F&B
Reason	St Patrick's Day
Authorizer Name	Ken Martin
Authorizer Signature	<i>Ken Martin</i>
ID#	544

Comp Slip

Voucher Number	10006
Date	3/17/2022
Guest Name	Jerry Murphy
Account Number	562
Comp Award	\$100
Comp Type	Hotel
Reason	Patron too tired to drive
Authorizer Name	Kayla Kelly
Authorizer Signature	<i>Kayla Kelly</i>
ID#	368

Comp Slip

Voucher Number	10010
Date	3/23/2022
Guest Name	Ethan Clark
Account Number	252
Comp Award	\$500
Comp Type	Cash
Reason	Customer Satisfaction Player lost \$10,000 today
Authorizer Name	Bobby Bennet
Authorizer Signature	<i>Bobby Bennet</i>
ID#	719

Comp Slip

Voucher Number	10012
Date	3/26/2022
Guest Name	Jordan Davis
Account Number	109
Comp Award	\$10
Comp Type	F&B
Reason	Customer Satisfaction Birthday
Authorizer Name	Ronald Ross
Authorizer Signature	<i>Ronald Ross</i>
ID#	845

Comp Slip

Voucher Number	10014
Date	2/28/2022
Guest Name	Michael Smith
Account Number	
Comp Award	\$15
Comp Type	F&B
Reason	Lunch for slot vendor
Authorizer Name	Evelyn Jones
Authorizer Signature	<i>Evelyn Jones</i>
ID#	871

Twice Annual Cash Count

Count Areas

- Cage
 - Cashier Window Drawers
 - Vault
 - Fill Bank
 - Chip Vault (New/Unissued Chips)
 - Cash In Safe
 - Marker Bank
 - Electronic Cash/Coin Dispensers and Employee Bank Disbursement Kiosks
 - Other Retail Banks Issued From Cage
 - Kiosks (if part of Cage accountability)
 - Deposits In Transit
 - Satellite Cages

- Table Games/Pit
 - Chip Inventories
 - Active Markers

- High Limit Rooms Card Games Drop Box Contents
 - Slots
 - Table Games

- Bingo
 - Paymaster
 - Cashier Windows
 - Runners

- Keno
- Race & Sports
- Poker
 - Poker Bank/Cage
 - Brush Drawer
 - Supervisor Drawer
 - Poker Tables

§543.24 What are the minimum internal control standards for auditing revenue?

(a) *Supervision.* Supervision must be provided as needed for bingo operations by an agent(s) with authority equal to or greater than those being supervised.

(b) *Independence.* Audits must be performed by agent(s) independent of the transactions being audited.

(c) *Documentation.* The performance of revenue audit procedures, the exceptions noted, and the follow-up of all revenue audit exceptions must be documented and maintained.

(d) Controls must be established and procedures implemented to audit of each of the following operational areas:

(1) *Bingo.* (i) At the end of each month, verify the accuracy of the ending balance in the bingo control log by reconciling it with the bingo paper inventory. Investigate and document any variance noted.

(ii) Daily, reconcile supporting records and documents to summarized paperwork or electronic records (e.g. total sales and payouts per shift and/or day).

(iii) At least monthly, review variances related to bingo accounting data in accordance with an established threshold, which must include, at a minimum, variance(s) noted by the Class II gaming system for cashless transactions in and out, electronic funds transfer in and out, external bonus payouts, vouchers out and coupon promotion out. Investigate and document any variance noted.

(iv) At least monthly, review statistical reports for any deviations from the mathematical expectations exceeding a threshold established by the TGRA. Investigate and document any deviations compared to the mathematical expectations required to be submitted per §547.4.

(v) At least monthly, take a random sample, foot the vouchers redeemed and trace the totals to the totals recorded in the voucher system and to the amount recorded in the applicable cashier's accountability document.

(2) *Pull tabs.* (i) Daily, verify the total amount of winning pull tabs redeemed each day.

(ii) At the end of each month, verify the accuracy of the ending balance in the pull tab control log by reconciling the pull tabs on hand. Investigate and document any variance noted.

(iii) At least monthly, compare for reasonableness the amount of pull tabs sold from the pull tab control log to the amount of pull-tab sales.

(iv) At least monthly, review statistical reports for any deviations exceeding a specified threshold, as defined by the TGRA. Investigate and document any large and unusual fluctuations noted.

(3) *Card games.* (i) Daily, reconcile the amount indicated on the progressive sign/meter to the cash counted or received by the cage and the payouts made for each promotional progressive pot and pool. This reconciliation must be sufficiently documented, including substantiation of differences and adjustments.

(ii) At least monthly, review all payouts for the promotional progressive pots, pools, or other promotions to verify payout accuracy and proper accounting treatment and that they are conducted in accordance with conditions provided to the patrons.

(iii) At the conclusion of each contest/tournament, reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.

(4) *Gaming promotions and player tracking.* (i) At least monthly, review promotional payments, drawings, and giveaway programs to verify payout accuracy and proper accounting treatment in accordance with the rules provided to patrons.

(ii) At least monthly, for computerized player tracking systems, perform the following procedures:

(A) Review authorization documentation for all manual point additions/deletions for propriety;

(B) Review exception reports, including transfers between accounts; and

(C) Review documentation related to access to inactive and closed accounts.

(iii) At least annually, all computerized player tracking systems must be reviewed by agent(s) independent of the individuals that set up or make changes to the system parameters. The review must be performed to determine that the configuration parameters are accurate and have not been altered without appropriate management authorization Document and maintain the test results.

(5) *Complimentary services or items.* At least monthly, review the reports required in §543.13(d). These reports must be made available to those entities authorized by the TGRA or by tribal law or ordinance.

(6) *Patron deposit accounts.* (i) At least weekly, reconcile patron deposit account liability (deposits ±adjustments–withdrawals = total account balance) to the system record.

(ii) At least weekly, review manual increases and decreases to/from player deposit accounts to ensure proper adjustments were authorized.

(7) *Lines of credit.* (i) At least three (3) times per year, an agent independent of the cage, credit, and collection functions must perform the following review:

(A) Select a sample of line of credit accounts;

(B) Ascertain compliance with credit limits and other established credit issuance procedures;

(C) Reconcile outstanding balances of both active and inactive (includes write-offs and settlements) accounts on the accounts receivable listing to individual credit records and physical instruments. This procedure need only be performed once per year for inactive accounts; and

(D) Examine line of credit records to determine that appropriate collection efforts are being made and payments are being properly recorded.

(E) For at least five (5) days during the review period, subsequently reconcile partial payment receipts to the total payments recorded by the cage for the day and account for the receipts numerically.

(ii) At least monthly, perform an evaluation of the collection percentage of credit issued to identify unusual trends.

(8) *Drop and count.* (i) At least quarterly, unannounced currency counter and currency counter interface (if applicable) tests must be performed, and the test results documented and maintained. All denominations of currency and all types of cash out tickets counted by the currency counter must be tested. This test may be performed by internal audit or the TGRA. The result of these tests must be documented and signed by the agent(s) performing the test.

(ii) At least quarterly, unannounced weigh scale and weigh scale interface (if applicable) tests must be performed, and the test results documented and maintained. This test may be performed by internal audit or the TGRA. The result of these tests must be documented and signed by the agent(s) performing the test.

(iii) For computerized key security systems controlling access to drop and count keys, perform the following procedures:

(A) At least quarterly, review the report generated by the computerized key security system indicating the transactions performed by the individual(s) that adds, deletes, and changes users' access within the system (*i.e.*, system administrator). Determine whether the transactions completed by the system administrator provide adequate control over the access to the drop and count keys. Also, determine whether any drop and count key(s) removed or returned to the key cabinet by the system administrator was properly authorized;

(B) At least quarterly, review the report generated by the computerized key security system indicating all transactions performed to determine whether any unusual drop and count key removals or key returns occurred; and

(C) At least quarterly, review a sample of users that are assigned access to the drop and count keys to determine that their access to the assigned keys is appropriate relative to their job position.

(iv) At least quarterly, an inventory of all controlled keys must be performed and reconciled to records of keys made, issued, and destroyed. Investigations must be performed for all keys unaccounted for, and the investigation documented.

(9) *Cage, vault, cash, and cash equivalents.* (i) At least monthly, the cage accountability must be reconciled to the general ledger.

(ii) At least monthly, trace the amount of cage deposits to the amounts indicated in the bank statements.

(iii) Twice annually, a count must be performed of all funds in all gaming areas (*i.e.* cages, vaults, and booths (including reserve areas), kiosks, cash-out ticket redemption machines, and change machines. Count all chips and tokens by denomination and type. Count individual straps, bags, and imprest banks on a sample basis. Reconcile all amounts counted to the amounts recorded on the corresponding accountability forms to ensure that the proper amounts are recorded. Maintain documentation evidencing the amount counted for each area and the subsequent comparison to the

corresponding accountability form. The count must be completed within the same gaming day for all areas.

(A) Counts must be observed by an individual independent of the department being counted. It is permissible for the individual responsible for the funds to perform the actual count while being observed.

(B) Internal audit may perform and/or observe the two counts.

(iv) At least annually, select a sample of invoices for chips and tokens purchased, and trace the dollar amount from the purchase invoice to the accountability document that indicates the increase to the chip or token inventory to ensure that the proper dollar amount has been recorded.

(v) At each business year end, create and maintain documentation evidencing the amount of the chip/token liability, the change in the liability from the previous year, and explanations for adjustments to the liability account including any adjustments for chip/token float.

(vi) At least monthly, review a sample of returned checks to determine that the required information was recorded by cage agent(s) when the check was cashed.

(vii) At least monthly, review exception reports for all computerized cage systems for propriety of transactions and unusual occurrences. The review must include, but is not limited to, voided authorizations. All noted improper transactions or unusual occurrences identified must be investigated and the results documented.

(viii) Daily, reconcile all parts of forms used to document increases/decreases to the total cage inventory, investigate any variances noted, and document the results of such investigations.

(10) *Inventory.* (i) At least monthly, verify receipt, issuance, and use of controlled inventory, including, but not limited to, bingo cards, pull tabs, playing cards, keys, pre-numbered and/or multi-part forms.

(ii) Periodically perform minimum bankroll calculations to ensure that the gaming operation maintains cash in an amount sufficient to satisfy the gaming operation's obligations.

National Indian Gaming Commission



Mission Statements

National Indian Gaming Commission



Does your Commission have a Mission Statements?



Mission Statements



Mission Statements



Regulating Indian gaming to promote tribal economic development, self-sufficiency and strong tribal government; maintain the integrity of the Indian gaming industry; and to ensure that tribes are the primary beneficiaries of their gaming activities.

TGRA



Activity



Writing Your Own
Mission Statement



Questions



Contact Information:



National Indian Gaming Commission



Overview of the Indian Gaming Regulatory Act

National Indian Gaming Commission



Enacted by Congress in 1988
25 U.S.C. §§ 2701 - 2721

California v. Cabazon Band of Mission Indians



v.



National Indian Gaming Commission



Congress enacted IGRA in the wake of Cabazon

Maintained Tribes as the primary regulators, but also establishing a regulatory role for the federal government (NIGC) and the States.

What Does IGRA Do?



Establishes

- National Indian Gaming Commission;
- Independent Federal regulatory authority for gaming on Indian lands; and
- Federal standards for gaming on Indian lands.

IGRA



IGRA's Requirements



- Indian Lands
- Approved Tribal Gaming Ordinance
- Facility License
- Approved Compact or DOI Procedures for Class III Gaming
- Gaming Personnel Licenses
- Approved Management Contract For Third-Party Managers

7

Submission Requirements



- IGRA requires submissions from tribes to the NIGC.
- Submissions occur one time, quarterly, annually etc..



Activity



Authority, References,
and NIGC Required Submissions



9

Questions



Contact Information:



KEY – Activity #2 - Authority, References and NIGC Required Submissions
Activity #2.1 - Ordinance Requirements

Directions for Activity - IGRA

NIGC regulations require a number of submissions. When completed, this chart will serve as a quick reference for each required submission.

1. Work with individuals from your group.
2. Review IGRA handout. Locate each IGRA authority reference and highlight the applicable section.
3. Discuss how is responsible for the submission at your Tribe and how the TGRA is notified when the submission is sent.
4. Identify the frequency of each required submission and document your response in the applicable box.
5. **STOP!** Do not complete “Tribal Ordinance Requirement”. This section will be completed after discussions on the Tribal ordinance.

Directions for Activity – Ordinance

1. Review Model Tribal Ordinance and identify the requirements for each submission
2. List your tribal ordinance reference or page number by applicable section in the box provided.

IGRA Authority	Associated NIGC Regulation	NIGC Required Submission	Responsibility within the Tribe/Casino/TGRA Understanding who submits the document and is TGRA notified.	Frequency of Submission	Tribal Ordinance Reference/Authority
2717 (a)	25 CFR §514	Fees			
2710 (e)	25 CFR §522	Ordinance			
2710 (b)(2)(F)	25 CFR§ 556	Backgrounds/ Investigations			
2710 (c)	25 CFR§ 558	Licensing			

**KEY – Activity #2 - Authority, References and NIGC Required Submissions
Activity #2.1 - Ordinance Requirements**

IGRA Authority	Associated NIGC Regulation	NIGC Required Submission	Responsibility within the Tribe/Casino/TGRA Understanding who submits the document and is TGRA notified.	Frequency of Submission	Tribal Ordinance Reference/Authority
2710 (b)(1)	25 CFR§ 559	Facility License and Attestations			
2710 (b)(2)(D)	25 CFR§ 522 (mentions \$25,000 specifically) 25 CFR§ 571 (mentions audits)	Review of contracts \$25,000 or more			
2710 (d)(9) 2711	25 CFR§ 533	Approval of Management Contracts			
2706(b)(1-4) 2706(b)(10)	25 CFR§ 543	Agreed upon procedures audit			
2710 (b)(2)(c)	25 CFR §571	Audited financials			

SUBCHAPTER III—SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR INDIANS

§ 2631. Repealed. Pub. L. 103-382, title III, § 367, Oct. 20, 1994, 108 Stat. 3976

Section, Pub. L. 100-297, title V, § 5330, Apr. 28, 1988, 102 Stat. 410, related to improvement of educational opportunities for adult Indians. See section 7851 of Title 20, Education.

SUBCHAPTER IV—PROGRAM ADMINISTRATION

§§ 2641 to 2643. Repealed. Pub. L. 103-382, title III, § 367, Oct. 20, 1994, 108 Stat. 3976

Section 2641, Pub. L. 100-297, title V, § 5341, Apr. 28, 1988, 102 Stat. 411; Pub. L. 100-427, § 21, Sept. 9, 1988, 102 Stat. 1612, related to establishment of Office of Indian Education within Department of Education. See section 3423c of Title 20, Education.

Section 2642, Pub. L. 100-297, title V, § 5342, Apr. 28, 1988, 102 Stat. 412; Pub. L. 100-427, § 22, Sept. 9, 1988, 102 Stat. 1613, established National Advisory Council on Indian Education.

Section 2643, Pub. L. 100-297, title V, § 5343, Apr. 28, 1988, 102 Stat. 413, authorized appropriations for administration of Indian education programs. See section 7882 of Title 20, Education.

SUBCHAPTER V—MISCELLANEOUS

§ 2651. Repealed. Pub. L. 103-382, title III, § 367, Oct. 20, 1994, 108 Stat. 3976

Section, Pub. L. 100-297, title V, § 5351, Apr. 28, 1988, 102 Stat. 413; Pub. L. 100-427, § 23, Sept. 9, 1988, 102 Stat. 1613, defined terms for purposes of this chapter. See section 7881 of Title 20, Education.

CHAPTER 29—INDIAN GAMING REGULATION

Sec.	
2701.	Findings.
2702.	Declaration of policy.
2703.	Definitions.
2704.	National Indian Gaming Commission.
2705.	Powers of Chairman.
2706.	Powers of Commission.
2707.	Commission staffing.
2708.	Commission; access to information.
2709.	Interim authority to regulate gaming.
2710.	Tribal gaming ordinances.
2711.	Management contracts.
2712.	Review of existing ordinances and contracts.
2713.	Civil penalties.
2714.	Judicial review.
2715.	Subpoena and deposition authority.
2716.	Investigative powers.
2717.	Commission funding.
2717a.	Availability of class II gaming activity fees to carry out duties of Commission.
2718.	Authorization of appropriations.
2719.	Gaming on lands acquired after October 17, 1988.
2720.	Dissemination of information.
2721.	Severability.

§ 2701. Findings

The Congress finds that—

(1) numerous Indian tribes have become engaged in or have licensed gaming activities on Indian lands as a means of generating tribal governmental revenue;

(2) Federal courts have held that section 81 of this title requires Secretarial review of

management contracts dealing with Indian gaming, but does not provide standards for approval of such contracts;

(3) existing Federal law does not provide clear standards or regulations for the conduct of gaming on Indian lands;

(4) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong tribal government; and

(5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands if the gaming activity is not specifically prohibited by Federal law and is conducted within a State which does not, as a matter of criminal law and public policy, prohibit such gaming activity.

(Pub. L. 100-497, § 2, Oct. 17, 1988, 102 Stat. 2467.)

SHORT TITLE

Pub. L. 100-497, § 1, Oct. 17, 1988, 102 Stat. 2467, provided: "That this Act [enacting this chapter and sections 1166 to 1168 of Title 18, Crimes and Criminal Procedure] may be cited as the 'Indian Gaming Regulatory Act'."

§ 2702. Declaration of policy

The purpose of this chapter is—

(1) to provide a statutory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments;

(2) to provide a statutory basis for the regulation of gaming by an Indian tribe adequate to shield it from organized crime and other corrupting influences, to ensure that the Indian tribe is the primary beneficiary of the gaming operation, and to assure that gaming is conducted fairly and honestly by both the operator and players; and

(3) to declare that the establishment of independent Federal regulatory authority for gaming on Indian lands, the establishment of Federal standards for gaming on Indian lands, and the establishment of a National Indian Gaming Commission are necessary to meet congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue.

(Pub. L. 100-497, § 3, Oct. 17, 1988, 102 Stat. 2467.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2703. Definitions

For purposes of this chapter—

(1) The term "Attorney General" means the Attorney General of the United States.

(2) The term "Chairman" means the Chairman of the National Indian Gaming Commission.

(3) The term "Commission" means the National Indian Gaming Commission established pursuant to section 2704 of this title.

(4) The term "Indian lands" means—

(A) all lands within the limits of any Indian reservation; and

(B) any lands title to which is either held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

(5) The term “Indian tribe” means any Indian tribe, band, nation, or other organized group or community of Indians which—

(A) is recognized as eligible by the Secretary for the special programs and services provided by the United States to Indians because of their status as Indians, and

(B) is recognized as possessing powers of self-government.

(6) The term “class I gaming” means social games solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.

(7)(A) The term “class II gaming” means—

(i) the game of chance commonly known as bingo (whether or not electronic, computer, or other technologic aids are used in connection therewith)—

(I) which is played for prizes, including monetary prizes, with cards bearing numbers or other designations,

(II) in which the holder of the card covers such numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined, and

(III) in which the game is won by the first person covering a previously designated arrangement of numbers or designations on such cards,

including (if played in the same location) pull-tabs, lotto, punch boards, tip jars, instant bingo, and other games similar to bingo, and

(ii) card games that—

(I) are explicitly authorized by the laws of the State, or

(II) are not explicitly prohibited by the laws of the State and are played at any location in the State,

but only if such card games are played in conformity with those laws and regulations (if any) of the State regarding hours or periods of operation of such card games or limitations on wagers or pot sizes in such card games.

(B) The term “class II gaming” does not include—

(i) any banking card games, including baccarat, chemin de fer, or blackjack (21), or

(ii) electronic or electromechanical facsimiles of any game of chance or slot machines of any kind.

(C) Notwithstanding any other provision of this paragraph, the term “class II gaming” includes those card games played in the State of Michigan, the State of North Dakota, the State of South Dakota, or the State of Wash-

ington, that were actually operated in such State by an Indian tribe on or before May 1, 1988, but only to the extent of the nature and scope of the card games that were actually operated by an Indian tribe in such State on or before such date, as determined by the Chairman.

(D) Notwithstanding any other provision of this paragraph, the term “class II gaming” includes, during the 1-year period beginning on October 17, 1988, any gaming described in subparagraph (B)(ii) that was legally operated on Indian lands on or before May 1, 1988, if the Indian tribe having jurisdiction over the lands on which such gaming was operated requests the State, by no later than the date that is 30 days after October 17, 1988, to negotiate a Tribal-State compact under section 2710(d)(3) of this title.

(E) Notwithstanding any other provision of this paragraph, the term “class II gaming” includes, during the 1-year period beginning on December 17, 1991, any gaming described in subparagraph (B)(ii) that was legally operated on Indian lands in the State of Wisconsin on or before May 1, 1988, if the Indian tribe having jurisdiction over the lands on which such gaming was operated requested the State, by no later than November 16, 1988, to negotiate a Tribal-State compact under section 2710(d)(3) of this title.

(F) If, during the 1-year period described in subparagraph (E), there is a final judicial determination that the gaming described in subparagraph (E) is not legal as a matter of State law, then such gaming on such Indian land shall cease to operate on the date next following the date of such judicial decision.

(8) The term “class III gaming” means all forms of gaming that are not class I gaming or class II gaming.

(9) The term “net revenues” means gross revenues of an Indian gaming activity less amounts paid out as, or paid for, prizes and total operating expenses, excluding management fees.

(10) The term “Secretary” means the Secretary of the Interior.

(Pub. L. 100-497, § 4, Oct. 17, 1988, 102 Stat. 2467; Pub. L. 102-238, § 2(a), Dec. 17, 1991, 105 Stat. 1908; Pub. L. 102-497, § 16, Oct. 24, 1992, 106 Stat. 3261.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

AMENDMENTS

1992—Par. (7)(E). Pub. L. 102-497 struck out “or Montana” after “Wisconsin”.

1991—Par. (7)(E), (F). Pub. L. 102-238 added subpars. (E) and (F).

CLASS II GAMING WITH RESPECT TO INDIAN TRIBES IN WISCONSIN OR MONTANA ENGAGED IN NEGOTIATING TRIBAL-STATE COMPACTS

Pub. L. 101-301, § 6, May 24, 1990, 104 Stat. 209, provided that: “Notwithstanding any other provision of law, the

term 'class II gaming' includes, for purposes of applying Public Law 100-497 [25 U.S.C. 2701 et seq.] with respect to any Indian tribe located in the State of Wisconsin or the State of Montana, during the 1-year period beginning on the date of enactment of this Act [May 24, 1990], any gaming described in section 4(7)(B)(ii) of Public Law 100-497 [25 U.S.C. 2703(7)(B)(ii)] that was legally operated on Indian lands on or before May 1, 1988, if the Indian tribe having jurisdiction over the lands on which such gaming was operated made a request, by no later than November 16, 1988, to the State in which such gaming is operated to negotiate a Tribal-State compact under section 11(d)(3) of Public Law 100-497 [25 U.S.C. 2710(d)(3)]."

TRIBAL-STATE COMPACT COVERING INDIAN TRIBES IN MINNESOTA; OPERATION OF CLASS II GAMES; ALLOWANCE OF ADDITIONAL YEAR FOR NEGOTIATIONS

Pub. L. 101-121, title I, §118, Oct. 23, 1989, 103 Stat. 722, provided that: "Notwithstanding any other provision of law, the term 'Class II gaming' in Public Law 100-497 [25 U.S.C. 2701 et seq.], for any Indian tribe located in the State of Minnesota, includes, during the period commencing on the date of enactment of this Act [Oct. 23, 1989] and continuing for 365 days from that date, any gaming described in section 4(7)(B)(ii) of Public Law 100-497 [25 U.S.C. 2703(7)(B)(ii)] that was legally operated on Indian lands on or before May 1, 1988, if the Indian tribe having jurisdiction [sic] over the lands on which such gaming was operated, requested the State of Minnesota, no later than 30 days after the date of enactment of Public Law 100-497 [Oct. 17, 1988], to negotiate a tribal-state compact pursuant to section 11(d)(3) of Public Law 100-497 [25 U.S.C. 2710(d)(3)]."

§ 2704. National Indian Gaming Commission

(a) Establishment

There is established within the Department of the Interior a Commission to be known as the National Indian Gaming Commission.

(b) Composition; investigation; term of office; removal

(1) The Commission shall be composed of three full-time members who shall be appointed as follows:

(A) a Chairman, who shall be appointed by the President with the advice and consent of the Senate; and

(B) two associate members who shall be appointed by the Secretary of the Interior.

(2)(A) The Attorney General shall conduct a background investigation on any person considered for appointment to the Commission.

(B) The Secretary shall publish in the Federal Register the name and other information the Secretary deems pertinent regarding a nominee for membership on the Commission and shall allow a period of not less than thirty days for receipt of public comment.

(3) Not more than two members of the Commission shall be of the same political party. At least two members of the Commission shall be enrolled members of any Indian tribe.

(4)(A) Except as provided in subparagraph (B), the term of office of the members of the Commission shall be three years.

(B) Of the initial members of the Commission—

(i) two members, including the Chairman, shall have a term of office of three years; and

(ii) one member shall have a term of office of one year.

(5) No individual shall be eligible for any appointment to, or to continue service on, the Commission, who—

(A) has been convicted of a felony or gaming offense;

(B) has any financial interest in, or management responsibility for, any gaming activity; or

(C) has a financial interest in, or management responsibility for, any management contract approved pursuant to section 2711 of this title.

(6) A Commissioner may only be removed from office before the expiration of the term of office of the member by the President (or, in the case of associate member, by the Secretary) for neglect of duty, or malfeasance in office, or for other good cause shown.

(c) Vacancies

Vacancies occurring on the Commission shall be filled in the same manner as the original appointment. A member may serve after the expiration of his term of office until his successor has been appointed, unless the member has been removed for cause under subsection (b)(6) of this section.

(d) Quorum

Two members of the Commission, at least one of which is the Chairman or Vice Chairman, shall constitute a quorum.

(e) Vice Chairman

The Commission shall select, by majority vote, one of the members of the Commission to serve as Vice Chairman. The Vice Chairman shall serve as Chairman during meetings of the Commission in the absence of the Chairman.

(f) Meetings

The Commission shall meet at the call of the Chairman or a majority of its members, but shall meet at least once every 4 months.

(g) Compensation

(1) The Chairman of the Commission shall be paid at a rate equal to that of level IV of the Executive Schedule under section 5315 of title 5.

(2) The associate members of the Commission shall each be paid at a rate equal to that of level V of the Executive Schedule under section 5316 of title 5.

(3) All members of the Commission shall be reimbursed in accordance with title 5 for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(Pub. L. 100-497, §5, Oct. 17, 1988, 102 Stat. 2469.)

§ 2705. Powers of Chairman

(a) The Chairman, on behalf of the Commission, shall have power, subject to an appeal to the Commission, to—

(1) issue orders of temporary closure of gaming activities as provided in section 2713(b) of this title;

(2) levy and collect civil fines as provided in section 2713(a) of this title;

(3) approve tribal ordinances or resolutions regulating class II gaming and class III gaming as provided in section 2710 of this title; and

(4) approve management contracts for class II gaming and class III gaming as provided in sections 2710(d)(9) and 2711 of this title.

(b) The Chairman shall have such other powers as may be delegated by the Commission.

(Pub. L. 100-497, §6, Oct. 17, 1988, 102 Stat. 2470.)

§ 2706. Powers of Commission

(a) Budget approval; civil fines; fees; subpoenas; permanent orders

The Commission shall have the power, not subject to delegation—

(1) upon the recommendation of the Chairman, to approve the annual budget of the Commission as provided in section 2717 of this title;

(2) to adopt regulations for the assessment and collection of civil fines as provided in section 2713(a) of this title;

(3) by an affirmative vote of not less than 2 members, to establish the rate of fees as provided in section 2717 of this title;

(4) by an affirmative vote of not less than 2 members, to authorize the Chairman to issue subpoenas as provided in section 2715 of this title; and

(5) by an affirmative vote of not less than 2 members and after a full hearing, to make permanent a temporary order of the Chairman closing a gaming activity as provided in section 2713(b)(2) of this title.

(b) Monitoring; inspection of premises; investigations; access to records; mail; contracts; hearings; oaths; regulations

The Commission—

(1) shall monitor class II gaming conducted on Indian lands on a continuing basis;

(2) shall inspect and examine all premises located on Indian lands on which class II gaming is conducted;

(3) shall conduct or cause to be conducted such background investigations as may be necessary;

(4) may demand access to and inspect, examine, photocopy, and audit all papers, books, and records respecting gross revenues of class II gaming conducted on Indian lands and any other matters necessary to carry out the duties of the Commission under this chapter;

(5) may use the United States mail in the same manner and under the same conditions as any department or agency of the United States;

(6) may procure supplies, services, and property by contract in accordance with applicable Federal laws and regulations;

(7) may enter into contracts with Federal, State, tribal and private entities for activities necessary to the discharge of the duties of the Commission and, to the extent feasible, contract the enforcement of the Commission's regulations with the Indian tribes;

(8) may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems appropriate;

(9) may administer oaths or affirmations to witnesses appearing before the Commission; and

(10) shall promulgate such regulations and guidelines as it deems appropriate to implement the provisions of this chapter.

(c) Omitted

(d) Application of Government Performance and Results Act

(1) In general

In carrying out any action under this chapter, the Commission shall be subject to the Government Performance and Results Act of 1993 (Public Law 103-62; 107 Stat. 285).

(2) Plans

In addition to any plan required under the Government Performance and Results Act of 1993 (Public Law 103-62; 107 Stat. 285), the Commission shall submit a plan to provide technical assistance to tribal gaming operations in accordance with that Act.

(Pub. L. 100-497, §7, Oct. 17, 1988, 102 Stat. 2470; Pub. L. 109-221, title III, §301(a), May 12, 2006, 120 Stat. 341.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (b)(4), (10) and (d)(1), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

The Government Performance and Results Act of 1993, referred to in subsec. (d), is Pub. L. 103-62, Aug. 3, 1993, 107 Stat. 285, which enacted section 306 of Title 5, Government Organization and Employees, sections 1115 to 1119, 9703, and 9704 of Title 31, Money and Finance, and sections 2801 to 2805 of Title 39, Postal Service, amended section 1105 of Title 31, and enacted provisions set out as notes under sections 1101 and 1115 of Title 31. For complete classification of this Act to the Code, see Short Title of 1993 Amendment note set out under section 1101 of Title 31 and Tables.

CODIFICATION

Subsec. (c) of this section, which required the Commission to submit a report to Congress every two years on various matters relating to the operation of the Commission, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, page 114 of House Document No. 103-7.

AMENDMENTS

2006—Subsec. (d). Pub. L. 109-221 added subsec. (d).

§ 2707. Commission staffing

(a) General Counsel

The Chairman shall appoint a General Counsel to the Commission who shall be paid at the annual rate of basic pay payable for GS-18 of the General Schedule under section 5332 of title 5.

(b) Staff

The Chairman shall appoint and supervise other staff of the Commission without regard to the provisions of title 5 governing appointments in the competitive service. Such staff shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so ap-

pointed may receive pay in excess of the annual rate of basic pay payable for GS-17 of the General Schedule under section 5332 of that title.

(c) Temporary services

The Chairman may procure temporary and intermittent services under section 3109(b) of title 5, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-18 of the General Schedule.

(d) Federal agency personnel

Upon the request of the Chairman, the head of any Federal agency is authorized to detail any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this chapter, unless otherwise prohibited by law.

(e) Administrative support services

The Secretary or Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(Pub. L. 100-497, § 8, Oct. 17, 1988, 102 Stat. 2471.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (d), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

REFERENCES IN OTHER LAWS TO GS-16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS-16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, § 101(c)(1)] of Pub. L. 101-509, set out in a note under section 5376 of Title 5.

§ 2708. Commission; access to information

The Commission may secure from any department or agency of the United States information necessary to enable it to carry out this chapter. Upon the request of the Chairman, the head of such department or agency shall furnish such information to the Commission, unless otherwise prohibited by law.

(Pub. L. 100-497, § 9, Oct. 17, 1988, 102 Stat. 2472.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2709. Interim authority to regulate gaming

Notwithstanding any other provision of this chapter, the Secretary shall continue to exercise those authorities vested in the Secretary on the day before October 17, 1988, relating to supervision of Indian gaming until such time as the Commission is organized and prescribes regulations. The Secretary shall provide staff and sup-

port assistance to facilitate an orderly transition to regulation of Indian gaming by the Commission.

(Pub. L. 100-497, § 10, Oct. 17, 1988, 102 Stat. 2472.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2710. Tribal gaming ordinances

(a) Jurisdiction over class I and class II gaming activity

(1) Class I gaming on Indian lands is within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this chapter.

(2) Any class II gaming on Indian lands shall continue to be within the jurisdiction of the Indian tribes, but shall be subject to the provisions of this chapter.

(b) Regulation of class II gaming activity; net revenue allocation; audits; contracts

(1) An Indian tribe may engage in, or license and regulate, class II gaming on Indian lands within such tribe's jurisdiction, if—

(A) such Indian gaming is located within a State that permits such gaming for any purpose by any person, organization or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal law), and

(B) the governing body of the Indian tribe adopts an ordinance or resolution which is approved by the Chairman.

A separate license issued by the Indian tribe shall be required for each place, facility, or location on Indian lands at which class II gaming is conducted.

(2) The Chairman shall approve any tribal ordinance or resolution concerning the conduct, or regulation of class II gaming on the Indian lands within the tribe's jurisdiction if such ordinance or resolution provides that—

(A) except as provided in paragraph (4), the Indian tribe will have the sole proprietary interest and responsibility for the conduct of any gaming activity;

(B) net revenues from any tribal gaming are not to be used for purposes other than—

(i) to fund tribal government operations or programs;

(ii) to provide for the general welfare of the Indian tribe and its members;

(iii) to promote tribal economic development;

(iv) to donate to charitable organizations;

or

(v) to help fund operations of local government agencies;

(C) annual outside audits of the gaming, which may be encompassed within existing independent tribal audit systems, will be provided by the Indian tribe to the Commission;

(D) all contracts for supplies, services, or concessions for a contract amount in excess of

\$25,000 annually (except contracts for professional legal or accounting services) relating to such gaming shall be subject to such independent audits;

(E) the construction and maintenance of the gaming facility, and the operation of that gaming is conducted in a manner which adequately protects the environment and the public health and safety; and

(F) there is an adequate system which—

(i) ensures that background investigations are conducted on the primary management officials and key employees of the gaming enterprise and that oversight of such officials and their management is conducted on an ongoing basis; and

(ii) includes—

(I) tribal licenses for primary management officials and key employees of the gaming enterprise with prompt notification to the Commission of the issuance of such licenses;

(II) a standard whereby any person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming shall not be eligible for employment; and

(III) notification by the Indian tribe to the Commission of the results of such background check before the issuance of any of such licenses.

(3) Net revenues from any class II gaming activities conducted or licensed by any Indian tribe may be used to make per capita payments to members of the Indian tribe only if—

(A) the Indian tribe has prepared a plan to allocate revenues to uses authorized by paragraph (2)(B);

(B) the plan is approved by the Secretary as adequate, particularly with respect to uses described in clause (i) or (iii) of paragraph (2)(B);

(C) the interests of minors and other legally incompetent persons who are entitled to receive any of the per capita payments are protected and preserved and the per capita payments are disbursed to the parents or legal guardian of such minors or legal incompetents in such amounts as may be necessary for the health, education, or welfare, of the minor or other legally incompetent person under a plan approved by the Secretary and the governing body of the Indian tribe; and

(D) the per capita payments are subject to Federal taxation and tribes notify members of such tax liability when payments are made.

(4)(A) A tribal ordinance or resolution may provide for the licensing or regulation of class II gaming activities owned by any person or entity other than the Indian tribe and conducted on Indian lands, only if the tribal licensing requirements include the requirements described in the subclauses of subparagraph (B)(i) and are at least as restrictive as those established by State law governing similar gaming within the jurisdiction of the State within which such Indian lands are located. No person or entity, other

than the Indian tribe, shall be eligible to receive a tribal license to own a class II gaming activity conducted on Indian lands within the jurisdiction of the Indian tribe if such person or entity would not be eligible to receive a State license to conduct the same activity within the jurisdiction of the State.

(B)(i) The provisions of subparagraph (A) of this paragraph and the provisions of subparagraphs (A) and (B) of paragraph (2) shall not bar the continued operation of an individually owned class II gaming operation that was operating on September 1, 1986, if—

(I) such gaming operation is licensed and regulated by an Indian tribe pursuant to an ordinance reviewed and approved by the Commission in accordance with section 2712 of this title,

(II) income to the Indian tribe from such gaming is used only for the purposes described in paragraph (2)(B) of this subsection,

(III) not less than 60 percent of the net revenues is income to the Indian tribe, and

(IV) the owner of such gaming operation pays an appropriate assessment to the National Indian Gaming Commission under section 2717(a)(1) of this title for regulation of such gaming.

(ii) The exemption from the application of this subsection provided under this subparagraph may not be transferred to any person or entity and shall remain in effect only so long as the gaming activity remains within the same nature and scope as operated on October 17, 1988.

(iii) Within sixty days of October 17, 1988, the Secretary shall prepare a list of each individually owned gaming operation to which clause (i) applies and shall publish such list in the Federal Register.

(c) Issuance of gaming license; certificate of self-regulation

(1) The Commission may consult with appropriate law enforcement officials concerning gaming licenses issued by an Indian tribe and shall have thirty days to notify the Indian tribe of any objections to issuance of such license.

(2) If, after the issuance of a gaming license by an Indian tribe, reliable information is received from the Commission indicating that a primary management official or key employee does not meet the standard established under subsection (b)(2)(F)(ii)(II) of this section, the Indian tribe shall suspend such license and, after notice and hearing, may revoke such license.

(3) Any Indian tribe which operates a class II gaming activity and which—

(A) has continuously conducted such activity for a period of not less than three years, including at least one year after October 17, 1988; and

(B) has otherwise complied with the provisions of this section¹

may petition the Commission for a certificate of self-regulation.

(4) The Commission shall issue a certificate of self-regulation if it determines from available information, and after a hearing if requested by the tribe, that the tribe has—

¹ So in original. Probably should be followed by a comma.

(A) conducted its gaming activity in a manner which—

(i) has resulted in an effective and honest accounting of all revenues;

(ii) has resulted in a reputation for safe, fair, and honest operation of the activity; and

(iii) has been generally free of evidence of criminal or dishonest activity;

(B) adopted and is implementing adequate systems for—

(i) accounting for all revenues from the activity;

(ii) investigation, licensing, and monitoring of all employees of the gaming activity; and

(iii) investigation, enforcement and prosecution of violations of its gaming ordinance and regulations; and

(C) conducted the operation on a fiscally and economically sound basis.

(5) During any year in which a tribe has a certificate for self-regulation—

(A) the tribe shall not be subject to the provisions of paragraphs (1), (2), (3), and (4) of section 2706(b) of this title;

(B) the tribe shall continue to submit an annual independent audit as required by subsection (b)(2)(C) of this section and shall submit to the Commission a complete resume on all employees hired and licensed by the tribe subsequent to the issuance of a certificate of self-regulation; and

(C) the Commission may not assess a fee on such activity pursuant to section 2717 of this title in excess of one quarter of 1 per centum of the gross revenue.

(6) The Commission may, for just cause and after an opportunity for a hearing, remove a certificate of self-regulation by majority vote of its members.

(d) Class III gaming activities; authorization; revocation; Tribal-State compact

(1) Class III gaming activities shall be lawful on Indian lands only if such activities are—

(A) authorized by an ordinance or resolution that—

(i) is adopted by the governing body of the Indian tribe having jurisdiction over such lands,

(ii) meets the requirements of subsection (b) of this section, and

(iii) is approved by the Chairman,

(B) located in a State that permits such gaming for any purpose by any person, organization, or entity, and

(C) conducted in conformance with a Tribal-State compact entered into by the Indian tribe and the State under paragraph (3) that is in effect.

(2)(A) If any Indian tribe proposes to engage in, or to authorize any person or entity to engage in, a class III gaming activity on Indian lands of the Indian tribe, the governing body of the Indian tribe shall adopt and submit to the Chairman an ordinance or resolution that meets the requirements of subsection (b) of this section.

(B) The Chairman shall approve any ordinance or resolution described in subparagraph (A), unless the Chairman specifically determines that—

(i) the ordinance or resolution was not adopted in compliance with the governing documents of the Indian tribe, or

(ii) the tribal governing body was significantly and unduly influenced in the adoption of such ordinance or resolution by any person identified in section 2711(e)(1)(D) of this title.

Upon the approval of such an ordinance or resolution, the Chairman shall publish in the Federal Register such ordinance or resolution and the order of approval.

(C) Effective with the publication under subparagraph (B) of an ordinance or resolution adopted by the governing body of an Indian tribe that has been approved by the Chairman under subparagraph (B), class III gaming activity on the Indian lands of the Indian tribe shall be fully subject to the terms and conditions of the Tribal-State compact entered into under paragraph (3) by the Indian tribe that is in effect.

(D)(i) The governing body of an Indian tribe, in its sole discretion and without the approval of the Chairman, may adopt an ordinance or resolution revoking any prior ordinance or resolution that authorized class III gaming on the Indian lands of the Indian tribe. Such revocation shall render class III gaming illegal on the Indian lands of such Indian tribe.

(ii) The Indian tribe shall submit any revocation ordinance or resolution described in clause (i) to the Chairman. The Chairman shall publish such ordinance or resolution in the Federal Register and the revocation provided by such ordinance or resolution shall take effect on the date of such publication.

(iii) Notwithstanding any other provision of this subsection—

(I) any person or entity operating a class III gaming activity pursuant to this paragraph on the date on which an ordinance or resolution described in clause (i) that revokes authorization for such class III gaming activity is published in the Federal Register may, during the 1-year period beginning on the date on which such revocation ordinance or resolution is published under clause (ii), continue to operate such activity in conformance with the Tribal-State compact entered into under paragraph (3) that is in effect, and

(II) any civil action that arises before, and any crime that is committed before, the close of such 1-year period shall not be affected by such revocation ordinance or resolution.

(3)(A) Any Indian tribe having jurisdiction over the Indian lands upon which a class III gaming activity is being conducted, or is to be conducted, shall request the State in which such lands are located to enter into negotiations for the purpose of entering into a Tribal-State compact governing the conduct of gaming activities. Upon receiving such a request, the State shall negotiate with the Indian tribe in good faith to enter into such a compact.

(B) Any State and any Indian tribe may enter into a Tribal-State compact governing gaming activities on the Indian lands of the Indian tribe, but such compact shall take effect only

when notice of approval by the Secretary of such compact has been published by the Secretary in the Federal Register.

(C) Any Tribal-State compact negotiated under subparagraph (A) may include provisions relating to—

(i) the application of the criminal and civil laws and regulations of the Indian tribe or the State that are directly related to, and necessary for, the licensing and regulation of such activity;

(ii) the allocation of criminal and civil jurisdiction between the State and the Indian tribe necessary for the enforcement of such laws and regulations;

(iii) the assessment by the State of such activities in such amounts as are necessary to defray the costs of regulating such activity;

(iv) taxation by the Indian tribe of such activity in amounts comparable to amounts assessed by the State for comparable activities;

(v) remedies for breach of contract;

(vi) standards for the operation of such activity and maintenance of the gaming facility, including licensing; and

(vii) any other subjects that are directly related to the operation of gaming activities.

(4) Except for any assessments that may be agreed to under paragraph (3)(C)(iii) of this subsection, nothing in this section shall be interpreted as conferring upon a State or any of its political subdivisions authority to impose any tax, fee, charge, or other assessment upon an Indian tribe or upon any other person or entity authorized by an Indian tribe to engage in a class III activity. No State may refuse to enter into the negotiations described in paragraph (3)(A) based upon the lack of authority in such State, or its political subdivisions, to impose such a tax, fee, charge, or other assessment.

(5) Nothing in this subsection shall impair the right of an Indian tribe to regulate class III gaming on its Indian lands concurrently with the State, except to the extent that such regulation is inconsistent with, or less stringent than, the State laws and regulations made applicable by any Tribal-State compact entered into by the Indian tribe under paragraph (3) that is in effect.

(6) The provisions of section 1175 of title 15 shall not apply to any gaming conducted under a Tribal-State compact that—

(A) is entered into under paragraph (3) by a State in which gambling devices are legal, and (B) is in effect.

(7)(A) The United States district courts shall have jurisdiction over—

(i) any cause of action initiated by an Indian tribe arising from the failure of a State to enter into negotiations with the Indian tribe for the purpose of entering into a Tribal-State compact under paragraph (3) or to conduct such negotiations in good faith,

(ii) any cause of action initiated by a State or Indian tribe to enjoin a class III gaming activity located on Indian lands and conducted in violation of any Tribal-State compact entered into under paragraph (3) that is in effect, and

(iii) any cause of action initiated by the Secretary to enforce the procedures prescribed under subparagraph (B)(vii).

(B)(i) An Indian tribe may initiate a cause of action described in subparagraph (A)(i) only after the close of the 180-day period beginning on the date on which the Indian tribe requested the State to enter into negotiations under paragraph (3)(A).

(ii) In any action described in subparagraph (A)(i), upon the introduction of evidence by an Indian tribe that—

(I) a Tribal-State compact has not been entered into under paragraph (3), and

(II) the State did not respond to the request of the Indian tribe to negotiate such a compact or did not respond to such request in good faith,

the burden of proof shall be upon the State to prove that the State has negotiated with the Indian tribe in good faith to conclude a Tribal-State compact governing the conduct of gaming activities.

(iii) If, in any action described in subparagraph (A)(i), the court finds that the State has failed to negotiate in good faith with the Indian tribe to conclude a Tribal-State compact governing the conduct of gaming activities, the court shall order the State and the Indian Tribe² to conclude such a compact within a 60-day period. In determining in such an action whether a State has negotiated in good faith, the court—

(I) may take into account the public interest, public safety, criminality, financial integrity, and adverse economic impacts on existing gaming activities, and

(II) shall consider any demand by the State for direct taxation of the Indian tribe or of any Indian lands as evidence that the State has not negotiated in good faith.

(iv) If a State and an Indian tribe fail to conclude a Tribal-State compact governing the conduct of gaming activities on the Indian lands subject to the jurisdiction of such Indian tribe within the 60-day period provided in the order of a court issued under clause (iii), the Indian tribe and the State shall each submit to a mediator appointed by the court a proposed compact that represents their last best offer for a compact. The mediator shall select from the two proposed compacts the one which best comports with the terms of this chapter and any other applicable Federal law and with the findings and order of the court.

(v) The mediator appointed by the court under clause (iv) shall submit to the State and the Indian tribe the compact selected by the mediator under clause (iv).

(vi) If a State consents to a proposed compact during the 60-day period beginning on the date on which the proposed compact is submitted by the mediator to the State under clause (v), the proposed compact shall be treated as a Tribal-State compact entered into under paragraph (3).

(vii) If the State does not consent during the 60-day period described in clause (vi) to a proposed compact submitted by a mediator under clause (v), the mediator shall notify the Secretary and the Secretary shall prescribe, in consultation with the Indian tribe, procedures—

² So in original. Probably should not be capitalized.

(I) which are consistent with the proposed compact selected by the mediator under clause (iv), the provisions of this chapter, and the relevant provisions of the laws of the State, and (II) under which class III gaming may be conducted on the Indian lands over which the Indian tribe has jurisdiction.

(8)(A) The Secretary is authorized to approve any Tribal-State compact entered into between an Indian tribe and a State governing gaming on Indian lands of such Indian tribe.

(B) The Secretary may disapprove a compact described in subparagraph (A) only if such compact violates—

- (i) any provision of this chapter,
- (ii) any other provision of Federal law that does not relate to jurisdiction over gaming on Indian lands, or
- (iii) the trust obligations of the United States to Indians.

(C) If the Secretary does not approve or disapprove a compact described in subparagraph (A) before the date that is 45 days after the date on which the compact is submitted to the Secretary for approval, the compact shall be considered to have been approved by the Secretary, but only to the extent the compact is consistent with the provisions of this chapter.

(D) The Secretary shall publish in the Federal Register notice of any Tribal-State compact that is approved, or considered to have been approved, under this paragraph.

(9) An Indian tribe may enter into a management contract for the operation of a class III gaming activity if such contract has been submitted to, and approved by, the Chairman. The Chairman's review and approval of such contract shall be governed by the provisions of subsections (b), (c), (d), (f), (g), and (h) of section 2711 of this title.

(e) Approval of ordinances

For purposes of this section, by not later than the date that is 90 days after the date on which any tribal gaming ordinance or resolution is submitted to the Chairman, the Chairman shall approve such ordinance or resolution if it meets the requirements of this section. Any such ordinance or resolution not acted upon at the end of that 90-day period shall be considered to have been approved by the Chairman, but only to the extent such ordinance or resolution is consistent with the provisions of this chapter.

(Pub. L. 100-497, § 11, Oct. 17, 1988, 102 Stat. 2472.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (d)(7)(B)(iv), (vii)(I), (8)(B)(i), (C), and (e), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

CONSTITUTIONALITY

For information regarding constitutionality of certain provisions of section 11 of Pub. L. 100-497, see Congressional Research Service, *The Constitution of the United States of America: Analysis and Interpretation*, Appendix 1, Acts of Congress Held Unconstitutional in

Whole or in Part by the Supreme Court of the United States.

§ 2711. Management contracts

(a) Class II gaming activity; information on operators

(1) Subject to the approval of the Chairman, an Indian tribe may enter into a management contract for the operation and management of a class II gaming activity that the Indian tribe may engage in under section 2710(b)(1) of this title, but, before approving such contract, the Chairman shall require and obtain the following information:

(A) the name, address, and other additional pertinent background information on each person or entity (including individuals comprising such entity) having a direct financial interest in, or management responsibility for, such contract, and, in the case of a corporation, those individuals who serve on the board of directors of such corporation and each of its stockholders who hold (directly or indirectly) 10 percent or more of its issued and outstanding stock;

(B) a description of any previous experience that each person listed pursuant to subparagraph (A) has had with other gaming contracts with Indian tribes or with the gaming industry generally, including specifically the name and address of any licensing or regulatory agency with which such person has had a contract relating to gaming; and

(C) a complete financial statement of each person listed pursuant to subparagraph (A).

(2) Any person listed pursuant to paragraph (1)(A) shall be required to respond to such written or oral questions that the Chairman may propound in accordance with his responsibilities under this section.

(3) For purposes of this chapter, any reference to the management contract described in paragraph (1) shall be considered to include all collateral agreements to such contract that relate to the gaming activity.

(b) Approval

The Chairman may approve any management contract entered into pursuant to this section only if he determines that it provides at least—

(1) for adequate accounting procedures that are maintained, and for verifiable financial reports that are prepared, by or for the tribal governing body on a monthly basis;

(2) for access to the daily operations of the gaming to appropriate tribal officials who shall also have a right to verify the daily gross revenues and income made from any such tribal gaming activity;

(3) for a minimum guaranteed payment to the Indian tribe that has preference over the retirement of development and construction costs;

(4) for an agreed ceiling for the repayment of development and construction costs;

(5) for a contract term not to exceed five years, except that, upon the request of an Indian tribe, the Chairman may authorize a contract term that exceeds five years but does not exceed seven years if the Chairman is satisfied

that the capital investment required, and the income projections, for the particular gaming activity require the additional time; and

(6) for grounds and mechanisms for terminating such contract, but actual contract termination shall not require the approval of the Commission.

(c) Fee based on percentage of net revenues

(1) The Chairman may approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity if the Chairman determines that such percentage fee is reasonable in light of surrounding circumstances. Except as otherwise provided in this subsection, such fee shall not exceed 30 percent of the net revenues.

(2) Upon the request of an Indian tribe, the Chairman may approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity that exceeds 30 percent but not 40 percent of the net revenues if the Chairman is satisfied that the capital investment required, and income projections, for such tribal gaming activity require the additional fee requested by the Indian tribe.

(d) Period for approval; extension

By no later than the date that is 180 days after the date on which a management contract is submitted to the Chairman for approval, the Chairman shall approve or disapprove such contract on its merits. The Chairman may extend the 180-day period by not more than 90 days if the Chairman notifies the Indian tribe in writing of the reason for the extension. The Indian tribe may bring an action in a United States district court to compel action by the Chairman if a contract has not been approved or disapproved within the period required by this subsection.

(e) Disapproval

The Chairman shall not approve any contract if the Chairman determines that—

(1) any person listed pursuant to subsection (a)(1)(A) of this section—

(A) is an elected member of the governing body of the Indian tribe which is the party to the management contract;

(B) has been or subsequently is convicted of any felony or gaming offense;

(C) has knowingly and willfully provided materially important false statements or information to the Commission or the Indian tribe pursuant to this chapter or has refused to respond to questions propounded pursuant to subsection (a)(2) of this section; or

(D) has been determined to be a person whose prior activities, criminal record if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;

(2) the management contractor has, or has attempted to, unduly interfere or influence for its gain or advantage any decision or process of tribal government relating to the gaming activity;

(3) the management contractor has deliberately or substantially failed to comply with the terms of the management contract or the tribal gaming ordinance or resolution adopted and approved pursuant to this chapter; or

(4) a trustee, exercising the skill and diligence that a trustee is commonly held to, would not approve the contract.

(f) Modification or voiding

The Chairman, after notice and hearing, shall have the authority to require appropriate contract modifications or may void any contract if he subsequently determines that any of the provisions of this section have been violated.

(g) Interest in land

No management contract for the operation and management of a gaming activity regulated by this chapter shall transfer or, in any other manner, convey any interest in land or other real property, unless specific statutory authority exists and unless clearly specified in writing in said contract.

(h) Authority

The authority of the Secretary under section 81 of this title, relating to management contracts regulated pursuant to this chapter, is hereby transferred to the Commission.

(i) Investigation fee

The Commission shall require a potential contractor to pay a fee to cover the cost of the investigation necessary to reach a determination required in subsection (e) of this section.

(Pub. L. 100-497, §12, Oct. 17, 1988, 102 Stat. 2479.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(3), (e)(1)(C), (3), (g), and (h), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2712. Review of existing ordinances and contracts

(a) Notification to submit

As soon as practicable after the organization of the Commission, the Chairman shall notify each Indian tribe or management contractor who, prior to October 17, 1988, adopted an ordinance or resolution authorizing class II gaming or class III gaming or entered into a management contract, that such ordinance, resolution, or contract, including all collateral agreements relating to the gaming activity, must be submitted for his review within 60 days of such notification. Any activity conducted under such ordinance, resolution, contract, or agreement shall be valid under this chapter, or any amendment made by this chapter, unless disapproved under this section.

(b) Approval or modification of ordinance or resolution

(1) By no later than the date that is 90 days after the date on which an ordinance or resolution authorizing class II gaming or class III gaming is submitted to the Chairman pursuant

to subsection (a) of this section, the Chairman shall review such ordinance or resolution to determine if it conforms to the requirements of section 2710(b) of this title.

(2) If the Chairman determines that an ordinance or resolution submitted under subsection (a) of this section conforms to the requirements of section 2710(b) of this title, the Chairman shall approve it.

(3) If the Chairman determines that an ordinance or resolution submitted under subsection (a) of this section does not conform to the requirements of section 2710(b) of this title, the Chairman shall provide written notification of necessary modifications to the Indian tribe which shall have not more than 120 days to bring such ordinance or resolution into compliance.

(c) Approval or modification of management contract

(1) Within 180 days after the submission of a management contract, including all collateral agreements, pursuant to subsection (a) of this section, the Chairman shall subject such contract to the requirements and process of section 2711 of this title.

(2) If the Chairman determines that a management contract submitted under subsection (a) of this section, and the management contractor under such contract, meet the requirements of section 2711 of this title, the Chairman shall approve the management contract.

(3) If the Chairman determines that a contract submitted under subsection (a) of this section, or the management contractor under a contract submitted under subsection (a) of this section, does not meet the requirements of section 2711 of this title, the Chairman shall provide written notification to the parties to such contract of necessary modifications and the parties shall have not more than 120 days to come into compliance. If a management contract has been approved by the Secretary prior to October 17, 1988, the parties shall have not more than 180 days after notification of necessary modifications to come into compliance.

(Pub. L. 100-497, §13, Oct. 17, 1988, 102 Stat. 2481.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2713. Civil penalties

(a) Authority; amount; appeal; written complaint

(1) Subject to such regulations as may be prescribed by the Commission, the Chairman shall have authority to levy and collect appropriate civil fines, not to exceed \$25,000 per violation, against the tribal operator of an Indian game or a management contractor engaged in gaming for any violation of any provision of this chapter, any regulation prescribed by the Commission pursuant to this chapter, or tribal regulations, ordinances, or resolutions approved under section 2710 or 2712 of this title.

(2) The Commission shall, by regulation, provide an opportunity for an appeal and hearing

before the Commission on fines levied and collected by the Chairman.

(3) Whenever the Commission has reason to believe that the tribal operator of an Indian game or a management contractor is engaged in activities regulated by this chapter, by regulations prescribed under this chapter, or by tribal regulations, ordinances, or resolutions, approved under section 2710 or 2712 of this title, that may result in the imposition of a fine under subsection (a)(1) of this section, the permanent closure of such game, or the modification or termination of any management contract, the Commission shall provide such tribal operator or management contractor with a written complaint stating the acts or omissions which form the basis for such belief and the action or choice of action being considered by the Commission. The allegation shall be set forth in common and concise language and must specify the statutory or regulatory provisions alleged to have been violated, but may not consist merely of allegations stated in statutory or regulatory language.

(b) Temporary closure; hearing

(1) The Chairman shall have power to order temporary closure of an Indian game for substantial violation of the provisions of this chapter, of regulations prescribed by the Commission pursuant to this chapter, or of tribal regulations, ordinances, or resolutions approved under section 2710 or 2712 of this title.

(2) Not later than thirty days after the issuance by the Chairman of an order of temporary closure, the Indian tribe or management contractor involved shall have a right to a hearing before the Commission to determine whether such order should be made permanent or dissolved. Not later than sixty days following such hearing, the Commission shall, by a vote of not less than two of its members, decide whether to order a permanent closure of the gaming operation.

(c) Appeal from final decision

A decision of the Commission to give final approval of a fine levied by the Chairman or to order a permanent closure pursuant to this section shall be appealable to the appropriate Federal district court pursuant to chapter 7 of title 5.

(d) Regulatory authority under tribal law

Nothing in this chapter precludes an Indian tribe from exercising regulatory authority provided under tribal law over a gaming establishment within the Indian tribe's jurisdiction if such regulation is not inconsistent with this chapter or with any rules or regulations adopted by the Commission.

(Pub. L. 100-497, §14, Oct. 17, 1988, 102 Stat. 2482.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1), (3), (b)(1), and (d), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2714. Judicial review

Decisions made by the Commission pursuant to sections 2710, 2711, 2712, and 2713 of this title shall be final agency decisions for purposes of appeal to the appropriate Federal district court pursuant to chapter 7 of title 5.

(Pub. L. 100-497, §15, Oct. 17, 1988, 102 Stat. 2483.)

§ 2715. Subpoena and deposition authority**(a) Attendance, testimony, production of papers, etc.**

By a vote of not less than two members, the Commission shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under consideration or investigation. Witnesses so summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(b) Geographical location

The attendance of witnesses and the production of books, papers, and documents, may be required from any place in the United States at any designated place of hearing. The Commission may request the Secretary to request the Attorney General to bring an action to enforce any subpoena under this section.

(c) Refusal of subpoena; court order; contempt

Any court of the United States within the jurisdiction of which an inquiry is carried on may, in case of contumacy or refusal to obey a subpoena for any reason, issue an order requiring such person to appear before the Commission (and produce books, papers, or documents as so ordered) and give evidence concerning the matter in question and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(d) Depositions; notice

A Commissioner may order testimony to be taken by deposition in any proceeding or investigation pending before the Commission at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the Commission and having power to administer oaths. Reasonable notice must first be given to the Commission in writing by the party or his attorney proposing to take such deposition, and, in cases in which a Commissioner proposes to take a deposition, reasonable notice must be given. The notice shall state the name of the witness and the time and place of the taking of his deposition. Any person may be compelled to appear and depose, and to produce books, papers, or documents, in the same manner as witnesses may be compelled to appear and testify and produce like documentary evidence before the Commission, as hereinbefore provided.

(e) Oath or affirmation required

Every person deposing as herein provided shall be cautioned and shall be required to swear (or affirm, if he so requests) to testify to the whole truth, and shall be carefully examined. His testimony shall be reduced to writing by the person taking the deposition, or under his direction,

and shall, after it has been reduced to writing, be subscribed by the deponent. All depositions shall be promptly filed with the Commission.

(f) Witness fees

Witnesses whose depositions are taken as authorized in this section, and the persons taking the same, shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

(Pub. L. 100-497, §16, Oct. 17, 1988, 102 Stat. 2483.)

§ 2716. Investigative powers**(a) Confidential information**

Except as provided in subsection (b) of this section, the Commission shall preserve any and all information received pursuant to this chapter as confidential pursuant to the provisions of paragraphs (4) and (7) of section 552(b) of title 5.

(b) Provision to law enforcement officials

The Commission shall, when such information indicates a violation of Federal, State, or tribal statutes, ordinances, or resolutions, provide such information to the appropriate law enforcement officials.

(c) Attorney General

The Attorney General shall investigate activities associated with gaming authorized by this chapter which may be a violation of Federal law.

(Pub. L. 100-497, §17, Oct. 17, 1988, 102 Stat. 2484.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2717. Commission funding

(a)(1) The Commission shall establish a schedule of fees to be paid to the Commission annually by each gaming operation that conducts a class II or class III gaming activity that is regulated by this chapter.

(2)(A) The rate of the fees imposed under the schedule established under paragraph (1) shall be—

(i) no more than 2.5 percent of the first \$1,500,000, and

(ii) no more than 5 percent of amounts in excess of the first \$1,500,000,

of the gross revenues from each activity regulated by this chapter.

(B) The total amount of all fees imposed during any fiscal year under the schedule established under paragraph (1) shall not exceed 0.080 percent of the gross gaming revenues of all gaming operations subject to regulation under this chapter.

(3) The Commission, by a vote of not less than two of its members, shall annually adopt the rate of the fees authorized by this section which shall be payable to the Commission on a quarterly basis.

(4) Failure to pay the fees imposed under the schedule established under paragraph (1) shall,

subject to the regulations of the Commission, be grounds for revocation of the approval of the Chairman of any license, ordinance, or resolution required under this chapter for the operation of gaming.

(5) To the extent that revenue derived from fees imposed under the schedule established under paragraph (1) are not expended or committed at the close of any fiscal year, such surplus funds shall be credited to each gaming activity on a pro rata basis against such fees imposed for the succeeding year.

(6) For purposes of this section, gross revenues shall constitute the annual total amount of money wagered, less any amounts paid out as prizes or paid for prizes awarded and less allowance for amortization of capital expenditures for structures.

(b)(1) The Commission, in coordination with the Secretary and in conjunction with the fiscal year of the United States, shall adopt an annual budget for the expenses and operation of the Commission.

(2) The budget of the Commission may include a request for appropriations, as authorized by section 2718 of this title, in an amount equal the amount of funds derived from assessments authorized by subsection (a) of this section for the fiscal year preceding the fiscal year for which the appropriation request is made.

(3) The request for appropriations pursuant to paragraph (2) shall be subject to the approval of the Secretary and shall be included as a part of the budget request of the Department of the Interior.

(Pub. L. 100-497, § 18, Oct. 17, 1988, 102 Stat. 2484; Pub. L. 105-83, title I, § 123(a)(1)-(2)(B), Nov. 14, 1997, 111 Stat. 1566; Pub. L. 109-221, title III, § 301(b), May 12, 2006, 120 Stat. 341.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(1), (2), (4), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

AMENDMENTS

2006—Subsec. (a)(2)(B). Pub. L. 109-221 added subpar. (B) and struck out former subpar. (B) which read as follows: "The total amount of all fees imposed during any fiscal year under the schedule established under paragraph (1) shall not exceed \$8,000,000."

1997—Subsec. (a)(1). Pub. L. 105-83, § 123(a)(1), substituted "gaming operation that conducts a class II or class III gaming activity" for "class II gaming activity".

Subsec. (a)(2)(A)(i). Pub. L. 105-83, § 123(a)(2)(A), substituted "no more than 2.5 percent" for "no less than 0.5 percent nor more than 2.5 percent".

Subsec. (a)(2)(B). Pub. L. 105-83, § 123(a)(2)(B), substituted "\$8,000,000" for "\$1,500,000".

APPLICATION TO SELF-REGULATED TRIBES

Pub. L. 105-83, title I, § 123(a)(2)(C), Nov. 14, 1997, 111 Stat. 1566, as amended by Pub. L. 105-277, div. A, § 101(e) [title III, § 338], Oct. 21, 1998, 112 Stat. 2681-231, 2681-295, provided that: "[N]othing in subsection (a) of this section [amending this section] shall apply to the Mississippi Band of Choctaw."

§ 2717a. Availability of class II gaming activity fees to carry out duties of Commission

In fiscal year 1990 and thereafter, fees collected pursuant to and as limited by section 2717 of this title shall be available to carry out the duties of the Commission, to remain available until expended.

(Pub. L. 101-121, title I, Oct. 23, 1989, 103 Stat. 718.)

CODIFICATION

Section was enacted as part of the Department of the Interior and Related Agencies Appropriations Act, 1990, and not as part of the Indian Gaming Regulatory Act which comprises this chapter.

§ 2718. Authorization of appropriations

(a) Subject to section 2717 of this title, there are authorized to be appropriated, for fiscal year 1998, and for each fiscal year thereafter, an amount equal to the amount of funds derived from the assessments authorized by section 2717(a) of this title.

(b) Notwithstanding section 2717 of this title, there are authorized to be appropriated to fund the operation of the Commission, \$2,000,000 for fiscal year 1998, and \$2,000,000 for each fiscal year thereafter. The amounts authorized to be appropriated in the preceding sentence shall be in addition to the amounts authorized to be appropriated under subsection (a) of this section.

(Pub. L. 100-497, § 19, Oct. 17, 1988, 102 Stat. 2485; Pub. L. 102-238, § 2(b), Dec. 17, 1991, 105 Stat. 1908; Pub. L. 105-83, title I, § 123(b), Nov. 14, 1997, 111 Stat. 1566; Pub. L. 105-119, title VI, § 627, Nov. 26, 1997, 111 Stat. 2522.)

AMENDMENTS

1997—Subsec. (a). Pub. L. 105-119 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: "Subject to the provisions of section 2717 of this title, there are hereby authorized to be appropriated for fiscal year 1998, and for each fiscal year thereafter, an amount equal to the amount of funds derived from the assessments authorized by section 2717(a) of this title for the fiscal year immediately preceding the fiscal year involved, for the operation of the Commission."

Pub. L. 105-83, § 123(b)(1), substituted "for fiscal year 1998, and for each fiscal year thereafter, an amount equal to the amount of funds derived from the assessments authorized by section 2717(a) of this title for the fiscal year immediately preceding the fiscal year involved," for "such sums as may be necessary".

Subsec. (b). Pub. L. 105-83, § 123(b)(2), added subsec. (b) and struck out former subsec. (b) which read as follows: "Notwithstanding the provisions of section 2717 of this title, there are hereby authorized to be appropriated not to exceed \$2,000,000 to fund the operation of the Commission for each of the fiscal years beginning October 1, 1988, and October 1, 1989. Notwithstanding the provisions of section 2717 of this title, there are authorized to be appropriated such sums as may be necessary to fund the operation of the Commission for each of the fiscal years beginning October 1, 1991, and October 1, 1992."

1991—Subsec. (b). Pub. L. 102-238 inserted at end "Notwithstanding the provisions of section 2717 of this title, there are authorized to be appropriated such sums as may be necessary to fund the operation of the Commission for each of the fiscal years beginning October 1, 1991, and October 1, 1992."

§ 2719. Gaming on lands acquired after October 17, 1988

(a) Prohibition on lands acquired in trust by Secretary

Except as provided in subsection (b) of this section, gaming regulated by this chapter shall not be conducted on lands acquired by the Secretary in trust for the benefit of an Indian tribe after October 17, 1988, unless—

(1) such lands are located within or contiguous to the boundaries of the reservation of the Indian tribe on October 17, 1988; or

(2) the Indian tribe has no reservation on October 17, 1988, and—

(A) such lands are located in Oklahoma and—

(i) are within the boundaries of the Indian tribe's former reservation, as defined by the Secretary, or

(ii) are contiguous to other land held in trust or restricted status by the United States for the Indian tribe in Oklahoma; or

(B) such lands are located in a State other than Oklahoma and are within the Indian tribe's last recognized reservation within the State or States within which such Indian tribe is presently located.

(b) Exceptions

(1) Subsection (a) of this section will not apply when—

(A) the Secretary, after consultation with the Indian tribe and appropriate State and local officials, including officials of other nearby Indian tribes, determines that a gaming establishment on newly acquired lands would be in the best interest of the Indian tribe and its members, and would not be detrimental to the surrounding community, but only if the Governor of the State in which the gaming activity is to be conducted concurs in the Secretary's determination; or

(B) lands are taken into trust as part of—

(i) a settlement of a land claim,

(ii) the initial reservation of an Indian tribe acknowledged by the Secretary under the Federal acknowledgment process, or

(iii) the restoration of lands for an Indian tribe that is restored to Federal recognition.

(2) Subsection (a) of this section shall not apply to—

(A) any lands involved in the trust petition of the St. Croix Chippewa Indians of Wisconsin that is the subject of the action filed in the United States District Court for the District of Columbia entitled *St. Croix Chippewa Indians of Wisconsin v. United States*, Civ. No. 86-2278, or

(B) the interests of the Miccosukee Tribe of Indians of Florida in approximately 25 contiguous acres of land, more or less, in Dade County, Florida, located within one mile of the intersection of State Road Numbered 27 (also known as Krome Avenue) and the Tamiami Trail.

(3) Upon request of the governing body of the Miccosukee Tribe of Indians of Florida, the Secretary shall, notwithstanding any other provision of law, accept the transfer by such Tribe to

the Secretary of the interests of such Tribe in the lands described in paragraph (2)(B) and the Secretary shall declare that such interests are held in trust by the Secretary for the benefit of such Tribe and that such interests are part of the reservation of such Tribe under sections 465 and 467 of this title, subject to any encumbrances and rights that are held at the time of such transfer by any person or entity other than such Tribe. The Secretary shall publish in the Federal Register the legal description of any lands that are declared held in trust by the Secretary under this paragraph.

(c) Authority of Secretary not affected

Nothing in this section shall affect or diminish the authority and responsibility of the Secretary to take land into trust.

(d) Application of title 26

(1) The provisions of title 26 (including sections 1441, 3402(q), 6041, and 60501, and chapter 35 of such title) concerning the reporting and withholding of taxes with respect to the winnings from gaming or wagering operations shall apply to Indian gaming operations conducted pursuant to this chapter, or under a Tribal-State compact entered into under section 2710(d)(3) of this title that is in effect, in the same manner as such provisions apply to State gaming and wagering operations.

(2) The provisions of this subsection shall apply notwithstanding any other provision of law enacted before, on, or after October 17, 1988, unless such other provision of law specifically cites this subsection.

(Pub. L. 100-497, § 20, Oct. 17, 1988, 102 Stat. 2485.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (d)(1), was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2720. Dissemination of information

Consistent with the requirements of this chapter, sections 1301, 1302, 1303 and 1304 of title 18 shall not apply to any gaming conducted by an Indian tribe pursuant to this chapter.

(Pub. L. 100-497, § 21, Oct. 17, 1988, 102 Stat. 2486.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

§ 2721. Severability

In the event that any section or provision of this chapter, or amendment made by this chapter, is held invalid, it is the intent of Congress that the remaining sections or provisions of this chapter, and amendments made by this chapter, shall continue in full force and effect.

(Pub. L. 100-497, § 22, Oct. 17, 1988, 102 Stat. 2486.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, known as the Indian Gaming Regulatory Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

CHAPTER 30—INDIAN LAW ENFORCEMENT REFORM

Sec.	
2801.	Definitions.
2802.	Indian law enforcement responsibilities.
2803.	Law enforcement authority.
2804.	Assistance by other agencies.
2805.	Regulations.
2806.	Jurisdiction.
2807.	Uniform allowance.
2808.	Source of funds.
2809.	Reports to tribes.
2810.	Assistant United States Attorney tribal liaisons.
2811.	Native American Issues Coordinator.
2812.	Indian Law and Order Commission.
2813.	Testimony by Federal employees.
2814.	Policies and protocol.
2815.	State, tribal, and local law enforcement cooperation.

§ 2801. Definitions

For purposes of this chapter—

(1) The term “Branch of Criminal Investigations” means the entity the Secretary is required to establish within the Office of Justice Services under section 2802(d)(1) of this title.

(2) The term “Bureau” means the Bureau of Indian Affairs of the Department of the Interior.

(3) The term “employee of the Bureau” includes an officer of the Bureau.

(4) The term “enforcement of a law” includes the prevention, detection, and investigation of an offense and the detention or confinement of an offender.

(5) The term “Indian country” has the meaning given that term in section 1151 of title 18.

(6) The term “Indian tribe” has the meaning given that term in section 1301 of this title.

(7) The term “offense” means an offense against the United States and includes a violation of a Federal regulation relating to part or all of Indian country.

(8) The term “Secretary” means the Secretary of the Interior.

(10)¹ The term “tribal justice official” means—

(A) a tribal prosecutor;

(B) a tribal law enforcement officer; or

(C) any other person responsible for investigating or prosecuting an alleged criminal offense in tribal court.

(Pub. L. 101-379, § 2, Aug. 18, 1990, 104 Stat. 473; Pub. L. 111-211, title II, §§ 203(b), 211(a), July 29, 2010, 124 Stat. 2263, 2264.)

AMENDMENTS

2010—Pub. L. 111-211, § 211(a), redesignated and reordered pars. (9) and (1) to (7) as (1) to (8), respectively, substituted “Office of Justice Services” for “Division

of Law Enforcement Services” in par. (1), and struck out former par. (8) which read as follows: “The term ‘Division of Law Enforcement Services’ means the entity established within the Bureau under section 2802(b) of this title.”

Par. (10). Pub. L. 111-211, § 203(b), added par. (10).

SHORT TITLE OF 2010 AMENDMENT

Pub. L. 111-211, title II, § 201(a), July 29, 2010, 124 Stat. 2261, provided that: “This title [enacting part G (§ 458ccc et seq.) of subchapter II of chapter 14 of this title and sections 2810 to 2815, 3665a, and 3682 of this title, redesignating part F (§ 458bbb et seq.) of subchapter II of chapter 14 of this title as part H (§ 458ddd et seq.), amending this section and sections 458ddd-1, 458ddd-2, 1302, 1321, 2411 to 2413, 2414a, 2415, 2431 to 2433, 2441, 2442, 2451, 2453, 2802 to 2804, 2809, 3613, 3621, 3653, 3662, 3663, 3666, and 3681 of this title, sections 841, 845, 1162, 4042, and 4352 of Title 18, Crimes and Criminal Procedure, sections 872, 872a, 873, and 878 of Title 21, Food and Drugs, sections 534 and 543 of Title 28, Judiciary and Judicial Procedure, and sections 2996f, 3732, 3796h, 3796dd, 5616, 5783, and 13709 of Title 42, The Public Health and Welfare, enacting provisions set out as notes under this section and section 1302 of this title, section 872 of Title 21, section 534 of Title 28, and sections 3732, 3796h, 3796dd, and 14044 of Title 42, amending provisions set out as a note under section 534 of Title 28, and repealing provisions set out as a note under section 3651 of this title] may be cited as the ‘Tribal Law and Order Act of 2010.’”

SHORT TITLE

Pub. L. 101-379, § 1, Aug. 18, 1990, 104 Stat. 473, provided that: “This Act [enacting this chapter and provisions set out as a note under section 2991a of Title 42, The Public Health and Welfare] may be cited as the ‘Indian Law Enforcement Reform Act.’”

SEVERABILITY

Pub. L. 111-211, title II, § 204, July 29, 2010, 124 Stat. 2263, provided that: “If any provision of this title [see Short Title of 2010 Amendment note above], an amendment made by this title, or the application of such a provision or amendment to any individual, entity, or circumstance, is determined by a court of competent jurisdiction to be invalid, the remaining provisions of this title, the remaining amendments made by this title, and the application of those provisions and amendments to individuals, entities, or circumstances other than the affected individual, entity, or circumstance shall not be affected.”

FINDINGS; PURPOSES

Pub. L. 111-211, title II, § 202, July 29, 2010, 124 Stat. 2262, provided that:

“(a) FINDINGS.—Congress finds that—

“(1) the United States has distinct legal, treaty, and trust obligations to provide for the public safety of Indian country;

“(2) Congress and the President have acknowledged that—

“(A) tribal law enforcement officers are often the first responders to crimes on Indian reservations; and

“(B) tribal justice systems are often the most appropriate institutions for maintaining law and order in Indian country;

“(3) less than 3,000 tribal and Federal law enforcement officers patrol more than 56,000,000 acres of Indian country, which reflects less than ½ of the law enforcement presence in comparable rural communities nationwide;

“(4) the complicated jurisdictional scheme that exists in Indian country—

“(A) has a significant negative impact on the ability to provide public safety to Indian communities;

“(B) has been increasingly exploited by criminals; and

¹ So in original. There is no par. (9).



Tribal Gaming Ordinance

Objectives



- The importance of an ordinance and updating
- Submission for approval and updating
- The ordinances role in regulation

Why are tribal gaming ordinances important to tribes?



- Frame work for Regulation
- Foundation for Tribe gaming
- Specific Procedures
- Key part of IGRA



Why must tribes submit an ordinance for review and approval?



- NIGC Approved ordinance in place
- Fundamental Requirement
- No gaming without an approved ordinance



What are the requirements for approval?



- Duly adopted by tribal governing body
- Contains all provisions required by IGRA
- All required submissions were provided to NIGC
- Other content does not conflict with IGRA or NIGC regulations

Amendments



Why amend an ordinance?

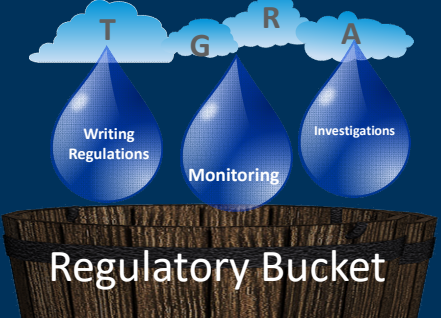
- To update
- To conform with new NIGC regulations
- To incorporate new best practices

Tribal Gaming Ordinance




A circular diagram with a white background and a dark blue border. It features several icons: a thumbs up with 'RULES', a checkmark with 'RULES', a scale of justice with 'RIGHT', and a scale of justice with 'WRONG'. The word 'RULES' is also written in a central box.

Regulating Gaming Mandate




A diagram showing a wooden bucket labeled 'Regulatory Bucket' at the bottom. Above it are three blue water droplets. The first droplet is labeled 'Writing Regulations' and has the letter 'T' above it. The second droplet is labeled 'Monitoring' and has the letter 'G' above it. The third droplet is labeled 'Investigations' and has the letter 'A' above it. The letters 'R' and 'A' are also visible above the second and third droplets respectively, suggesting the acronym 'TAGRA'.

Activity



Ordinance Requirements



A graphic with the word 'ACTIVITY' in a stylized font, with a pen nib pointing to the end of the word.

Questions



Contact Information:

naic@naic.gov



Activity - Ordinance Requirements

Directions for Activity-IGRA

NIGC regulations require a number of submissions. When completed, this chart will serve as a quick reference for each required submission.

1. Work with individuals from your TGRA or individually.
2. Review IGRA handout. Locate each IGRA authority reference and highlight the applicable section.
3. Discuss how is responsible for the submission at your Tribe and how the TGRA is notified when the submission is sent.
4. Identify the frequency of each required submission and document your response in the applicable box.
5. **STOP!** Do not complete "Tribal Ordinance Requirement". This section will be completed after discussions on the Tribal ordinance.

Directions for Activity – Ordinance

1. Review the Tribal Ordinance and identify the requirements for each submission
2. List the tribal ordinance reference or page number by applicable section in the box provided.

IGRA Authority	Associated NIGC Regulation	NIGC Required Submission	Responsibility within the Tribe/Casino/TGRA Understanding who submits the document and is TGRA notified.	Frequency of Submission	Tribal Ordinance Reference/Authority
2717 (a)	25 CFR §514	Fees			
2710 (e)	25 CFR §522	Ordinance			
2710 (b)(2)(F)	25 CFR§ 556	Backgrounds/ Investigations			
2710 (c)	25 CFR§ 558	Licensing			

Activity - Ordinance Requirements

IGRA Authority	Associated NIGC Regulation	NIGC Required Submission	Responsibility within the Tribe/Casino/TGRA Understanding who submits the document and is TGRA notified.	Frequency of Submission	Tribal Ordinance Reference/Authority
2710 (b)(1)	25 CFR§ 559	Facility License and Attestations			
2710 (b)(2)(D)	25 CFR§ 522 (mentions \$25,000 specifically) 25 CFR§ 571 (mentions audits)	Review of contracts \$25,000 or more			
2710 (d)(9) 2711	25 CFR§ 533	Approval of Management Contracts			
2706(b)(1-4) 2706(b)(10)	25 CFR§ 543	Agreed upon procedures audit			
2710 (b)(2)(c)	25 CFR §571	Audited financials			

National Indian Gaming Commission



A focus on the misuse of gaming revenues

What to expect?



- IGRA review
- Misuse of gaming revenue violation of IGRA
- Where to uncover potential violations



IGRA Definitions



Misuse of Gaming Revenue (MGR)



- Violation of IGRA and NIGC regulations
- Five specific purposes
- When revenue is used for some other purpose(s), it can result in a Notice of Violation (NOV)



When Does the Trouble Start



Gaming revenue is spent by someone for something that is not:

- A legitimate operating expense of the gaming operations
- and/or
- Bona fide tribal program or a per capita payment according to the approved plan.

Tribal Programs Guidance



Impromptu tribal programs and programs with no written criteria or guidelines are not bona-fide programs and likely are a misuse of gaming revenue.





Per Capita Payments Guidance

- Should be authorized
- Should be listed on a RAP
- Authorization should provide necessary information, etc.





Detection is Key



Why it Happens

- Lack of Awareness
- Good Intentions/Few Options
- Pressure
- Collusion

How it Happens

- Lack of procurement and accounting policies
- Fraudulent purchases
- Misuse of credit cards
- Ghost employees/consultants
- Contract rates



Detection Credit Card Statements



DISCUSSION

Detection Accounting Records



10

Activity



Detection

Donations/Sponsorship Account



11

Additional Resources



Bulletins, OGC Reviews, and Technical Assistance



Links to resources:

[https://www.nigc.gov/ogc/bulletins](#)

12



Questions?

- Division of Compliance
- Office of General Counsel (OGC)
- 202-632-7003



RED FLAGS HANDOUT

Below is a list of Red Flags that may help regulators identify IGRA violations. When one of a combination of these are observed or reported, additional investigation will be needed to determine if there is actually a violation. This is not an exhaustive list and there will be other actions not listed that may can constitute an IGRA violation.

Misuse of Gaming Revenue

- Is there a lack of policies and procedures in procurement and accounting?
- Has the TGRA encountered difficulty in promulgating policy and procedures to protect the gaming operation against fraud both internally and externally?
- Are all gaming revenue sources accounted for in the cage and vault and expensed through the casino accounting procedures?
- Is the casino distributing payments directly to tribal members or individuals under the guise of an undocumented tribal assistance programs or loan program, where there is no expectation of repayment?
- Are there proper policy and procedures in place for the issuance of complimentary, most notably discretionary complimentaries. (Who is issuing the comps? Do they have authority within policy to issue (dollar amounts and job titles of issuer)? Who are they issuing the comps too? Are they players, do have any association with vendors, are they issued to decision makers for the gaming facility or tribe?)
- Previous agreements and contracts handled by multiple parties are consolidated into one party at a higher rate of pay.
- Previous contract rates are greatly increased (x2, x10, x100) for no apparent reason when transferred to a new party.
- Fraudulent purchases by casino employee/management.
- Payment of ghost employees.
- Unauthorized write-off of player debt or NSF checks.
- Promotion fraud.
- Misuses of casino charge cards.
- Misuse of complementary services.
- Operating a casino without an approved budget makes misuse harder to track.

Activity Credit Card Statement Review

Directions:

1. Assign a note taker and presenter.
2. Review the scenario as a group.
3. Develop investigative procedures for your scenario.
4. Write down your procedure on the Post-It note.
5. Present your procedure to the class.

As part of a quarterly review, the TGRA compliance department randomly reviews credit card statements to ensure proper supporting documentation, reconciliation and signatures are maintained.

Date	Description	Amount
4/1/2018	Ticketmaster.com	\$4,200.00
4/2/2018	Best Buy	\$1,900.00
4/7/2018	Excel gas/electric company	\$4,200.00
4/8/2018	T-Mobile	\$454.00
4/12/2018	Steakhouse	\$747.52
4/19/2018	Cash Advance MGM Vegas	\$1,452.00
4/19/2018	Men warehouse	\$676.00
4/20/2018	Delta Airline Tickets to Paris	\$6,980.00
4/21/2018	Buffalo Wild Wings	\$65.00
4/22/2018	Mel's bar	\$72.00
4/24/2018	Ford Dodge Lincoln dealership	\$676.00

Activity Sponsorships/Donations Account Review

Directions:

1. Assign a note taker and presenter.
2. Review the scenario as a group.
3. Develop investigative procedures for your scenario.
4. Write down your procedure on the Post-It note.
5. Present your procedure to the class.

Scenario

The Casino has a line item in their approved budget for Sponsorships and Donations. Donations and Sponsorships are recognized as an expense of the gaming operation. On a monthly basis the TGRA Compliance department reviews this account.

Date	Acct. 100-1024 donations account	Amount
7/1/2018	Ford tires	\$475.00
7/2/2018	Check #1245	\$525
7/3/2018	Girls Scouts of America	\$600.00
7/8/2018	University of CA	\$6,900.00
7/9/2018	Gill's Cancer Benefit	\$500.00
7/11/2018	Tribal kids Xmas party	\$7,500.00
7/12/2018	AZ community school	\$1,000.00



No. 01-05

Date: 01/18/05

Subject: Use of Net Gaming Revenues Bulletin

Introduction

The goals of federal Indian policy that the Indian Gaming Regulatory Act ("IGRA") was enacted to promote include tribal economic development, tribal self-sufficiency and strong tribal governments. Implicit in these goals is the concept of tribal self-determination. That is, it should be the tribe that determines its future, not outsiders, and certainly not just federal officials. Thus, decisions about how tribal gaming revenues are to be utilized should be made and implemented by tribes, through their duly authorized tribal governments.

In writing IGRA, Congress did, however, specify several broad categories for appropriate tribal expenditures of gaming revenues. These categories are discussed below.

Tribal governments determine the appropriate uses of net gaming revenues consistent with IGRA's designated categories. The National Indian Gaming Commission ("NIGC") acknowledges that tribal governments are well aware of the requirements for the uses of net revenues from Indian gaming under IGRA, and that tribal governments, in general, have committed gaming revenues to fund essential government services, including education, health care, police and fire protection, water and sewer services, and elderly and child care. For most tribal governments, this Bulletin will reinforce existing practices.

As might be expected, however, the NIGC often receives comments and complaints from tribal members with respect to their tribes' expenditures of tribal gaming revenues. While the NIGC is committed to a government-to-government relationship with tribes, and most of our dealings are directly with tribal governments through their tribal gaming commissions, tribal councils and other tribal governmental entities, when appropriate, we attempt to assist in the resolution of misunderstandings and disputes that can, and do, develop between tribal members and tribal entities regarding Indian gaming issues, such as expenditures of gaming revenues. Because tribes' utilization and expenditures of tribal gaming revenues are so fundamental to the purpose for tribal gaming and to its

continued success, the NIGC has deemed it appropriate to compile and share the information in this Bulletin to encourage tribes to employ policies and procedures in their expenditure of tribal gaming revenues that comply with IGRA and will minimize complaints and misunderstanding among the tribal membership and interested outside parties. The NIGC recognizes and respects that tribal governments are in the best position to determine tribal needs and priorities, and to incorporate tribal culture, traditions and values in the processes and programs that they develop, utilize and support with the expenditures of tribal gaming revenues. It is in this spirit that the information in this Bulletin is provided.

Net Revenues Used for Government Purposes and for Payments to Individual Tribal Members

IGRA requires that net gaming revenues from Indian gaming be used for public purposes that are consistent with those typically provided by governments. The five public purposes specified by IGRA for a tribe's use of net revenues from its tribal gaming operations are:

- 1) To fund tribal government operations or programs;
- 2) To provide for the general welfare of the Indian tribe and its members;
- 3) To promote tribal economic development;
- 4) To donate to charitable organizations; and
- 5) To help fund operations of local government agencies.

25 USC § 2710(b)(2)(B); *see also* 25 U.S.C. §§ 2710(d)(1)(A)(ii) and 2710(d)(2); 25 C.F.R. §§ 522.4, 522.6. The term "net revenues" is defined in IGRA as "gross revenues of an Indian gaming activity less amounts paid out as, or paid for, prizes and total operating expenses, excluding management fees." 25 U.S.C. § 2703(9); 25 C.F.R. § 502.16.

Direct distributions of payments to individual tribal members, outside of a government program, are not allowed under IGRA. However, there is an exception to this limitation. Tribes may distribute gaming proceeds to individual tribal members if the tribe has a Revenue Allocation Plan, or "RAP," that authorizes per capita payments and has been formally approved by the Secretary of the Interior ("Secretary"). 25 U.S.C. §§ 2710(b)(3); *see also* 2710(d)(1)(A)(ii). It is in the RAP that a tribe describes how it will allocate and distribute net gaming revenues for public purposes and to individual tribal members on a per capita basis. 25 C.F.R. § 290.2. "Per capita payment," within this context, is defined as "the distribution of money or other thing of value to all members of the tribe, or to identified groups of members, which is paid directly from the net revenues of any tribal gaming activity." 25 C.F.R. § 290.2. The responsibility for reviewing and approving RAPs is delegated by federal regulations to the Bureau of Indian Affairs ("BIA") and the Secretary of the Interior, and not the NIGC. 25 C.F.R. Part 290.

Tribes are not required to make per capita payments from net gaming revenues to individual tribal members. If they choose to do so, however, they must comply with both IGRA and the administrative regulations of the BIA. 25 U.S.C. § 2710(b)(3); 25 C.F.R. Part 290. Tribes that elect to make per capita payments to individual tribal members from net revenues are required to take the following steps before making the payments:

- 1) Prepare a plan to allocate gaming revenues to one or all of the five public purposes specified in Section 2710(b)(2)(B) of IGRA;
- 2) Submit the plan to the BIA and have it approved by the Secretary as “adequate,” particularly with respect to a tribe’s funding of tribal government operations and programs, and promotion of tribal economic development;
- 3) Insure that the plan protects the interests of minors and other legally incompetent persons and makes per capita payments for them in amounts necessary for their health, education and welfare, under a plan approved by the tribe and the Secretary; and
- 4) Notify tribal members, when per capita payments are made, that the payments are subject to federal withholding and taxation as personal income.

25 U.S.C. § 2710(b)(3).

If tribes choose to make per capita payments to individual members, they must be made to *all* enrolled members, unless there is reasonable justification for limiting payments to a group of enrolled members and excluding the remaining enrolled members. 25 C.F.R. § 290.14. For example, a tribe may limit per capita payments to individual tribal members 65 years or older because of this group’s greater financial needs due to not working and increased health care expenses. Importantly, according to 25 C.F.R. 290.12(b)(4), if tribes choose to make per capita payments, they are then required to notify members of the tax liability for the payments, and then withhold taxes for all recipients in accordance with the Internal Revenue Service (“IRS”) regulations found in 26 C.F.R. Part 31.

Under the BIA’s regulations, tribes making per capita payments to individual members are required to establish and use a tribal court system, forum or administrative process for the resolution of disputes concerning the allocation of net gaming revenues and the distribution of per capita payments. 25 C.F.R. § 290.12(b)(5). This requirement insures that tribal members are afforded a process for challenging and appealing the distribution and allocation of gaming revenues under a RAP. It gives tribal members the ability to have some recourse if they disagree with how tribal gaming revenues are being spent.

The NIGC shares regulatory authority and responsibility for the proper use of gaming revenues with the tribes, tribal councils and tribal gaming commissions. When exercising and discharging its regulatory authority and responsibilities under IGRA, the NIGC is committed to maintaining a respectful and meaningful government-to-government relationship with tribes and their authorized government leaders.

Permissible Uses of Gaming Revenues

Tribes typically allocate a substantial portion of their gaming revenues to the “general welfare” of the tribe and its members; to “tribal economic development”; and/or to “government operations or programs.” When tribes establish government programs to benefit individual members, those programs should: 1) be created in response to a recognized need within the tribal community; 2) have eligibility criteria to determine which members qualify to participate in the program; and 3) not discriminate by including some members and excluding others without reasonable justification. Payments made and services offered should be made equally available to all those who meet program standards.

Government programs are set up to serve one or more needs or requirements of the tribal community. A fundamental part of any government program is the criteria established to determine which tribal members are eligible to participate in a program. The criteria are tied to the needs and requirements of the tribal membership, and are often tied to income levels and the financial needs of a group of members. Criteria can be based on needs other than financial ones, however, such as educational, medical or housing needs. Criteria can also reflect a historical lack of prosperity for a group of members like tribal elders, who missed out on the financial benefits of gaming for most of their lives.

Tribes have developed a broad range of tribal government programs using objective criteria based on the requirements and needs of the tribal membership. Examples of these are:

- Elder programs
- Daycare and early childhood development programs
- Universal health care
- Nutrition assistance programs
- Housing assistance programs
- Small business loan programs
- Emergency loan programs
- Legal aid programs
- Public defender programs
- Job training programs
- Educational grants, loans and scholarships
- Drug and alcohol treatment programs
- Culture and language programs
- After-school programs for youth
- Burial assistance programs

Eyeglass programs
Programs offering culturally-based, alternative health care
and treatments

The above list is not exhaustive, as there are hundreds of different government programs currently being offered by the more than 500 federally recognized tribes in existence today.

Tribes also commonly allocate gaming revenues for the creation and expansion of tribal government infrastructure under the government operations or general welfare provisions of IGRA. The following examples typify allowable expenditures of gaming revenues for these purposes:

- Constructing tribal administrative office buildings
- Installing a telecommunications center, including computers
- Building and improving roads
- Creating a tribal justice center, including trial and appellate courts, a law enforcement agency, a corrections facility, a prosecutors' office and a public defender office
- Constructing a youth recreation complex
- Constructing a fitness center
- Constructing a community swimming pool
- Constructing a retirement center for tribal elders
- Establishing tribal credit unions
- Creating a museum
- Creating a library with computers available for members' use
- Establishing utilities for the provision of water and sewer services
- Establishing a waste treatment facility

In developing government programs that provide benefits to individual tribal members, it is important for tribes to consider and determine whether the benefits received by members will be subject to federal withholding and taxation. Bona fide tribal government programs can often be structured so that there is no tax liability for payments and services received by members. As discussed later in this Bulletin, tribes interested in achieving some certainty and assurances regarding the tax consequences of any tribal government program may wish to contact the IRS for guidance.

Impermissible Uses of Gaming Revenues

There are a number of ways in which tribes can misuse their gaming revenues and run afoul of federal law, including IGRA and the Internal Revenue Code ("IRC"). Many of these stem from an overly broad interpretation of what constitutes the "general welfare" of the tribe.

Generally speaking, gaming revenues used in ways in which the tribe as a whole is not the beneficiary is an impermissible use of revenues under IGRA. It cannot be said, for

example, that payments are for the “general welfare of the Indian tribe and its members” when tribes make direct payments to individual tribal members without an approved RAP or outside of a government program. A government program is one that is based on a need or requirement of the tribal community; that has specific eligibility criteria; and that does not discriminate. Whether the payments take the form of cash, gifts or services, if they occur without a RAP or outside of a government program, they are not permissible.

Impermissible use of gaming revenues also occurs when gaming funds are directly distributed to select individual tribal members for their personal use without a RAP or outside of a government program. Purchases or cash payments that are being used for personal reasons and not for tribal business purposes, or for the tribe as a whole, fall into this category. These include buying such items as personal cars, boats, houses and clothing, or other personal items. Unauthorized expenditures also include such things as non-business trips, visits to health spas, residential landscaping and payment of outstanding bills of tribal members. They also include payments to businesses or clubs that are owned by tribal members and may be located on tribal lands, but are not titled to or owned by the tribe.

Other impermissible uses can occur if a tribe creates a fund with gaming revenues, from which cash payments are made to individual tribal members without any objective criteria based on the needs and requirements of the tribal membership. An example of this is when an individual tribal leader is given a portion of gaming revenues for members residing in his or her district, and then gives it to some, but not all members for medical, emergency or other reasons, without using any eligibility criteria to determine who is entitled to receive a payment. A variation on this situation occurs when a tribal government makes loans to select individual tribal members, or to businesses owned by individual tribal members, with no eligibility criteria or expectation of repayment.

An example of how one tribe’s distribution of gaming revenues to tribal members was found to be impermissible is reported in *Avis Little Eagle v. Standing Rock Sioux Tribal Council*, Standing Rock Sioux Tribal Court Memorandum Opinion, TRO-03-131 (2003). In that case, revenue payments were not based on or distributed pursuant to a bona fide tribal government program. Forty per cent of gaming revenues, or approximately \$2 million, was being distributed through the Inyan Wakagapi Betterment Project to individual tribal members from a certain district, based solely upon membership in the Standing Rock Sioux Tribe. The Tribal Court characterized the payments as “simple cash payments to individual enrollees of a particular district with no strings attached” – in other words, per capita payments. Similarly, in *Ross v. Flandreau Santee Sioux Tribe*, 809 F. Supp. 738 (S.D.S.D. 1992), a federal district court ruled that calling gaming revenue payments made to individual tribal members “interim payments,” “Reservation Lifestyle Betterment Grants,” or “On-Reservation Lifestyle Betterment Grants” did not change the true nature of the payments. The Court held that they were really per capita payments, not exempted from IGRA’s requirements for per capita payments. (“Just as a rose by any other name is still a rose, a per capita payment by any other name is still a per capita payment”). Both courts ordered that the payments from gaming revenues be stopped.

Compliance

There are a number of ways that tribes can avoid impermissible uses of gaming revenues. Foremost among them is by establishing tribal government programs with eligibility criteria for participation in the programs, and then implementing the programs in non-discriminatory ways.

A starting point in determining whether a program falls within IGRA's permissible purposes is to look at other, similar programs that are customarily offered by other governments – tribal, federal, state and local. Examples of such programs are listed above and include housing assistance, educational scholarships and nutrition assistance. Such government programs always address the needs and requirements of the tribal community, have eligibility criteria and do not discriminate.

Programs that are structured so that payments for services are made to the providers, instead of to individual tribal members, clarify the purpose and use of the payments. An example of this is when a tribal member qualifies for a tribe's higher education scholarship program, and payments are then made directly to the school instead of to the student. Structuring program payments in this way eliminates the potential for making direct payments to tribal members beyond established per capita amounts or without an approved RAP.

The tribal court system, forum or administrative process required by the BIA's administrative regulations plays an important role in the uses of gaming revenues by tribal governments. These judicial, or quasi-judicial, mechanisms serve as a check on improper distributions of gaming revenues to individual members and allocations of revenues to programs, as well as a vehicle for challenges by members. By establishing an internal tribal review process, the propriety of payments and programs can be challenged by tribal members and evaluated by the tribe itself.

Although there is little in IGRA regarding the specifics of acceptable government programs, the IRS provides some guidance. Not surprisingly, there is substantial overlap between the spending of gaming revenues that violates IGRA and spending that triggers tax liability under the IRC. The IRS has a specific department, the Office of Indian Tribal Governments, which was created to deal with tax issues emanating from tribal gaming, as well as other issues involving tribal governments, entities and enterprises. Its website, www.irs.gov/tribes, includes topics such as "Reporting of Per Capita Distributions by Tribal Members" and "Frequently Asked Questions." The Office also publishes a quarterly newsletter that deals with current tribal taxation issues.

At the request of a tribe, the IRS will informally discuss with tribes proposed distributions of gaming revenues to individual tribal members to see if they trigger tax liability. The IRS will also review and evaluate existing or proposed tribal programs for potential tax liability. Reviewing proposed gaming revenue distributions with the IRS can help a tribe avoid the possibility of exposing individual tribal members to unforeseen

tax liability. Regional and national contacts for arranging these kinds of informal discussions are listed on the IRS website referenced above.

If, after talking to the Office of Indian Tribal Governments at the IRS, a tribe wants more certainty about its tax liability, it can request a private letter ruling from the IRS Office of Chief Counsel. To receive rulings, a tribe submits specific facts about its programs to the IRS, and then has a discussion with the IRS if there is a disagreement on the tax consequences of the tribe's program. The ruling only applies to the particular tribe seeking the ruling. These rulings become public, but all identifying information is removed to maintain the privacy of the tribe requesting the ruling. To date, the IRS Office of Chief Counsel has issued approximately ten private letter rulings regarding tribal government programs or per capita payments to tribal members. There is currently a \$6,000 fee for a private letter ruling. The Office of Indian Tribal Governments is available to assist tribes in navigating the submission process for these rulings.

An example of when an IRS private letter ruling might be useful to a tribe is demonstrated by the following fact situation. Tribal leadership asked its membership how much each member had spent on housing, transportation, etc., and then subtracted the combined amounts from the per capita payments being reported to the IRS. The IRS determined that the plan was structured to get around reporting and withholding on individual per capita payments, and, as a consequence, individual tribal members had large amounts of income taxes assessed against them. If the tribe had requested a private letter ruling before setting up its program, it would have been warned that the payment structure would result in taxes for its members. The tribe could have then revised its program to meet both the needs of the members and the requirements of the Tax Code.

In conclusion, the NIGC is hopeful that this Bulletin will be a helpful guide to tribes in their ongoing efforts to strengthen their tribal governments and effectively meet the needs of tribal members. If you have any questions regarding the use of gaming revenues, please contact the NIGC's Office of General Counsel or your NIGC Regional Office.

National Indian Gaming Commission



A focus on Management without an approved contract

Know your authority



- Gaming Commission has the authority to investigate any aspect of the operations of the Enterprise in order to protect the public interest in the integrity of such gaming activities and to prevent improper or unlawful conduct of such gaming activities.
- Gaming commission to review contracts in excess of \$25,000.00 annually.
- ..delegates the authority to regulate the conduct of Gaming on Indian Lands consistent with the Ordinance and all regulations promulgated pursuant to the Ordinance, the Tribal-State Gaming Compacts, the IGRA and Regulations promulgated to all other applicable laws and ordinances of the Community and all policies adopted by the gaming operation.

Discussion



How many TGRA are involved in a contract review to identify if IGRA violations are present?

Why should the TGRA be involved in the contract review process?

Violations



Management without a written contract

Management without an approved contract



Ways It Happens



- 3rd party makes management decision for the Casino.
- 3rd party has unrestricted access to casino systems and records.
- 3rd party determines which payments are made or which contracts are accepted.
- Manager is not paid like other casino employees (deductions, bonuses outside of specific contract)



Activity – Managing without an Approved Contract



Questions?



- Division of Compliance
- Office of General Counsel (OGC)
- 202-632-7003



RED FLAGS HANDOUT

Management Without an Approved Contract

- Operation managers appear not to be making management decisions or not to have the authority to make decisions. This may be for one part of the gaming or all gaming.
- Are policies and regulations written by outside parties or are approved by 3rd parties before implementation?
- Are 3rd parties present at the casino to consult on issues when not needed or outside agreement?
- Do 3rd parties direct employee activities, directly or indirectly?
- Do 3rd parties maintain close relationship with an elected official(s), or top management?
- Are 3rd parties available to meet with the regulators, or do they disappear when you are on site?
- Do 3rd parties have unescorted access to restricted areas like back of the house, gaming machines, financial information, etc.?
- Is the 3rd party's work consists of tasks that management would typically perform?
- Written documentation between the 3rd party "consultant" and the tribe is non-existent, limited, or off topic.
- The 3rd party is reviewing and approving promotions/marketing.
- Employees and regulators who do not agree with the 3rd party or attempt to regulate the 3rd party are demoted or terminated.
- Operation managers appear not to be making management decisions or not to have the authority to make decisions. This may be for one part of the gaming or all gaming.
- Does the 3rd party have unrestricted access/remote access to your games/gaming system(s) that will allow for changes to be made in relation to payout of the games/gaming system(s).
- Is the 3rd party deciding the payout percentages on your games/gaming systems?
- Is the 3rd party deciding what games will be offered and/or where they will be placed on the floor?
- Is a 3rd party giving final approval of changes to payout percentages, changes of games/gaming system(s) in the tribal facility?
- Does the 3rd party participate in or are they responsible for selecting other vendors at the casino? Including back off house accounting system, insurance, other EGM vendors.
- Does the 3rd party have to agree with management on the decisions above? Consensus is a form of management.

Monitoring for “red flags” or activities in the gaming operation that could indicate that a violation maybe occurring, is an important regulatory responsibility of the TGRA. If “red flags” continue and are undetected they may lead to a violation of IGRA and Tribal Gaming Ordinance. As a group, discuss the assigned section(s) of the worksheet below, select a spokesperson for your group and be prepared to discuss.

Listed below are “red flags” that, if identified should be reviewed more closely.

How would the TGRA investigative and monitor to ensure any third party (not a licensed key or PMO of the gaming operation) is not managing all or a portion of the Tribe’s gaming operation.

1. The TGRA tip line receives a complaint that a third-party vendor, who is not licensed as key or PMOs of the gaming operation, is managing the gaming operation.

<p>2. The TGRA compliance officer reports during a quarterly compliance contract review, a contract for services to the casino was signed by the licensed consultant. Furthermore, the payroll “request for payment” form was signed only by the consultant. (Accounting attached a memo from the General Manager that read: Consultant is ok to sign contract.)</p>	
<p>3. A third party or consultant’s contract term <u>strictly prohibits them for participating in any managing of the gaming operation.</u></p> <ul style="list-style-type: none">• The TGRA received a declination letter from the NIGC regarding the contract.• How can the TGRA continually monitor to ensure the third party or consultant complies with the contract and does not manage a portion or the entire gaming operation?	

<p>4. Due to lack of expertise and employment shortages the casino outsources the IT and accounting function?</p> <ul style="list-style-type: none"> • How would the TGRA monitor to ensure the consultant is not managing a portion or all the Tribe's gaming activities? 	
<p>We discussed the important role the TGRA can provide in the initial review of contracts related to the casino. Continuing to monitor that contract terms are followed is another important part of detection. Even if the contract term is written to prevent managing by a third party, managing can still occur in performance of the contract. Read the examples below, as a group, discuss how the TGRA can monitor for "red flags" that a potential violation might be occurring.</p>	
<p>Listed below are "red flags" that, if identified, should be reviewed more closely.</p>	<p>Are there any "red flags" within the terms? If so, how can they be corrected?</p>

<p>5. The slot director signs a gaming machine lease contract with the following terms:</p> <ul style="list-style-type: none">• Vendor is authorized, in its sole discretion at the time it shall so designate to make modifications to the systems or equipment including, but not limited to, change of machines, or modifications to the reel strips of the gaming devices to improve the payout odds to the public.• Vendor in its sole discretion is authorized to modify the reel strips to increase the probable size of the progressive jackpot at the time of the probable win only upon a win of the top progressive prize then displayed to the public or at any other time.	
<p>6. As a service to the casino, a licensed vendor who leases slot machines to the casino: reviews slot reports for “low performing” games and directs key employee licensed slot technician to replace games with popular themes known to perform well. Additionally, the licensed vendor completes the Casino’s required slot change forms for the slot director in his absence.</p>	

<p>7. The Casino has a sportsbook provider. The Casino is new to sportsbook but chooses not to enter a management contract. The NIGC provided a declination letter to the tribe after reviewing the contract.</p> <ul style="list-style-type: none"> • Why should the TGRA monitor activities associated with contracts, after execution, if tribal legal and NIGC has already issued opinions regarding management by the sportsbook vendor? 	
<p>8. The Casinos has a sportsbook vendor contract reads:</p> <ul style="list-style-type: none"> • CASINO agrees that VENDOR, in its sole discretion, will select the data feed providers due to their expertise. • CASINO agrees to solely implement VENDORS risk management system which is technically compatible with the sportsbook operating system. VENDOR, in its sole discretion and based on industry standards, will reject wagers when odds of winnings are more than 1 million. 	<p>Discuss these terms, are they problematic? If so, how can they be changed? If not, how can the TGRA monitor to ensure the vendor does not management the casino's sportsbook?</p>



Introduction to Emergency Preparedness Plans

Objectives



- NIGC Authorities: IGRA/Federal Register/Facility License Regulation
- What is an Emergency Preparedness Plan?
- Why is it important to have an Emergency Preparedness Plan?
- How to create an Emergency Preparedness Plan? (NIGC Template)
- Different types of natural disasters/man made disaster
- Emergency Evacuations vs. Shelter in Place
- Emergency Supplies: Go Kit
- Employee Training Drills
- What is an Emergency Operations Center (EOC)
- What is an Emergency Response Team (ERT)

NIGC Authorities: IGRA



• Indian Gaming Regulatory Act (IGRA):
Section 2710(b)(2)(E)- “the construction and maintenance of the gaming facility, and the operation of that gaming is conducted in a manner which adequately protects the environment and the public health and safety”.

NIGC Authorities: 25 U.S.C. 2710 (b) (1)



• Pursuant to the Indian Gaming Regulatory Act (IGRA), 25 U.S.C. 2710 (b)(1), tribes are required to license each facility in which they conduct gaming and over which they have jurisdiction. Part 559 addresses this section of IGRA by governing the process by which tribes must notify the NIGC when they are considering issuing a facility license; when a facility license is terminated; and when a facility licensed is renewed.

NIGC Authorities: Facility License Regulation CFR 559



• “Also as part of the facility license requires, Part 559 requires a tribe to submit to the NIGC Chair with each facility license an attestation certifying that by issuing the facility license, the tribe has determined that the construction and maintenance of the gaming facility, and the operation of that gaming, is conducted in a manner which adequately protects the environment and the public health and safety. This means that a tribe has identified and enforces laws, resolutions, codes, policies, standards or procedures applicable to each gaming place, facility, or location that protect the environment and the public health and safety, including standards, under a tribal-state compact or Secretarial procedures”.

Facility License Regulation 25 CFR 559.5 (3)



• “The tribe is ensuring that the construction and maintenance of the gaming facility, and the operation of that gaming is conducted in a manner which adequately protects the environmental and the public health and safety.

• (b) a document listing all laws, resolutions, codes, policies, standards or procedures identified by the tribe as applicable to its gaming facilities, other than Federal laws, in the following areas:

(1) Emergency Preparedness, including but not limited to fire suppression, law enforcement, and security; (2) Food and potable water; (3) Construction and Maintenance; (4) Hazardous materials; (5) Sanitation (solid waste and wastewater); and (6) other EPHS laws, resolutions, codes, policies, standards or procedures adopted by the tribe.

What is an Emergency Preparedness Plan?



- A written document in the event of an emergency.
- A written record or document outlining procedures
- Outlines employee's required actions such that employees understand their roles and responsibilities during an emergency.
- It can lead to fewer and less severe injuries or deaths.
- It can lead to potential less structural damage.
- It will lead to less confusion when seconds count.

Why is an Emergency Preparedness Plan important?



- To do as much as possible to keep your employees safe in case of a disaster or emergency situation.
- Because a poorly prepared plan and lack of employee training will likely lead to disorganized evacuation or emergency response, resulting in confusion, injuries and property damage.

Why is an Emergency Preparedness Plan important?



To comply with OSHA standard 1910.38: EAP's must be in writing, kept in the workplace and available to employees for review. Employers with 10 or fewer employees may communicate plan orally.



How do you create an Emergency Preparedness Plan?



- NIGC Emergency Preparedness Plan Template
- Conduct your own Hazard Assessment
- Distribute, collaborate and review with EAP working group: (Operations, Gaming Commission, FD, TPD)



Different Types of Natural/Man Made Disasters



- Natural Disasters: Fires, floods, earthquakes, tornadoes, tsunamis, hurricanes, volcanoes.
- Man Made Disasters: Cybersecurity attacks (data recovery/backup), fires, chemical spills, pollution, explosions, transportation accidents, hazardous material exposure.

Emergency Evacuations vs. Shelter In Place

Emergency Evacuations:

Program to alert employees to evacuate, Account for who has exited the area or building, Keep employees informed

Shelter in Place:

An interior space or room in the building with few or no windows to take refuge:
Types of incidents include Active Shooter, severe weather, release of biological or chemical contaminants

Emergency Supplies: Go Kit





Food and Water



Medical First-Aid Supplies



Flashlights, Blankets, Etc.




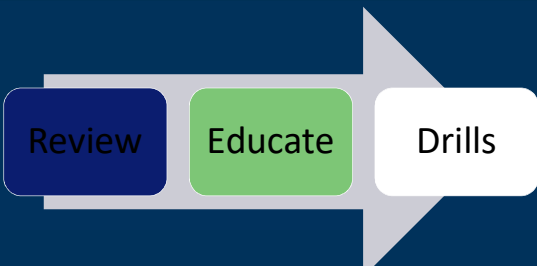
Backboard and Blankets




Wheel Chair




Employee Training Drills





What is an Emergency Operations Center (EOC)



- 
When catastrophes strike agencies need to coordinate their responses in real-time.
- 
An EOC provides a central location for local teams to address up-close events.
- 
In the event of an emergency, responders rely on the EOC team to coordinate efforts and dispatch resources.

What is an Emergency Response Team (ERT)



- Emergency Response Team (ERT) is a group of people who prepare for and respond to emergency incidents, such as a natural disaster or an interruption of business operations.



What is an Emergency Response Team (ERT)



- Incident emergency response teams are common in public service organizations as well as businesses.
- The team is generally composed of specific members designated before an incident occurs and trained to respond to emergencies.



Questions





Thank you

Follow us on social media



National Indian Gaming Commission



Background and Investigation

National Conference
June 2022
Kimberly Revilla, Compliance Officer Sacramento
Miranda Blakley, Compliance Officer Tulsa

Objectives



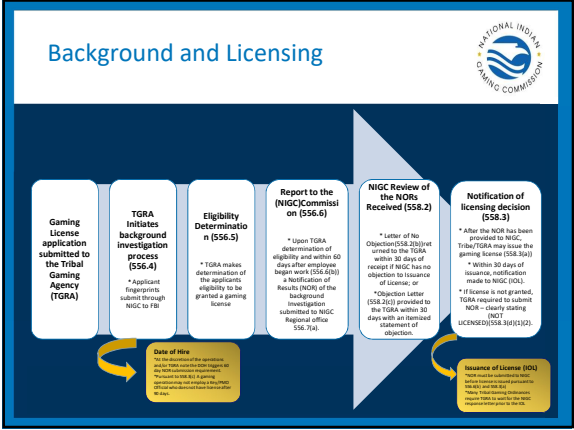
- Part 556 and 558 Requirements
- Identifying Key and PMO

Regulations 556 & 558



Part 556

Part 558



Who and What is a Key Employee? (25 CFR 502.14)

Key Employee means:

- A person who performs one or more of the following functions
 - Bingo caller
 - Counting room supervisor
 - Chief of security
 - Custodian of gaming supplies or cash
 - Floor Manager

Key Employee (con't.)

- Pit boss
- Dealer
- Croupier
- Approver of credit or custodian of gambling devices including persons with access to cash and accounting records within such devices
- If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year or if not otherwise included, the four most highly compensated persons in the gaming operation
- Any other person designated by the tribe as a Key Employee*

Who and What is a Primary Management Official (PMO)? (25 CFR 502.19)



Primary Management Official means:

- The person having management responsibility for a management contract
- Any person who has authority to:
 - Hire and fire employees, or
 - Set up working policy for the gaming operation, or
 - The Chief Financial Officer or other persons who have financial management responsibility
- Any other person designated by the tribe as a PMO*

Using Job Descriptions to Identify KEY and PMO

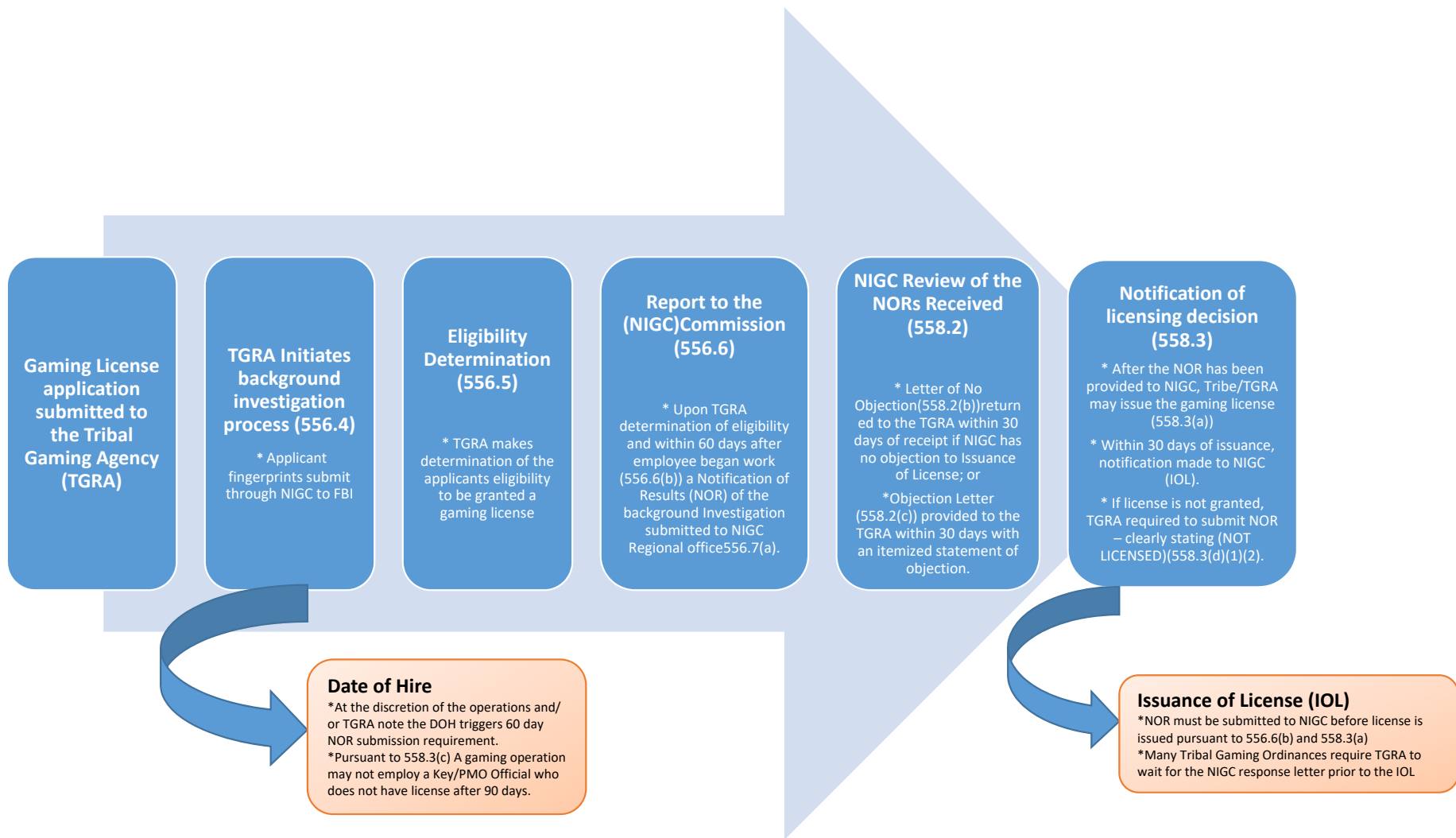


Questions

Contact Information

TRAINING@nigc.gov





Key Employee /Primary Management Official Classification Guide for CHRI MOU Compliance

Under the 2020 Memorandum of Understanding (MOU) with the FBI, the National Indian Gaming Commission (NIGC) agrees to use CHRI solely for the purpose of determining an applicant's eligibility for employment as a key employee or primary management official at the Tribe's gaming operation, as defined in NIGC regulations, **25 C.F.R. §§ 502.14(a) – (c) and 502.19(a) – (c)**, and not for any other purpose.¹

If a Tribe has an executed MOU with the NIGC, Tribes are permitted to submit fingerprints to the FBI through the NIGC to obtain and use Criminal History Record Information (CHRI) for the sole purpose of making an employment and/or licensing determination of KEs and PMOs as defined in the FBI/NIGC MOU. The NIGC offers the following technical assistance to tribal gaming regulatory authorities (TGRAs) for determining whether an applicant meets the definitions in the FBI/NIGC MOU.

Though there are some limitations, the position title can be an important indicator as to whether or not a gaming operation employee is a KE or a PMO. The proper classification of a gaming operation employee, however, depends upon the specific duties and responsibilities of the individual in their job/position. For example, a Food and Beverage Manager, as an employee of a gaming operation with an annual compensation of \$47,000, without the ability to hire or fire employees, who does not handle cash or gaming supplies, is not a KE. But if the same Food and Beverage Manager gets a raise and makes in excess of \$50,000 in a year, becomes a KE. Another example is Environmental Services (EVS) staff. In general, EVS staff are employees of a gaming operation with individual "total cash compensation" less than \$50,000 a year. Nevertheless, if when the TGRA examines the individual's specific duties and determines that the night-shift EVS employee performs additional duties normally completed by a KE, the EVS employee is a KE. These duties must include one or more listed in NIGC regulation, 25 C.F.R. § 502.14 (a)-(c), such as accessing or handling gaming equipment, gaming revenue, or gaming revenue accounting records (including revenue records in gaming equipment). Once an employee's position transforms into a KE position, the employee must go through the KE licensing process and their fingerprints may be submitted through NIGC for purposes of receiving their criminal history record.

To ensure CHRI MOU compliance, Tribes with an executed MOU are required to determine whether applicants meet the FBI/MOU definitions of a KE or a PMO prior to submitting fingerprints through the NIGC. The following questions should help guide the TGRA to properly classify such applicants. If additional analysis or further guidance is needed, please contact NIGC region staff.

Questions for KE Classification

1. Is the person an applicant or employee of the gaming operation?²
 - If yes, proceed to question two.
 - If no, the person cannot be fingerprinted because they do not satisfy the initial criterion of being an applicant or employee of a gaming operation.
2. An applicant or employee of a gaming operation whose "total cash compensation" will be or is in excess of \$50,000 per year?³
 - If yes, the person can be fingerprinted as a KE.
 - If no, proceed to the next question.

¹ 25 CFR §§502.14(d) and 502.19(d) are not categories of key employees and primary management officials whose prints can be submitted to the FBI through the NIGC MOU. However, the tribe can continue to license these categories through the NIGC if the tribe has an alternative, legal source of FBI CHRI other than the NIGC such as a statutory authorized tribal, state, local or 3rd party contractor.

² See NIGC regulation, § 502.10, defining *Gaming operation*.

³ This includes all employees on the gaming operation's payroll, full-time or part-time. Is the employee's compensation listed as an operating expense on the gaming operation's general ledger? Does the gaming operation issue a W-2 to the employee? Is the employee subject to the gaming operations employee handbook, rules and leave policy? In some circumstances, all tribal employees are paid through the tribe and follow the tribal employee handbook, including gaming operation employees. Examination of organization charts maintained by the gaming operation or tribal business entities will assist in making a determination. Does the employee and/or their supervisor report to the gaming operation's general manager or executive officer? Examining the process under which the employee was hired can be helpful. Were they processed through something other than the gaming operations HR department?

Key Employee /Primary Management Official Classification Guide for CHRI MOU Compliance

3. Is the person one of the “four most highly compensated persons in the gaming operation?”
- If yes, the person can be fingerprinted as a KE.
 - If no, proceed to the next question.
4. A person in a position or performs duties that meet the definitions of a KE in accordance with NIGC regulation, 25 C.F.R. § 502.14 (a) through (c)?
- If yes, the person can be fingerprinted as a KE.
 - If no, proceed to the next question.
5. Does the person watch, protect, handle, use, or maintain gaming cash and/or gaming revenue⁴? Gaming cash means money used in the operation of Class II and III gaming. This includes cash deposited or withdrawn from the gaming operation’s cage or vault, in its kiosk and atms, gaming machine/system bill acceptors, drop boxes, change boxes, tip boxes, or other locations, containers, and devices used to store or retrieve cash used for the conduct of Class II and III games or accounted for as a cash asset of the gaming operation. The fact valet, housekeeping, wait staff, and other employees not involved in the conduct of gaming routinely receive tips and place them in a tip box would not require them to be licensed, but the person collecting and depositing the cash tips in the gaming operation’s cage/vault who takes on responsibility for an asset on behalf of the gaming operation qualifies as a KE.
- If yes, the person can be fingerprinted as a KE.
 - If no, proceed to the next question.
6. Is the person a custodian of gaming supplies? This may include but is not limited to a person with access to gaming systems, machine ticket paper, chips, tokens, playing cards, bingo paper, bingo balls, or hardware/software used in conjunction with the Class II/III gaming systems.
- If yes, the person can be fingerprinted as a KE.
 - If no, proceed to the next question.
7. Does the person have the ability to access and/or make changes to the gaming operation’s accounting system, player tracking system, or gaming system record? This may include but is not limited to a person “with access to cash and accounting records,” including accounting records within gaming equipment and devices.
- If yes, the person can be fingerprinted as a KE.
 - If no, proceed to the next question.
8. Does the person have duties or responsibilities that include oversight of any portion of a gaming operation?⁵ Oversight duties or responsibilities may include but are not limited to manager-on-duty obligations.
- If yes, the person can be fingerprinted as a KE.
 - If no, proceed to the next question.
9. Does the person perform the function of bingo caller, count room supervisor, chief of security, floor manager, pit boss, dealer, croupier⁶, or approver of credit?
- If yes, the person can be fingerprinted as a KE.
 - If no, proceed to the next question.

⁴ See NIGC regulation, § 502.16, defining *Net gaming revenue*

⁵ See NIGC regulation, § 502.10, defining *Gaming operation*.

⁶ Croupier is an employee of a gambling casino who collects and pays bets and assists at the gaming tables.

Key Employee /Primary Management Official Classification Guide for CHRI MOU Compliance

10. Does the person have any job functions or responsibilities that require the person to watch, touch, guard, count, maintain, or otherwise be responsible for gaming cash, gaming revenue, or gambling supplies/devices that has not already been discussed? The responsibilities may include accessing or modifying a Class II/III gaming system, player tracking system, or any other ancillary system that is integral to the play of the games or generation, collection, or recording of gaming revenue.
- If yes, the person can be fingerprinted as a KE.
 - If no, the individual is not a KE.

Questions for PMO Classification

1. Is the person an applicant, employee, or official/executive of a gaming operation or a management contractor? Or does the person possess any of the authority, responsibilities, or duties outlined in questions 2-6?
- If yes, proceed to question two.
 - If no, the individual cannot be fingerprinted unless they can be classified as a KE in the previous section.
2. Does the person have management responsibility for a gaming operation, facility, or part of either due to a management contract?
- If yes, the person can be fingerprinted as a PMO.
 - If no, proceed to next question.
3. Does the person have the ability “to hire or fire employees?”
- If yes, the person can be fingerprinted as a PMO.
 - If no, proceed to next question.
4. Does the person “set up working policy for the gaming operation?”⁷ This can include, but is not limited to, actions that direct a person to perform operational, administrative, or financial functions for a gaming operation.
- If yes, the person can be fingerprinted as a PMO.
 - If no, proceed to next question.
5. Does the person plan, organize, or coordinate the activities of gaming operation/management contractor employees at the gaming operation?
- If yes, the person can be fingerprinted as a PMO.
 - If no, proceed to next question.
6. Is the person “the chief financial officer or other person who has financial management responsibility for the operation?”
- If yes, the person can be fingerprinted as a PMO.
 - If no, the person is not a PMO.

Please note: The regulatory definition of key employee and primary management official has not changed. The FBI and FBI/NIGC MOU have clarified which KE and PMO applicant fingerprints can be submitted through the NIGC under the MOU.

⁷ See NIGC Bulletin 1994-5, *Approved Management Contracts v. Consulting Agreements* (Oct. 14, 1994) (describing what are management functions and duties), <https://www.nigc.gov/images/uploads/bulletins/1994-5mgmtvconsult.pdf>

Job Description #1

Gaming operations employee
From \$20 an hour
Job Type
Full-time
Part-time

Qualifications

Experience:

- sales, 1 year (Preferred)
- Customer Service, 1 year (Preferred)
- Cash Handling, 1 year (Preferred)

Full Job Description

Earn \$20 per hour or more, plus customer tips!

Essential Duties and Responsibilities (including but not limited to):

- Sells chips to Chip Runners and Floor Personnel following departmental guidelines.
- Balances bank at end of shift.
- Redeems and sells chips to patrons.
- Balances all monetary transactions and paperwork.
- Perform other duties as assigned.

Qualifications:

- Ability to work independently.
- Ability to manage difficult customer interactions.
- Ability to project a professional image.
- Ability to adapt to frequent changes, interruptions or unexpected events.
- Ability to perform job functions with attention to detail, speed and accuracy.
- Ability to multi-task and maintain organization.
- Ability to understand and comply with company SOPs and Title 31 instruction.
- Ability to communicate effectively in the English language.
- Ability to perform simple mathematical calculations.

Must be available to work graveyard, overtime, weekends and holidays when needed. Applicants must be able to obtain a TGRA License and must be 21 years of age or over

Job Types: Full-time, Part-time

Experience:

- sales: 1 year (Preferred)
- Customer Service: 1 year (Preferred)
- Cash Handling: 1 year (Preferred)

Job Description #2

Gaming Operations Employee

This position is accountable for the following areas: Customer service at all businesses in your location. Supervisory decisions consistent with Casino Operations standards, policies, and procedures. Assisting in planning, leadership, developing, organizing, and follow-up in these areas: controllable expenses, sales increases, inside gross margin, proper security and control of corporate funds, shortage controls, promotion programs, and monitoring competitors. Setting the proper example for co-workers in terms of professionalism, attitude, and teamwork in the areas of customer service and casino operations. Overall maintenance and cleanliness. Responsible for hiring of employees, discipline when necessary, succession planning for promoting employees and controlling unnecessary turnover.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

- Must be able to conduct themselves in a professional manner at all times when dealing with Customers, Employees, Vendors, District Managers, Corporate Employees or Operations staff.
- Must be able to know and/or perform duties of Floor Runner, Bartender, Bookkeeper, and Assistant Manager
- Collect non-sufficient fund (NSF) checks; signs warrant documents when payment is not received.
- Ensure the security of the location and company assets, in accordance to policy and procedures, security surveillance equipment operating properly with the best views possible, reporting deficiencies immediately
- Troubleshoot, repair and reset signs interior and exterior i.e. window message signs, pole signs, building signs, hours of operations, open/close, advertising of new games etc.
- Grow location revenue by having an effectively managed location, Including, hiring and training the best employee's available, delivering exceptional service, maintaining proper staffing , keeping property clean and safe, evaluating competition, knowing your player base, being aware of your community's economy
- Supervise, hire, train, orient, develop succession plan of floor runners, bartenders, bookkeepers, assistant managers, managers in training
- Oversee all aspects of employees in the manager-training program for their location.
- Redirect employees; may include career guidance, recognition, retrain, and discipline and/or recommend termination. Develop and support employees in all area of business, showing leadership and setting the example of company standards by being fair and consistent in all areas of employment to include requests time off, conduct logs, attendance logs, cash logs, writing schedules to the needs of the business, and able to adapt to situations on short notice
- Effectively prioritizing, organizing, delegating, and following up on all tasks to be accomplished.
- Perform administrative tasks that include audits, bookkeeping, payroll, record and file maintenance, maintaining the fraud log, ID logs, ordering and invoicing for casino and liquor stores, advertising, public relations, making daily deposits and daily report writing.
- Audit machines for accuracy of hard & soft meters, times, dates, program numbers, version numbers, service forms sent to office in required times per policy and procedure, corrections, follow up done in a timely manner on state inspections
- Reports, records and bookkeeping, keying of daily sales, invoicing merchandise, monitor for discrepancies and requesting corrections. Monitor players club reports, close out and withdraw machines properly.
- Prepare and complete liquor orders, check in deliveries, stock liquor store and maintain the business at company standards.
- Ability to prepare liquor store for audits and have full knowledge of the liquor audit process.
- Keep a running book for the liquor store up to date and accurate at all times.

- Submit paperwork to corporate office, accident reports, incident reports, snow removal logs, meeting agendas, time cards, upload sheets, vendor service forms, state service forms, etc.
- Enforce all company policies and procedures
- Ability to work 40 hours a week
- Ability to delegate duties to qualified employees as not to be working excessive overtime for themselves or employees
- Responsible for holding monthly team meeting.
- Must have a way to be able to be contacted. (Phone, message phone, cell phone, pager Beeper, etc.)
- Merchandising; to include inventory, receiving, pricing, stocking, displaying, rotating of bar inventories, and auditing of liquor store inventory.
- Order casino merchandise to maintain an in-stock supply, utilizing best buying practices, and invoicing for liquor & casinos
- Ability to monitor players club activity to ensure integrity of the club i.e. fraud logs, member average bets, customer tier levels, ability to come to sound solutions by investigating and trouble shooting.
- Effectively maintain accurate pricing on all liquor products for company promotions and according to the state regulations.
- Effectively balance to 6 week analysis reports.
- Coordinate and follow up with corporate office on casino promotions in a timely manner. Monitor players club tier levels, identify new big players quickly.
- Monitor the participation of staff in company sponsored events and promotions, have the ability to bring a team together to fully support such events and promotions.
- Ensure a safe environment for employees and customers
- Provide customer service; assure customers are tended to in a positive and efficient manner. This may include waiting on customers, addressing customer complaints in a professional manner, assisting with special requests, mediating and finding sound solutions to other issues.
- Obtain (from cooler) and open cans and bottles of beer, pop, and wine
- Maintain and/or perform basic repairs of gaming machines and bar equipment, to include sending in replacement parts for repair and loaner parts to the appropriate vendor in a timely manner, keeping solutions binders, and equipment logs, machine maintenance logs current and available
- Operate a vehicle to run errands (i.e., bank, store, post office, meetings, county attorney, etc.).
- Obtain food order, deliver order to restaurant, pick up food, and deliver to customer.
- Updating running book for liquor (keeping current and accurate with state regulations)

NON-ESSENTIAL DUTIES:

Any other duties as assigned by supervisors.

Basic Statement of Functions

Qualification Requirements: To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Job Description #3

Overview: Gaming operations employee

Job Title: Housekeeping Runner

Salary/Shift: \$22 – per/hr Days/Swings: \$25 per/hr: Nights/Grave

Status: Full Time 2080 per year

Impeccably appointed guest rooms featuring vaulted ceilings, spacious floor plans, and unique designs. We accounted for every creature comfort including specialty bath and body products to compliment luxury furnishings.

There are many great advantages to work in our Housekeeping department:

- Free Hot Meal per shift
- Non-smoking environment
- Subsidized transportation
- Flexible Schedules
- Career Advancement
- Beautiful, modern, fast paced work environment that you can take pride in
- Vibrant brand NEW hotel!

Responsibilities:

- Assist room attendants with stripping beds and removing used linen and towels.
- Deliver towels to laundry for cleaning.
- Deliver fresh towels and linens to room attendants for guest rooms.
- Deliver additional supplies to room attendants as needed and as necessary.
- Effectively communicate with room attendants to ensure efficient and timely cleaning of guest rooms.
- Vacuum hallways of guest room floors.
- Perform all duties in accordance with brand standards and with emphasis on meeting or exceeding guest expectations.
- Performs any other duties as requested by supervisor.
- Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential duties.

Qualifications: **EDUCATION/EXPERIENCE**

- No formal education or experience required.

*

WORK ENVIRONMENT*

- Be able to work in a standing position for long periods of time up to 8 hours a day.
- Ability to perform assigned duties with attention to detail, speed, accuracy, follow through, and work with a minimum supervision.
- Ability to exert physical effort consistent with position as per the hotel standards.
- Ability to grasp, bend, and stoop; push or pull heavy loads weighing up to 30 lbs.

Job Description #4

Gaming operations employee

JOB TITLE: Bike Officer

GAMING LICENSE REQUIR

STATUS: Hourly, Non-Exempt \$20 Per Hour

POSITION REPORTS TO: Security Shift Supervisor

JOB SUMMARY:

The Bike Officer provides protective and enforcement duties to ensure the safety of guests and team members and the security of property assets, responding to emergency conditions, such as fire, safety hazards, threats to life and/or property, etc. monitors all Casino parking areas on a bicycle to observe and identify potential safety and/or security risks and/or undesirable conditions.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

The statements describe the general nature and level of work only. They are not an exhaustive list of all required responsibilities, duties, and skills. Other duties may be added, or this description may be amended, at any time.

1. Practice, support and promote the Mission, Vision and Values of Casino.
2. Observe and responds to emergencies, incidents, procedure violations, criminal, and other activities as they occur.
3. Document and prepare accurate and complete written records and reports in response to incidents, procedure violations, or criminal activities as responded to, observed and/or witnessed.
4. Interact with guests, vendors, suppliers, and team members to maintain a safe and friendly environment
5. Assist guests, team members and visitors within the guidelines set by the department
6. Safeguard's property assets.
7. Ensure proper handling of confidential information, reports, incidents, and materials.
8. Monitor team member's vehicles as well as ensuring they park in the proper designated areas.
9. Issue parking violation notices to team members who have violated the parking policy.
10. May serve as training officer to new security staff, while maintaining and exhibiting excellent guest service
11. Required to complete various training programs, such as CPR, first aid, and defensive tactics, after hire.
12. Create, maintain, and facilitate a positive work environment
13. Smile and engage guests and team members with a positive professional demeanor.
14. Neat, clean, and professional appearance required at all times.
15. Performs other duties as assigned.

LICENSES OR CERTIFICATIONS (required/preferred):

- Driver's License
- Gaming license

EDUCATION, EXPERIENCE, AND TRAINING FOR POSITION (required/preferred):

- High school diploma or equivalent required.
- Formal security or law enforcement training, schooling or certification preferred.

Job Description #5

Gaming Operations Employee

SUMMARY Markets casino to middle and upper end guests. Handles customer problems and complaints and anticipates guests' needs in a friendly, courteous and professional manner.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following.

- Other duties may be assigned.
- Comp privileges-Discretionary authority-based on play or anticipated play.
- Handles customer requests, problems and complaints.
- Entertains guests at special events.
- Develops new customers for Table Games and Slots.
- Maintains existing customer information.
- Obtains credit information to establish credit lines.
- Has discretionary authority to approve credit up to a designated amount established by Internal Controls.

QUALIFICATIONS To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

EDUCATION and/or EXPERIENCE Associate's degree (A. A.) or equivalent from two-year College or technical school; or minimum one year related experience and/or training; or equivalent combination of education and experience.

LANGUAGE SKILLS Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures, or governmental regulations. Ability to write reports, business correspondence, and procedure manuals. Ability to effectively present information and respond to questions from groups of managers, clients, customers, and the general public.

MATHEMATICAL SKILLS Ability to add and subtract two digit numbers and to multiply and divide with 10's and 100's.

REASONING ABILITY Ability to solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists. Ability to interpret a variety of instructions furnished in written, oral, diagram, or schedule form.

CERTIFICATES, LICENSES, REGISTRATIONS Gaming License

PHYSICAL DEMANDS The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. While performing the duties of this job, the employee is regularly required to stand; walk; use hands to finger, handle, or feel; reach with hands and arms; climb or balance; and talk or hear.

WORK ENVIRONMENT The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. The noise level in the work environment is usually loud. The atmosphere in the casino is always smoke-filled. Must be able to work in a smoking environment.

Job Description #6

Gaming Employee

POSITION TITLE: Chief Financial Officer

GENERAL POSITION DESCRIPTION

Responsible for the leadership and oversight of the overall financial operations of the tribal organization, including financial management and planning, accounting, recordkeeping, auditing, financial reporting, and analysis.

QUALIFICATIONS

1. Bachelor's degree in accounting, business is required, MBA preferred.
2. A minimum of 10 years' experience working in accounting, with 5 years working in accounting management as a Controller or Chief Financial Officer required.
3. Experience in governmental accounting, cost accounting, treasury management, revenue administration, budgetary accounting, auditing, payroll, accounts receivable, accounts payable, budget preparation, and administration.
4. Skills in Organization Development and management experience as applied to the analysis and evaluation of programs, policies and procedures, and operational needs.
5. Sufficient knowledge of Tribal Law, applicable Federal Law, applicable State Laws, codes and regulations including Non-Profit and For Profit Accounting, GASB, FASB, and OMB Super Circular.
6. Sufficient knowledge of United States generally accepted accounting principles (GAAP) and generally accepted government auditing standards.
7. Knowledgeable of MS Office, Word, Excel, PowerPoint, and Access
8. Sufficient experience working with a board of directors, auditors, and tribal members.
9. Must be professional, polite, and respectful towards all guests.
10. Must be able to handle extended hours when necessary.
11. Must successfully complete a pre-employment drug screen, background investigation and obtain all required licenses.

ESSENTIAL DUTIES AND RESPONSIBILITIES

1. Oversees, plans, organizes and directs all operations of the Finance Department including treasury management, budgeting, audit, tax, accounting, purchasing and insurance activities for the organization.
2. Oversees and directs the Finance Department staff in providing direction, procedures and computer application systems necessary to maintain proper records and to afford adequate accounting controls and services. Responsible for all hiring and firing of all finance gaming staff.
3. Directs and coordinates the establishment of Program Budgets.
4. Coordinates tax reporting programs and investor relation activities.
5. Analyzes, consolidates, and directs all cost accounting procedures together with other statistical and routine reports.
6. Oversees and directs the preparation and issuance of the Tribal Government's annual report.
7. Directs and analyzes studies of general economic, business and financial conditions and their impact on the organization's policies and operations.
8. Analyzes operational issues impacting functional groups and the whole institution, and determines their financial impact.

SKILLS AND ABILITIES:

1. Excellent interpersonal skills with demonstrated patience, tact and respect.
2. Must be able to work from oral and written instructions.
3. We would like you to be super smart... 😊

National Indian Gaming Commission



Licensing Files

National Conference
June 2022
Miranda Blakley, Compliance Officer
Kimberly Revilla, Compliance Officer

Objectives



- Maintaining complete files,
- Ensuring compliance with the file requirements,
- Proper storage, security and retention for files.

Communication



- NIGC will make contact via email, letter or phone.
 - Blank application with all forms/notices
 - Employment records
 - TGRA license records
 - Copy of Licensing Standards

File review



- Key Employees of the gaming operation
- Primary Management Officials
- Termed files
- Location of files

Review of Application



- §556.2 Privacy Notice
- §556.3 Notice regarding false statements
- §556.4 Information requested from each applicant



Background Investigation and documents obtained



- Begin by verifying information on the application.
- Obtain documentation from applicant to verify information such as a birth certificate, social security card, driver's license or other documents.
- Use public records when possible.

Documents required by NIGC



- §556.5 Eligibility determination
- §556.6 Investigative report
- §556.6 Notice of Results

Records Retention



25 CFR part 558.3(e) A tribe shall retain the following for inspection by the Chair or his or her designee for no less than three years from the date of termination of employment:

- (1) Applications for licensing;
- (2) Investigative reports; and
- (3) Eligibility determinations

Activity



Investigative Reports

556.6

Questions



Contact Information:



EXAMPLE #1

INVESTIGATIVE REPORT:

Applicant Jane Ann Doe submitted her gaming application for licensing on July 1, 2020. Doe was issued a Key Employee temporary license on July 2, 2020.

Jane Ann Doe was born on January 22, 1977 in Seattle, Washington located in King County. A birth certificate was provided and displayed the name of Jane Ann Doe. Doe provided a written statement she previously used the name of Jane Ann Smith, due to marriage. A social security card and valid driver license was also provided. Doe carries an Oklahoma Driver's license with no restrictions which expires on 3/31/2023.

Doe resided at 123 Elm Street, Oklahoma City, OK, Oklahoma County from November 2012 to present. Doe has also resided at 777 Lucky Ave, Moore, OK, Cleveland County from 2010 to November 2012. A credit report lists additional addresses of RT 1 Box 12, Luther, OK and 9734 Ocean View, Seattle, WA. Doe provided a written statement for both addresses identifying Luther, OK as a friend's house she stayed in temporarily and Seattle, WA as her parent's address where she still receives mail.

The credit report show two accounts in collections and three medical bills.

Doe's FBI fingerprint dissemination report dated July 7, 2022 revealed one prior arrest:

Oklahoma County – 2012 - Misdemeanor domestic violence charge. Doe provided certified court documents and a written statement stating she was intoxicated and got into a physical altercation with her husband at the time. Doe received a 1 year deferred sentence and paid all court costs and fines.

A nationwide 7 year criminal history check was performed which did not reveal any additional arrests or active warrants.

A county criminal report was also run for the following counties:

King County, Washington,

Oklahoma County, Oklahoma

Cleveland County, Oklahoma.

These checks did not reveal any additional arrests or active warrants.

Doe's work history is as follows:

7/2014 – Present Lucky Times Casino

5/2012 – 7/2014 Temps R Us

2008 – 1/2012 Walmart

EXAMPLE #1

Work references revealed a termination from Temps R Us for violations of policies and procedures. A voluntary statement was provided by Doe which stated she was a no call no show for 3 days. Walmart currently utilizes a work number and was not able to be contacted. Doe provided the name and phone number of her previous supervisor who was able to verify her employment at Walmart.

Doe has never applied for a gaming license with any other Gaming Commission. NIGC TAPS portal was checked and confirmed no other additional associations with indian tribes.

Doe has never served in the military so no DD 214 was received.

Three personal references were contacted. All references provided positive feedback and recommended Doe for employment. References also verified residential history.

Doe attended Einstein High School in Seattle, Washington and graduated in 1995. Einstein School verified all provided transcripts and the diploma were valid.

No other negative information was found during the investigation.

CONCLUSIONS:

Based on review of all documents and results of the investigation, along with personal interviews and statements from the applicant, Doe is eligible for a gaming license with the Gaming Commission under the Eligibility Standards adopted on October 1, 2005. Applicant Jane Doe is hereby presented to the Gaming Commission for approval to grant a Key Employee License.

Sarah Smith

Licensing Investigator

Date

EXAMPLE #2

Tribe Name
Determination of Eligibility/Suitability & Notification of Results to NIGC
(25 USC 2710 & 25 CFR - 556.6(b) (2))

I. APPLICANT INFORMATION:

Employee Name: Jane Linn Doe SSN: 666-66-6666 DOB: 6/16/1996

Applicant Status: Key Employee Primary Management Official Job Title or Position: Surveillance Technician

Date on which applicant began or will begin work as key employee or primary management official: 5/1/2022

II. A SUMMARY OF THE INFORMATION PRESENTED IN THE INVESTIGATIVE REPORT:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Current Address & Residence History (previous 5 years) | <input checked="" type="checkbox"/> Credit Check |
| <input checked="" type="checkbox"/> Past Employment | <input type="checkbox"/> Proof of Self-employment |
| <input checked="" type="checkbox"/> Personal Character References | <input type="checkbox"/> Tribal and/or District Court Record Check |
| <input checked="" type="checkbox"/> Criminal History | |
| <input checked="" type="checkbox"/> No arrest | <input type="checkbox"/> Verified existing and previous relationships with Indian Tribes and the gaming industry. |

Every known criminal charge brought against the applicant within the last 10 years of the date of application:

Every felony of which the applicant has been convicted or any ongoing prosecution.

OTHER GAMING LICENSES VERIFIED:

Gaming licenses previously denied: _____

Gaming licenses revoked, even if subsequently reinstated _____

Employee has never applied for another gaming license

Employee has applied for previous gaming license

Licensing agency: _____ License Status & Position: _____

Licensing agency: _____ License Status & Position: _____

III. ELIGIBILITY DETERMINATION:

Based upon the information reviewed and the investigative findings and taking into consideration the applicant's prior activities, criminal record, if any, reputation, habits and associations, the _____ Gaming Commission has determined that the above-named individual:

- Is eligible for a gaming license.
- Is not eligible for a gaming license
- Should be **granted** a gaming license
- Should be granted a **conditional** gaming license for a period of ___ months.
 - Condition _____
- Should be **denied** a gaming license.
 - Did not fully and correctly fill out their Tribal License application as required
 - Other _____
- Has had their license **revoked** for cause (Please attach a summary of cause for revocation)
 - Revoked for _____
- Not licensed by the Tribe
- Gaming License renewal

Notes related to the above determination (if needed): _____

Authorized Tribal Official

Date

EXAMPLE #3

Tribe Name
Investigative Report
(25 USC 2710 & 25 CFR - 556.6(b) (1))

I. APPLICANT INFORMATION:

Employee Name: Jane Linn Doe SSN: 666-66-6666 DOB: 6/16/1996

Applicant Status: Key Employee Primary Management Official Job Title or Position: Surveillance Technician

Date on which applicant began or will begin work as key employee or primary management official: 5/1/2022

II. STEPS TAKEN IN CONDUCTING BACKGROUND INVESTIGATION:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Current Address & Residence History (previous 5 years) | <input checked="" type="checkbox"/> Credit Check - good |
| <input checked="" type="checkbox"/> Past Employment (4) verified | <input type="checkbox"/> Proof of Self-employment |
| <input checked="" type="checkbox"/> Personal Character References (3) Verified | <input checked="" type="checkbox"/> Tribal and/or District Court Record Check |
| <input checked="" type="checkbox"/> Criminal History - none | <input checked="" type="checkbox"/> Verified existing and previous relationships with Indian Tribes and the gaming industry. |

Every known criminal charge brought against the applicant within the last 10 years of the date of application:

Every felony of which the applicant has been convicted or any ongoing prosecution.

OTHER GAMING LICENSES VERIFIED:

Gaming licenses previously denied: _____

Gaming licenses revoked, even if subsequently reinstated _____

No previous gaming licenses obtained

III. RESULTS OBTAINED:

Jane Doe began her employment with Gaming Commission in May 2022 and currently holds the position of Surveillance Technician. Upon submission of her gaming license application, the applicant provided copies of her Birth certificate, social security card, and current driver's license. Information obtained has been verified and documented in file. No derogatory information found during the course of her investigation. The applicant does not have any previous gaming licenses.

IV. CONCLUSION AND BASIS:

Based upon the information reviewed and the investigative findings and taking into consideration the applicant's prior activities, criminal record, if any, reputation, habits and associations, the Gaming Commission has determined that this individual is eligible to hold a gaming license.

Authorized Tribal Official

Date

TGRA

Address: 451 Roundabout street OKC, OK 79676

Phone: 666-66-6666 Fax: 667-66-6666

INVESTIGATIVE REPORT–NEW HIRE

(Under Requirements of 25CFR § 556.4; Ordinance § ; & Tribal-State Compact §)

Name: Jane Linn Doe
D.O.B.: 6/16/1996
SSN: 123-45-6789

Position: Surveillance Technician
Date Employed: 5/1/2022

- Applicant Status:**
- [TGRA] Gaming Commission
 - State Key Employee
 - NIGC Primary Management Official or Key Employee
 - Non-Gaming Employee

STEPS TAKEN IN CONDUCTING BACKGROUND INVESTIGATION

- Information on applicant obtained through application form.
- Applicant provided all information required under 25 CFR § 556.1, 556.2, 556.3, and 556.4.
- Application information verified by Gaming Agency staff.
- Applicant provided all required documentation to verify the information contained in application (birth certificate, social security card, driver’s license).
- Application information verified by letter, telephone call or personal visit.
- Information verified through public records.
- Release Form signed and provided by applicant (copy attached).
- Verified applicant’s name, place of birth, date of birth and citizenship.

INFORMATION OBTAINED FROM THE FOLLOWING STATE AND LOCAL AGENCIES

- State Gaming Boards and Commissioners
- Department of Public Safety
- Department of Motor Vehicles
- Secretary of State-Corporations Divisions
- State Bar Associations/Accountancy Boards/Contractor Boards/Other State Licensing Agencies
- State Law Enforcement Agencies/Crime Commissions
- State Courts-Civil/Criminal

OTHER SOURCES

- County Courts-Civil/Criminal
- County Licensing Department
- Recorder of Deeds/Assessor’s Office/Treasurer’s Office
- County Sheriff’s Office
- County Police Department
- Chamber of Commerce
- Better Business Bureau

- Tribal Agencies:
 Other:

INVESTIGATION RESULTS:

Drug Screening: Jane Doe was drug tested for pre-employment purposes on 4/29/2022. The [TGRA] Gaming Commission received negative results from an [oral] drug screen. Copies of her drug test paperwork and results are on file with the [TGRA] Gaming Commission.

Personal History Information: Jane Doe was born on 6/16/1996. Jane Doe is a naturalized citizen of the United States of America. Verification of his/his/her citizenship was confirmed by reviewing his/her Certificate of Naturalization. A copy of Applicant's Certificate of Naturalization is on file with the [TGRA] Gaming Commission.

Residential Information: Jane Doe currently resides at 446 Lynn Lane, OKC, OK. Applicant receives mail at 446 Lynn Lane OKC, OK. His/her home phone number is 405-819-4890. The [TGRA] Gaming Commission has 8 years of residence history on file.

Languages Spoken or Written: Jane Doe speaks and writes in English and Spanish.

Verification of Social Security Number or Naturalization Certificate: Jane Doe's Social Security Number is 123-45-6789. The [TGRA] Gaming Commission verified Social Security number on 5/1/2022. Copies of Jane Doe's social security card and results are on file with the [TGRA] Gaming Commission.

Physical Description and Driving Record Abstract: Jane Doe is 5'06" tall, 170 lbs., with brown eyes and brown hair. A photograph of Applicant is attached as reference.

Jane Doe has been issued a California Driver License. His/her driver license number is CA598795216. It expires 9/9/2025. The [TGRA] Gaming Commission received a ten year driving record that was issued on 5/5/2022. It shows no violations, no accidents and no failures to appear. Copies of Applicant's driver license and driving record are on file with the [TGRA] Gaming Commission.

Military History: Jane Doe has no military experience.

Relative Check: Jane Doe has no relatives, roommates, or significant others working for [Name] Casino or the [TGRA] Gaming Commission.

Verification of Employment: Jane Doe's prior employers were contacted during her background check. The [TGRA] Gaming Commission received two responses verifying employment.

Verification of Personal: Jane Doe's personal references were contacted by mail during his/her background check. The [TGRA] Gaming Commission received one responses.

Business Interests: Jane Doe has never owned a business. She has no previous or existing business relationship with any Indian Tribes, excepting her current employment with [TGRA] Trading Post Casino. She has no financial or other interest in any gambling related activities.

State Certifications and Other Licensing: None.

Criminal History: Jane Doe's fingerprint report, criminal history statement and ten year criminal check results show no record of criminal history. Jane Doe's reports are on file with the [TGRA] Gaming Commission.

Financial History: Jane Doe's credit report results were received, which shows no accounts that are in collection, no trade accounts exist and no accounts are currently delinquent. Jane Doe's credit report is on file with the [TGRA] Gaming Commission.

CONCLUSION:

- No derogatory information found.
- Areas of concern noted as followed:

Mitigating Evidence, If Applicable: N/A

An authorized tribal official has reviewed and considered Jane Doe's prior activities, criminal record, reputation, habits and associations to make a finding concerning the eligibility for employment in the gaming operation. The authorized tribal official applied the standards adopted by tribal ordinance, and has determined that Jane Doe's should be granted a permanent gaming license.

Date

[TGRA] Representative

Slide 1



National Indian Gaming Commission

NIGC CJIS Audit Unit

❖

CHRI and Part 558.3 (e)

Industry Integrity Agency Accountability Preparedness Outreach

PARTICIPANT GUIDE

Chairman Simermeyer promotes four emphasis areas in the Agency’s work. This training reinforces these four emphasis areas and the agency’s commitment to the Indian gaming industry and Indian Country.

The NIGC Criminal Justice Information Services (CJIS) Audit Unit (CAU) is responsible for the implementation of the NIGC’s external and internal compliance strategies to achieve and demonstrate compliance with the Memorandum of Understanding (MOU) between the Federal Bureau of Investigation (FBI) and NIGC concerning Noncriminal Justice Fingerprint Submissions. CAU audit staff deliver trainings, technical assistance and conduct selective audits / investigations of those tribes with an executed, suspended, or terminated MOU with the NIGC regarding CHRI.

Slide 2



National Indian Gaming Commission



➤ Is this CHRI?


Industry Integrity Agency Accountability Preparedness Outreach

PARTICIPANT GUIDE

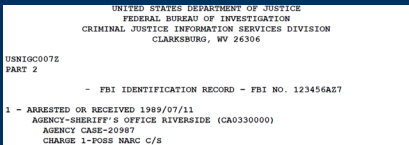
There are two fingerprinting processes to obtain CHRI results through the NIGC—electronic fingerprint and hard card fingerprint submissions.

The Tribe submits fingerprint *images* and receives *results*/Criminal History Record Information (CHRI). There can be confusion when discussing the fingerprint *images* versus the fingerprint *results*.

Slide 3



National Indian Gaming Commission




Industry Integrity Agency Accountability Preparedness Outreach

PARTICIPANT GUIDE

This is Criminal History Record Information (CHRI).

CHRI means information collected by criminal justice agencies about individuals, consisting of identifiable descriptions and notations of arrests, detentions, indictments, or other formal criminal charges, and any disposition arising therefrom, including acquittal, sentencing, correctional supervision, and release. CHRI also includes information that is transferred or reproduced directly from CHRI or information that confirms the existence or nonexistence of CHRI. CHRI includes any media that contains it, such as: Letters, emails, documents, notes, conversations – in person or via phone/text, and spreadsheets or tables. Examples of CHRI potentially include: notice of results (NORs), investigative reports (IRs), licensing objection letters, and other summaries of CHRI. Updating the NOR to remove the FBI CHRI results can help eliminate summary CHRI.

Slide 4



National Indian Gaming Commission

CJIS Security Policy 4.2.4

❖

Is CHRI required to comply with Part 558.3 (e)?

Industry Integrity Agency Accountability Preparedness Outreach

PARTICIPANT GUIDE








What do you need to know about the CJIS Security Policy 4.2.4?

Is CHRI required to be maintained to comply with Part 558.3(e)?

CSP 4.2.4 Storage

When CHRI is stored, agencies shall establish appropriate administrative, technical and physical safeguards to ensure the security and confidentiality of the information. These records shall be stored for extended periods only when they are key elements for the integrity and/or utility of case files and/or criminal record files. See Section 5.9 for physical security controls.

See <https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center>

Slide 5	  <p>Part 558.3 (e)</p> <ul style="list-style-type: none"> Investigative reports Eligibility determinations <p>Industry Integrity Agency Accountability Preparedness Outreach</p>	<p>PARTICIPANT GUIDE §558.3 Notification to NIGC of license decisions and retention obligations. (e) A tribe shall retain the following for inspection by the Chair or his or her designee for no less than three years from the date of termination of employment: (1) Applications for licensing; (2) Investigative reports; and (3) Eligibility determinations.</p> <p>See https://nigc.gov/general-counsel/commission-regulations</p>
Slide 6	 <p>Sanitize CHRI?</p>  <p>Industry Integrity Agency Accountability Preparedness Outreach</p>	<p>PARTICIPANT GUIDE How do you sanitize CHRI?</p> <p>Information is not considered CHRI if it is obtained as a result of using CHRI received from a national FBI check as a lead to reach out to source record owners such as local courts or state criminal history record repositories. As a prerequisite, both the process used to obtain the source record information and the resulting source record information itself must not directly reference or be attributed to the national FBI check.</p> <p>Information is considered CHRI if it confirms the existence or nonexistence of CHRI.</p>
Slide 7	 <p>NIGC Bulletin No. 2022-3</p> <p>Industry Integrity Agency Accountability Preparedness Outreach</p>	<p>PARTICIPANT GUIDE See https://nigc.gov/images/uploads/bulletins/NIGCBulletin2022-3_CHRI_Retention_20220603.pdf</p>
Slide 8	  <p>NIGC CJIS Resource Materials</p> <p>https://www.nigc.gov/compliance/cjis-resource-materials</p> <p>Industry Integrity Agency Accountability Preparedness Outreach</p>	<p>PARTICIPANT GUIDE The NIGC has spent the past couple of years providing CJIS training and has a multitude of resources available at https://www.nigc.gov/compliance/cjis-resource-materials</p> <p>If you need CJIS technical assistance, please email us at cau@nigc.gov</p>



BULLETIN

No. 2022-3

June 3, 2022

Subject: Criminal History Record Information (CHRI) Retention

The NIGC processes fingerprints submitted by tribes for background investigations of primary management officials (PMO) and key employees (KE). Prior to issuing a gaming license to a PMO or KE, a tribe is required to perform a fingerprint check through the FBI¹ records system as part of the background investigation on each applicant. The criminal history record information CHRI² obtained as a result of the check assists the tribe in determining the applicant's eligibility for employment.

This bulletin addresses FBI CHRI retention obligations and how these obligations may intersect with the National Indian Gaming Commission (NIGC) regulatory mandates for retaining primary management official and key employee licensing applications, eligibility determinations, and investigation reports.

I. CHRI & CHRI Dissemination

Initially, it is important to understand the functions and purpose of the CHRI. CHRI comprises “information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrests, detentions, indictments, information[], or other formal criminal charges, and any disposition arising therefrom, including acquittal, sentencing, correctional supervision, and release. The term does not include identification information such as fingerprint records if such information does not indicate the individual’s involvement with the criminal justice system.”³ CHRI is also information that is transferred or reproduced directly from CHRI or information that confirms the existence or nonexistence of CHRI.⁴ CHRI includes

¹ Federal Bureau of Investigation.

² Criminal History Record Information.

³ 28 C.F.R. § 20.3.

⁴ See Next Generation Identification Audit, Noncriminal Justice Access to Criminal History Record Information, Policy Reference Guide (hereinafter NGI) at 1 (Apr. 6, 2020).

any media that contains CHRI, such as: letters, emails, documents, notes, conversations—in person or via phone/text, and spreadsheets or tables.⁵

In order to assist, TGRAs⁶ determine the eligibility of applicants for key employee (KE) or primary management official (PMO) positions in their gaming operation(s), the NIGC obtains CHRI from the FBI on these applicants and disseminates it to the TGRAs. The NIGC provides this assistance pursuant to a joint MOU⁷ between the agency and TGRAs, which memorializes the parties' understandings and responsibilities regarding the submission of noncriminal justice fingerprints and the transmittal, receipt, storage, use, and dissemination of CJJ⁸ and CHRI. As noted, this bulletin's focus is retention of CHRI after its proper use.

II. CHRI Retention Obligations

A. CHRI retention

So how long must TGRAs retain CHRI? CHRI may be destroyed as soon as practicable by TGRAs—potentially at the conclusion of a licensing appeal process or the CHRI audit process (whichever comes later), in accordance with the TGRA's media sanitization and destruction policy. The FBI CJIS Security Policy instructs that CHRI “records shall be stored for extended periods only when they are key elements for the integrity and/or utility of case files and/or criminal records.”⁹ Further, the policy indicates that “[p]hysical media shall be securely disposed of when no longer required”¹⁰

B. CHRI & NIGC regulatory retention requirements

i. Investigation reports & sanitizing CHRI

NIGC regulations do not require that CHRI itself be retained,¹¹ just summary CHRI if it is transferred into an investigation report.¹² Specifically, NIGC regulations, Sections 556.6 (b)(2)(iii)(C) and (D) require that an investigation report include “every known criminal charge . . .” and “every felony” So TGRAs may put summary CHRI in an investigation report. Under NIGC regulations, an investigation report must be retained by a TGRA for three (3) years from the date of the primary management official (PMO) or key employee's (KE) employment termination date.¹³

⁵ *Id.*

⁶ Tribal Gaming Regulatory Agencies.

⁷ Memorandum of Understanding.

⁸ Criminal Justice Information is the term used for the FBI Criminal Justice Information Services (CJIS) provided data necessary for law enforcement and civil agencies to perform their missions including, but not limited to biometric, identity history, biographic, property, and case/incident history data.

⁹ See CJIS Security Policy, Section 4.2.4.

¹⁰ *Id.* at Section 5.8.4.

¹¹ See 25 C.F.R. parts 556 and 558.

¹² See 25 C.F.R. §§ 556.6 (a) & (b)(2)(iii)(C) and (D); 558.3(e).

¹³ 25 C.F.R. § 558.3(e).

But TGRAs may avoid putting summary CHRI in investigation reports—and maintaining CHRI for a significant period of time with its required protections¹⁴—by sanitizing the CHRI. To sanitize CHRI, TGRAs use it as a lead to reach out to source record-owners, such as local courts or state criminal history record repositories, and obtain the original criminal history¹⁵. Importantly, both the process used to acquire the source record information and the resulting original criminal history information must not directly reference or be attributed to the national FBI check. This is because information is considered CHRI if it confirms the existence or nonexistence of CHRI.

ii. Licensing applications & eligibility determinations

The other documents that NIGC regulations direct be held for three years after a KE or PMO's termination do not necessitate the inclusion of CHRI or a summary of it.¹⁶ Applications for KE and PMO licensing explicitly contain only information *from* the applicant.¹⁷ NIGC regulations require that “[a] tribe shall request from each primary management official and from each key employee [certain] information . . . ,” including felony, misdemeanor, and criminal charges.¹⁸ Such information is not CHRI though, because it is not from a criminal justice agency.¹⁹ And fingerprints given as part of that application also are not CHRI.²⁰

Eligibility determinations simply require that the TGRA review a person's criminal record and determine if they are suitable.²¹ So eligibility determinations should not include CHRI or a summary of it. Of course TGRAs need to be careful not to summarize, reproduce, or confirm the existence or nonexistence of CHRI in eligibility determinations, as that constitutes summary CHRI.²² If TGRAs do include CHRI in the eligibility determination, then it must be maintained for three (3) years from the date of the PMO or KE's employment termination.

iii. Abbreviated background investigations

Finally, CHRI results also may be destroyed as soon as practicable when TGRAs implement an abbreviated background investigation process. This occurs when after the

¹⁴ See CJIS Security Policy, Sections 4 and 5; see also NIGC Bulletin No. 2020-2, *Fingerprint processing — applicant Privacy Act rights and protecting CHRI* at 3-4 (Feb. 18, 2020), [https://www.nigc.gov/images/uploads/bulletins/Bulletin - Privacy Act rights protecting CHRI - FINAL FINAL.pdf](https://www.nigc.gov/images/uploads/bulletins/Bulletin_-_Privacy_Act_rights_protecting_CHRI_-_FINAL_FINAL.pdf)

¹⁵ Or, in other words, source record information.

¹⁶ See 25 C.F.R. § 558.3(e).

¹⁷ See 25 C.F.R. § 556.6(a) (“the tribe shall maintain a complete application file containing the information listed under 556.4(a)(1) through (14)”).

¹⁸ See 25 C.F.R. § 556.4(a).

¹⁹ See 28 C.F.R. § 20.3(g)(2).

²⁰ See National Identity Services Audit Noncriminal Justice Access to CHRI, Policy Reference Guide at 1 (07/22/2019) (CHRI “does not include identification information such as fingerprint records if such information does not indicate the individual's involvement in the criminal justice system.”).

²¹ See 25 C.F.R. § 556.5.

²² See National Identity Services Audit Noncriminal Justice Access to CHRI, Policy Reference Guide at 1 (07/22/2019) (“Information is considered CHRI if it is transferred or reproduced directly from CHRI received as a result of a national FBI Check Information is considered CHRI if it confirms the existence or nonexistence of CHRI.”).

submission of a completed application, CHRI is requested, evaluated, and then used to ask the applicant to withdraw their application. In those cases, TGRAs do not prepare an investigation report, make an eligibility determination, or create and submit a Notice of Results (NOR). Consequently, summary CHRI is not contained in any of those documents and may be destroyed upon the application's withdrawal, in accordance with the TGRA's media sanitization and destruction policy.

III. Conclusion

In sum, NIGC regulations do not require that CHRI results themselves be retained, and such results may be destroyed as soon as practicable by a TGRA. Also, TGRAs must be careful to sanitize CHRI for purposes of investigation reports and avoid including summary CHRI or confirming its existence or nonexistence in eligibility determinations. Doing so ensures that CHRI is not subject to the NIGC regulatory retention requirements for investigation reports and eligibility determinations.

Should you have any questions regarding the information covered in this bulletin, please contact a [NIGC Region Office](#) or the CJIS Audit Unit at cau@nigc.gov.