



June 16, 2017

National Indian Gaming Commission
Attn: Vannice Doulou
1849 C St. NW
Mailstop #1621
Washington, DC 20240

Re: Comments in response to the National Indian Gaming Commission (NIGC) 2017 consultation session

Dear Commissioners,

The Snoqualmie Tribe appreciates the opportunity to provide comments on the topics presented in the National Indian Gaming Commission's Notice of Consultation dated November 22, 2016. These consultation sessions demonstrate the NIGC's ongoing commitment to meaningful collaboration with Tribal governments and provide the opportunity for valuable feedback in the development of federal policies that have Tribal implications.

The comments below address the following topics identified in the November 22, 2016 Notice of Consultation: Draft Guidance on the Class III Minimum Internal Control Standards, Developing a Strong Tribal Workforce through Training, and Technical Standards for Mobile Gaming Devices.

DRAFT GUIDANCE ON THE CLASS III MINIMUM INTERNAL CONTROL STANDARDS

The Snoqualmie Tribe supports the NIGC's proposal to suspend 25 C.F.R. Part 542, while preserving the text in the Code of Federal Regulations. In doing so, the NIGC will not disrupt existing Tribal-State Compacts and Tribal Gaming Ordinances that specifically reference the part 542 regulations. This proposal also recognizes the agency's class II oversight authority under the Indian Gaming Regulatory Act while providing technical guidance to Tribes in implementing Tribal Internal Control Standards (TICS) for class III gaming operations.

The Snoqualmie Tribe commends the NIGC on drafting an effective guidance

document for public comment. The current draft addresses many of the emerging risks that were not contemplated by the prior standards. In addition, by drafting the Class III MICS guidance to coincide with language in the part 543 Class II MICS, there will be greater consistency in the development of effective TICS. The Snoqualmie Tribe is submitting the following comments specific to the draft Class III Minimum Internal Control Standards §1 – 15 for the NIGC’s consideration:

Description	Section Ref.	Comments
General	-	A definition section similar to §542.2 and §543.2 of the existing regulations should clarify terminology used throughout the guidance document.
General	-	A section which outlines how Tribal governments are to comply with this part similar to §543.3 of the class II MICS should clarify the applicability of these standards as voluntary guidance and NIGC’s enforcement authority under this part.
Keno	§1(e)(3)(i)	<p>§1(e)(3)(i) states that “at least two agents must authorize, sign, and witness prize payouts above \$1,200, or a lower threshold as authorized by management and approved by the TGRA”.</p> <p>The payout threshold for this section should be updated to \$1,500 to coincide with the document retention standard in §1(l)(ii) and the auditing revenue standard in §12(d)(1)(v). In addition, a \$1,500 threshold is consistent with §542.10(e)(6) of the existing regulations and the IRS W2-G reporting threshold for Keno wins.</p>
Gaming Machines	§4	This section has multiple references to an independent test laboratory but there are no technical standards in place for class III gaming systems. Consider adding language that the Tribal Gaming Regulatory Authority shall adopt appropriate technical standards for class III gaming systems.
Auditing Revenue	§12	<p>The following standards should be adopted as part of the §12 Auditing Revenue guidelines:</p> <ul style="list-style-type: none"> • Standards for Gaming Promotions and Player Tracking – consistent with §543.24(d)(4) of the class II MICS • Standards for Complimentary Services or Items – consistent with §543.24(d)(5) of the class II MICS • Standards for Patron Deposit Accounts – consistent with §543.24(d)(6) of the class II MICS • Standards for Lines of Credit – consistent with §543.24(d)(7) of the class II MICS • Standards for Cage, Vault, Cash and Cash Equivalents – consistent with §543.24(d)(9) of the class II MICS • Standards for Inventory – consistent with §543.24(d)(10) of the class II MICS

<p>Auditing Revenue</p>	<p>§12(d)(4)(iv)</p>	<p>§12(d)(4)(iv) states that “for each drop period, accounting/auditing employees shall compare the bill-in meter reading to the total bill acceptor drop amount for the period. Discrepancies shall be resolved before the generation/distribution of gaming machine statistical reports”.</p> <p>Language for this section should be updated to coincide with the review and documentation requirements for variances. For example, for each drop period, accounting/auditing employees shall compare the bill-in meter reading to the total bill acceptor drop amount for the period. The gaming operation must establish, as approved by the TGRA, the threshold level at which a discrepancy must be reviewed to determine the cause. Any such review must be documented and resolved before the generation/distribution of gaming machine statistical reports.</p>
<p>Audit and Accounting</p>	<p>§13(d)</p>	<p>§13(d) which pertains to annual requirements should be removed from the guidance document. The annual requirements contained in part 542 will be preserved in the code of federal regulations for those Tribes that have adopted such requirements for class III gaming. Including language for the submission of an Agreed Upon Procedures report for class III gaming is unnecessary for voluntary guidance.</p>

DEVELOPING A STRONG TRIBAL WORKFORCE THROUGH TRAINING

The Snoqualmie Tribe has utilized the NIGC Regional Training Conferences, Regulating Gaming Technology Conferences and site specific trainings to heighten the proficiency of our personnel. In our experience, the NIGC has developed an effective and comprehensive training program which meets the needs of the Tribes and provides tremendous value. The evolution of the NIGC training program toward a more hands-on and practical approach has been evident over the years.

The Snoqualmie Tribe supports the development of a Learning Management System which will assist in providing on-demand training as well as lessen the demand on training budgets. We also support the development of knowledge reviews to enable us to assess key outcomes and ensure that our teams are meeting the learning objectives of each training offering. The Snoqualmie Tribe encourages the NIGC to continue to leverage technology in their training program, including the use of live webinars which would allow for a greater number of individuals to attend training sessions without the burden of travel.

The Snoqualmie Tribe recommends that the NIGC continue to engage Tribal leaders and industry experts to lead training sessions at regional conferences and solicit feedback on training topics. This enables participants to gain practical insight into industry best practices.

TECHNICAL STANDARDS FOR MOBILE GAMING DEVICES

The Snoqualmie Tribe supports the proposal to amend the technical standards to address wireless gaming systems and communications. In doing so, these standards will provide an effective baseline for the development of Tribal Internal Control Standards to address the risks posed by these new gaming technologies. We would encourage the NIGC to engage a Tribal Advisory Committee consisting of industry IT experts to ensure that the appropriate risks of introducing wireless gaming systems are addressed and adequately mitigated through adherence to the 25 CFR Part 547.18 standards.

Sincerely,



Sunny E. Clear,
Chairwoman
Snoqualmie Indian Tribe