

**NATIONAL
INDIAN
GAMING
COMMISSION**

NOV 0 1993

Mr. Jerry W. Teague
Tribal Gaming Manager
Bad River Band of Lake Superior Tribe
of Chippewa Indians
P.O. Box 39
Odanah, Wisconsin 54861

Dear Mr. Teague:

This letter responds to your request to review and approve the tribal gaming ordinance submitted on September 13, 1993, for the Bad River Band of Lake Superior Tribe of Chippewa Indians (the Tribe). This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chairman is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval. Also, such approval does not constitute approval of specific games.

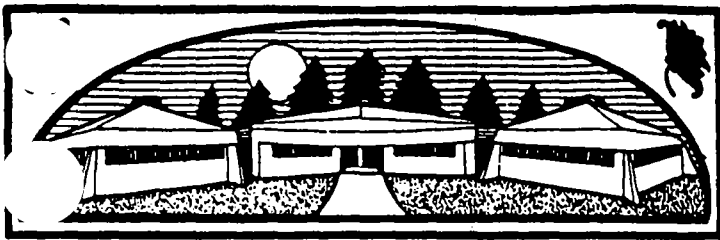
It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

With the Chairman's approval of the Tribe's gaming ordinance, the Tribe is now required to conduct background investigations on its key employees and primary management officials. The NIGC expects to receive a completed application for each key employee and primary management official pursuant to 25 C.F.R. § 556.5(a) and an investigative report on each background investigation before issuing a license to a key employee or primary management official pursuant to 25 C.F.R. § 556.5(b).

Thank you for submitting the ordinance of the Bad River Band of Lake Superior Tribe of Chippewa Indians for review and approval. The NIGC staff and I look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,
Anthony J. Hope

Anthony J. Hope
Chairman



Telephone:
715/682-7111
FAX: 715/682-7118

Mashkisibi Center
BAD RIVER BAND OF LAKE SUPERIOR
TRIBE OF CHIPPEWA INDIANS
P.O. Box 39, Odanah, WI 54861

RESOLUTION 9-16-93-81

WHEREAS the Tribe's gaming control ordinance, Chapter 500, Bad River Ordinance, needs additional enforcement provision, and

WHEREAS the Gaming manager has developed specific dispute resolution procedures, and

WHEREAS the National Indian Gaming Commission requires the Tribal approval of specific ordinance language regarding gaming licenses and other matters, and

NOW THEREFORE BE IT RESOLVED that section 506, Bad River Ordinance, is amended as attached; and

BE IT FURTHER RESOLVED that section 505.2(i) is amended as attached; and

BE IT FURTHER RESOLVED that chapter 550, Bad River Ordinance, is enacted as law.

CERTIFICATION

I, the undersigned as Secretary of the Bad River Band of Lake Superior Tribe of Chippewa Indians, an Indian Tribe organized under Section 16 of the Indian Reorganization Act, hereby certify that the Tribal Council is composed of 7 members, of whom 7 members, constituting a quorum, were present at a meeting hereof duly called, noticed, convened, and held on the 16th day of SEPTEMBER, 1993; that the foregoing resolution was duly adopted at said meeting by an affirmative vote of 6 members; 0 against; and 0 abstaining, and that the said resolution has not been rescinded or amended.


Ethel Plucinski, Secretary
Bad River Tribal Council

APPROVED

BAD RIVER ORDINANCES

Section 506.1(a) Bad River Ordinances is hereby amended to read as follows:

(a) Violate the terms of this chapter or of Chapter 550 in any way; or

Section 506.1 Bad River Ordinances, is hereby amended to add new sections (f), (g) and (h) as follows:

(f) Possess or use any mechanical, electrical, optic, radio, infrared, video, or other device, including but not limited to cameras, transmitters, receivers, calculators, computers, or any kind of artificial or enhanced intelligence, in the class III gaming location buildings and all auxiliary equipment whether or not located within the class III gaming buildings.

(g)(1) Issue any check or other order for payment which at the time of issuance he or she intends shall not be paid.

(2) Any of the following is prima facie evidence that the person at the time he or she issued the check or other order for the payment of money, intended it should not be paid:

(A) Proof that, at the time of issuance, the person did not have an account with the drawee; or

(B) Proof that, at the time of issuance, the person did not have sufficient funds or credit with the drawee and that the person failed within 5 days after receiving notice of nonpayment or dishonor to pay the check or other order; or

(C) Proof that, when presentment was made within a reasonable time, the person did not have sufficient funds or credit with the drawee and the person failed within 5 days after receiving notice of nonpayment or dishonor to pay the check or other order.

(h) Engage, while in the Class III gaming location buildings or on the Class III gaming location grounds, in any violent, abusive, indecent, profane, boisterous, unreasonably loud or otherwise disorderly conduct under circumstances in which the conduct tends to cause or provoke a disturbance.

(i) Disobey an exclusion order issued under sec. 506.4.

Section 506.2, Bad River Ordinances, is hereby amended to add a new section (f) as follows:

APPROVED

(f) For a violation of sec. 506.1 (c), (d), or (f), seizure and forfeiture of all winnings resulting from the violation.

A new section 506.4, Bad River Ordinances is created as follows:

506.4 EXCLUSION.

(a) Any person may be excluded from the buildings and grounds of any class III location for any reason, including but not limited to, disorderly or disruptive behavior, interference with other patrons, suspicion of a violation of any section of this ordinance, suspicion of possession of any controlled substance or substance that it is illegal for the person to be excluded to possess, intoxication, being under the influence of any drug or alcohol, or any behavior that may tend to diminish the peaceful enjoyment of the gaming facilities by the patrons, or that may tend to diminish patronage.

(b) The supervisor on duty may exclude any person for a 24 hour period, by orally and in writing, notifying the person of the exclusion.

(c) The gaming manager may permanently exclude any person by orally and in writing notifying the person of the exclusion.

A new section 506.5, Bad River Ordinances, is hereby created as follows:

506.5 IMPLIED CONSENT

(a) Every person entering the class III gaming facility buildings or grounds irrevocably consents to the following:

(1) The personal and subject matter jurisdiction of the Bad River Tribal Court regarding all alleged violations of this chapter and all civil claims that may be brought by the Bad River Tribe to recover any losses caused by or associated with such violations.

(2) Temporary detention, questioning, and search upon reasonable suspicion that a violation of this chapter has occurred, seizure of any property reasonably believed to be used in the violation, and forfeiture of the same.

(b) The gaming manager shall place a notice of the provision of this section 506.5 at all entrances to the buildings of the Class III facilities.

Section 505.2(i) is hereby amended to read as follows:

(i) Player disputes shall be resolved according to written policies adopted by the Tribal Council.

CHAPTER 550 - GAMING CONTROL ORDINANCE PART II

Section 550.1 Purpose

The Tribal Council of the Bad River Band of Lake Superior Tribe of Chippewa Indians (hereinafter "Tribe"), empowered by the Bad River constitution to enact ordinances, hereby enacts this ordinance in order to set the terms for Class II and III gaming.

Section 550.2 Gaming Authorized

Class II and III gaming as defined in the Indian Gaming Regulatory Act, P.L. 100-447, 25 U.S.C. Section 2703(7)(A) and (8) ("IGRA") and by the regulations promulgated by the National Indian Gaming Commission at 25 C.F.R. sections 502.3 and 502.4 (as published in the Federal Register at 57 FR 12382-12393, April 9, 1992) is hereby authorized.

Section 550.3 Ownership of Gaming

The Tribe shall have the sole propriety interest in and responsibility for the conduct of any gaming operation on the Bad River Reservation or authorized by this ordinance.

Section 550.4 Use of Gaming Revenue

(a) Net revenues from Class II and III gaming shall be used only for the following purposes: to fund tribal government operations and programs, provide for the general welfare of the Tribe and its members, promote tribal economic development, donate to charitable organizations, or help fund operations of local government agencies.

(b) If the Tribe elects to make per capita payments to tribal members, it shall authorize such payments only upon approval of a plan submitted to the Secretary of the Interior under 25 U.S.C. subsection 2710(b) (3).

Section 550.5 Audit

(a) The Tribe's gaming manager shall cause to be conducted annually an independent audit of gaming operations and shall submit the resulting audit reports to the National Indian Gaming Commission.

(b) All gaming related contracts that result in the purchase of supplies, services, or concessions in excess of \$25,000.00 annually, except contracts for professional, legal and accounting services shall be subjected to the audit that is described in subsection (a) above.

Section 550.6 Protection of the Environment and Public Health and Safety

Class II and III gaming facilities shall be constructed, maintained and operated in a manner that adequately protects the environment and the public health and safety.

Section 550.7 Licenses for Key Employees and Primary Management Officials

The Tribe's gaming manager shall ensure that the policies and procedures set out in this section are implemented with respect to key employees and primary management officials employed at any Class II or Class III gaming enterprise operated on Indian lands:

(a) Definitions

For the purposes of this section, the following definitions apply:

(1) Key employee means

(A) A person who performs one or more of the following functions:

- (i) Bingo Manager
- (ii) Bingo Caller
- (iii) Cashier or Head Cashier
- (iv) Chief of Security
- (v) Pit Boss
- (vi) Blackjack Dealer

- (vii) Any person who has authority to approve credit
- (viii) Slot Attendants/Slot Technicians
- (ix) Surveillance Personnel
- (x) Security Personnel
- (xi) Floor Supervisors
- (xii) Casino Accountants
- (xiii) Gaming personnel manager
- (xiv) Any person or contractor who has access to or works on any gaming equipment on a normal periodic basis

(B) If not otherwise included, any other person whose total cash compensation is in excess of \$50,000.00 per year; or

(C) If not otherwise included, the four most highly compensated persons in the gaming operation.

(2) Primary management official means

(a) The person having management responsibility for a management contract;

(b) Any person who has authority:

(1) To hire and fire employees; or

(2) To set up working policy for the gaming operation; or

(c) The chief financial officer or other person who has financial management responsibility.

(b) Application Forms

(1) The following notice shall be placed on the application form for a key employee or a primary management official before that form is filled out by an applicant:

In compliance with the Privacy Act of 1974, the following information is provided:

Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The

purpose of the requested information is to determine the eligibility of individuals to be employed in a gaming operation. The information will be used by Tribal government and staff and National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by a Tribe or the National Indian Gaming Commission in connection with a hiring or firing of an employee, the issuance or revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming operation. Failure to consent to the disclosures indicated in this notice will result in the Tribe's being unable to hire you in primary management official or key employee position.

The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

(2) Key employees and primary management officials employed on the date of enactment of this ordinance shall be notified in writing that they shall either:

(A) Complete a new application that contains a Privacy Act notice; or

(B) Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice.

(3) The following notice shall be placed on the application form for a key employee or a primary management official before that form is filled out by an applicant.

A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by forfeiture, fine or imprisonment under both tribal and federal law. (U.S. Code, title 18, section 1001.)

(4) Key employees and primary management officials employed on the date of enactment of this ordinance shall be notified in writing that they shall either:

(A) Complete a new application that contains a notice regarding false statements; or

(B) Sign a statement that contains the notice regarding false statements.

(5) The following notice shall be placed on the application form for a key employee or a primary management official before that form is filled out by an applicant.

If you are hired, you may be hired conditionally, pending the completion of a background investigation and eligibility for licensure determination. If for any reason you do not receive a favorable background investigation report or eligibility determination by the completion of your 90th day of employment, your employment will be terminated.

(6) Key employee and management officials employed on the date of enactment of this ordinance shall be notified in writing that they shall either:

(A) Complete a new application that contains the notice required by subparagraph (5), above; or

(B) Sign a statement that contains the notice required by subparagraph (5), above.

(c) **Background Investigations**

(1) The Tribe's gaming personnel director shall request from each primary management official and from each key employee all of the following information:

(A) Full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, all languages (spoken or written);

(B) Currently and for the previous five years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;

(C) The names and current addresses of at least three personal references, including one personal reference who was acquainted with the applicant during each period of residence listed under paragraph (1) (b) of this section;

(D) Current business and residence telephone numbers;

(E) A description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses;

(F) A description of any existing and previous business relationships with the gaming industry generally, including ownership interest in those businesses;

(G) The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;

(H) For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition if any;

(I) For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violation), within 10 years of the date of the application, the name and address of the court involved and the date and disposition;

(J) For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is within 10 years of the date of the

application and is not otherwise listed pursuant to paragraph (1) (h) or (1) (i) of this section the criminal charge, the name and address of the court involved and the date and disposition;

(K) The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;

(L) A current photograph;

(M) Any other information the Tribe deems relevant; and

(N) Fingerprints consistent with procedures adopted by the Tribe according to 25 C.F.R. subsection 522. 2 (h).

(2) The Tribe's gaming personnel director shall conduct an investigation sufficient to make a determination under subsection (d) below. The investigation may be conducted prior to any hiring of the person for a key employee or primary management official position. In conducting a background investigation the Tribe or its agent shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

(d) Eligibility Determination

(1) The Tribe shall review a person's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning the eligibility of a key employee or primary management official for employment in a gaming operation. If the Tribe determines that employment of the person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, a tribal gaming operation shall not employ that person in a key employee or primary management official

position. This determination may be made prior to any hiring of the person for a key employee or primary management official position.

(2) Under no circumstances shall any individual be employed in the Class III gaming operation who has been convicted of, or entered a plea of guilty or no contest to, any of the following, unless the person has been pardoned:

(A) A felony, other than a felony conviction for an offense under subdiv. (B), (C), or (D), during the immediately preceding 10 years.

(B) Any gambling-related offense.

(C) Fraud or misrepresentation in any connection.

(D) A violation of any provision of chapters. 562 or 565, Wis Stats., a rule promulgated by the Lottery Board or Wisconsin Racing Board, or a Tribal ordinance regulating or prohibiting gaming.

(3) The prohibition contained in the preceding paragraph may be waived by the Tribal Council, by resolution, if the applicant or employee demonstrates to the satisfaction of the Tribal Council evidence of sufficient rehabilitation and present fitness.

(e) Procedures for Forwarding Applications and reports for Key Employees and Primary Management Officials to the National Indian Gaming Commission.

(1) When a key employee or primary management official begins work at a gaming operation authorized by this ordinance, the Tribe's gaming personnel director shall forward to the National Indian Gaming Commission a completed application for employment and conduct the background investigation and make the determination referred to in subsection D of this section, unless already completed.

(2) The Tribe's gaming personnel director shall forward the report referred to in subsection (f) of this section to the National Indian Gaming Commission within 60 days after an employee begins work or within 50 days of the approval of this ordinance by the Chairman of the National Indian Gaming Commission.

(3) The gaming operation shall not employ as a key employee or primary management official a person who does not receive a license within 90 days of hiring.

(f) Report to the National Indian Gaming Commission

(1) Pursuant to the procedures set out in subsection (e) of this section, the Tribe shall prepare and forward to the National Indian Gaming Commission an investigative report on each background investigation. An investigative report shall include all of the following:

- (A) Steps taken in conducting a background investigation;
- (B) Results obtained;
- (C) Conclusions reached; and
- (D) The bases for those conclusions.

(2) The Tribe's gaming personnel director shall submit, with the report, a copy of the eligibility determination made under subsection D of this section.

(3) If a license is not issued to an applicant, the Tribe shall:

- (A) Notify the National Indian Gaming Commission; and
- (B) Forward copies of its eligibility determination and investigation report (if any) to the National Indian Gaming Commission for inclusion in the Indian Gaming Individuals Records System.

(4) With respect to key employees and primary management officials, the Tribe shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the National Indian Gaming Commission or his or her designee for no less than three (3) years from the date of termination of employment.

(g) Granting A Gaming License

(1) The Tribal Council shall issue all gaming licenses.

(2) If, within a thirty (30) day period after the National Indian Gaming Commission receives a report, the National Indian Gaming Commission notifies the tribe that it has no objection to the issuance of a license pursuant to a license application filed by a key employee or a primary management official for whom the tribe has provided an application and investigative report to the National Indian Gaming Commission, the Tribe's gaming personnel director may recommend that the Tribal Council issue a license to such applicant.

(3) The Tribe shall respond to a request for additional information from the Chairman of the National Indian Gaming Commission concerning a key employee or a primary management official who is the subject of a report. Such a request shall suspend the 30-day period under paragraph (g)(2) of this section until the Chairman of the National Indian Gaming Commission receives the additional information.

(4) If, within the thirty (30) day period described above the National Indian Gaming Commission provides the Tribe with a statement itemizing objections to the issuance of a license to a key employee or to a primary management official for whom the Tribe has provided an application, the Tribe shall reconsider the application taking into account the objections itemized by the National Indian Gaming Commission. The Tribe's gaming personnel director shall supply to the Tribal Council the National Indian Gaming

Commission statement, prior to council action on the license. The Tribal Council shall make the final decision whether to issue a license to such applicant.

(h) License Suspension

(1) If, after the issuance of a gaming license, the Tribe receives from the National Indian Gaming Commission reliable information indicating that a key employee or a primary management official is not eligible for employment under subsection (d) above, the Tribe's gaming personnel director shall suspend such license and shall notify in writing the licensee of the suspension and the proposed revocation.

(2) The Tribe's gaming personnel director shall notify the licensee of a time and a place for a hearing on the proposed revocation of a license, which shall be conducted before the Tribal Council under rules as it may prescribe.

(3) After a revocation hearing, the Tribal Council shall decide to revoke or to reinstate a gaming license. The decision of the Tribal Council shall be final. The Tribe shall notify the National Indian Gaming Commission of its decision.

Section 550.8 License Locations

The Tribe shall issue a separate license to each place, facility, or location on Indian lands where Class II or Class III gaming is conducted under this ordinance.

Section 550.9 Supercedence

To the extent that any section of Chapter 500, Bad River Ordinances, is inconsistent with any section of this chapter, this chapter's section controls.



Telephone
715/682-7121

**BAD RIVER BAND OF LAKE SUPERIOR
TRIBE OF CHIPPEWA INDIANS**
P.O. Box 39, Odanah, WI 54861

POLICY NO. 800

PREPARED BY: JERRY TEAGUE

**BAD RIVER GAMING ENTERPRISE
POLICIES AND PROCEDURES**

I. TITLE: Gaming Licenses

II. PURPOSE:

To provide a procedure for granting and issuing a gaming license to employees, key employees, contractors, and primary management officials as required by 25 C.F.R. part 558.

III. SCOPE:

- A. The Tribe is the sole licensing authority for class II & III gaming.
- B. The licensing procedure will apply to all employees of the Bad River Gaming Operation. The Tribe is free to prescribe license requirements for whomever it wishes as long as it also licenses all key employees and primary management officials. This will include any contractors so designated.
- C. The Tribe will determine suitability for employment and licensing of all applicants within the gaming operation.
- D. All key employees and primary management officials and any others so designated will be required to be licensed by the Tribe within ninety days from date of hire.

E. Key employees

1. Key employees are defined as persons who perform one or more of following functions:

- (a) Bingo Manager
- (b) Bingo Caller
- (c) Cashier or Head Cashier
- (d) Chief of Security
- (e) Pit Boss
- (f) Blackjack Dealer
- (g) Any person who has authority to approve credit
- (i) Slot Attendants/Slot Technicians
- (j) Surveillance Personnel
- (k) Security Personnel
- (l) Floor Supervisors
- (m) Casino Accountants
- (n) Any person or contractor who has access to or works on any gaming equipment on a normal periodic basis

2. If not otherwise included any other person whose cash compensation is in excess of \$50,000.00 per year.

3. If not otherwise included, the four most highly compensated persons within the gaming operation.

F. Primary Management Employees

1. Primary Management officials are defined as person who perform or have the authority to perform the following functions or how the following positions:

- (a) Authority to hire and fire employees.
- (b) Authority to establish working policy or authority to approve such policy within the gaming operation.
- (c) The Tribe Gaming Manager

- (d) The Tribal Chairman and Tribal Council
- (e) The Tribal Attorney
- (f) Chief Accountant

IV. ACTION:

- A. Background checks will be performed in accordance with section VII of the Bad River Gaming Ordinance and the Bad River Policy and Procedure number 900 covering background investigations.
- B. Upon review of the background checks and procedures an analysis and recommendation of the review will be forwarded to the Tribal Chairman for decision.
- C. If the investigative report and review indicate no problem and there is sufficient evidence to warrant issuance of the Gaming license the Tribal Chairman will issue the license.
 - 1. If, within a thirty (30) day period after the National Indian Gaming Commission receives a report, the National Indian Gaming Commission notifies the tribe that it has no objection to the issuance of a license pursuant to a license application filed by a key employee or a primary management official for whom the tribe has provided an application and investigative report to the National Indian Gaming Commission, the Tribe may issue a license to such applicant.
 - 2. The Tribe shall respond to a request for additional information from the Chairman of the National Indian Gaming Commission concerning a key employee or a primary management official who is the subject of a report. Such a request shall suspend the 30 day period under paragraph G. 1. of this section until the Chairman of the National Indian Gaming Commission receives the additional information.

3. A permanent numerical record of each license issued will be kept with a copy of that license placed in the employee folder.
 4. ~~The gaming license will be a picture I.D. per sample as in attachment 1 of this procedure.~~
- D. If the investigative report and review indicate ~~circumstances that might lead to disqualification~~ of applicants as listed in C.F.R. 25 the Personnel Manager will submit to the Tribal Chairman for review with the council, that report and comments.
1. The Tribal Council will review each problem report and make a decision based upon their analysis of rehabilitation of the candidate. If the council approved the license it will be issued in accordance with section III(a).
 2. While section III(b) of this procedure and section 556.0 of C.F.R. 25 allows the Tribe to be the sole determination of license qualification it is understood that applicants who are convicted of felonies or misdemeanors that were crimes of moral turpitude would be reason for automatic disqualification.
 3. If, within the thirty (30) day period described above the National Indian Gaming Commission provides the Council with a statement itemizing objections to the issuance of a license to a key employee or to a primary management official for whom the Tribe has provided an application, taking into account the objections itemized by the National Indian Gaming Commission, the Council shall make the final decision whether to issue a license to such applicant.

E. License Approval

Licensing procedures will adhere and conform to The Bad River Gaming Ordinance and Bad River policy number 800 covering Gaming licenses.

F. License Suspension

License suspension procedure will adhere to the Bad River Gaming Ordinance.

1. If, after the issuance of gaming license, the Council receives from the National Indian Gaming Commission reliable information indicating that a key employee or a primary management official is not eligible for employment under subsection (D) above, the Tribe shall suspend such license and shall notify in writing the licensee of the suspension and the proposed revocation.
2. The Council shall notify the licensee of a time and a place for a hearing on the proposed revocation of a license.
3. After a revocation hearing, the Council shall decide to revoke or to reinstate a gaming license. The Tribe shall notify the National Indian Gaming Commission of its decision.

G. License Locations

The Council shall issue a separate license to each place, facility or location on Indian lands where class II & III gaming is conducted under this ordinance.



Telephone
715/682-7121

**BAD RIVER BAND OF LAKE SUPERIOR
TRIBE OF CHIPPEWA INDIANS**
P.O. Box 39, Odanah, WI 54861

POLICY NO. 900

PREPARED BY: JERRY TEAGUE

**BAD RIVER GAMING ENTERPRISE
POLICIES AND PROCEDURES**

I. **TITLE:** Background Investigation of Employees, Key Employees and Primary Management Officials

II. **Purpose**

To provide a procedure to conduct or cause to be conducted background investigations of employees, key employees and primary management officials employed by or associated with the Bad River Gaming Enterprise as required by 25 CFR section 522(b).

III. **Responsibility**

- A. Responsibility for initiating background investigations required by 25 CFR section 522.2 (b) is directly and solely that of the Bad River Band of Lake Superior Tribe of Chippewa Indians.
- B. The Tribe has the direct responsibility to determine suitability for employment of any person within the Tribal Gaming Enterprise 556.4(a)(b).
- C. Personnel responsible for initiating, follow thru and completions of background investigations are listed as attachment one to this procedure.
 - 1. Personnel and organization listed in attachment one were selected by the Tribal Council to initiate and follow thru to completion of background checks.

2. Selection was made by Council based on job responsibility and position within the enterprise.

D. Background investigations are completed on applicants, using various investigative procedures and in accordance with requirements listed in the Bad River Tribal Gaming Ordinance.

1. Verify by written and/or oral communications information submitted by applicant.
2. Inquiry into applicants, prior activities, criminal record if any, reputation, habits and associations.
3. Oral and written interviews and reference checks with a sufficient number of knowledgeable people such as former employers, personal references and others to whom referred in order to provide a basis for the Council to make a finding concerning the eligibility for employment in the gaming operation.
4. Personnel record checks with local courthouse records in conjunction with local law enforcement agencies.
5. Fingerprint checks submitted to State and Federal agencies.
 - (a) Fingerprints will be taken by or under the supervision of:

Ashland County Sheriff Department
201 West Main Street
Ashland, WI 54806
 - (b) Minimum procedures for conducting a criminal history check by the Ashland County Sheriff Department are similar to those listed in this document.
6. Precise and accurate documentation concerning disposition of all potential problem areas noted

along with any disqualifying information which was obtained.

7. A final investigative report utilizing all information and documentation will be produced and submitted in accordance with 25 CFR part 522.1 this report will contain the following:
 - (a) Steps taken in conducting the background investigation.
 - (b) Results obtained
 - (c) Conclusions reached
 - (d) The bases for those conclusions
 - (e) Final determination and decision taken by Tribal Council.

E. Eligibility Determination

The Council shall review a person's prior activities, criminal record, if any, reputation, habits and associations to make a finding concerning the eligibility of a key employee or primary management official for employment in the gaming operation. If the Council determines that employment of the person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, a tribal gaming operation shall not employ that person in a key employee or primary management official position.

F. Procedures for Forwarding Applications and reports for Key Employee and Primary Management Officials to the National Indian Gaming Commission.

1. When a key employee or primary management official begins work at a gaming operation authorized by this ordinance, the Tribe shall forward to the National Indian Gaming Commission

a completed application for employment and conduct the background investigation and make the determination referred to in subsection E of this section.

2. The Tribe shall forward the report referred to in subsection F of this section to the National Indian Gaming Commission within 60 days after an employee begins work or within 60 days of the approval of this ordinance by the Chairman of the National Indian Gaming Commission.
3. The Gaming operation shall not employ as a key employee or primary management official a person who does not have a license after 90 days.

- G. With respect to key employees and primary management officials, the Tribe shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the National Indian Gaming Commission or his or her designee for no less than three (3) years from the date of termination of employment.

**BAD RIVER TRIBAL COURT CODES
TABLE OF CONTENTS
SECTION VII - CHAPTERS 500, 601, 701, 900**

CHAPTER 500 - GAMING CONTROL ORDINANCE

- Section 500.1 - Findings
- Section 500.2 - Introduction
- Section 500.21 - Title
- Section 500.22 - Authority
- Section 500.23 - Purpose
- Section 500.24 - Effective Date
- Section 500.25 - Abrogation and Greater Restrictions
- Section 500.26 - Interpretation
- Section 500.27 - Severability and Non-Liability
- Section 500.3 - General Definitions

- Section 501 - Bingo Manager
- Section 501.1(a)(b)(c)
- Section 501.2 - Powers and Duties of Tribal Bingo Manager

- Section 502 - General Operating Provisions
- 502.1 - (a) - (r)
- Section 502.2 - Prizes
- Section 502.3 - Method of Conduct
- Section 502.4 - Winners

- Section 503 - Raffles
- Section 503.1 - Conduct of Raffles
- Section 503.2 - Method of Play

- Section 504 - Finances and Accounting
- Section 504.1 - Annual Operating Budget
- Section 504.2 - Monthly Financial Report
- Section 504.3 - Bingo Account
- Section 504.4 - Audit

- Section 505.1 - Class III Gaming - General Provisions
- Section 505.2 - Rules of Play
- Section 505.3 - Tax Withholding
- Section 505.4 - Employees
- Section 505.5 - Records and Audits
- Section 505.6 - Finances and Accounting
- Section 505.6m - **RESERVED. OFF-RESERVATION**

- Section 506 - Violations
- Section 506.1 - Prohibited Activities
- Section 506.2 - Penalty
- Section 506.3 - Enforcement
- Section 506 - Repealer

CHAPTER 500 - GAMING CONTROL ORDINANCE

Section 500.1 - Findings

The Tribal Council finds that gaming revenues are essential to the provision of tribal governmental services, that direct tribal control through the central tribal administration is essential to the rational utilization of tribal funds generated by tribally-operated gaming, that tribal gaming revenues must be fully integrated into the tribe's annual financial planning; and that tribal governmental spending priorities must take precedence over individual or organizational funding requests in the utilization of gaming receipts.

Section 500.2 - Introduction

500.21. TITLE. This ordinance shall be known as the Gaming Control Ordinance.

500.22. AUTHORITY. This ordinance is enacted pursuant to Article VI, Section 1(g) and (j) of the Constitution and Bylaws of the Bad River Band of the Lake Superior Tribe of Chippewa Indians. All violations of this ordinance shall be prosecuted in Tribal Court.

500.23. PURPOSE. The purpose of this ordinance is to regulate the conduct of Class II and Class III gaming conducted on the Bad River Indian Reservation.

500.24. EFFECTIVE DATE. This ordinance shall be effective on the date of enactment by the Bad River Tribal Council.

500.25. ABROGATION AND GREATER RESTRICTIONS. Where this ordinance imposes greater restrictions than those contained in other tribal ordinances, the provision of this ordinance shall govern.

500.26. INTERPRETATION. In their interpretation and application, the provisions of this ordinance shall be held to be minimum requirements and shall be liberally construed in favor of the Tribe and shall not be deemed a limitation or repeal of any other Tribal power or authority.

500.27. SEVERABILITY AND NON-LIABILITY. If any section, provision or portion of this ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby. The Tribe asserts there is no liability on the part of the Bad River Band of the Lake Superior Tribe of Chippewa Indians, its agents or employees for damages that may occur as a result of reliance upon, and conformance with this Ordinance.

Section 500.3 - General Definitions

(a) For the purposes of this chapter, the following definitions shall be used. Words in the present tense include the future; the singular includes the plural; and the plural includes the singular. The word "shall" is mandatory and the word "may" is permissive.

(b) "Bingo" means a game of chance in which players pay a consideration in order to participate, in which 75 numbered objects are available for selection, and those objects actually selected are selected on a random basis, and in which each player participates by means of cards sold, rented or used only at the time and place of the game, each card containing 5 rows of 5 spaces each, each space printed with a number from 1 to 75 except the central space, which is marked "FREE". Winners are determined and prizes awarded on the basis of possessing a bingo card on which some combination of numbers are printed and conform to the numbered objects selected at random based on a predetermined winning arrangement. "BINGO" as used in this chapter shall not mean any game using free cards and donated prizes, if any, for which no payment of consideration is made by players.

(c) "Bingo Manager" means a person hired by the Tribe to conduct, organize and supervise all bingo and raffle occasions.

(d) "Bingo Occasion" means a single gathering or session at which a series of successive bingo games are played.

(e) "Bingo Supplies and Equipment" means all cards, boards, sheets, markers, pads or other supplies, devices or other equipment designed for use in the conduct or play of bingo.

(f) "Caller" means an individual who by means of a mechanical device randomly selects numbers and announces them to players.

(g) "Checker" means an individual who verifies a player's claim to have won a game.

(h) "Class II Gaming" means class II gaming as defined by 25 U.S.C. §2703(7), including but not limited to bingo, raffles, and pull-tabs.

(i) "Class III Gaming" means class III gaming as defined by U.S.C. §2703(8).

(j) "Council" means the governing body of the Bad River Band of the Lake Superior Tribe of Chippewa Indians.

(k) "Inventory Checker" means a designated person from the accounting office who shall be responsible for a monthly inventory check of the bingo supplies/materials.

(l) "Raffle" means a game of chance in which tickets are sold and a drawing for prizes is held, or in which the ticket is drawn by the purchaser and a determination of prize made based upon the ticket drawn.

(m) "Reservation" means all lands within the exterior boundaries of the Bad River Reservation.

(n) "Tribe" means the Bad River Band of the Lake Superior Chippewa Indians.

Section 501- Bingo Manager

501.1(a). There is hereby established the position of Tribal Bingo Manager.

(b) The Tribal Bingo Manager shall be appointed by the Tribal Council. The Tribal Bingo Manager shall be subject to the Bad River Gaming Operations Policies and Procedures and shall be supervised by the Gaming General Manager.

(c) No person may commence work as Tribal Bingo Manager until such person has been licensed by the Tribe as a gaming manager. Prior to licensing, the person's background shall be investigated, including his or her prior activities, criminal record, if any, reputation, habits, and associations; and a finding shall be made that hiring the individual will not 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, methods, or activities in the conduct of gaming. Any applicant under consideration for hiring as Tribal Bingo Manager may be required to execute such releases as are necessary or convenient to obtain the information required under this paragraph. The tribe's personnel manager shall be responsible for the thorough and efficient conduct of the investigation and may contract with such agencies or incur such expenses as are necessary or convenient to such end. The personnel manager's findings and conclusions shall be made available to the tribal council and to the National Indian Gaming Commission prior to the issuance of any license. The Bingo Manager shall not commence work until there is on file with the tribal personnel office evidence of a surety bond for the benefit of the Tribe in the amount of \$25,000.00 to indemnify the Tribe for losses incurred by a breach of fiduciary or other duties arising hereunder. The Tribe shall secure the bond for the Bingo Manager.

501.2. POWERS AND DUTIES OF TRIBAL BINGO MANAGER. The Tribal Bingo Manager shall have the following powers and duties:

- (a) To conduct bingo operations in conformity with this ordinance;
- (b) To conduct raffles in conformity with this ordinance;
- (c) To conduct other Class II gaming at any locale at which Bingo is played;
- (d) To receive and deposit monies generated from operations described in subparagraphs (a), (b) and (c) with the Tribe's Treasurer, or authorized banking institutions;

(e) To report to the Tribal Council, on forms approved by the Tribal Council, on a monthly basis, unless required to do so more frequently by the Council.

(f) To supervise all personnel necessary to conduct operations under subparagraphs (a), (b) and (c). No person shall be an employee of the Bingo when he or she is on the Tribal Council.

(g) The Tribal Council shall retain the duties of hiring any and all employees of the Bad River Bingo and the Chairman shall retain the duties of terminating any employees for good cause. All employee relations shall be governed by the Bad River Gaming Operations Policies and Procedures.

(h) To develop and enforce general policies, subject to Tribal Council approval, governing operations under subparagraphs (a), (b) and (c), which shall be followed by the Bingo Manager and the Bingo employees.

(i) To insure compliance with Inventory/Cash controls systems developed by the Tribe.

(j) To insure the security of Bingo, raffle, and other Class II gaming equipment and supplies in his custody or control and of Bingo, raffle and other Class II gaming revenues in his custody or control.

Section 502 - General Operating Provisions

502.1 (a) Only the Bingo Manager or a person authorized by the Tribal Bingo Manager shall conduct bingo or act as a caller in the conduct of bingo.

(b) Bingo shall be conducted only on behalf of the tribal government and only on tribal premises.

(c) Purchase of a bingo card shall entitle each purchaser to a place on the Tribal premises where bingo is conducted with sufficient room in which to work the bingo card.

(d) The Tribal Bingo Manager may, in his or her discretion, limit the number of persons allowed to purchase bingo cards at any one bingo occasion if there is not sufficient space or supplies.

(e) The Tribal Bingo Manager shall hold not less than 106 bingo occasions within any calendar year. The Tribal Bingo Manager may hold such further bingo occasions as the Council shall designate.

(f) The Tribal Bingo Manager shall accept only a cash payment for any bingo card.

(g) The Tribal Bingo Manager shall purchase such supplies and equipment as are necessary for the operation of bingo and consistent with the budget approved by the Tribal Council. All equipment and supplies used in the conduct of bingo shall be owned by the Tribe. The bingo equipment shall be maintained in good repair and sound condition.

(h) Only the Tribal Bingo Manager and persons acting under his or her supervision may participate in the management or operations of any bingo occasion. No other person, firm, corporation, consultant, or similar entity shall participate in the management of any bingo occasion. Nothing herein shall prevent the Tribal Bingo Manager from entering into a contract for the televising of bingo occasions, however.

(i) No person under the age of 16 shall purchase or play a bingo card for any bingo game conducted pursuant to this ordinance unless accompanied on tribal premises by such person's parent or guardian. No person under the age of 12 shall be allowed in the Tribal premises in which bingo is conducted during a bingo occasion.

(j) No alcoholic beverages or illegal drugs shall be allowed on Tribal premises where bingo is conducted during a bingo occasion. Any person found possessing or using alcoholic beverages or illegal drugs during bingo occasions shall be removed from the premises and barred from further bingo occasions.

(k) Bingo occasions shall be advertised by whatever lawful methods the Tribal Bingo Manager deems suitable and appropriate to attract a maximum number of players, consistent with the budget approved by the Tribal Council.

(l) The Tribal Bingo Manager shall authorize the operation of concessions for the sale of food or refreshments by Tribal organizations under such terms and conditions as he or she deems appropriate. No person or organization may sell any other merchandise on the premises where bingo is being conducted during a bingo occasion unless authorized by the Tribal Council.

(m) Bingo cards shall be sold or rented by the Tribal Bingo Manager in the first instance only on the premises at which the bingo occasion is being conducted. The Tribal Bingo Manager shall keep an accurate, separate count of the number of bingo cards which are sold, rented or used.

(n) No person employed in the operation of a Tribal Bingo occasion shall be permitted to purchase any bingo card, finance the purchase of any Bingo card, or share in the proceeds of any winnings for that occasion or participate in any other way as a player during that bingo occasion.

(o) Nothing herein shall prevent the broadcast or televising of Tribal bingo occasions. The Tribal Bingo Manager is hereby authorized to enter into a contract for the broadcast or televising of Tribal bingo occasions, provided that any such contract shall be approved by resolution of the Tribal Council before taking effect.

(p) Every month the Inventory Checker shall be responsible for taking a physical inventory of the supplies/materials to see if it matches the Bingo Manager's records. Any discrepancies shall be reported to the Bingo Manager and Tribal Council.

(q) The Bingo Manager may conduct other Class II gaming at the times and places where Bingo is played or a raffle conducted. Sections 502.1(b), (f), (g), (h), (i) (j), (k), (l), (m), (n), (o), and (p), and 502.2 shall apply to the conduct of Class II gaming other than Bingo and raffles.

(r) The Bingo Manager shall assure that ventilation, sanitary, and drinking water supply systems are all operating properly

at all times and places when operation under subparagraphs (a), (b), or (c) occur.

Section 502.2 - Prizes

(a) The amount and nature of prizes offered shall be determined for each bingo occasion by the Tribal bingo Manager, provided that the prizes offered shall be commensurate with the generally accepted odds in bingo operations.

(b) Either cash prizes or merchandise prizes shall be allowed. If a merchandise prize is offered, its stated value shall be the current retail price. No merchandise prize shall be redeemable or convertible into cash, either directly or indirectly, by the Tribe.

(c) Prizes of alcoholic or fermented malt beverages, securities, or interests in real property are prohibited.

Section 502.3 - Method of Conduct

(a) The Tribal Bingo Manager shall determine the type of game and prize for each game conducted during a bingo occasion. The particular arrangement of numbers required on a bingo card in order to win and the amount of the prize for the game shall be clearly described and audibly announced to the players immediately before each game.

(b) Each bingo game shall be conducted in such a manner that the results are random and each person purchasing a card is afforded an equal opportunity to win, and all equipment and supplies used in the conduct of each game shall be designed and used in such a manner as to secure such result.

(c) The objects to be drawn shall be as near the same size, shape, weight, balance, and all other relevant characteristics as is practicable so that at all times during the conduct of bingo each object possesses the capacity for equal agitation with any other object within the receptacle.

(d) Seventy-five (75) objects, numbered consecutively "1" through

"75" inclusive, shall be used for the conduct of each game. All 75 objects, and only 75 objects, shall be present in the receptacle at the beginning of each bingo game.

(e) The number on each object drawn shall be announced in a manner clearly audible to the persons present during the conduct of the game and shall be visually displayed as well.

(f) Once removed from the receptacle during the conduct of a game, no object shall be returned to the receptacle until after the conclusion of that game.

(g) The receptacle and the caller shall be visible to the majority of persons present during the conduct of a game at all times.

Section 502.4 - Winners

(a) The winner of a bingo game shall be the person in possession of the bingo card with the numbers on it arranged in the manner announced for that game achieved with the least number of objects drawn and who audibly calls out "BINGO!"

(b) The bingo winner for each game shall be determined on the same day on which the bingo occasion is conducted. Each prize shall be awarded within one week of the bingo occasion for which the prize was offered.

(c) The numbers appearing on the winning card at the time a winner is determined shall be verified in the immediate presence of at least one disinterested person.

(d) At the time a winner is determined, any person may call for a verification of all numbers and of the objects remaining in the receptacle not drawn. Such verification shall be made in the presence of the Tribal Bingo Manager and at least one disinterested person.

(e) When more than one person is found to be the winner of a bingo game, a cash prize shall be divided equally among the winners. When equal division of a merchandise prize is not possible, identical substitute prizes whose aggregate retail

value is approximately equal to that of the designated prize shall be awarded.

Section 503 - Raffles

503.1. CONDUCT OF RAFFLES.

(a) A raffle shall be conducted only on Tribal premises, except as provided by sec. 503.2(b)(2), by the Tribal Bingo Manager or a person authorized by the Tribal Bingo Manager or authorized by the Tribal Council.

(b) Only cash payment may be accepted for the purchase of a raffle ticket.

(c) Supplies and equipment necessary for the operation of a raffle on behalf of the Tribe shall be purchased by the Tribal Bingo Manager as consistent with the budget approved by the Council. Such supplies and equipment shall be owned by the Tribe.

(d) Prizes of alcohol or fermented malt beverages, securities or interest in real property are prohibited.

Section 503.2 - Method of Play

(a) Types of Raffles. There shall be two types of raffles which may be conducted:

(1) Raffles in which tickets are sold to individuals, placed in a container and drawn to determine the winner, and

(2) Raffles in which a fixed number of tickets, some which indicate the winners, are sold and drawn by the purchaser.

(b) Tickets. There shall be three types of tickets which shall be used for the raffles in subsection (a):

(1) For raffles described in (a)(1) tickets shall be identical in form and numbered sequentially if the raffle tickets are only sold on the same day or night of the occasion and drawing of the winner.

(2) For raffles described in (a)(1) and if the raffle tickets are sold over a period of time before the day or night

of the drawing of the winner, the tickets shall be identical in form, contain the name and address of the Tribe or sponsoring organization, the price of the ticket, the date and place of the drawing and a place for the purchaser's name and address. Sale of these raffle tickets off premises shall be permitted.

(3) For raffles described in (b)(2) raffle tickets shall be purchased in lots, with a fixed number of tickets and winning tickets in each lot, shall be of similar outward appearance and shall have concealed within the indices of winning what may be revealed by manipulation of the ticket by the purchasers after the purchase.

(c) Play of Raffles:

(1) The Tribal Bingo Manager shall determine the type of raffle and the prize or prizes for each raffle, which shall be clearly described and available to raffle ticket purchasers at the time of purchase. For raffles described in Section (a)(1), the odds per lot of tickets shall also be available.

(2) Each raffle shall be conducted in such manner that the results are random and each person purchasing a ticket is afforded an equal opportunity to win, and all equipment and supplies used in the conduct of each raffle shall be designed and used in such a manner as to secure such a result.

(3) Winners shall be determined according to the type of raffle and the rules of each raffle set by the Tribal Bingo Manager. The purchaser of a ticket need not be present at the drawing to wind a prize.

(4) All raffle drawings shall be held in public.

(5) All prizes shall be awarded.

Section 504 - Finances and Accounting

504.1. ANNUAL OPERATING BUDGET.

(a) Bingo, raffle, and other Class II gaming conducted at the locale at which Bingo is played shall be carried out in accordance with the annual operating budget adopted for that purpose.

Such budget shall detail the operational expenses of the operation and shall be prepared by the Tribal Bingo Manager and presented for approval by the Tribal Council at least one month before the commencement of the budget year. The budget year shall begin January 1 of each year.

(b) No expenses may be incurred by the Tribal Bingo Manager except as provided for and in conformity with the annual operating budget.

(c) The Tribal Council may, as circumstances warrant, amend the annual operating budget during the course of the year.

504.2. MONTHLY FINANCIAL REPORT.

The Tribal Bingo Manager shall prepare, sign, and submit to the Tribal Council a monthly financial report which shall include the following information for the preceding month:

- (a) the names of all persons employed in the conduct of bingo, raffles, and other associated Class II gaming;
- (b) the number and dates of all bingo occasions and raffles;
- (c) an itemized statement of gross receipts from all bingo occasions and other Class II gaming;
- (d) an itemized list of all expenditures;
- (e) a statement showing the balance in the bingo account; and
- (f) an itemized list of transfers from the bingo account to other tribal accounts for administration, government and program expenditures.

504.3. BINGO ACCOUNT.

The Tribal Accounting Office shall create a special account into which bingo, raffle and other Class II gaming receipts shall be deposited. Bingo, raffle, and associated Class II gaming receipts shall be deposited within three days of the Bingo or Raffle. Gross receipts derived from the conduct of bingo, raffles, and other Class II gaming shall not be commingled with any other tribal funds. Transfers from on the bingo account shall only be for one of the following purposes:

- (a) The payment of reasonable and necessary expenses incurred

in connection with the conduct of bingo or raffles in conformity with the annual operating budget including the payment of any assessment under 25 U.S.C. §2717.

- (b) (i) to fund tribal governmental operations or programs,
- (ii) to provide for the general welfare of the Tribe and its member by supporting, supplementing, or augmenting services provided by the Tribe to its members and the community.
- (iii) to promote tribal economic development, or
- (iv) to support charitable or educational purposes.

504.4. AUDIT.

(a) The bingo, raffle, and other Class II gaming operations shall be subject to an annual outside audit.

(b) Included in such annual outside audit shall be 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, related to bingo, raffle, and other class II gaming.

505.1. CLASS III GAMING - GENERAL PROVISIONS.

(a) Class III gaming may be conducted pursuant to this chapter at the following locations:

1. The log building located on U.S. Hwy. 2, at SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 32, T48N R2W.

2. Any other location designated by tribal council resolution.

(b) No person, natural or legal, or association of persons, other than the tribe, may conduct Class III gaming on the reservation.

(c) All primary management officials and key employees of the Class III gaming operation shall be subject to the licensing provisions of sec. 501.1(c).

(d) The chief management official of the class III gaming operation shall be responsible for the development and implementation of policies to effectuate all standards for the conduct of games, prescribed by the tribal council including

those policies and rules contained in section 505.2 - 505.5, any tribal-state compact, and any National Indian Gaming Commission regulations.

(e) The chief management official of the class III gaming operation shall be responsible for the conduct of all class III gaming operations on the reservation and all Class II gaming operations conducted at a class III gaming facility.

(f) The chief management official of the class III gaming operation shall be subject to the same powers and duties with respect to the Class III gaming operation as the Bingo Manager is with respect to Bingo operations.

(g) Any person, natural or legal, and any association thereof, contracting with the tribe to provide management service to the class III gaming operation, or gaming related goods or services exceeding in value \$10,000 per year, shall be required to obtain a gaming contractor license from the tribe, to be issued by the tribal chairman only after an investigation as provided in sec. 501.1(c) has been completed.

(h) No member of the tribal council, and no spouse, parent, child or sibling of a member of the tribal council, may have any direct or indirect financial interest in th class III gaming operation, nor may any such person or any employee of the class III gaming operation receive any payment, gift, or gratuity of any kind from any gaming contractor licensed by the Tribe or from any person, natural or legal, or any association thereof, engaged in the provision of gaming goods or services, whether or not such person or association is currently providing any such goods or services to the Tribe.

SEC. 505.2 - CLASS III GAMING - RULES OF PLAY

(a) No person under 18 years of age may play any Class III game. If any person under 18 years of age plays and otherwise qualifies for any prize or winnings, the prize or winnings shall not be paid, and the estimated amount wagered by the person

during the course of the game in which he otherwise qualifies for the prize or winnings shall be returned to him.

(b) The chief management official of the class III gaming operation shall cause to be posted at places where notice is likely an announcement that persons under the age of 18 may not participate in gaming.

(c) No person who is visibly intoxicated may play any Class III game.

(d) No credit shall be extended by the Tribe or any of its agents or employees for the conduct of gaming. No person shall offer any other person credit for a fee, however calculated, for the conduct of gaming, except that an automatic teller machine that accepts bank cards or credit cards may be installed upon class III gaming premises.

(e) No alcoholic beverages may be sold at the class III facility for the purpose of off-premises consumption.

(f) Electronic games of chance shall be installed and operated pursuant to section XV of the current Compact entered into by the Tribe and the State of Wisconsin.

(g) Blackjack shall be conducted pursuant to section XVI of the current Compact entered into by the Tribe and the State of Wisconsin.

(h) Pulltab or break open ticket games shall be conducted pursuant to the most recent published standards of the North American Gaming Regulators Association.

(i) If a player has a dispute concerning the conduct of a game, he or she shall have the right to a resolution of the dispute by the chief management official on the premises at the time the dispute arises. The dispute shall be resolved upon notification of the management official involved, after hearing from the aggrieved player and any involved class III facility employee involved. The decision of the management official shall be final. If the dispute involves the chief management official on the premises, it shall be resolved within five working

days by the tribal chairman or, in his absence, the vice-chairman, after hearing from the aggrieved player and the involved management official. The decision of the chairman or vice-chairman shall be final. Copies of this section of this chapter shall be kept at the class III facility and shall be made available to any customer of the class III facility upon request.

SEC. 505.3 - CLASS III GAMING - TAX WITHHOLDING

(a) Federal income tax shall be withheld from any prize or winnings in those cases where such withholding is required by the United States Internal Revenue Code. In all such cases, Wisconsin income tax shall also be withheld except on payments to:

1. Enrolled members of the Tribe, or
2. Individuals who certify to the Tribe, on forms that the chief management official shall assure are available, that they are not legal residents of the State of Wisconsin, unless such individuals are subject to Wisconsin income tax on such winnings under ch. 71, Wis. Stats., for the calendar year in which the payment is made.

(b) The amount of Wisconsin income taxes withheld under subsec. (a) shall be the amount of winnings multiplied by 6.93% (.0693), or the highest Wisconsin income tax rate applicable to individuals under sec. 71.06(1), whichever is higher.

(c) Taxes withheld under this section shall be deposited with the United States Internal Revenue Service and the Wisconsin Department of Revenue as provided by federal and state law.

SEC. 505.4 - CLASS III GAMING - EMPLOYEES

(a) No person employed at the class III facility may participate directly or indirectly as a player in any game at the class III facility. No person who has been employed at the class

III facility may participate, directly or indirectly, as a player in any game at the class III facility until 30 days have elapsed since the person's last day of such employment.

(b) No person employed at the class III facility may have any direct or indirect interest in, or be employed by, any person who has entered a gaming-related contract with the Tribe.

(c) No person under the age of 18 may be employed at the class III facility in any position related to the conduct of gaming.

SEC. 505.5 - CLASS III GAMING - RECORDS AND AUDITS

(a) The tribal accounting office shall maintain for at least seven years, and shall permit the authorized agents of the State of Wisconsin to inspect and copy, the following records:

1. All accounting records, which shall be kept on a double entry system of accounting, including detailed, supporting and subsidiary records.
2. Revenues, expenses, assets, liabilities and equity by game at each location where any component of Class III gaming including ticket sales, is conducted.
3. Daily cash transactions for each game at each location at which any component of Class III gaming is conducted, including but not limited to transactions relating to each gaming table bank, game drop box and gaming room bank.
4. For electronic games of chance, analytic reports which, by each machine, compare actual hold percentages to theoretical hold percentages.
5. Contracts, correspondence and other transaction documents relating to all vendors and contractors.
6. Records of all Tribal enforcement activities relating to gaming operated under this Compact.
7. All audits prepared by or on behalf of the Tribe.

(b) The tribal personnel office shall maintain for at least

seven years, and shall permit the authorized agents of the State of Wisconsin to inspect and copy, the following records:

1. Personnel information on all Class III gaming employees or agents, including complete sets of each employee's fingerprints, employee photographs, and employee profiles and background investigations, except that employee work schedules shall be maintained for a period of at least 2 years. This provision shall not include personnel records of tribal members as to matters that are not related to gaming.
2. Records of background investigations and determinations under section IX. of the current compact between the Tribe and the State of Wisconsin.

(c) At the close of each fiscal year, the chief management official of the Class III facility shall assure that an independent certified public accountant has been engaged to conduct a financial audit of the books and records of the Tribe's Class III gaming operations. The audit shall be completed within 90 days after the close of the fiscal year. The chief management official shall assure that copies of any audit reports and management letters are forwarded to the Wisconsin State Auditor and to the Lottery Board.

(d) For the fiscal year including December 1991, and each subsequent fiscal year which includes the December of an odd-numbered year, the chief management official of the class III facility shall assure that a qualified independent security auditor has been engaged to conduct a security audit. The audit shall review and evaluate the effectiveness, adequacy, and enforcement of:

1. Physical systems and administrative policies and procedures controlling access to non-public offices, warehouses, and computer rooms relating

to the conduct of gaming under this Compact.

2. Physical systems and administrative policies and procedures for handling cash and for redemption of winning tickets or credit statements issued by electronic games of chance from their receipt by the Tribe to payment of the player, including procedures for receiving and routing incoming prize claims.
3. Policies, procedures and practices to prevent theft, loss or destruction of materials, equipment, or supplies associated with any of the games authorized by this compact, including records required to be created and maintained by this Compact.
4. Policies, procedures and practices to ensure the randomness, accuracy, integrity and reliability of games operated pursuant to this Compact.
5. Fitness and integrity of computer software utilized for financial accounting and conduct of gaming under this Compact.

The chief management official shall assure that within 90 days of the close of fiscal year copies of any audit reports and management letters are sent to the Wisconsin State Auditor and Lottery Board.

(e) Audits shall be conducted in accordance with sec. XII (c) of the current Compact entered into by the Tribe and the State of Wisconsin.

505.6. CLASS III GAMING - FINANCES AND ACCOUNTING.

(a) The chief management official of the class III gaming operation shall submit to the Tribal Council a monthly financial report which shall include the following information for the preceding month:

- (i) The names and position of all persons employed;

(ii) An itemized statement of gross receipts from all class III gaming and all class II gaming conducted at a class III facility, and of accounts receivable;

(iii) An itemized list of all expenditures, and accounts payables;

(iv) A statement showing the amount available for tribal expenditure.

(b) The Tribal Accounting Office shall create a special account into which class III receipts shall be deposited. Class III receipts shall not be commingled with any other tribal funds. Checks drawn on the class III account shall be only be for the following purposes;

(i) The payment of reasonable and necessary expenses incurred in the operation of the class III facility; or

(ii) those purposes listed at sec. 504.3(b).

(c) Class III gaming operations shall be subject to an annual outside audit which shall include all contracts for supplies, services, or concessions for a contract amount in excess of \$25,000 annually, except for professional legal or accounting services, related to class III gaming.

505.6m - Class III Gaming - Off Reservation. Reserved.

Section 506 - Violations

506.1. PROHIBITED ACTIVITIES. It shall be unlawful and prohibited activity for any person to:

(a) Violate the terms of this ordinance in any way; or

(b) Conduct a bingo game or occasion, raffle, other class II gaming, or class III gaming within the boundaries of the reservation except in conformity with this ordinance; or

(c) Act or scheme in any way to influence the conduct or result of any gaming activity or the determination of the winner thereof; or

(d) Act or scheme in any way to deprive the Tribe of the income or proceeds of any portion thereof from gaming activities.

(e) Misrepresent on an application, form, or in any interview any material fact related to his or her qualifications for a license under this chapter or for any gaming-related employment.

506.2. PENALTY. For commission of any of the prohibited activities in sec. 506.1, the violator shall be subject to the following penalties:

(a) A civil remedial forfeiture of up to \$5,000.00 for each violation.

(b) Seizure and forfeiture of all property used in the violation;

(c) Discipline or discharge from Tribal employment;

(d) Referral to state or federal authorities for criminal prosecution; and/or

(e) Such civil remedies as the Tribe may have available to recover any losses caused by or associated with such violations.

506.3. ENFORCEMENT.

(a) Jurisdiction is hereby conferred upon the Tribal Court over actions for violation of this ordinance under the procedures set forth in the Tribal Court Code.

(b) The provisions of this ordinance shall be enforced by all Tribal law enforcement officers. In addition, federal, state, and local law enforcement officers are hereby authorized to enforce the provisions of this ordinance.

(c) In addition to the penalties set forth in 506.2, the court, upon conviction, shall order payment of appropriate court costs.

Section 506 - Repealer

The Bad River Tribal Bingo and Raffle Control Ordinance is hereby repealed as of the date of enactment hereof. All other ordinances or portions thereof inconsistent or in conflict with this ordinance are hereby repealed to the extent of the inconsistency only.