



Mille Lacs Band of Ojibwe Indians
Gaming Regulatory Authority
Detailed Gaming Regulations

**BACKGROUND INVESTIGATIONS AND LICENSURE:
APPLICANTS AND LICENSEES**

Document No. DGR – 7

Effective: August 24, 2018

I. INITIAL APPLICATION, RENEWAL APPLICATION AND BACKGROUNDING PROCESS.

Section 1. Purpose. This regulation sets forth a detailed procedure for conducting background investigations, reviewing the results of those investigations, and making Compliance Determinations for licensees and applicants as required by the Indian Gaming Regulatory Act (IGRA), National Indian Gaming Commission (NIGC) regulations, Tribal-State Compacts and Title 15 of Mille Lacs Band Statutes Annotated (15 MLBSA).

Section 2. Policy. The Band's Gaming Regulatory Authority (GRA) Board and Office of Gaming Regulation and Compliance (OGR&C) shall be responsible for conducting, or causing to be conducted, background investigations on all applicants and licensees of all Gaming Enterprises, the GRA and gaming management personnel. Such background investigations must be conducted in accordance with the regulations at 25 CFR § 556, the Tribal-State Compacts, 15 MLBSA and DGR 7b.

- A. Licensing a Privilege. Any gaming license issued by the GRA is a privilege subject to suspension, denial or revocation.
- B. Burden on Applicant or Licensee. The burden of proving qualification for any license hereunder is at all times on the applicant/licensee. Applicants/licensees shall submit the information required for completion of the background investigation (including renewals) by the due date stated on the initial information request. Any license issued is subject to suspension until such information is received. Failure to provide such information constitutes grounds for license denial or revocation. Applicants/licensees accept any risk of adverse public notice, embarrassment or other action, which may result from the application process and expressly waive any claim for damages as a result thereof.
- C. Release of Information. All applicants shall sign a written release concerning all information necessary for the GRA to achieve its goals under 15 MLBSA, and to furnish such information to the Bureau of Indian Affairs, the NIGC, or other governmental agency as required by law or the Tribal-State Compacts.
- D. Applicant Claim of Privilege. An applicant/licensee may claim any privilege afforded by law in connection with a gaming license application or investigation, but a claim of privilege with respect to any testimony or evidence pertaining thereto may constitute grounds for denial, suspension or revocation of a gaming license.

Section 3. Authorization of Investigations; Release of Information. The GRA may employ all reasonable means, including engaging outside services and investigators, to acquire information necessary to determine whether a license should be issued, renewed, denied, suspended or revoked. Applicants for licensure shall execute a full release of all information necessary for the GRA to achieve its goals under this policy, and to meet the GRA's mandate pursuant to 15 MLBSA, the Tribal-State Compacts and applicable federal law.

Section 4. Confidentiality of Interviewed Persons in an Investigation. The GRA Board, the Executive Director, and all employees of the OGR&C shall keep confidential the identity of each person interviewed in the course of the routine background investigation. However, nothing in these policies prevent the Executive Director or counsel for the GRA from releasing to the



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licensee/applicant the name(s) of any person(s) whose testimony may be relied upon, or who may be called as a witness at a Determination Hearing or before the Court of Central Jurisdiction.

Section 5. Scope of Investigations and Related Activities. Any investigations or related activities conducted by the GRA pursuant to 15 MLBSA must be strictly limited to official GRA duties under the law. Any investigations and related activities outside the routine of a normal background investigation may be undertaken only after review by the GRA Board to verify that the scope and subject of any additional investigation complies with 15 MLBSA and other applicable law. Individuals who perform investigations and related activities outside the scope of 15 MLBSA and other applicable law are subject to immediate dismissal and reasonable fines.

Section 6. Licensing and Investigation Fees. Prior to issuing a license, the GRA must receive all fees and costs, unless otherwise provided for in advance. Applicants and licensees may be responsible for any extraordinary costs of any applicable background investigation.

Section 7. Initial Application Process. Offers of employment are contingent upon all applicants for licensure completing a Personal and Uniform History Statement and reading, signing and dating the Eligibility Requirements for Licensure. OGR&C licensing personnel shall review the application to ensure all applicable sections of the Personal and Uniform History Statement are completed. During the review process, the applicant will be asked a series of questions to clarify information disclosed or disclose information otherwise omitted from the application.

A. **Primary Management Official (PMO) Licenses.** PMO Licenses are required for the following positions and those positions with equivalent authority or responsibilities:

1. Gaming Enterprises: General Manager, Assistant General Manager, Vice President, Director.
2. Mille Lacs Corporate Ventures (MLCV): Corporate Board of Directors, Corporate Commissioner, Executive Administrative Assistant, Attorney, C-suite, Vice President, Director.
3. GRA: GRA Board, GRA Board Secretary, Executive Director, Assistant Executive Director, Executive Administrative Assistant, Director of Surveillance, Director of Internal Audit, and the Office of the Solicitor General counsel regularly representing the GRA.

B. **Class A Key Licenses.** Class A Key Licenses are required for any applicant/licensee considered to be part of the departments or holding the titles listed below:

1. Gaming Enterprises: Slots, Finance, Information Technology, Managers, Marketing, Security, Executive Administrative Assistant;
2. MLCV: Manager, Accounting, Finance, Loss Prevention, Marketing, Information Technology; and
3. GRA: All other GRA personnel.

C. **Class B Key Licenses.** A minimum of a Class B Key License is required for any applicant/licensee considered to be part of the departments or holding the titles listed below:

1. Table Games, Card Games, Bingo, Pull Tabs, and Learning & Development.
2. Human Resources and all Administrative Assistants not required to have a Class A License.



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3. Hotel, Food and Beverage, and Golf Departments handling cash, credit cards, coupons, or comps.
 4. Any other applicant/licensee of the Gaming Enterprise or MLCV earning or having the potential to earn (due to current grade level) \$50,000 or more during the fiscal year (including bonuses and incentives), except persons employed at non-gaming MLCV small businesses or subsidiaries.
- D. Class C Key Licenses. A minimum of a Class C Key License is required for any applicant/licensee, eighteen (18) years of age and older, employed by a Gaming Enterprise, MLCV, or MLCV-owned employment companies, except persons employed at non-gaming MLCV small businesses or subsidiaries, who is not otherwise required to have a PMO, Class A, or Class B License.
- E. Class D Registration. A minimum of a Class D registration is required for any individual working at a Gaming Enterprise or MLCV who is not otherwise required to have a PMO, Class A, B, or C License such as:
1. Applicants under eighteen (18) years of age.
 2. Temporary Program participants employed for less than ninety (90) days.
 3. On-site employees of contracted companies performing duties substantially similar to current associate positions.
- F. Notices and Requests for Information. The Personal and Uniform History Statement must contain the following notices and require the following information:
1. Privacy Act Notice: 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 the individuals to be granted a gaming license. The information will be used by the GRA and the NIGC members and staff who have need for 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 NIGC in connection with the issuance, denial, 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 a tribe being unable to issue a gaming license. The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply an SSN may result in a tribe being unable to issue a gaming license.
 2. 18 USC § 1001 Notice: A false statement on any part of your license application may be grounds for denying a license or the suspension or revocation of a license. Also, you may be punished by fine or imprisonment.
 3. 25 CFR Background Information: At a minimum, all information as required in 25 CFR § 556.4 (a)(1 – 14).
 4. 15 MLBSA § 307 (g): GRA – Authority to Release Information: Applicants for licensure shall execute a full release of all information necessary for the GRA to achieve its goals



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under this Title, and to furnish such information to the Bureau of Indian Affairs, the NIGC, or such other governmental agency as may be required by law or the Compact.

Section 8. Renewal Process. The renewal process must be substantially similar to the initial application.

Section 9. Creating and Changing Positions. The Gaming Enterprise and MLCV shall provide the OGR&C notification of reassignments, transfers, creation of new positions, or proposed employment solutions. This notification will give the OGR&C an opportunity to review the current gaming license classification for positions or programs to determine if further background procedures must be conducted prior to implementation. Notice must be received by the OGR&C at least ten (10) business days prior to implementation.

II. BACKGROUND PROCEDURES.

Section 1. OGR&C Background Procedures. In addition to assisting an applicant/licensee with completion of the Personal and Uniform History Statement, authorized GRA employees may also perform, but not be limited to, the following, as applicable:

A. PMO, Class A, B, & C Licenses:

1. Contact county criminal history agency based on residence history, credit report and motor vehicle report.
2. Submit relevant information and fingerprints to Minnesota Department of Public Safety or NIGC for receipt of Minnesota Bureau of Criminal Apprehension report or FBI Report.
3. Conduct reference checks on personal/character references and previous gaming licenses.
4. Review internal investigations.
5. Consult tribal courts.
6. Query Office of Foreign Asset Control (OFAC) sanctions list.
7. Search social media.

B. Class D Registration:

1. Contact county criminal history agency based on residence history and motor vehicle report.
2. Conduct reference checks on personal/character references.
3. Review internal investigations.
4. Query Office of Foreign Asset Control (OFAC) sanctions list.
5. Search social media.

Section 2. Eligibility Determination. The Executive Director or authorized GRA employees shall review the results of all background investigative reports above to determine:

- A. If the information in the reports conflict with the information provided on the Personal and Uniform History Statement;
- B. If the information in the reports violate the standards contained in DGR 7b or the Tribal-State Compacts;



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- C. If employment of a person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming; and
 - D. If the information in the reports creates or enhances the danger of internal theft or fraud. The Executive Director shall consider the nature of the position applied for to determine the nature of any potential threat to Band assets.

Section 3. Waiver of Eligibility Requirements. If an applicant fails to meet the minimum requirements for a gaming license set forth by DGR 7b, the applicant may request a waiver of such requirements.

- A. In addition to the standard Gaming License Application requirements, waiver requests must include:
 - 1. Any documents pertaining to court ordered treatment or programs;
 - 2. Any documents regarding release from a State or Federal penitentiary; and
 - 3. At least three (3) personal affidavits attesting to the character and rehabilitation of the applicant. The affidavits must:
 - (a) Be from a person unrelated to the applicant;
 - (b) State how long the person has known the applicant (minimum of three (3) years);
 - (c) Contain a verifiable physical or mailing address; and
 - (d) Be notarized.
- B. Upon receipt of the required information, the Executive Director will assess the information, issue a Compliance Recommendation and place the recommendation on the agenda for the next GRA Board meeting. The applicant will be notified by certified mail of the time, date and location of the licensing hearing. The applicant must attend the hearing in person. The applicant may submit a written request to appear from any GRA office by phone.
- C. The waiver request applicant may also include a personal statement or other supporting documentation attesting to his or her rehabilitation.
- D. Nothing in this section requires the GRA Board to grant a waiver request.

III. GRANTING OF GAMING LICENSES.

Section 1. Granting of a Temporary License. Once an applicant has submitted a fully completed Personal and Uniform History Statement, OGR&C licensing personnel shall review the Statement to determine if it contains any information that would prohibit the applicant from obtaining a Band gaming license. Absent such a prohibition, the Executive Director or designee shall issue a temporary license to the applicant. Applicants are permitted to obtain employment with such a temporary license, subject to a final Compliance Determination made in accordance with these regulations. Pursuant to 15 MLBSA § 307 (c)(3)(B)(vi) and 25 C.F.R. § 558.3 (b), no Band Gaming Enterprise shall employ a Key Employee or PMO who does not have a license after ninety (90) days.

Section 2. Granting of a Gaming License. Once all of the reports required in Part II have been received from the appropriate agencies, The Executive Director or authorized GRA employees shall review the reports to determine:



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- A. Whether the applicant provided the required information;
 - B. Whether the information provided by the applicant conflicts with that contained in the reports; and
 - C. Whether the nature of any nondisclosure, conflicting information, or information revealed in the reports makes the applicant ineligible for licensure pursuant to 15 MLBSA and other applicable laws.
 1. Recommendation to Executive Director. For all applicants, authorized GRA employees shall complete an Investigative Report and notify the Executive Director of its results.
 2. Compliance Recommendation. The Executive Director shall assess the results of the Investigative Report and issue a Compliance Recommendation as to licensure as defined in 15 MBLSA § 402 (b). The Executive Director shall make all Compliance Recommendations to either the GRA Board, or a Hearing Examiner. For any recommendation against licensure, the Executive Director shall notify the appropriate persons of the time, date and location that the GRA Board or a Hearing Examiner will hear such recommendation in a Compliance Determination hearing.
 3. Compliance Determination. If the GRA Board or Hearing Examiner issues a Compliance Determination in favor of granting a license to an applicant, the OGR&C shall issue such license, subject to the following provisions:
 - (a) Notification to NIGC. Pursuant to 15 MLBSA § 307 and 25 CFR §§ 556 and 558, the OGR&C shall forward the results of all background investigations for Key Employees and PMOs, including the eligibility determination made pursuant to 25 CFR § 558.2, to the NIGC.
 - (b) NIGC Consideration. If, within the 30-day period described in 15 MLBSA § 307 and 25 CFR § 558.3, the NIGC notifies the GRA that it has no objection to the issuance of a license for a Key Employee or PMO, the GRA may go forward and issue a license to such an applicant. If however, during the same period, the NIGC provides the GRA with a statement itemizing objections to the issuance of a license for a Key Employee or PMO, the GRA Board shall reconsider the application in light of these objections. The GRA Board shall make the final decision whether to issue a license to such an applicant.
 4. Physical Gaming License.
 - (a) Upon licensure each licensee must be issued a photographic identification card or badge. Such identification card or badge must display the license number, department, job title, and expiration date. The licensee's legal first name must be printed on the front of each photographic identification badge. Each licensee shall wear the photographic identification card or badge described above during all times when they are working (including associate only areas of the Gaming Enterprise). Such identification card or badge must be reissued at least annually.
 - (b) Expired badges: Expired badges must be turned in at the time of obtaining a new badge. No new issue shall be distributed until the expired badge has been turned in. All expired badges must be immediately destroyed.



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- (c) Duplicate badges: Procedures must be established regarding management of duplicate badges.

IV. SUSPENSION, DENIAL AND REVOCATION OF GAMING LICENSE.

Section 1. Adverse Compliance Recommendations. If, at any time during the course of a routine background investigation, the OGR&C becomes aware of any information material to a Compliance Recommendation, they shall immediately notify the Executive Director.

- A. The Executive Director will assess the information received and issue a Compliance Recommendation. The GRA Board (or a Hearing Examiner appointed by the Board) will hear all Compliance Recommendations. Persons who wish to appeal a negative Compliance Recommendation may do so at the time, place and location for the Compliance Determination Hearing listed on the Compliance Recommendation.
- B. All Compliance Determination Hearings will be held in accordance with DGR 2. The GRA Board shall notify the applicant/licensee in writing of its Compliance Determination.
- C. The OGR&C shall submit the Notification of Results to the NIGC.
- D. At the conclusion of the Determination Hearing, the Executive Director shall immediately notify the Gaming Enterprise of the status of the applicant/licensees' license.
- E. Persons subject to denial or revocation Compliance Determinations may submit a written petition for license reapplication to the GRA Board no more than once per year. Nothing in this section prevents the GRA Board from allowing reapplication earlier.

Section 2. License Denials. For a new applicant, if the Executive Director issues a Compliance Recommendation recommending denial of a license and the individual is currently employed by a Gaming Enterprise, the OGR&C shall notify management of the denial and the applicant will be unable to continue active employment pending a final Compliance Determination by the GRA Board or final order from the Mille Lacs Band Court of Central Jurisdiction.

Section 3. Temporary License Suspension. If the OGR&C requests information from a licensee, the following procedure will apply:

- A. The licensee, department head, and Human Resources will be notified;
- B. The licensee will have five (5) business days to comply with the OGR&C's information request; and
- C. If the five (5) business days lapse and the licensee has not complied with the request, the OGR&C has the authority to temporarily suspend the licensees' license until the licensee complies with the information requested.

Section 4. License Suspension or Revocation. If, after the issuance of a gaming license, the GRA receives reliable information indicating a licensee is not eligible for continued licensure, such information shall be conveyed to the Executive Director.

- A. The Executive Director shall assess the information received and issue a Compliance Recommendation to suspend or revoke the licensee's gaming license, to be the subject of a Determination Hearing before the GRA Board.
- B. A licensee who receives a Compliance Recommendation for suspension or revocation of their gaming license will be unable to continue active employment pending the final outcome of a



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Determination Hearing before the GRA Board or final order from the Court of Central Jurisdiction.

- C. Nothing in these regulations prevent the GRA Board from suspending a gaming license, for a period not to exceed one (1) year, pursuant to the Board’s authority to impose reasonable penalties as outlined in 15 MLBSA § 305 (a)(16).

Section 5. Emergency Enforcement Orders. If the Executive Director or designee finds the licensee is an immediate threat to Band assets, or probable cause exists to believe that a crime has been, or is about to be committed, the Executive Director or designee may, by Emergency Order, immediately impose any legitimate regulatory enforcement and corrective action within the scope of the GRA’s authority which is proportional to the harm such Emergency Enforcement Order seeks to remedy. Pursuant to this standard, the Executive Director may require the immediate removal (and restriction against reentry) of a licensee from a Gaming Enterprise, pending the outcome of a Compliance Determination hearing or final order from the Court of Central Jurisdiction. All Emergency Enforcement Orders must comply with the requirements found in 15 MLBSA § 402 (c) and be supported by a Compliance Recommendation.

Section 6. GRA Board Consideration of Emergency Orders. Pursuant to 15 MLBSA § 402 (c), the Executive Director shall immediately forward any such order, along with a supporting Compliance Recommendation, to the GRA Board and the Corporate Commissioner in the manner provided by 15 MLBSA § 312 (d). The GRA Board shall convene a Compliance Determination hearing to consider the Executive Director’s Emergency Enforcement Order and supporting Compliance Recommendation within three (3) days of receipt of the Order from the Executive Director. In all such cases, the GRA Board’s Compliance Determination or a final order from the Court of Central Jurisdiction supersedes the Executive Director’s Emergency Enforcement Order. For any license suspended or revoked, the OGR&C staff shall submit the Notification of Results to the NIGC, and immediately notify Gaming Enterprise management of the status of the applicant/employee license.

V. BACKGROUND INFORMATION AND RETENTION. Licensing files containing the Personal and Uniform History Statement, Employment Application, Internal Revenue Service Form I-9, Personnel/Payroll Action Notice (PPAN) and all investigation results must be securely maintained at the offices of the OGR&C. Access to such files is limited to the OGR&C licensing staff, the Executive Director and members of the GRA Board. NIGC Agents and State Gambling Enforcement Agents may also access files for purposes of an audit. Licensing files shall be retained for three (3) years after the associate/employee terminates. Licensing files subject to adverse Compliance Determination must be retained for at least five (5) years after the determination date.

VI. GAMING STANDARDS FOR LICENSEES.

Section 1. Licensees Prohibited from Gaming. Licensees in the following positions are prohibited from gaming at any Gaming Enterprise licensed by the GRA:

- A. GRA Board Members;
- B. GRA Employees; and



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C. PMOs.

Section 2. Conditions of Licensee Gaming. Licensees other than those listed above may game at a Gaming Enterprise licensed by the GRA with the following conditions:

- A. Licensees shall not game while on duty;
- B. Licensees shall not game while in uniform;
- C. Employees of the Revenue Accounting Department shall not play slots.
- D. Employees of the Slots Department shall not play slots at the Gaming Enterprise where they are employed;
- E. Employees of the Information Technology Department with access to gaming systems shall not play slots;
- F. Employees who work in Blackjack shall not play Blackjack at the Gaming Enterprise where they are employed;
- G. Employees who sell Pull Tabs shall not play Pull Tabs at the Gaming Enterprise where they are employed;
- H. Employees who control Bingo paper inventory shall not play Bingo at the Gaming Enterprise where they are employed;
- I. Employees are prohibited from participating in marketing promotions that involve a guest drawing;
- J. Employees are prohibited from participating in marketing promotions insured by a third party;
- K. Employees who work in the Marketing Department (except for coat check and the call center) are prohibited from participating in any marketing promotion; and
- L. Licensees, when enrolled into the player's club, must be electronically identifiable.

History.

Approved by Band Assembly on June 29, 2005.

Changes approved by the Gaming Regulatory Authority on April 24, 2014. Effective Date: April 24, 2014.

Changes approved by the Gaming Regulatory Authority on November 24, 2015. Effective Date: January 1, 2016.

Changes approved by the Gaming Regulatory Authority Board on April 28, 2016. Effective April 28, 2016.

Changes approved by the Gaming Regulatory Authority Board on August 24, 2018. Effective August 24, 2018.

Copies of prior versions of the regulation available upon request from the GRA.