



CWYĀ DĔR JĒNGĔĔY DĥŌĬbh  
**CHEROKEE NATION GAMING COMMISSION RULES  
AND REGULATIONS**

<b>CHAPTER:</b>	<b>Authorization of Gaming Activity</b>	<b>CHAPTER #:</b>	<b>VII</b>
<b>SUBJECT:</b>	<b>Charitable Gaming</b>	<b>SECTION – SUBSECTION:</b>	<b>E</b>
<b>EFFECTIVE DATE:</b>		<b>SUPERSEDES MATERIAL DATED:</b>	
<b>APPROVED BY:</b>		<b>DATE:</b>	

### Section 1 – Purpose and Definitions

1. Purpose. The purpose of this Regulation is to govern Charitable Gaming conducted within the boundaries of the Cherokee Nation Reservation, which the Nation recognizes as an important method of raising funds for legitimate charitable purposes.
2. Authority. This Regulation is issued pursuant to the authority of the Cherokee Nation under the Indian Gaming Regulatory Act, 25 U.S.C. §§ 2701 *et seq.* and §§ 22 (C) and (D)(20) of the Cherokee Nation Gaming Act (the “Gaming Ordinance.”)
3. Applicability. All Charitable Gaming conducted on the Cherokee Nation Reservation is subject to the oversight and regulation of the Cherokee Nation Gaming Commission.
4. Definitions:
  - A. "Bingo" means a game in which each player receives a bingo face and covers squares according to the numbers, letters, or combination of numbers and letters that have been announced by the caller. The numbers and letters called are on an object selected at random either manually or mechanically from a receptacle in which the objects have been placed bearing the numbers, letters, or combinations of numbers and letters corresponding to the system used for designating the bingo face squares. The winner of each bingo game is the player who first properly covers a predetermined and announced pattern of squares upon the bingo face being used by the player;.
  - B. "Bingo Face" means a flat piece of paper which is marked off into any number of squares in any arrangement of rows, with each square being designated by number, letter or combination of numbers and letters and with one or more squares designated as a "free" space, which piece of paper cannot be reused after the game in which a player has used it is over.

- C. "Charitable Gaming" means the conduct of a Charity Game or Charity Games by a Charitable Organization.
- D. "Charitable Gaming Facility License" means a license issued for a permanent Location at which a Non-Exempt Charitable Organization is operating Charitable Gaming.
- E. "Charitable Gaming License" means a license issued to a Charitable Organization or a Charitable Organization Employee by the Gaming Commission to conduct or participate in the conduct of Charitable Gaming.
- F. "Charity Game" means a bingo game conducted by a Charitable Organization pursuant to this Regulation.
- G. "Charitable Organization" means a bona fide not-for-profit organization with a primary purpose of serving the public interest. For the purposes of this Regulation, Charitable Organizations must be duly registered as a 501 (c)(3) organization or equivalently registered or organized as a charitable organization under Cherokee Nation law, including Community and Cultural Outreach Organizations under Cherokee Nation law.
- H. "Charitable Organization Employee" means a person working either for compensation or on a volunteer basis for a Non-Exempt Charitable Organization conducting Charitable Gaming.
- I. "Commission" or "Gaming Commission" means the Cherokee Nation Gaming Commission.
- J. "Exempt Charitable Organization" means any Charitable Organization coming within the limits of § 2 (3) of this Regulation.
- K. "Gross Gaming Revenue" means, in line with 25 C.F.R. § 542.2, annual total amount of cash wagered on games and admission fees, less any amounts paid out as prizes or paid for prizes awarded.
- L. "Licensee" means any Charitable Organization or person that has received a license from the Commission to manage, operate, conduct, or host charitable gaming.
- M. "Location" means the building, including the individual rooms and equipment in the rooms, grounds, and appurtenances, including adjacent premises if subject to the direct or indirect control of the Charitable Organization while conducting a Charity Game, which are used in connection with or in furtherance of the conduct of a Charity Game.

- N. "Non-Exempt Charitable Organization" means any Charitable Organization requiring a Charitable Gaming License to conduct Charitable Gaming.
- O. "Session Period" means the period from 10:00 a.m. to midnight during which Charitable Organizations may conduct Charity Games.

DRAFT

## Section 2 – Licensing

---

1. The power to regulate, oversee, and license the management, operation, and conduct of and participation in Charitable Games within the boundaries of the Cherokee Nation Reservation is vested exclusively with the Gaming Commission.
2. Any Charitable Organization seeking to conduct Charitable Gaming within the Cherokee Nation Reservation must be licensed with the Gaming Commission unless explicitly exempted from licensure by the Gaming Commission.
3. The following Charitable Organizations are exempt from licensure requirements under this Regulation:
  - A. Any hospital, nursing home, residential care facility, senior citizens' center, retirement center, or convalescent facility that conducts Charity Games at such facilities on a regular basis for residents or regular patrons of the facility and their immediate family members for nominal prizes;
  - B. Any primary, middle, or secondary school or any college or university that conducts Charity Games at such facilities for students, teachers, faculty, alumni, and their immediate family members; and
  - C. Any Charitable Organization 1) seeking to hold fewer than twelve (12) Charitable Gaming sessions per calendar year and 2) that is granted an exemption from the Gaming Commission prior to conducting any Charitable Gaming activity (“Exempt Charitable Organizations”). Such exemptions may be requested via a written application:
    - i. Signed by the Executive Officer of the Charitable Organization;
    - ii. Explaining the reasoning for requesting an exemption; and
    - iii. Providing copies of any additional information as the Gaming Commission may request on an exemption request form or otherwise.
4. All Charitable Gaming Licenses and Charitable Gaming Facility Licenses will be issued for a period of two (2) years.
5. Applications for Charitable Gaming Licenses and Charitable Gaming Facility Licenses must be submitted to the Gaming Commission at least forty-five (45) days prior to the first day on which the Non-Exempt Charitable Organization intends to conduct Charitable Gaming or, in the case of Charitable Organization Employees, at least forty-five (45) days

prior to the Charitable Organization Employee's participation in the conduct of Charitable Gaming.

6. By applying for any form of Charitable Gaming License or Charitable Gaming Facility License with the Gaming Commission, applicants acknowledge that they are subject to the civil and regulatory jurisdiction of the Cherokee Nation, including the Gaming Commission.

7. License Eligibility and Requirements.

- A. Non-Exempt Charitable Organizations. To be eligible to conduct Charitable Gaming, a Non-Exempt Charitable Organization must:

- i. Be registered as a bona fide, tax-exempt organization under § 501 (c)(3) of the U.S. Internal Revenue Code or otherwise equivalently registered or organized as a bona fide charitable organization under Cherokee Nation law;
    - ii. Have been operating as a Charitable Organization in good standing for not less than eighteen (18) months prior to application for licensure;
    - iii. Serve the public interest;
    - iv. Dedicate any earnings, excepting reasonable operating expenses, to charitable purposes;
    - v. Have no officers, directors, managers, or officials of the Charitable Organization that have been convicted or pleaded nolo contendere to a violation of gambling laws of any state, or have forfeited bond to appear in court to answer charges for any such violation, or have been convicted or pleaded guilty or nolo contendere to the violation of any law classified as a felony;
    - vi. Apply for a Charitable Gaming License with the Gaming Commission; and
    - vii. Remit payment of a licensee fee to the Gaming Commission.

- B. Employees.

- i. Any Charitable Organization Employee conducting or assisting in the conduct of Charitable Gaming who constitutes a Key Employee or Primary Management Official under 25 CFR §§ 502.14 and 502.19 respectively must be licensed in accordance with the Indian Gaming Regulatory Act, the NIGC regulations, and the Cherokee Nation Gaming Ordinance.

- ii. Charitable Organization Employees participating in the management or conduct of Charitable Gaming who do not constitute Key Employees or Primary Management Officials must apply for a Charitable Gaming License with the Gaming Commission prior to engaging in Charitable Gaming Activities.
- iii. The Gaming Commission may, in its discretion, require employees participating in the conduct of Charitable Gaming to undergo background checks.

C. Facilities.

- i. Any Non-Exempt Charitable Organization operating Charitable Gaming from a permanent Location must apply for and receive a Charitable Gaming Facility License prior to conducting Charitable Gaming at the Location.
  - ii. To be eligible for a Charitable Gaming Facility License, a Location must:
    - 1. Be adequate in all respects to accommodate the gaming intended to be carried on within the structure;
    - 2. Be equipped with security and surveillance equipment meeting or exceeding provisions set forth in regulations established by the Gaming Commission;
    - 3. Meet environmental, public health and safety standards of the Nation pursuant to §5 of the Gaming Ordinance;
    - 4. Submit a complete application for a Charitable Gaming Facility License, as incomplete applications will be denied;
    - 5. Obtain, maintain, and prominently display an up-to-date certificate of occupancy at the Location; and
    - 6. Meet any and all requirements of applicable Tribal, Federal, and/or State law.
8. Licensing Forms. Any bona fide nonprofit organization constituting a Non-Exempt Charitable Organization desiring to manage, operate, or conduct Charitable Games within the Cherokee Nation Reservation must provide the following information, at a minimum, in its application for a Charitable Gaming License:
- A. The name and address of the organization;
  - B. The particular Location or multiple Locations or premises for which a license is desired;

- C. A certified copy of the document from the U.S. Internal Revenue Service or tribal government that either grants the applicant tax-exempt status or establishes the applicant as a Charitable Organization for the purposes of this Regulation and the associated federal or tribal identification number, as applicable;
  - D. A certified copy of the articles of incorporation and certificate of incorporation of the organization, as applicable;
  - E. A copy of the bylaws of the organization, as applicable;
  - F. A copy of the minutes of the meeting of the organization at which the governing body was elected and the terms of office of each member of the governing body, as applicable;
  - G. A copy of the minutes of the meeting of the governing body of the organization at which the application for the license was authorized, as applicable;
  - H. The name and address of a person authorized to receive service of process on behalf of the organization;
  - I. A sworn statement verifying that such organization is a bona fide nonprofit Charitable Organization signed by the presiding officer and secretary of the organization; and
  - J. Any such other information as may be requested by the Gaming Commission.
9. Licensing Fees. Licensing fees for Non-Exempt Charitable Organizations, Charitable Organizations Employees, and Charitable Gaming facilities will be assessed subject to the following schedule:
- A. Non-Exempt Charitable Organizations. First-time licensees and license renewals applicants will be assessed a Charitable Gaming License Fee of \$1,000.00.
  - B. Charitable Organization Employees. Excepting any employees who may be subject to licensing as Key Employees or Primary Management Officials, Charitable Organization Employees conducting or assisting in the conduct of Charitable Gaming will be subject to the following Licensing Fees:
    - i. Initial Licensing Fee: \$175.00
    - ii. Renewal Fee: \$125.00

C. Facilities. Non-Exempt Charitable Organizations conducting Charitable Gaming from a permanent facility will be subject to the following Charitable Gaming Facility Licensing Fees:

i. Initial Licensing Fee: \$500.00

ii. Renewal Fee: \$500.00

10. Fee Waivers. Any applicant Non-Exempt Charitable Organization or Charitable Organization Employee may petition for a waiver of applicable licensing fees by writing to the Gaming Commission for cause, for reasons of hardship, or for other special circumstances, which may be granted or denied at the sole discretion of the Gaming Commission.

11. Continuing Obligation. Licensees have a continuing obligation to report any changes to information submitted with their Charitable Gaming License application to the Gaming Commission.

### Section 3 – Conduct of Charitable Gaming

---

1. Non-Exempt Charitable Organization Licensees must prominently display their license to conduct Charitable gaming at the Location where Charitable Gaming is being conducted.
2. Charitable Gaming Facility Licensees must prominently display both their Charitable Gaming Facility License and an up-to-date certificate of occupancy at the licensed Location.
3. Charitable Organization Employee Licensees must wear badges reflecting their licensure status at all times while conducting or assisting in the conduct of Charitable Gaming.
  - A. Lost Charitable Organization Employee badges will incur a replacement fee of \$250.00.
4. Non-Exempt Charitable Organization Licensees must maintain detailed records on each Charitable Gaming session conducted.
  - A. Licensees must keep and maintain sufficient books and records to substantiate the receipts, expenses, and uses of revenue related to the conduct of Charitable Gaming activities authorized under a license.
  - B. All records must be maintained for a minimum of three (3) years;
  - C. Records must be made available to the Gaming Commission for inspection during regular business hours and upon written request.
  - D. Within sixty (60) calendar days of the close of each fiscal year, Licensees must provide an overview and accounting of Charitable Gaming activities to the Gaming Commission including record of:
    - i. All gaming days;
    - ii. Total monetary value of all prizes awarded;
    - iii. Gross Gaming Revenue; and
    - iv. Any other information requested by the Gaming Commission.
  - E. Licensees may be subject to an in-depth annual financial review at the discretion of the Gaming Commission.

F. Records must include, at a minimum:

- i. Date and location of each Charitable Game conducted;
- ii. Name of the operator or manager of each Charitable Game;
- iii. Value of all prizes awarded for each Charitable Game played;
- iv. Value of all other prizes awarded in connection with Charitable Games;
- v. Name and address of each winner of a prize of more than \$100;
- vi. Number of players present at each Charitable Gaming session;
- vii. Gross sale of receipts from hard bingo cards;
- viii. Number of Charitable Games played each day and within each calendar month
- ix. Date on which each prize was awarded.
- x. Daily gross receipts received for admission and any additional charges connected with Charitable Games.
- xi. Gross sale of receipts from hard bingo cards.

5. General Limitations.

A. Form of Gaming. Electronic forms of Charitable Games are prohibited.

B. Revenue.

- i. Annual Gross Gaming Revenue for any Non-Exempt Charitable Organization from Charitable Gaming may not exceed \$1,000,000.00.
- ii. All proceeds must benefit the Charitable Organization's charitable purposes, excepting reasonable costs to cover the conduct of Charitable Gaming, which administrative costs must not exceed thirty percent (30%) of all proceeds.

C. Session Timing and Frequency.

- i. Non-Exempt Charitable Organizations may only conduct Charitable Gaming during the Session Period.

- ii. Non-Exempt Charitable Organizations may not conduct Charitable Gaming more than four (4) days in any calendar month.
- iii. No more than two (2) Charitable Gaming sessions may be held by a Non-Exempt Charitable Organization on any calendar day.

D. Prizes.

- i. No single jackpot prize may exceed Twenty-Five Thousand Dollars (\$25,000.00), and not more than a total of Twenty-Five Thousand Dollars (\$25,000.00) in cash or any other thing of value will be paid out during a Charitable Gaming session.
- ii. Such total shall include awards for winning the game and all other cash or other thing(s) of value given or awarded during the session.
- iii. For purposes of this subsection, value means the retail or monetary value of the prize.

6. Charitable Organization Employees. All persons working or assisting in conducting Charitable Games for a Non-Exempt Charitable Organization must:

- A. Be at least 18 years of age;
- B. For Non-Exempt Charitable Organizations with annual gross revenues of more than \$100,000.00, be an employee of the licensed Charitable Organization;
- C. Not have been convicted of any crime related to illegal gambling activity or any felony; and
- D. Not participate as a player or patron in any Charitable Game conducted by the Licensee while working or assisting with the conduct of the individual Charitable Game.

7. Participants. Individuals must be at least eighteen (18) years of age to participate as a patron in Charitable Games.

8. Controls.

- A. All policies, procedures, or applications, including any alternative procedures, developed or used by a Non-Exempt Charitable Organization in the conduct of Charitable Gaming must be submitted to and approved by the Gaming Commission prior to implementation. Documentation evidencing such approval must be maintained by the Non-Exempt Charitable Organization for future inspection.

B. Compliance with Tribal Internal Control Standards. Licensees conducting Charitable Gaming pursuant to this Regulation are exempt from compliance with the Tribal Internal Control Standards subject to the following conditions:

i. For Non-Exempt Charitable Organizations with an annual gross gaming revenue from Charitable Gaming of less than \$100,000.00:

1. All Charitable Gaming must be conducted by Employees of the Non-Exempt Charitable Organization itself; and

2. The Charitable Gaming operation must comply with alternate procedures, whether provided by or approved by the Gaming Commission that:

A. Protect the integrity of the Charitable Games offered;

B. Safeguard the assets used in connection with the gaming operation; and

C. Create, prepare, and maintain records in accordance with Generally Accepted Accounting Principles.

ii. For Non-Exempt Charitable Organizations with an annual gross gaming revenue from Charitable gaming of more than \$100,000.00 but less than \$1,000,000.00:

1. The Non-Exempt Charitable Gaming operation must comply with alternate procedures, whether provided by or approved by the Gaming Commission that:

A. Protect the integrity of the Charitable Games offered;

B. Safeguard the assets used in connection with the gaming operation; and

C. Create, prepare, and maintain records in accordance with Generally Accepted Accounting Principles.

C. Compliance with Law.

i. All Charitable Gaming shall be conducted in accordance with the Indian Gaming Regulatory Act, NIGC Regulations, and the Cherokee Nation Gaming Ordinance, as applicable.

ii. Failure to comply with these Regulations or other applicable laws, regulations, and policies applicable to Charitable Gaming may result issuance of an enforcement

action, which may in turn result in the imposition of the revocation, suspension, or conditioning of a license or assessment of a fine under § 22 (D)(21) of the Cherokee Nation Gaming Ordinance.

DRAFT