



Sisseton - Wahpeton Oyate of the Lake Traverse Reservation

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DATE: September 27, 2011
TO: SWO Tribal Executives
SWO Tribal Council
FROM: Michael Peters, DNGE CEO
SUBJ: DNGE Credit Card Expenditures



This is in response to SWO Tribal Councilman Roberts request for credit card expenditures brought up by Ann German's accusations alleging misuse of DNGE credit cards by Francelia Quinn and Debra Flute.



The Eide Bailly Report of Forensic Examination of DNGE Wells Fargo Credit Card expenditures were for fiscal year 2003 through 2007,

Of the thirteen (13) credit card users only two (2) remain employed with DNGE (John Rondell (DSC General Manager) and Francelia Quinn CHRO), and one (1) transferred to Sisseton Wahpeton Tribe and is currently the SWO Tribal Attorney (Debra Flute). Of these three (3), two are listed on Page 6 of 7 as having "Questionable Credit Card Charges", (John Rondell and Debra Flute). Francelia Quinn did not have questionable charges, however, since Ms. German made allegations regarding her expenditures, her list and explanation will be provided.

Attachment 1-Appendix I list Francelia Quinn's charges from 12/03 through 12/04. She did not have a credit card after that time period.

| | | |
|----------|---|-------------|
| 01/06/04 | Northern St. University, Aberdeen SD (Purchased college books for trainee program) | \$142.36 |
| 01/13/04 | Northern St. University, Aberdeen SD (Paid tuition for trainee for 1 course) | \$433.35 |
| 01/26/04 | Site on Sounds, Fargo ND (Monitors/surveillance equipment for poker tournament in convention center) | \$15,000.00 |
| 02/04/04 | Mount Marty College, Yankton, SD (Paid tuition for trainee for 2 courses and books at Watertown site) | \$1,757.88 |

Attachment 2-Appendix S lists John Rondell's questionable charges from 10/03 through 08/07.

| | | |
|----------|---|------------|
| 10/3/04 | Gallaghers Steakhouse, Las Vegas (Took the Tribal Council to dinner) | \$275.07 |
| 2/15/05 | 2 nd Street Station (Annual 5 & 10 year recognition dinner) | \$746.79 |
| 12/9/05 | 2 nd Street Station (Xmas Party was held there instead of at DSC) | \$502.29 |
| 2/15/06 | 2 nd Street Station (Annual 5 & 10 year recognition dinner) | \$882.87 |
| 8/14/06 | Watertown Tire, Watertown, SD (purchased tires for DNGE vehicle) | \$812.52 |
| 2/15/07 | 2 nd Street Station (Annual 5 & 10 year recognition dinner) | \$727.35 |
| 8/17/07 | Dish Network (Monthly bill for DSC) | \$237.92 |
| 10/17/07 | Midcontinent Communication (Telephone & Long Distance bill for DSC) | \$1,296.36 |

Attachment 2-Appendix W lists Debra Flute's questionable charges from 7/05 through 07/07. We are unable to provide an explanation for her charges due to the fact there is not any receipts or documentation and Ms. Flute is no longer an employee for DNGE. Neither did we have an opportunity to discuss charges with Ms. Flute to acquire additional information. However, in reviewing the credit card statements it was discovered that there are more questionable charges then provided.

Exhibit 1

11/21/06 South Dakota Republican Party
(This expenditure is in direct violation
of the South Dakota Gaming Compact)

\$1,500.00

Exhibit 2

01/25/06 Advanced Cable Entertainment Inc. Fargo
(Advanced Cable is for cable & internet
Services).

\$24.48

Exhibit 3

05/09/07 Federal Bar Association, Arlington VA
(Can not find any documentation authorizing
DNGE to provide assistance in payment for
her Bar)

\$465.00

Since the request was not specific as to what information was to be provided in this report, I also examined credit card charges for years 2008-2011. Attached are spread sheets for each DNGE card holder to include a list of detailed expenditures, an explanation as to what the charge was for and any missing receipts as required by the DNGE Credit Card Policy as stated on page 3 of the policy:

Procedures

- 3. Detailed receipts and supporting document must be retained and attached to the credit card statements. In the case of meals and entertainment, each receipt must include the names of all persons involved in the purchase, and a brief description of the business purpose of the purchase, in accordance with Internal Revenue Service regulations.*
- 5. All monthly statements submitted for payment must include the initials of the cardholder. The cardholder shall sign and date the statement certifying that all expenses are for Casino-related business, are accurate, and are reasonable expenditures. Charges for which there are no receipts may be considered taxable income to the cardholders according to IRS regulations or will be reimbursed by the cardholder.*

2008 Wells Fargo

There were four (4) individuals who held Wells Fargo credit cards during this time frame; John Rondell (DSC General Manger), Danny White (DMC General Manager 7/08) Lisa Jackson (DCC General Manager 5/08), John Loukas (DNGE Marketing) and James Rider (DNGE CEO 5/08). Of these four (4) users two (2) remained employed with DNGE; John Rondell and Danny White. A detailed break down, explanation and missing receipts are attached.

2009 Wells Fargo

There were four (4) individuals who held Wells Fargo credit cards during this time frame; John Rondell (DSC General Manger), Danny White (DMC General Manager), Lisa Jackson (DCC General Manager) and Michael Roberts (DNGE CEO 5/09). Of these 4 users 2 remained employed with DNGE; John Rondell and Danny White. A detailed break down, explanation and missing receipts are attached.

2010 Wells Fargo

There were two (2) individuals who held Wells Fargo credit cards during this time frame; John Rondell (DSC General Manger) and Danny White (DMC General Manager). Both remained employed with DNGE; John Rondell and Danny White. A detailed break down, explanation and missing receipts are attached.

2011 Wells Fargo

There were two (2) individuals who held Wells Fargo credit cards during this time frame; John Rondell (DSC General Manger) and Danny White (DMC General Manager). Both remained employed with DNGE; John Rondell and Danny White. A detailed break down, explanation and missing receipts are attached.

2011 Dacotah Bank

There were three (3) individuals who held Dacotah Bank credit cards during this time frame; John Rondell (DSC General Manger) and Danny White (DMC General Manager) and Michael Peters (DNGE CEO). DNGE received all receipts for Michael Peters' and John Rondell's credit card expenditures, however, 2 receipts remain missing on Danny Whites expenditures.