

SISSETON-WAHPETON OYATE
GAMING COMMISSION
P.O. Box 249
Sisseton, South Dakota 57262

TO: TRIBAL EXECUTIVES AND TRIBAL COUNCIL

FROM: Lorraine Rousseau, Gaming Commission Chairman *LR*

DATE: November 15, 2011

RE: EGGHART REPORT UPDATE

I have brought the Egghart report and documentation to the attention of the Gaming Commissioners and it was decided that the Commission Chairperson would categorize, and summarize all of the information for a determination as to what further action needs to be taken.

There are reams of documentation which I have already reviewed and categorized, however I have not completed a listing of these categories with the attached documentation for the Commissioners review. I expected to have this process completed by the end of this week and I will be scheduling a special meeting to address all of the relevant issues involved in this matter.

There are so many issues involved in the Egghart report that in my opinion needs further investigation. I am therefore bringing these issues to the attention of the Tribal Council for your input and possible council action.

Categories to be addressed by the Gaming Commission:

1. Contracts – No legal review and most were in excess of \$25,000 in violation of a council resolution.

Entertainment contracts, MMA contracts, Rodeo contracts.

2. Cage Payouts – violation of the Bank Secrecy Act by not completing Title 31 reporting requirements.

3. Danny White's Contract- Unethical business practices, self-dealing by NSF checks, getting paid under a mixed martial arts contract.

4. Sponsorships- Total listings for sponsorships from FY – 2009 through April 2011 totaled \$592,958. February 2011 totaled \$92,000

Questionable transactions involving his Uncle's bull business. Gerald German Jr. received approximately \$67,000 in a 5 month period of time.

DMC paid for Gerald German Jr.s daughter's wedding at the event center.

DNGE paid for the installation of a new furnace at a Boxing Club and new equipment where Danny is a part of. These checks were made out to Jake Bellonger who is now the Surveillance Manager at DMC.

Rodeo riders and Rodeo companies were paid sponsorships with no documentation.

5. Travel – Severe abuse of the travel policies.

6. Bad checks by the DMC -