

ST. CROIX TRIBAL COURT

St. Croix Chippewa Indians
of Wisconsin,

Plaintiff,

v.

Lawrence W. Larsen,

Defendant.



Court File No. 20-CV- 204

Complaint

Plaintiff the St. Croix Chippewa Indians of Wisconsin (the Tribe), by and through its counsel, state and allege as follows:

Introduction

1. The Tribe brings this civil action to recover compensatory damages and a declaration of wrongdoing in response to the above-named Defendant's receipt of thousands of dollars of unlawful disbursements of moneys intended for the benefit of the Tribe as a whole.

2. While the Defendant was employed as a consultant for the Tribal Council, he pocketed hundreds of thousands of dollars in unapproved and excess travel moneys, and in unsupported, fraudulent consulting fees, payments, and bonuses.

3. As a non-Indian consultant, the Defendant took advantage of the Tribe's gaming operations for his own personal gain, at the expense of providing basic needs to all Tribal members.

4. The Defendant's actions violated Tribal resolutions, Tribal ordinances, the Indian Gaming Regulatory Act and its implementing regulations, and the Tribe's employee handbook.

Parties

5. Plaintiff is the St. Croix Chippewa Indians of Wisconsin, tribally headquartered at 24663 Angeline Ave., Webster, Wisconsin, 54893. The Tribe is a federally recognized Indian tribe, organized under Section 16 of the Indian Reorganization Act of 1934, 25 U.S.C. § 5123, as amended, and established pursuant to the Constitution and By-Laws adopted by the Tribe on August 29, 1942 and approved on November 12, 1942, as recognized in 84 Fed. Reg. 1200, 1203 (Feb. 1, 2019).

6. The United States holds land in trust for the Tribe in Barron, Burnett, and Polk Counties, Wisconsin.

7. Defendant Lawrence W. Larsen is a non-Indian and a former Tribal employee. His last known addresses are [REDACTED], Webster, Wisconsin, 54893; [REDACTED] Blaine, Washington, 98230; [REDACTED] Bellingham, Washington, 98225; and [REDACTED] Everett, Washington, 98201.

Jurisdiction

8. The St. Croix Tribal Court has subject-matter jurisdiction over this action under the St. Croix Tribal Court Code, Section 102, which states in relevant part:

102. Jurisdiction of the St. Croix Tribal Court. The Tribal Court shall have jurisdiction over:

- A. All matters arising under the Constitution and laws of the St. Croix Chippewa Indians of Wisconsin.
- B. All actions brought under the provisions of this Code.
- C. All other civil actions in which the locus of any element of any claim is on the reservation or other trust lands of the tribe, or which is based on any contract made on or providing for the delivery of goods or services on the reservation or other trust lands of the tribe.

9. Counts 1-5 of this matter arise under the Constitution and laws of the St. Croix Chippewa Indians of Wisconsin, are brought under the provisions of the St. Croix Tribal Court Code, and are civil actions where the locus of the claim is on the reservation or other trust lands of the Tribe.

10. The Court has personal jurisdiction over the Defendant because at least a portion of his actions occurred on reservation and trust lands, his actions significantly impact the welfare of the Tribe, and he held a formal employment relationship with the Tribe from approximately August 2015 to June 2018.

11. Venue is proper in this Court because the unlawful payments were issued from the Tribe's trust lands, in and around Turtle Lake and Webster, Wisconsin, and the Tribe has only one trial-level tribal court.

Legal Background Applicable to All Counts

12. The Indian Gaming Regulatory Act, 25 U.S.C. § 2701 et seq. ("IGRA") provides a statutory basis for tribal gaming operations to promote tribal economic development, strong tribal governments, and ensure that the tribes themselves remain the primary beneficiary of net gaming revenue.

13. IGRA defines the term "net revenues" to mean "gross revenues of an Indian gaming activity less amounts paid out as, or paid for, prizes and total operating expenses, excluding management fees." 25 U.S.C. § 2703(9).

14. The National Indian Gaming Commission ("NIGC") likewise defines the term "net revenues" to mean "gross gaming revenues of an Indian gaming operation less— (a) amounts paid out as, or paid for, prizes; and (b) total gaming-related operating expenses, including all those expenses of the gaming operation commonly known as operating expenses and non-operating expenses consistent with professional accounting pronouncements, excluding management fees." 25 C.F.R. § 502.16.

15. 25 U.S.C. §§ 2710(b)(2)(B) and 2710(d)(1)(A)(ii) allow lawful Class III gaming operations under IGRA only where the net revenues from the gaming operations are used for the following purposes:

- (i) to fund tribal government operations or programs;
- (ii) to provide for the general welfare of the Indian tribe and its members;
- (iii) to promote tribal economic development;
- (iv) to donate to charitable organizations; or
- (v) to help fund operations of local government agencies[.]

16. In addition to the above limitations on net revenues, IGRA allows an Indian tribe to provide per capita payments to its members from its net revenues only if the tribe has prepared a revenue allocation plan to allocate the net revenues in accordance with 25 U.S.C. § 2710(b)(2)(B), among other restrictions. 25 U.S.C. § 2710(b)(3).

17. IGRA's implementing regulations also require the gaming operation to "keep permanent books of account or records, including inventory records of gaming supplies, sufficient to establish the amount of gross and net income, deductions and expenses, receipts and disbursements, and other information required in any financial statement, report, or other accounting prepared pursuant to the [IGRA.]" 25 C.F.R. § 571.7(a).

18. As one of several restrictions placed on Class III gaming operations, any contracts "for supplies, services, or concessions . . . in excess of \$25,000 annually (except contracts for professional legal or accounting services) relating to such gaming shall be subject to such independent audits." 25 U.S.C. § 2710(b)(2)(D).

19. Among other requirements, IGRA also requires that the Indian tribe operating the gaming establishment adopt a gaming ordinance or resolution. 25 U.S.C. § 2710(b)(1)(B).

20. The Tribe received approval from the NIGC Chairman for its Gaming Ordinance in 1995, with an approved amendment in 2006.

21. The Tribe's Gaming Ordinance "authorize[s] and set[s] the terms for Class II and Class III gaming operations on Tribal lands."

22. Section 3 of the Tribe's Gaming Ordinance requires "that all proceeds of such gaming are used for the benefit of the Tribe as required by the Indian Gaming Regulatory Act and tribal law."

23. Section 4(c) of the Tribe's Gaming Ordinance finds that "[i]t is essential that the Tribe, through its Tribal Council / Gaming Commission regulate gaming in a manner commensurate with applicable federal and Tribal law and policy[.]"

24. Sections 5(d), (g), of the Tribe's Gaming Ordinance explain two of the purposes of the ordinance are to "[e]nsure that tribally regulated gaming is conducted fairly and

honestly . . . and that it remains free from corrupt, incompetent, unconscionable and dishonest persons and practices” and to “[e]nsure that the tribal gaming laws are strictly and fairly enforced against all persons involved in gaming activities within the jurisdiction of the Tribe.”

25. Section 6 of the Tribe’s Gaming Ordinance defines *Fraud* as “intentional deception resulting in an injury to another” including “those crimes and misdemeanors involving bad check writing, embezzlement, insurance fraud and welfare fraud.”

26. Section 6 of the Tribe’s Gaming Ordinance defines *Net Revenues* as “gross gaming revenues of an Indian gaming operation less: (a) Amounts paid out as, or paid for, prizes; and (b) Total gaming operating expenses, excluding management fees.”

27. Section 9 of the Tribe’s Gaming Ordinance governs the Tribe’s use of gaming revenue, and states:

(a) Net revenues from Class II Gaming shall be used only for the following purposes:

- (1) To fund Tribal government operations and programs;
- (2) To provide for the general welfare of the Tribe and its members;
- (3) To promote Tribal economic development;
- (4) To donate to charitable organizations;
- (5) To help fund operations of local government agencies

28. IGRA, 25 U.S.C. § 2710(d)(1)(A)(ii), requires that net revenues derived from Class III gaming shall only be used by the Tribe for the same purposes that control the use of net revenues derived from Class II gaming.

29. Section 11(g) of the Tribe’s Gaming Ordinance states that “[t]he Tribal Council shall establish the use of gaming revenues transferred from the gaming enterprises in accordance with this Ordinance and applicable laws for use of such revenues according to tribal needs and requirements for continued growth.”

30. Section 12 of the Tribe’s Gaming Ordinance establishes the St. Croix Gaming Commission, but details that the Tribe reserves oversight over the Commission, and creates an enforcement mechanism for the violation of the Gaming Ordinance.

31. Section 14(b) of the Tribe's Gaming Ordinance requires that "[a]ll gaming related contracts that result in the purchase of supplies, services, or concessions in excess of . . . \$25,000.00 annually . . . shall be included with the scope" of an annual, independent, audit conducted by a certified public accountant.

32. In 2010, the Tribe adopted an updated Revenue Allocation Plan ("RAP"), pursuant to IGRA to "allocate and manage the Tribe's economic resources derived from the Gaming Operations." Tribe's RAP, §§ 1.1, 1.2(b). The Tribe's RAP was approved by the Assistant Secretary of Indian Affairs on January 14, 2011, and is still in effect.

33. Section 1.2 of the RAP states that it "is becoming increasingly important to carefully allocate and manage the tribe's economic resources derived from the Gaming Operations."

34. Section 3.2 of the RAP allocates not less than 45% of net gaming revenues to fund tribal government operations or programs; not less than 5% of net gaming revenues to promote tribal economic development; and not more than 50% of net gaming revenues for per capita payments, charitable organization donations, and to fund local government agencies.

35. Section 5.1 of the RAP states that "Net Gaming Revenues allocated for Per Capita Payments with respect to any Per Capita Payment Period shall be distributed . . . in equal shares to Eligible Adults . . . [and] in equal shares to Eligible Minors of the same number of whole years of age"

36. On March 3, 2014, the Tribal Council adopted Resolution No. 3-3-14-1, which implemented restrictions on travel by employees and Tribal Council members because of economic challenges.

37. The restrictions included a prohibition on direct-process travel requests by government employees without "appropriate authority," any necessary or emergency travel for full-time tribal employees would need approval from the "Budget Committee," and a 10% reduction in pay for tribally funded employees earning more than \$30 per hour.

38. On April 14, 2014, the Tribal Council adopted Resolution No. 4-16-14-1, which implemented "the immediate suspension and cessation of all Tribally funded (i.e., non-

grant funded) travel until further notice.”

39. On June 6, 2016, the Tribal Council sent a memorandum to the St. Croix Travel, and St. Croix Interstate departments. The memorandum was signed by all five members of the Tribal Council and stated that “[f]rom here forward all individuals using St. Croix Travel and Interstate Funding for expenses while traveling will receive the uniform government rate for mileage (when applicable) and per diem.”

40. On July 12, 2016, the Tribal Council adopted Resolution No. 16-07-12-01, which rescinded Resolution No. 4-16-14-1, which immediately suspended tribal travel, but made no mention of Resolution No. 3-3-14-1, which eliminated per diem payments.

41. On May 22, 2017, the Tribal Council adopted Resolution No. 17-05-22-01, which adopted a policy for travel and credit card usage for tribal business conducted at the St. Croix Casinos. The policy requires multiple layers of approval for any travel advances, receipts and expense reconciliation, prohibits both reimbursement and per diem for meals, prohibits family members or friends traveling at the Tribe’s expense without specific approval, and details multiple non-reimbursable charges, including personal entertainment.

42. The Tribe also has a “Travel Policies and Procedures” document that requires the travel department to calculate the allowable mileage or airfare, and per diem before it is sent to the accounting department for payment. The policy sets a limit of 15 days to return receipts from the trip to the travel department.

43. 18 U.S.C. § 1163 makes it a federal crime to “embezzle[], steal[], knowingly convert[] to his own use or the use of another, willfully misappl[y], or willfully permit[] to be misapplied, any of the moneys, funds, credits, goods, assets, or other property belonging to any Indian tribal organization or intrusted to the custody or care of any officer, employee, or agent of an Indian tribal organization[.]”

44. As an Ojibwe nation, the Tribe centers itself and its laws within traditional cultural practices, including teachings of nibwaakawin (wisdom), minwaadendamowin (respect), and debwewin (truthfulness), and expects that its key employees embody those principals.

45. The Tribe has a common law and customary law expectation that its employees, consultants and contractors will not engage in financial wrongdoing, including the misapplication of tribal moneys, the personal use of moneys intended to benefit the Tribe as a whole, and the careless and wasteful spending of money.

46. The St. Croix Chippewa Indians of Wisconsin Tribal Court Rules of Civil Procedure states that "Any action that may be brought under federal law or the law of the State of Wisconsin may be brought in tribal court." § 306A.

47. Wisconsin Statute 943.20(1)(b) prohibits an individual, "[b]y virtue of his or her office . . . having possession or custody of money . . . of another, intentionally uses, transfers, conceals, or retains possession of such money . . . without the owner's consent, contrary to his or her authority, and with intent to convert to his or her own use."

48. Section 895.446 of the Wisconsin statutes create a private cause of action against an individual that has violated § 943.20(1)(b).

49. The Tribe has an Employee Handbook, last revised 2017, that governs the relationship between the Tribe and its employees.

50. The Tribe's Employee Handbook includes a prohibition on conflicts of interests, including:

1. Simultaneous employment by another firm that is a competitor of or supplier to St. Croix, without consent from the Tribal Council.

...

4. Borrowing money from Clients or Firms, other than recognized loan institutions, from which the St. Croix Tribe buys services, materials, equipment, or supplies.

5. Accepting substantial gifts or excessive entertainment from an outside organization or agency.

6. Speculating or dealing in materials, equipment, supplies, services, or property purchased by the St. Croix Tribe & Enterprises;

8. Misusing privileged information or revealing confidential data to anyone, including within the workplace, is prohibited.

9. Using one's position in the St. Croix Tribe & Enterprises or knowledge of its affairs for personal gains.

51. The Tribe's Employee Handbook includes restrictions on outside employment, including that "The St. Croix Tribe prohibits Employee activities and conduct that may compete conflict, or comprise with St. Croix interests"

52. The Tribe's Employee Handbook prohibits employees from "[f]alsifying or altering any St. Croix record or report, such as an employment application, court records, medical reports, production records, time records, expense accounts, absentee reports, or shipping & receiving records" and from "[s]tealing, destroying, defacing, or misusing St. Croix property or another employee's or client's property."

53. The Tribe's Employee Handbook requires employees to "comply with all criminal laws, all applicable civil laws, all St. Croix Tribal laws, and all St. Croix Tribal Policy."

Factual Background Applicable to All Counts

54. The Tribe operates Class II and Class III gaming at casinos located near Turtle Lake, Danbury, and Hertel, Wisconsin.

55. These casinos are operated in accordance with the IGRA and a gaming compact with the State of Wisconsin.

56. All revenues from the operation of the tribal casinos remains in the accounts of the St. Croix Casino, before disbursements are made to the Tribe, tribal programs, or tribal members.

57. Effective August 10, 2015, the Tribe entered into an employment relationship with the Defendant as a "Consultant."

58. The Defendant's Personnel Action Form indicated he would be paid \$10 per hour, as a salaried employee working 40 hours per week. Effective June 10, 2018, the

Defendant's Personnel Action Form indicated an involuntary termination.

59. In September 2017, the NIGC began an investigation into the Tribe's use of gaming revenue from its Turtle Lake and Hertel casinos. The investigation included site visits, requests for documents, and written questions and responses.

60. On April 11, 2019, the NIGC issued a 527-count Notice of Violation to the Tribe for violations of the IGRA, NIGC regulations, and the Tribe's Gaming Ordinance because of misuse of net gaming revenues, reflecting the severity of wrong-doing uncovered.

61. The Notice of Violation included \$378,280.80 in improper disbursements to the Defendant in this case.

62. On May 9, 2019, the NIGC levied a \$5.5 million dollar fine against the Tribe for the violations. This fine included a "\$1 million fine assessed for payments to consultant Lawrence Larsen" and "a total of \$500,000 is assessed for all other violations of misuse of revenue and failure to audit contracts greater than \$25,000."

Defendant's Receipt of Travel Disbursements

63. The Defendant received numerous undocumented or excessive disbursements from the St. Croix Casino's accounts for travel purposes:

Check #	Check Date	Amount	Reason Offered for Disbursement	Account Debited
182740	01/10/2017	\$4,500	"Travel to HI 1/13 – 1/18"	A/R Tribal
182802	01/17/2017	\$5,000	"Travel Seattle + Atlanta 1/18 – 1/20"	A/R Tribal
183393	02/16/2017	\$3,246.09	"Repay for travel for Lawrence while in Seattle 1/13 – 1/17, 2017 & HI 1/18 - 1/20"	A/R Tribal

64. The checks listed in paragraph 63 were either supported by only a Request for Disbursement form or supported by only partial documentation.

Defendant's Receipt of Project Disbursements

65. The Defendant received numerous undocumented and unsupported disbursements from the St. Croix Casino's accounts for various purported projects:

Check or Wire	Date	Amount	Reason Offered for Disbursement	Account Debited
175801	12/17/2015	\$10,000	"Equip purchase"	Donations Payable
183297	02/06/2017	\$16,000	"Building supplies"	A/R Tribal
183581	02/28/2017	\$4,000	"Building supplies"	A/R Tribal
183585	03/01/2017	\$4,000	"Building supplies"	A/R Tribal
22647	04/27/2017	\$21,247.16	"purchase a 4x4 for HI"	A/R Tribal
22845	05/09/2017	\$5,000	"project supplies"	Consultant Exp. Exec.
22943	05/15/2017	\$4,000	"purchase supplies for HI"	Consultant Exp. Exec.

66. The disbursements listed in paragraph 65 were supported only by a Request for Disbursement form, without any receipts, contracts, or other supporting documentation to identify the need and purpose for the disbursement.

Defendant's Receipt of Consulting Disbursements

67. The Defendant received numerous undocumented and unsupported disbursements from the St. Croix Casino's accounts for consulting work:

Check or Wire	Date	Amount	Reason Offered for Disbursement	Account Debited
173675	08/05/2015	\$2,500	"Consulting fees for Lawrence"	Donations Payable
173887	08/20/2015	\$25,000	"Consultant Fee"	Consultant Exp. Exec.
174052	08/27/2015	\$25,000	"Consulting fee for Lawrence"	A/R Tribal
177089	03/03/2016	\$1,800	"Consultant fee"	Donations Payable
179106	06/13/2016	\$25,000	"Consultant fees"	Pre-Paid Marketing
180936	09/16/2016	\$30,000	"Consulting + Business supplies"	A/R Tribal
181653	10/25/2016	\$5,000	"October Consultant fee"	A/R Tribal
182338	12/05/2016	\$25,000	"Consulting fees"	A/R Tribal

68. The checks listed in paragraph 67 were supported only by a Request for Disbursement form, without any receipts, contracts, or other supporting documentation to identify the need and purpose for the disbursement.

69. The Defendant received numerous undocumented and unsupported disbursements from the St. Croix Casino's accounts via wire transfer payments for consulting work:

Wire #	Date	Amount	Reason Offered for Disbursement	Account Debited
18177	04/01/2016	\$3,940	"Monthly (Electrical consultant) fees in the amount of \$3,940 beginning April 1st thru Aug 1st 2016"	Consultant Exp. Exec.
18198	04/04/2016	\$3,940	"Monthly (Electrical consultant) fees in the amount of \$3,940 beginning April 1st thru Aug 1st 2016"	Consultant Exp. Exec.
18452	04/27/2016	\$3,940	"Monthly (Electrical consultant) fees in the amount of \$3,940 beginning April 1st thru Aug 1st 2016"	Consultant Exp. Exec.
19144	06/23/2016	\$3,940	"Monthly (Electrical consultant) fees in the amount of \$3,940 beginning April 1st thru Aug 1st 2016"	Consultant Exp. Exec.
19602	07/28/2016	\$3,940	"Monthly (Electrical consultant) fees in the amount of \$3,940 beginning April 1st thru Aug 1st 2016"	Consultant Exp. Exec.
19939	08/25/2016	\$3,940	"Monthly (Electrical consultant) fees in the amount of \$3,940 beginning April 1st thru Aug 1st 2016"	Consultant Exp. Exec.
20364	09/29/2016	\$3,940	"Regarding Lawrence Larsen's wire for September and October 2016, you have a verbal approval for these 2 months from Leva Oustigoff, CEO . . ."	Consultant Exp. Exec.
20722	11/01/2016	\$3,940	"Regarding Lawrence Larsen's wire for September and October 2016, you have a verbal approval for these 2 months from Leva Oustigoff, CEO . . ."	Consultant Exp. Exec.

21046	12/01/2016	\$3,940	"Per CEO Leva Oustigoff please wire \$3,940.00 in Lawrence Larsens account on 12/1/16"	Consultant Exp. Exec.
21372	12/29/2016	\$3,940	"Consulting"	Consultant Exp. Exec.
21665	02/01/2017	\$3,940	"Consulting"	Consultant Exp. Exec.
21903	02/28/2017	\$3,940	"Consulting"	Consultant Exp. Exec.
22163	03/23/2017	\$3,940	"Consulting"	Consultant Exp. Exec.
22629	04/27/2017	\$3,940	"Consulting"	Consultant Exp. Exec.
23141	05/24/2017	\$3,940	"Consulting"	Consultant Exp. Exec.
24034	07/06/2017	\$3,940	"6 mos wire of \$3940.00 to Lawrence"	Consultant Exp. Exec.
24433	07/27/2017	\$3,940	"6 mos wire of \$3940.00 to Lawrence"	Consultant Exp. Exec.
25127	08/29/2017	\$3,940	"6 mos wire of \$3940.00 to Lawrence"	Consultant Exp. Exec.
25740	09/28/2017	\$3,940	"6 mos of wire of \$3940.00 to Lawrence"	Consultant Exp. Exec.

Counts

Count 1—Violation of Tribal Gaming Ordinance (Travel Disbursements)

70. The Tribe realleges and incorporates by reference the preceding paragraphs as if fully set forth here.

71. There are no Tribal Council resolutions authorizing the specific travel disbursements detailed in the chart in paragraph 63 (collectively the "Travel Disbursements").

72. The Requests for Disbursements for the Travel Disbursements do not include any additional documentation regarding the travel's purpose or any verification that the travel occurred.

73. The Travel Disbursements were not issued pursuant to the Tribe's RAP or any established tribal government program.

74. Many of the Travel Disbursements were issued simultaneously with payments, stipends, or reimbursements for the same travel from another Tribal account.

75. Undocumented travel is not an operating expense for the Tribe's gaming operations, and the Travel Disbursements should have been considered net gaming revenue.

76. Using net gaming revenue for undocumented travel for an individual, including undocumented travel advances, is not an approved use of net gaming revenue under IGRA, NIGC regulations, or the Tribe's Gaming Ordinance.

77. Defendant's actions in keeping the money disbursed to him from any of the Travel Disbursements individually is a violation of § 9 of the Tribe's Gaming Ordinance, which restricts the use of net gaming revenues to one of five purposes.

78. As a direct and proximate result of the Defendant's violation of the Tribe's Gaming Ordinance, the Tribe has suffered monetary damages relating to Count 1 in an amount to be proven at trial.

Count 2—Violation of Tribal Gaming Ordinance (Project Disbursements)

79. The Tribe realleges and incorporates by reference the preceding paragraphs as if fully set forth here.

80. There is not a Tribal Council resolution authorizing the specific project disbursement detailed in the chart in paragraph 65 (collectively the "Project Disbursements.")

81. The Requests for Disbursement for the Project Disbursements do not include any additional documentation regarding the purpose of the disbursements, such as a contract, invoice, receipt, or description of goods and services provided by the Defendant in support of these payments.

82. The Project Disbursements were not issued pursuant to the Tribe's RAP or any established tribal government programs.

83. Undocumented payments are not an operating expense for the Tribe's gaming operations, and the amounts should have been considered net gaming revenue.

84. Using net gaming revenue for an undocumented payment to individuals is not an approved use of net gaming revenue under IGRA, NIGC regulations, or the Tribe's Gaming Ordinance.

85. Defendant's actions in keeping the money disbursed to him from the Project Disbursements individually and/or collectively is a violation of § 9 of the Tribe's Gaming Ordinance, which restricts the use of net gaming revenues to one of five purposes.

86. As a direct and proximate result of the Defendant's violation of the Tribe's Gaming Ordinance, the Tribe has suffered monetary damages relating to Count 2 in an amount to be proven at trial.

Count 3—Violation of Tribal Gaming Ordinance (Consulting Disbursements)

87. The Tribe realleges and incorporates by reference the preceding paragraphs as if fully set forth here.

88. There is not a Tribal Council resolution authorizing the specific consulting disbursements detailed in the charts in paragraphs 67 and 69 (the "Consulting Disbursements").

89. The Requests for Disbursement for the Consulting Disbursements do not include any additional documentation regarding the purpose of the disbursements, such as a contract, invoice, receipt, or complete description of goods and services provided by the Defendant in support of these payments.

90. The Consulting Disbursements were not issued pursuant to the Tribe's RAP or any established tribal government programs.

91. Undocumented payments to a consultant for undocumented work are not operating expenses for the Tribe's gaming operations, and the amounts should have been considered net gaming revenue.

92. Using net gaming revenue for an undocumented payment to individuals is not an approved use of net gaming revenue under IGRA, NIGC regulations, or the Tribe's

Gaming Ordinance.

93. Defendant's actions in keeping the money disbursed to him from the Consulting Disbursements individually and/or collectively is a violation of § 9 of the Tribe's Gaming Ordinance, which restricts the use of net gaming revenues to one of five purposes.

94. As a direct and proximate result of the Defendant's violation of the Tribe's Gaming Ordinance, the Tribe has suffered monetary damages relating to Count 3 in an amount to be proven at trial.

Count 4—Violation of Wisc. Stat. 943.20(1)(b) (Project Disbursements)

95. The Tribe realleges and incorporates by the preceding paragraphs as if fully set forth here.

96. By virtue of his position, the Defendant received possession of the Tribe's money, in the form of the Project Disbursements, as further described in Count 2, with the intent to convert the money to his own use.

97. Without the consent of the Tribe, the Defendant intentionally retained possession of the money for a prohibited purpose under tribal law.

98. As an employee of the Tribe, the Defendant did not have the authority to use the Project Disbursements for a purpose that violated tribal law.

99. The Tribal Court Code, § 307A, allows the incorporation of Wisconsin state law charges in Tribal Court.

100. As a direct and proximate result of the Defendant's violation of Wisc. Stat. 943.20(1)(b), through the procurement and retention of the Project Disbursements individually and/or collectively, the Tribe has suffered damages in an amount to be proven at trial.

Count 5—Violation of Wisc. Stat. 943.20(1)(b) (Consulting Disbursements)

101. The Tribe realleges and incorporates by reference the preceding paragraphs as if fully set forth here.

102. By virtue of his position, the Defendant received possession of the Tribe's money, in the form of the Consulting Disbursements, as further described in Count 3, with the intent to convert the money to his own use.

103. Without the consent of the Tribe, the Defendant intentionally retained possession of the money for a prohibited purpose under tribal law.

104. As an employee of the Tribe, the Defendant did not have the authority to use the Consulting Disbursements for a purpose that violated tribal law.

105. The Tribal Court Code, § 307A, allows the incorporation of Wisconsin state law charges in Tribal Court.

106. As a direct and proximate result of the Defendant's violation of Wisc. Stat. 943.20(1)(b), through the procurement and retention of the Consulting Disbursements individually and/or collectively, the Tribe has suffered damages in an amount to be proven at trial.

Prayer for Relief

WHEREFORE, the Plaintiff Tribe requests this Court to enter judgment in its favor on Counts 1-5 against the Defendant, and to:

- I. Order the Defendant to pay restitution to the Tribe in an amount to be determined at trial;
- II. Award the Tribe damages in an amount to be determined at trial;
- III. Enter a declaration that the Defendant has:
 - a. violated the Tribe's Gaming Ordinance;
 - b. violated Wisc. Stat. 943.20(1)(b) in committing acts of embezzlement; and
- IV. Grant such further relief as this Court may deem just and proper.

Respectfully submitted on this 24 day of March 2020.



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