

# Hoffman sponsors resolution to post CEO position



**D.J. Hoffman**  
Director, Unit I

I am an elected representative of the Sault Tribe of Chippewa Indians. As such, it is my responsibility to report to the membership (pursuant to Constitution) on a monthly basis. Since election nearly eight months ago, it has been my intent to provide as much information as possible within the confines of time and space restrictions. Maligning or attacking other board members or the chairperson individually in these reports serves no productive purpose.

I am a member of the board, and as such I am also responsible for the actions taken by the board of directors whether I am in favor of such actions or not. If one is fortunate enough to serve as a member of the board of directors, they cannot take credit when times are good and cast blame when they are bad.

I will continue to report on the issues occurring in the tribe, as well as possible options or solutions to move us forward, refraining from the tabloid journalism model of reporting.

CEO

At the Feb. 24 meeting of the board of directors, I sponsored a resolution to post the position of chief executive officer of Kewadin Casinos. The position is a key employment position, approved in the 2015 casino budgets. Hiring of this "key employee" requires seven votes of the

board of directors. Under the tribe's adopted personnel policies, all positions must be posted.

Some members of the board have argued the resolution would send the wrong message to the temporary casino executive officer. My concern is the message that not following policy, adopted by tribal resolution, conveys to the membership and our employees as a whole.

In August 2014, an RFP (request for proposals) was distributed externally with the following as its premise: Temporary overall management of gaming/hospitality operations with the ultimate goal of assisting with selection of a permanent chief executive officer of Kewadin Casinos.

The resolution to post the position not only complied with the policies and procedures of the tribe, it adheres to the intent of the RFP. In addition, the language in the resolution was derived from these policies.

Here is the resolution:

## **POSTING THE CHIEF EXECUTIVE OFFICER POSITION**

*WHEREAS, the Kewadin Casinos Gaming Authority included the position of Chief Executive Officer within its approved 2015 annual budget; and*

*WHEREAS, pursuant to Tribal Code(s) 94.105, and 14.105(10) (e) the Kewadin Gaming Authority is subordinate to the Tribal Board of Directors; and*

*WHEREAS, the Board of Directors of the Tribe established the Chief Executive Officer as a "Key Team Member" for the Kewadin Casinos under Tribal Resolution 2014-142; and*

*WHEREAS, for Key Team Members and their selection or termination: (a) it shall take an affirmative vote of seven (7) Tribal Board of Directors members to select a Key Team Member, and (b) it shall take an affirmative vote of seven (7) Tribal Board of Directors members to terminate a Key Team Member; and*

*WHEREAS, the Tribal Job Posting Policy is followed by the Tribes Human Resource department for all positions; and*

*WHEREAS, the Procedure under the Tribal Job Posting Policy reads as such: "Positions will be posted for a minimum of three days or open until filled;" and*

*WHEREAS, it has been the practice of the Tribe to post management positions for 30 days.*

*NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians directs the Human Resource Department to post the Chief Executive Officer Position, Kewadin Casinos.*

*BE IT FURTHER RESOLVED, that the Chief Executive Officer Position shall be posted open until filled for no less than 30 business days.*

Unfortunately the board of directors voted against posting the position during the meeting. The vote count is as follows: five "yes" votes, five "no" votes, one abstention. A tie breaking vote was cast to deny posting the position, making it 6-5-1.

I would like to take this opportunity to apologize for not being able to convince enough of the board to adhere to the policies and procedures that have been adopted. Competition breeds competence and productivity, openness breeds trust. Unfortunately, neither occurred on this day.

## **ECONOMIC DEVELOPMENT AND DIVERSIFICATION**

The tribe has developed a draft economic development director job description. This position could be funded from the non-gaming enterprises themselves, as it has the potential to make our existing businesses more profitable and accountable as well as provides a qualified professional to actually commence the process of diversifying and expanding our non-gaming business model.

I am hopeful that the board will move forward in this area so that we, as a tribe, can actually get something done.

## **SUBSTANCE ABUSE**

The threat of substance abuse has been historically prevalent in Indian Country. As a tribe, we need to do more and focus more upon prevention and treatment of this affliction. Often times, substance abuse issues result in criminal prosecution and incarceration. While this is one option, it does not provide treatment or prevention from this affliction.

When the tribe sends an individual to jail, there are court costs as well as the tribal financial obligation to hold these individuals in local jails (we do not have our own). We should be looking at developing our own in-patient treatment center to tackle this issue head on. The funds earmarked for incarceration could just as easily be utilized for treatment. Our former medical center in Wetmore sits vacant and unused and would provide an excellent possibility in the development of such facility.

In addition to treatment, we need to do more to prevent this threat to our communities. We need to provide more opportunities for our children, more focused learning, cultural programming, fitness and more. These things can be accomplished with our current funding by collaboration and proper planning. We have the tools to make a difference; it is time that we started using them.

## **TWO PERCENT**

The tribes operating under the 1993 Federal Court Consent judgment between the state and the tribes are required to make semi-annual 2 percent payments directly to local units of government. "Net win" is the total amount wagered on each electronic game of chance, minus the total amount paid to players for winning wagers at said machine.

The Sault Tribe distributes the 2 percent payments in accor-

dance with both long term and short term agreements with local units of government. Examples of long term agreements include agreements with the City of Sault Ste. Marie, as well as agreements that have aided in the development of Taffy Abel Arena at Lake Superior State University and the reconstruction of Shunk Road. Short term agreements include funding items such as the Kinross Rec Center, projects and playgrounds in communities, local school districts as well as local law enforcement.

While the tribe has certain long term commitments that do not change, occasionally there are a few that expire, leaving new opportunities for local units of governments such as cities and schools. In addition, the competition for the remaining short term funding has increased considerably over the years with no true structure for approval, other than the preferences of the unit directors. This is an area in need of attention to establish proper protocols for the benefit of all of our communities, both tribal and local.

One area that may provide the largest return for all communities may lay within their respective local schools, and there is a unique avenue that the tribe should explore in the future.

One potential concept that should be explored is based upon Michigan Act No. 164 Public Acts of 2010 approved by the governor Sept. 23, 2010. This law allows school districts to establish college scholarships for students and graduates from money the districts receive under gaming compacts between the state and Indian tribes. The language of the law reads as follows: *Sec. 11a (13) A school district may establish and administer scholarships for its students or graduates to support their attendance at a postsecondary educational institution from funds the school district receives as a result of a*

*See "Hoffman," page 21*

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*From "Hoffman," page 20 compact entered into between this state and a federally recognized Indian tribe pursuant to the Indian gaming regulatory act, Public Law 100-497.*

By working in collaboration with the local school districts and universities the tribe has the ability to develop a scholarship program beneficial to all of our community's children. While we have made a "promise" in the city of Lansing for our proposed project, there is no reason that we cannot make a "reality" in our local communities right now by allocating 2 percent revenues in a more impactful manner.

## INFORMATION

Long ago a tribal member asked if there was a possibility of developing a secure server to allow members the FACTS on budgetary issues, tribal planning, legislation pending, board actions,

etc. This, complemented by a more user friendly website, can become a very valuable resource tool for the membership. The opportunity for the membership to be exposed to the facts on a consistent basis would be a refreshing and welcome change. I will be asking about the feasibility of this matter.

## MEMBERSHIP

The tribal board is the elected body tasked with the purpose of serving the membership, and moving our tribe forward. However, 13 people do not have all of the answers, nor do they know everything. As a member of the board of directors and as an individual, I am aware of many things, two of which are that I do not know everything and I am not always right.

You, the membership, are an extremely valuable resource that the tribe rarely taps into as a source for innovative concepts and ideas.

Membership consist of 40,000+ members, of which we have dealers, scientists, police officers, doctors, teachers, lawyers, dentists, big 10 coaches, small business owners, professors and even rocket scientists. We, as a tribe, need to tap into these ideas by soliciting input and creating positive avenues to move our tribe forward.

## STABILITY

Initially, it was my intent to title this article "MAYGO," which stands for "make it up as you go" in reference to how the board, as a whole, operates. In this paper, as well as historical issues of the paper, readers will consistently find correspondence on the financial status of the tribe. It is amazing to find that in some months the tribe is balancing budgets and has reserves, while merely months later it is facing looming budgetary issues. This type of correspondence

is repetitive over the years and it needs to be corrected. We need to stop focusing merely upon today with the tribe and its resources and concentrate upon the future.

In the coming month, I will be proposing adopting legislation that will require that no budget may be approved without a detailed plan in place. Stability for our tribe can be found in long term planning, economic diversification, open communication with our membership and right-sizing the tribe so that we operate efficiently in the present and future.

To do this, your help is needed. Encourage your representatives to adopt both short term and long term plans for the tribe. Encourage your representatives to budget for more than one fiscal year at a time to ensure financial stability. Encourage your representatives to engage in economic development

activities instead of merely talking about them. Hold representatives accountable for following adopted tribal policies, rules and regulations.

Encourage people to stop talking and start getting things done.

I will continue to push forward with members of the board who wish to be progressive. I will also continue to work with members of the board to ensure that we become innovative in our approach to economic diversification, membership services and stepping out of the non-progressive box that we appear to be confined to.

Sincerely,

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