Band Assembly Bill 21-04-XX-25

1 2	A Bill amending Title 16, chapter 1 to add new sections related to expenditures, and a new subchapter related to Mille Lacs Corporate Ventures; amending Title 16, chapter 2, subchapter
3	2, section 1101 to add language related to the purpose of business corporations; and repealing
<i>3</i>	Ordinance 04-15.
	Ordinance 04-13.
5 6	The District I, II, and III Representatives introduced the following Bill on the 15th day of
7	October, 2025.
8	
9	BE IT ENACTED BY THE BAND ASSEMBLY OF THE NON-REMOVABLE MILLE
10	LACS BAND OF OJIBWE:
11	
12	Section 1. Amending Title 16, chapter 1.
13	
14	CHAPTER 1
15	
16	GENERAL PROVISIONS
17	
18	Subchapter
19	1. Commissioner forof Corporate Affairs
20	2. Corporate Commission
21	2-3.Mille Lacs Corporate Ventures
22	2.0. Time Dates Corporate ventures
23	
	SUBCHAPTER 1
24	SUBCIIAI TEK I
25	
26	COMMISSIONER FOR OF CORPORATE AFFAIRS
27	_
28	Section
29	1. Establishment.
30	2. Appointment.
31	3. Removal.
32	4. Powers and Duties.
33	5. Ministerial Powers and Duties of Commissioner for Corporate Affairs.
34	5. Commissioner's Orders.
35	6. Annual Budget.
36	o. Minual Budget.
37	
38	§ 1. Establishment.
39	5 1. Louisinneite
40	The Office of the position of Commissioner forof Corporate Affairs is established.
41	one of the position of commissioner for of corporate retains is established.

42 43 § 2. Appointment. 44 45 The Commissioner for Corporate Affairs shall be appointed to a four-two-year -term by the 46 Chief Executive with ratification of the Band Assembly. 47 48 49 § 3. Removal. 50 51 The Commissioner for of Corporate Affairs may be removed from office pursuant to 3 MLBS 52 § 28 or by the consent of four (4) of the Band's five (5) elected officials. 53 54 55 § 4. Powers and Duties. 56 57 The Commissioner for Corporate Affairs shall have the powers and duties which are set forth in 58 59 § 5. Ministerial powers and Duties of Commissioner for Corporate Affairs. 60 61 The Commissioner for of Corporate Affairs shall have the following ministerial duties: 62 63 to oversee the legal entity governance of businesses incorporated as a Corporate Body Politic under 16 MLBS § 1101, ensuring that board members and employees 64 65 operate according standard business practices, Band statute, the Tribal Employment 66 Rights Office code, and the company's founding documents, such as a corporate charter and bylaws. In order to accomplish this, the Corporate Commissioner shall: 67 68 69 serve as an ex officio, non-voting member of the governing boards of the (1) 70 Corporate Commission and Mille Lacs Corporate Ventures with authority to 71 attend any meeting where those voting members of the board present meet 72 the requirements to establish a quorum; 73 74 have free access to all corporate and business documents, including (2) 75 confidential and privileged attorney-client documents and litigation 76 documents, and have direct access to any such document in hard copy and electronic form that allows the Corporate Commissioner to interact with and 77 78 analyze the data, such as a Microsoft Word or an Excel document; 79 80 (3) have the authority to order and oversee corporate audits of any kind; 81 82 provide factual information, objective advice, and recommendations to the (4) 83 Chief Executive and Band Assembly about the corporations and their 84 subsidiaries, governance, operations, finances, personnel, or any other 85 business or corporate matter regularly and upon request; and 86

87		(5) refrain from sharing corporate trade secrets or confidential information,
88		except that the Commissioner may share such information with the Band's
89		Chief Executive and Secretary-Treasurer upon request.
90		
91	<u>(b)</u>	to foster a business environment on the Reservation that encourages and promotes
92		economic development, business development, workforce development, investment
93		and prosperity;
94		
95	(a)(c)	_to provide an effective and efficient system of administration for the Mille Lacs Band
96		Business Corporation Act (16 MLBS § 1001 et seq.);
97		
98	(b) (d)	_to provide an effective and efficient system of administration for the Mille Lacs Band
99		Business Corporation Act (16 MLBS § 2001 et seq.);
100		
101	(c) (e)	_to provide reporting and accounting for a Net Revenue Allocation Schedule in form
102		prescribed by the Band Assembly pursuant to 16 MLBS § 108; and
103		
104	<u>(f)</u>	_to provide an effective and efficient administrative system to license and certify
105		Foreign Corporations under the Band's Commercial Licensing Statute (18 MLBS § 1
106		et seq.); and
107		
108	(d) (g)	to exercise any additional powers necessary to carry out the purposes of this
109		subchapter.
110		
111		
112	§ 6 <u>5</u> . Con	nmissioner's Orders.
113		
114		e Commissioner of Corporate Affairs shall issue regulations to accomplish the duties
115	un	der 16 MLBS § <u>54</u> , in the form of Commissioner's Orders.
116	4) 6	
117	· /	ch Commissioner's Oorders shall be subject to annulment by the Band Assembly
118	pu	rsuant to 3 MLBS § 20.
119		
120	0.6.4	
121	<u>§ 6. Annu</u>	al Budget.
122	TI OCC	
123		e of the Corporate Commissioner shall operate in accordance with an annual budget
124	duly autho	orized by bill.
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127		CLID CHA DEED A
128		SUBCHAPTER 2
129		
130		CORPORATE COMMISSION

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32	Part	
33	A. Gene	eral Provisions
34		enditures
35		
		PART A
36		<u>IAKI A</u>
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38		GENERAL PROVISIONS
39	C	
40	Section	
41		Establishment.
42		Purposes.
43		Board Composition of Directors.
44	103. 104.	
45	104. 105.	
46	105. 106.	
47		Enumerated Powers.
48	106. 108.	
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50	108. 110.	
51	109. 111.	
52		Vaiver of Sovereign Immunity.
53	110. 113.	
54	111. (Corporate Powers and Duties of Corporate Commissioner.
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66		
57	§ 101. E	stablishment.
58		
59	(a)	The Corporate Commission of the Mille Lacs Band of Chippewa Indians Ojibwe is
60		established as a Corporate Body Politic. As a Corporate Body Politic, the Corporate
61		Commission is both a political subdivision, clothed by federal and tribal law with all
52		the privileges and immunities of the Band, except as expressly limited; and a
3		separately chartered corporation under 16 MLBS § 1101 (1)) .
4		
5	(b)	The Corporate Commission shall serve as the parent company of Grand Casino Mille
6		Lacs, located in Onamia, Minnesota; and Grand Casino Hinckley, located in
7		Hinckley, Minnesota. Effective October 28, 2014, the name under which the
8		Corporate Commission conducts business shall now be "Mille Lacs Corporate
59		Ventures," and all powers, duties, privileges, and immunities of the Corporate
70		Commission provided for in Band statutes and laws shall inure to such entity; and all
1		references in Band laws, resolutions, or policy to the Corporate Commission shall
2		include such entity.
' 3		

§ 102. Purposes. The Corporate Commission of the Mille Lacs Band of Chippewa IndiansOjibwe is established: (a) to exercise a more effective form of commerce; (b) to control and manage the economic affairs of the Mille Lacs Band of Chippewa Indians; (e)(a) to establish and operate commercial enterprises as it may deem to be for the Band's benefit of the Mille Lacs Band of Chippewa Indians; to make sound business and economic development decisions, consistent with this chapter, in a way that is insulated from day-to-day political considerations faced by Band elected leaders; (e)(c) to avail the Band of the benefits of engaging in business and economic development without subjecting the Band government, qua government, to erosion of Band sovereignty; to insulate Band assets from liability assumed in the conduct of business operations of the Corporate Commission or as wholly owned subsidiary thereof; and-for any other purposes set forth in the Corporate Commission's Charter or bylaws of the Corporate Commission that are not inconsistent with this Title.

§ 103. Board Composition of Directors.

The Corporate Commission shall be comprised of 5 board members and the Commissioner of Corporate Affairs. The 5 Board members shall be nominated by the Chief Executive and ratified by the Band Assembly. The term of the Commissioner of Corporate Affairs serving at the time of the passage of Band Statute 1202-MLC-16 shall continue until January 1, 1993. The Commissioners serving at the time of the passage of Band Statute 1202-MLC-16 shall remain as Commissioners. Any vacancies existing on the Corporate Board shall be filled in a manner prescribed in this title. The Corporate Board shall select one among its members who shall serve a four year term, one who shall serve a three-year term, two who shall serve a two-year term, and one who shall serve a one year term; subsequent appointments after these terms expire shall run for four years. At least one member of the Board shall be a Band member residing in District 1; At least one member of the Board shall be a Band member residing in District 2; At least one member of the Board shall be a Band member residing in District 3. The Commissioner of Corporate Affairs shall serve as Chairman and Chief Operating Office of the Corporation. The Board shall elect from its membership an individual to serve as the Chief Financial Officer of the Corporation.

219	<u>(a)</u>	The Corporate Commission shall be governed by a board of directors consisting of
220		five (5) directors.
221		
222		(1) The Chief Executive shall nominate two (2) individuals who possess
223		extensive experience in business or corporate governance and submit their
224		names to the Secretary-Treasurer. Within ten (10) calendar days after receipt
225		of the nominations by the Secretary-Treasurer, the Secretary-Treasurer shall
226		ratify one (1) of the two (2) nominees to be a Member of the Board.
227		
228		(2) Each District Representative shall nominate two (2) individuals and submit
229		their names to the Chief Executive. Within ten (10) calendar days after
230		receipt of the nominations by the Chief Executive, the Chief Executive shall
231		ratify one (1) of the two (2) nominees to be a Member of the Board.
232		
233		(3) The Secretary-Treasurer shall nominate two (2) individuals who possess
234		extensive experience in business or corporate governance and submit their
235		names to the Chief Executive. Within ten (10) calendar days after receipt of
236		the nominations by the Chief Executive, the Chief Executive shall ratify one
237		(1) of the two (2) nominees to be a Member of the Board.
238		(=) == == = (== =======================
239		(4) If the Chief Executive or the Secretary-Treasurer do not ratify one from any
240		of the nominations sent to them within the time prescribed, then the Band
241		Assembly shall select such member by majority vote.
242		and the second s
243		(5) If any elected official does not submit a nomination within 30 calendar days
244		after a vacancy has occurred, then the Band Assembly shall nominate two (2)
245		individuals by majority vote and submit their names to the Chief Executive
246		for ratification to the Board within ten (10) calendar days of receipt.
247		101 Idilliedion to the Board within ten (10) ediendar days of receipt.
248		(6) No member shall take office until swearing to the oath of office pursuant to 2
249		MLBS § 8.
250		
251	(a) (b)	Directors shall possess a duty of loyalty to the Corporate Commission and shall not
252	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	vote on any matter in which the director possesses a conflict of interest, defined as a
253		vested interest of the director, which may include money, status, knowledge,
254		relationships, or reputation, which puts into question whether the director's actions,
255		judgment, or decision-making can be unbiased. The director shall also not engage in
256		self-dealing, defined as acting in one's own interests instead of those of the
257		Corporate Commission. Violation of any of these ethical standards shall result in a
258		director's removal by the board.
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§ 104. Corporate Executive Officer.

The position of Corporate Executive Officer is established to operate and manage the Corporate Commission as its chief executive officer and to exercise all authorities conferred by this subchapter. The Corporate Executive Officer shall be hired and supervised by the Board of Directors and shall serve as an employee of the Corporate Commission.

§ 1054. Corporate Body Politic.

The Corporate Commission shall be incorporated as a Corporate Body Politic under 16 MLBS § 1101(1)). As a Corporate Body Politic the Corporate Commission shall have membership consisting of the Chief Executive, the Speaker of the Band-Assembly, and the District Representatives instead of shareholders.

§ 1065. Limited Liability and Indemnification.

The <u>corporation Corporate Commission</u> shall indemnify any person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding either civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director, officer, agent or employee acting on behalf of the corporation, or is or was serving at the request of the corporation as a director or officer of another enterprise or corporation, against expenses, including attorneys' fees and costs, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, to the extent that such person is not otherwise indemnified. The corporation shall not be required to indemnify such director, officer, agent or employee if independent counsel shall determine pursuant to a judicial decision in any such action, suit or proceeding or independently, in case of settlement, that the director, officer, agent or employee has failed to act in good faith and with that degree of diligence, care and skill which ordinary prudent people would exercise under similar circumstances in like positions.

§ 1076. Enumerated Powers.

The Corporate Commission shall have the following specifically enumerated powers:

(a) <u>t</u>To engage in business and economic development endeavors;

(b) <u>t</u>To enter <u>into</u> any contracts or agreements necessary for business or economic development endeavors;

(c) <u>t</u>To enter into compacts or other agreements with the state or federal government in furtherance of engaging in business or economic development endeavors;

(d) <u>t</u>To form and incorporate wholly owned subsidiary business corporations and non-profit corporations with separate articles, bylaws, board of directors, and separate

employer ID numbers entities to conduct the affairs of individual business endeavors 309 and to insulate the Corporate Commission from liability of those endeavors; and-310 311 (1) The Corporate Commission shall name the Board of Directors of any such 312 corporations and shall approve the articles and bylaws of any such corporation before the same shall become effective. 313 314 315 (2) The Corporate Commission may assign any duties and/or privileges of any 316 agreement or contract the commission has entered into to a wholly owned subsidiary whose specific business purpose is relevant to such agreement or 317 318 contract. 319 320 (e) [Repealed] 321 322 to enter into arm's-length agreements with outside firms to acquire services (f) 323 necessary to run gaming operations, including accounting services, legal services, management services, and the like. All such agreements shall be subject to 324 325 procurement procedures in Title 7 of Band statute and approved by the Board of 326 Directors; and 327 328 329 § 108. Additional Powers. 330 331 Any additional powers exercised by the Corporate Commission under § 107(e) must be 332 specifically enumerated in a set of articles and bylaws and be approved by the board of 333 directors. Such articles and bylaws and any additional specifically enumerated powers contained therein, must be approved by resolution of the Band Assembly before they shall become 334 335 effective. Any amendments to the articles and bylaws must be approved by resolution of the 336 Band Assembly before they shall become effective. 337 338 339 § 1097. Corporate Charter. 340 341 The Corporate Commission shall draft and approve a charter and bylaws to be submitted to the 342 Band Assembly for ratification. Such charter and bylaws, and amendments or changes thereto, 343 shall not become effective until ratified by the Band Assembly. 344 345 346 § 1108. Net Revenue Allocation Schedule. 347 348 The Band Assembly shall by resolution adopt a Net Revenue Allocation Schedule to provide for 349 the allocation of net revenue from any business conducted by the corporation-Corporate 350 Commission or any wholly owned subsidiary of the Corporate Commission. The Net Revenue Allocation Schedule includes a capital projects reserve not to exceed a four percent (4.0%) gross 351 352 revenue consistent with industry standards to upkeep and maintain the facilities, and continue

the improvement of the facilities necessary to ensure the Casinos remain premiere entertainment destinations. The Band shall maintain the gross revenue capital projects reserve in an interest-bearing account under the direction of the Commissioner of Finance, Office of Management and Budget. Expenditures shall be made from said reserve only as expressly authorized by formal appropriation by the Band Assembly.

§ 1<u>11</u>09. Sovereign Immunity.

(a) The Corporate Commission shall be clothed by federal and tribal law with all the privileges and immunities of the Band, except as specifically limited by this titlesubchapter, including sovereign immunity from suit in any state, federal or tribal court. Nothing contained in this titlesubchapter shall be deemed or construed to be a waiver of sovereign immunity by the Corporate Commission from suit which may be waived only in accordance with this titlesubchapter, the Corporate Commission Charter and Bylaws. Nothing in this chapter shall be deemed or construed to be a consent of the Corporate Commission to the jurisdiction of the United States or of any sestate or of any tribe or band other than the Band with regard to the business or affairs of the corporation.

(b)-

(1) Sovereign immunity of the Corporate Commission may be waived only by formal resolution of the corporation's Board of Directors. Waivers of sovereign immunity are disfavored and shall be granted only when necessary to secure a substantial advantage or benefit to the corporation.

(2) Any waiver of sovereign immunity shall be specific and limited as to:

(i) duration,

(ii) the grantee,

(iii) the particular transaction,

(iv) definite property or funds, if any, of the corporation,

(v) a particular court having jurisdiction pursuant thereto and

(vi) the law that shall be applicable thereto.

(3) Any express waiver of sovereign immunity by resolution of the Board, shall not be deemed a consent to the levy of any judgment, lien or attachment upon property of the corporation other than property specifically pledged or assigned, or a consent to suit in respect of any land within the Reservation or a consent to the alienation, attachment or encumbrance of any such land.

§ 112. Waivers of Sovereign Immunity.

The Corporate Commission's sovereign immunity may be waived only by formal resolution of the corporation's board of directors. Waivers of sovereign immunity are disfavored and shall be granted only when necessary to secure a substantial advantage or benefit to the corporation. Any waiver of sovereign immunity shall be specific and limited as to (a) duration; (b) the grantee; (c) the particular transaction; (d) definite property or funds, if any, of the corporation; (e) a particular court having jurisdiction pursuant thereto; and (f) the law that shall be applicable thereto. Any express waiver of sovereign immunity by resolution of the board shall not be deemed a consent to the levy of any judgment, lien, or attachment upon property of the corporation other than property specifically pledged or assigned, or a consent to suit in respect of any land within the Reservation or a consent to the alienation, attachment, or encumbrance of any such land.

1130. Assets and Liabilities of the Band.

The <u>corporation Corporate Commission</u> shall have only those assets specifically assigned to it by the Band or acquired in its name by the Band or the <u>Corporate Commission corporation</u> on its own behalf. Nothing in this chapter, nor any activity of the corporation, shall implicate or in any way involve the credit or assets of the Band or obligate the Band for the obligations of the corporation except for any liability or obligation specifically assumed in writing. <u>The Corporate Commission shall not incur any debt or financial obligations except by bill.</u>

§ 111. Corporate Powers and Duties of Corporate Commissioner.

- (a) The Corporate Commissioner shall have the following corporate duties and responsibilities:
 - (1) The Commissioner of Corporate Affairs shall serve as the Chief Operating Officer of the Corporate Commission.
 - (2) The Corporate Commissioner or the Corporate Commissioner's Designee shall serve as the Chief Operating Officer, or, if at the discretion of the Corporate Commissioner, as a Board Member other than the CEO of any wholly owned subsidiary.
 - (3) Any additional powers necessary to carry out the purposes as described in this chapter.

441 (b)

(1) The Commissioner of Corporate Artairs shan issue regulations and other
directives to accomplish the above duties in the form of Corporate Orders.
(2) Such Corporate Order shall be subject to voidance by a majority of the Board
members of the Corporate Commission provided that such rejection of the
Corporate Order be made in writing by a majority of Board members within
three (3) days of the Board members receiving constructive notice of the
corporate order.
PART B
EXPENDITURES
Section
151. Gaming Expenditures.
152. General Appropriation.
153. Revenue.
154. Operations Budget.
155. Capital Projects Budget.
156. Reporting Requirements.
157. Miscellaneous Provisions.
157. Miscenancous i Tovisions.
§ 151. Gaming Expenditures.
, <u>,</u>
Appropriations and authorized expenditures to the Corporate Commission for the operations,
and capital and economic development projects of Grand Casino Hinckley and Grand Casino
Mille Lacs ("Casinos") shall be subject to the following.
§ 152. General Appropriation.
The Corporate Commission shall operate in accordance with an annual budget duly authorized
by Band Assembly resolution and this subchapter.
(a) No later than August 1 each year, the Corporate Commission shall submit a budget to
the Band Assembly for the subsequent fiscal year. The budget shall be in such form
and content to provide supporting detail in accord with general custom and usage for
similar types of business budgets and shall be specific in detail to allow the Band
Assembly to reasonably discern the proposed actions and expenditures of Casinos.
The proposed budget shall consist of the following component parts: existing and
proposed capital and economic development projects, and the general operations of

486		Casinos.
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488	(b)	Unless otherwise approved by Band Assembly Resolution, all funds previously
489	<u>, , , , , , , , , , , , , , , , , , , </u>	appropriated and remaining at the end of a fiscal year shall not be carried over into
490		the next fiscal year but shall be deposited into the treasury of the Mille Lacs Band
491		Government within 60 calendar days after the start of the subsequent fiscal year, but
492		· · · · · · · · · · · · · · · · · · ·
		no later than November 30.
493	()	
494	<u>(c)</u>	The Corporate Commission CEO and Corporate Commissioner shall report to the
495		Band Assembly on a quarterly basis, or as otherwise requested by the Band
496		Assembly, the cash requirement levels needed to operate Casinos and the justification
497		to support the use of such funds.
498		
499		
500	§ 153. Re	venue.
501	•	
502	One hund	red percent (100%) of the net gaming revenue shall be deposited monthly into the
503		sury. The Casinos shall calculate and remit their net revenues for a fiscal month no
504		the 20 th calendar day of the following month to the General Fund of the Band. Net
505	•	s defined as the gross revenue from any and all departments, units, and all other
506		the integrated casino-hotel-entertainment facilities within and affiliated with the
507		ess reasonable and proper operating expenses for those facilities, and related
508	businesses	<u>S.</u>
509		
510	For purpo	ses of computing net revenue, reasonable and proper operating expenses may include
511	but are no	t limited to:
512		
513	(a)	payment of wages, salaries, benefits, training and educational programs for
514	(/	employees;
515		<u>unipro y evos</u>
516	<u>(b)</u>	payment of principal and interest for debt acquired to maintain and improve assets;
517	(0)	payment of principal and interest for deor acquired to maintain and improve assets,
	(-)	
518	<u>(c)</u>	prizes;
519	. 4	
520	<u>(d)</u>	materials and supplies;
521		
522	<u>(e)</u>	administrative fees;
523		
524	(f)	utilities;
525	<u> </u>	
526	(g)	repairs and maintenance;
527	<u>(5)</u>	repairs and maintenance,
	(l ₂)	interest on installment contract pyrohogogy
528	<u>(h)</u>	interest on installment contract purchases;
529	(*)	
530531	<u>(i)</u>	insurance and bonding;

- 532 advertising and marketing expenses; (i) 533 534 fees paid for professional services, provided there is a valid contract between the (k) 535 Corporate Commission and the professional service provider; 536 (1) security costs; 537 538 (m) costs associated with regulatory compliance; 539 540 (n) equipment purchases and leases; 541 542 (o) trash removal; 543 544 (p) snow removal; 545 546 costs of goods purchased; and (q) 547 548 a reasonable operating reserve fund for expenditures that may arise periodically but (r) 549 not in a regular recurring manner. 550 551 552 § 154. Operations Budget. 553 554 Any line-item budget modification totaling one hundred thousand dollars (\$100,000.00) or 555 more, must be approved by the Corporate Commission Board of Directors. The Corporate 556 Commission CEO shall notify the Band Assembly and the Office of the Secretary-Treasurer of 557 the Band of the change in writing within five (5) business days of the Corporate Commission 558 Board of Directors action. Any cumulative budget modification to net revenues over one million 559 dollars (\$1,000,000.00) must be approved by Band Assembly. 560 561 562 § 155. Capital Projects Budget. 563 564 Capital projects are funded by Band Assembly appropriation. The Corporate 565 Commission CEO shall present the Capital Projects Plan to the Commissioner of Finance no later than August 1 of each year. The Plan shall include detailed reports 566 which describe capital improvements completed during the fiscal year as well as 567 those planned for the next fiscal year and four (4) years thereafter. The Plan shall not 568 569 be binding on the Casinos but will be used by the Band Assembly as a tool to project 570 future capital project cost outlays to facilitate the annual budgetary process. Upon 571 receipt of the Plan, the Commissioner of Finance and the Corporate Commission 572 CEO shall meet with the Band Assembly to discuss the details of the Plan. The Band 573 Assembly reserves all authority to approve or adjust any Plan proposed by the
 - (b) At the end of each fiscal year, the Corporate Commission shall submit a report detailing the fiscal year's capital expenditures and funds expended to complete

Corporate Commission CEO.

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578 projects for the Casinos. Except as otherwise approved by Band Assembly 579 Resolution, any funds previously appropriated and remaining at the end of the fiscal 580 year, excluding obligated funds in any casino capital improvement budget line item 581 at the end of the fiscal year, shall be deposited in the Band's treasury within 60 582 calendar days. 583 584 585 § 156. Reporting Requirements. 586 587 The Corporate Commission and Casinos shall provide quarterly reports to the Chief Executive, 588 Speaker of the Assembly, District Representatives, and the Commissioner of Finance at official 589 quarterly meetings and at other times as requested. 590 591 (a) The required form of reporting shall be in a format acceptable to the Band Assembly 592 to maximize the value of the information contained therein. The Band Assembly may 593 at any time, following reasonable notice, call to meet with the Corporate 594 Commission CEO to discuss any matter concerning the Casinos. At a minimum, the 595 Corporate Commission shall report or cause to be reported to the Band Assembly the 596 following information concerning the operations of the Casinos: 597 598 a quarterly balance sheet, income or profit and loss, and cash flow statements (1) 599 of the Casinos; 600 annual audited financial statements of the Casinos within 120 days of the end 601 (2) 602 of the fiscal year; 603 604 all other activities the Casinos are engaged in; (3) 605 606 (4) any business record, statement, or other document in the possession or control 607 of the Casinos and, at Band Assembly's request, delivered not later than ten (10) consecutive business days from the date of the request; and 608 609 610 (5) a monthly written summary of all Casino vendor contracts which have been 611 submitted to the Corporate Commission Legal Department for review. The contract summary shall be submitted within five (5) business days of the end 612 of each month. The summary shall include: 613 614 615 Contract name; (i) 616 617 Name of the vendor providing goods and/or services; (ii) 618 619 (iii) Amount of the contract; 620 621 Description of the goods and/or services to be provided; (iv) 622

523		(v) The contract start and end dates;
524		
525		(vi) Casino department for which the goods or services are to be provided
526		and the departmental employee who initiated the contract;
527		
528		(vii) Master control number; and
529		
630		(viii) Other ancillary information applicable to the contract.
531		
532		(6) a Band member and other Native American employment summary at quarter
633		end. The summary shall be in sufficient detail to discern position, date of
534		hire, date of termination, and tribal affiliation.
535		inte, date of termination, and thour armation.
636		
537	8 157 Mi	iscellaneous Provisions.
538	<u>X 157. WII</u>	iscendificous 1 Tovisions.
539	(a)	Loans for Casinos and Other Credit. The Corporate Commission shall not borrow,
540	<u>(u)</u>	lend or enter into any loan agreement or establish any line of credit for the Casinos
541		without approval by Band Assembly resolution.
542		without approvar by Band Assembly resolution.
543	(b)	Tax Revenue. All tax revenue collected by the Corporate Commission or the Casinos
544	(0)	shall not be distributed or used for any purpose other than that expressly provided for
545		by appropriation of the Band Assembly.
546		by appropriation of the Bana Assembly.
547	(c)	Employment Information. The Corporate Commission, on behalf of the Casinos,
548	<u>(C)</u>	shall submit a report to the Band Assembly detailing the specific budgeted dollar
549		amount for each of the top 50 positions, vacant or filled, held at the Casinos and shall
550		report a dollar value in the aggregate for all the remaining positions no later than
551		March 1 of every year. Bonus amounts for each of the top positions must also be
552		included in this report.
653		ineraded in this report.
654	(d)	Prohibited Projects. The Corporate Commission and Casinos shall not use funds for
555	<u>(u)</u>	any business activity, purpose, or venture that is illegal or inconsistent with the values
656		of the Band.
557		of the band.
558	<u>(e)</u>	Band Member Development. The professional and personal development of Band
559	<u>(C)</u>	Members is a priority of the Band. As such, the Casinos shall:
660		internoers is a priority of the Bana. As such, the Casmos share.
561		(1) work with Band Member Development Advocates and TERO
562		Representatives, who are employees of the Band, at each of the Casinos to
563		ensure Band members are given opportunities for employment and
564		professional growth to increase Band member self-esteem and career
565		progression;
566		progression,
, , ,		

66/		<u>(2)</u>	increase Band Member employment, retention, promotion, and training
668			opportunities by ten percent (10%) every year;
669			
670		<u>(3)</u>	implement measurable and sustainable Band Member development goals;
671			
672		<u>(4)</u>	create and implement a Band Member succession plan for management
673			positions;
674		(5)	1 2 41
675		<u>(5)</u>	submit monthly reports to Band Member Development Advocates and TERO
676			Representatives that include statistics on the number of Band members hired,
677			working positions, training opportunities and results, and promotions in the
678			Casinos. Band Member Development Advocates and TERO Representatives
679 680			shall then provide quarterly reports to the Band Assembly;
681	(f)	Hum	an Resources and departmental management shall be responsible and held
682	<u>(1)</u>		untable to ensure the Band Member goals and promotion opportunities described
683			ragraph (e) are routine and applied on a consistent basis. Human Resources and
			tmental management may be re-structured if these goals are not consistently
684			thental management may be re-structured if these goals are not consistently
685		met.	
686	()	Б 11	
687	<u>(g)</u>		re to meet the requirements in this Subchapter will result in fines levied by the
688		Secre	etary-Treasurer, or withholding of funds.
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691 692			SUBCHAPTER 3
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694			MILLE LACS CORPORATE VENTURES
695			
696	Part		
697	A. Gene	ral Dra	visions
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708		urpose	
			

- 709 <u>203. Corporate Body Politic.</u>
 710 <u>204. Board of Directors.</u>
- **205. Duty of Loyalty.**
- **206.** Corporate Executive Officer.
- **207.** Limited Liability and Indemnification.
- **208.** Enumerated Powers.
- **209.** Subsidiary Corporations.
- **210.** Additional Powers.
- **211.** Corporate Charter.
- **212. Net Revenue Allocation Schedule.**
- **213.** Sovereign Immunity.
- **214.** Waivers of Sovereign Immunity.
- **215.** Assets and Liabilities of the Band.

§ 201. Establishment.

(a) Mille Lacs Corporate Ventures is established as a Corporate Body Politic. As a

Corporate Body Politic, Mille Lacs Corporate Ventures is both a political
subdivision, clothed by federal and tribal law with all the privileges and immunities
of the Band, except as expressly limited; and a separately chartered corporation
under 16 MLBS § 1101.

(b) Mille Lacs Corporate Ventures shall serve as the parent company of all companies previously formed as subsidiaries to the Corporate Commission, except for Grand Casino Mille Lacs and Grand Casino Hinckley.

§ 202. Purposes.

Mille Lacs Corporate Ventures is established:

 (a) to establish and operate non-gaming commercial enterprises as it may deem to be for the benefit of the Mille Lacs Band of Ojibwe;

(b) to make sound business and economic development decisions, consistent with this chapter, in a way that is insulated from day-to-day political considerations faced by Band elected leaders;

(c) to avail the Band of the benefits of engaging in business and economic development without subjecting the Band government to erosion of Band sovereignty;

(d) to insulate Band assets from liability assumed in the conduct of business operations of Mille Lacs Corporate Ventures or as a wholly owned subsidiary thereof; and

(e) for any other purposes set forth in Mille Lacs Corporate Ventures' charter or bylaws that are not inconsistent with this subchapter.

§ 203. Corporate Body Politic.

Mille Lacs Corporate Ventures shall be incorporated as a Corporate Body Politic under 16 MLBS § 1101. As a Corporate Body Politic, Mille Lacs Corporate Ventures shall have membership consisting of the Chief Executive, Speaker of the Assembly, and District Representatives instead of shareholders.

§ 204. Board of Directors.

The Mille Lacs Corporate Ventures Board of Directors shall be governed by a board of directors consisting of five (5) directors.

(a) The Chief Executive shall nominate two (2) individuals who possess extensive experience in business or corporate governance and submit their names to the Secretary-Treasurer. Within ten (10) calendar days after receipt of the nominations by the Secretary-Treasurer, the Secretary-Treasurer shall ratify one (1) of the two (2) nominees to be a Member of the Board.

(b) Each District Representative shall nominate two (2) individuals and submit their names to the Chief Executive. Within ten (10) calendar days after receipt of the nominations by the Chief Executive, the Chief Executive shall ratify one (1) of the two (2) nominees to be a Member of the Board.

(c) The Secretary-Treasurer shall nominate two (2) individuals who possess extensive experience in business or corporate governance and submit their names to the Chief Executive. Within ten (10) calendar days after receipt of the nominations by the Chief Executive, the Chief Executive shall ratify one (1) of the two (2) nominees to be a Member of the Board.

(d) If the Chief Executive or the Secretary-Treasurer do not ratify one from any of the nominations sent to them within the time prescribed, then the Band Assembly shall select such member by majority vote.

(e) If any elected official does not submit a nomination within 30 calendar days after a vacancy has occurred, then the Band Assembly shall nominate two (2) individuals by majority vote and submit their names to the Chief Executive for ratification to the Board within ten (10) calendar days of receipt.

(f) No member shall take office until swearing to the oath of office pursuant to 2 MLBS § 8.

§ 205. Duty of Loyalty.

Directors shall possess a duty of loyalty to Mille Lacs Corporate Ventures and shall not vote on any matter in which the director possesses a conflict of interest, defined as a vested interest of the director, which may include money, status, knowledge, relationships, or reputation, which puts into question whether the director's actions, judgment, or decision-making can be unbiased. The director shall not engage in self-dealing, defined as acting in one's own interests instead of those of Mille Lacs Corporate Ventures. Violation of any of these ethical standards shall result in a director's removal by the board.

§ 206. Corporate Executive Officer.

The position of Corporate Executive Officer is established to operate and manage Mille Lacs
Corporate Ventures as its chief executive officer and to exercise all authorities conferred by this
subchapter. The Corporate Executive Officer shall be hired and supervised by the Board of
Directors and serve as an employee of Mille Lacs Corporate Ventures.

§ 207. Limited Liability and Indemnification.

Mille Lacs Corporate Ventures shall indemnify any person who was or is a party or threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding either civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a director, officer, agent, or employee acting on behalf of the corporation, or is or was serving at the request of the corporation as a director or officer of another enterprise or corporation, against expenses, including attorneys' fees and costs, judgments, fines, and amounts paid in settlement actually and reasonably incurred by her or him in connection with such action, suit, or proceeding, to the extent that such person is not otherwise indemnified. The corporation shall not be required to indemnify such director, officer, agent, or employee if independent counsel shall determine pursuant to a judicial decision in any such action, suit, or proceeding, or independently, in case of settlement, that the director, officer, agent, or employee has failed to act in good faith and with the degree of diligence, care, and skill which ordinary prudent people would exercise under similar circumstances in like positions.

§ 208. Enumerated Powers.

Mille Lacs Corporate Ventures shall have the following specifically enumerated powers:

(a) to engage in non-gaming business and economic development endeavors;

- 843 (b) to enter into any contracts or agreements necessary for business or economic development endeavors;
 - (c) to enter into compacts or other agreements with the state or federal government in furtherance of engaging in business or economic development endeavors;
 - (d) to form and incorporate wholly owned subsidiary business entities to conduct the affairs of individual business endeavors and to insulate Mille Lacs Corporate Ventures from liability of those endeavors; and
 - (e) any additional powers necessary to carry out its statutorily prescribed purposes.

§ 209. Subsidiary Corporations.

When a subsidiary corporation is formed under § 208(d), Mille Lacs Corporate Ventures shall name the board of directors and the articles and bylaws of any such corporation before the same shall become effective. Mille Lacs Corporate Ventures may assign any duties or privileges of any agreement or contract that Mille Lacs Corporate Ventures has entered into to a wholly owned subsidiary whose specific business purpose is relevant to such agreement or contract.

§ 210. Additional Powers.

Any additional powers exercised by Mille Lacs Corporate Ventures under § 208(e) must be specifically enumerated in a set of articles and bylaws and shall be approved by the board of directors and ratified by Band Assembly resolution. Such articles and bylaws and any additional specifically enumerated powers contained therein must be approved by resolution of the Band Assembly before they shall become effective. Any amendments to the articles and bylaws must be approved by resolution of the Band Assembly before they shall become effective.

§ 211. Corporate Charter.

Mille Lacs Corporate Ventures shall draft and approve a charter and bylaws to be submitted to the Band Assembly for ratification. Such charter and bylaws, or amendments or changes thereto, shall not become effective until ratified by resolution of the Band Assembly.

§ 212. Net Revenue Allocation Schedule.

The Band Assembly shall by resolution adopt a Net Revenue Allocation Schedule to provide for the allocation of net revenue from any business conducted by Mille Lacs Corporate Ventures or any wholly owned subsidiary thereof. The Corporate Executive Officer shall provide reporting and accounting for the Net Revenue Allocation Schedule upon adoption by the Band Assembly.

The Net Revenue Allocation Schedule includes a capital projects reserve not to exceed a four percent (4.0%) gross revenue consistent with industry standards to upkeep, maintain, and continue the improvement of the facilities. The Band shall maintain the gross revenue capital projects reserve in an interest-bearing account under the direction of the Commissioner of Finance, Office of Management and Budget. Expenditures shall be made from said reserve only as expressly authorized by formal appropriation by the Band Assembly.

§ 213. Sovereign Immunity.

Mille Lacs Corporate Ventures shall be clothed by federal and tribal law with all the privileges and immunities of the Band, except as specifically limited by this subchapter, including sovereign immunity from suit in any state, federal, or tribal court. Nothing contained in this subchapter shall be deemed or construed to be a waiver of sovereign immunity by Mille Lacs Corporate Ventures from suit which may be waived only in accordance with this subchapter and Mille Lacs Corporate Ventures' charter and bylaws. Nothing in this subchapter shall be deemed or construed to be a consent of Mille Lacs Corporate Ventures to the jurisdiction of the United States or of any state or of any tribe or band other than the Band with regard to the business or affairs of the corporation.

§ 214. Waivers of Sovereign Immunity.

Mille Lacs Corporate Ventures' sovereign immunity may be waived only by formal resolution of the corporation's board of directors. Waivers of sovereign immunity are disfavored and shall be granted only when necessary to secure a substantial advantage or benefit to the corporation. Any waiver of sovereign immunity shall be specific and limited as to duration; the grantee; the particular transaction; definite property or funds, if any, of the corporation; a particular court having jurisdiction pursuant thereto; and the law that shall be applicable thereto. Any express waiver of sovereign immunity by resolution of the board shall not be deemed a consent to the levy of any judgment, lien, or attachment upon property of the corporation other than property specifically pledged or assigned, or a consent to suit in respect of any land within the Reservation or a consent to the alienation, attachment, or encumbrance of any such land.

§ 215. Assets and Liabilities of the Band.

Mille Lacs Corporate Ventures shall have only those assets specifically assigned to it by the Band or acquired in its name by the Band or Mille Lacs Corporate Ventures on its own behalf.

Nothing in this subchapter, nor any activity of the corporation, shall implicate or in any way involve the credit or assets of the Band or obligate the Band for the obligations of the corporation except for any liability or obligation specifically assumed in writing. Mille Lacs Corporate Ventures shall not incur any debt or financial obligations except by bill.

PART B
EXPENDITURES
ppropriations and Expenditures.
eneral Appropriation.
perations Budget.
conomic Development Budget.
apital Projects Budget.
eporting Requirements.
<u>liscellaneous Provisions.</u>
opropriations and Expenditures.
opropriations and Expenditures.
opriations and authorized expenditures to Corporate Ventures for its operations, and
nd economic development projects shall be subject to the following.
de containe de veropinent projects shan de subject to the following.
eneral Appropriation.
es Corporate Ventures shall operate in accordance with an annual budget duly
d by Band Assembly resolution and this subchapter.
No later than August 1 of each year Corporate Ventures shall submit a budget to the
Band Assembly for the subsequent fiscal year. The fiscal-year budget shall be in
such form and content to provide supporting detail in accord with general custom and
usage for similar types of business budgets and shall be specific to allow the Band
Assembly to reasonably discern the proposed actions and expenditures of Corporate
Ventures. The proposed budget shall consist of the following component parts:
Corporate Ventures' existing and proposed capital and economic development
projects, and the general operations of the Corporate Ventures entity.
Funds must be utilized for the purposes for which they were requested,
notwithstanding any other active Band law.
Unless otherwise approved by Band Assembly Resolution, all funds previously
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appropriated and remaining at the end of a fiscal year shall not be carried over into the next fiscal year but shall be deposited into the treasury of the Mille Lacs Band

973		Government within 60 calendar days after the start of the fiscal year, but no later than
974 975		November 30.
976 977 978	<u>(d)</u>	The Corporate Ventures CEO and Corporate Commissioner shall report to the Band Assembly on a quarterly basis, or as otherwise requested by the Band Assembly, the cash requirement levels needed to operate the non-gaming businesses and the
979		justification to support the use of such funds.
980		
981	0.050.0	
982	§ 253. Op	perations Budget.
983 984	(a)	Downiagible Uses Downiagible year of the amountions by doct include the fellowing
984 985	<u>(a)</u>	Permissible Uses. Permissible uses of the operations budget include the following:
985 986		(1) Salaries of Corporate Ventures personnel;
987		(1) Salaries of Corporate Ventures personner,
988		(2) Incentive programs to front line staff if paid in accordance with reasonable
989		policies and procedures expressly adopted by formal action of the Corporate
990		Ventures Board of Directors;
991		
992		(3) Fees paid for professional services provided there is a valid contract between
993		Corporate Ventures and the professional service provider;
994		
995		(4) Rent for Corporate Ventures office space, storage space, and any other uses
996		that Corporate Ventures may have for building space;
997 998		(5) Cymrling and agricuments
998 999		(5) Supplies and equipment;
1000		(6) Utilities;
1000		(0) Cunties,
1002		(7) Costs for meeting expenses;
1003		
1004		(8) Travel expenses if disbursed in full accordance with travel policies and
1005		procedures expressly adopted by formal action of the Corporate Ventures
1006		Board of Directors;
1007		
1008		(9) Administrative expenses which are reasonable and necessary for the effective
1009		and efficient operation and the execution of Corporate Ventures; and
1010		(10) Od
1011 1012		(10) Other reasonable operating expenses.
1012	<u>(b)</u>	Modification. Any line-item budget modification totaling one hundred thousand
1013	(0)	dollars (\$100,000.00) or more must be approved by Corporate Ventures Board of
1015		Directors. The CEO shall notify the Band Assembly and the Office of the Secretary-
1015		Treasurer of the Band of the change in writing within five (5) business days of the
1017		Corporate Ventures Board of Directors action.
1017		Corporate , entares Boura of Directors actions

1019 1020 § 254. Economic Development Projects Budget. 1021 Permissible Uses. Permissible uses of Economic Development projects budget funds include 1022 1023 the following: 1024 1025 Start-up costs of new businesses or the acquisition of existing businesses; (a) 1026 1027 (b) Purchase of real estate; 1028 Expansion of existing non-gaming Corporate Ventures businesses, including any 1029 (c) 1030 additions or improvements to amenities consistent with the purpose of those 1031 businesses when the expenses are not permitted expenditures from Capital Reserves 1032 or exceed available funds from Capital Reserves; and 1033 The purchase, in whole or in part of any ownership interest, including shares of 1034 (d) 1035 stock, joint ventures, membership in a Limited Liability Company or similar entity, 1036 or any other business structure or arrangement. 1037 1038 1039 § 255. Capital Projects Budget. 1040 Capital projects are funded by Band Assembly appropriation. 1041 (a) 1042 1043 Any funding requests for capital projects shall be submitted to the Band Assembly (b) 1044 for pre-approval. 1045 1046 The Corporate Executive Officer shall present the Capital Projects Plan to the Commissioner of Finance no later than August 1 of each year. The Plan shall include 1047 1048 detailed reports which describe capital improvements completed during the fiscal 1049 year as well as those planned for the next fiscal year and four (4) years thereafter. 1050 The Plan shall not be binding on Corporate Ventures but will be used by the Band 1051 Assembly as a tool to project future capital project cost outlays to facilitate the annual budgetary process. Upon receipt of the Plan, the Commissioner of Finance 1052 1053 and the Corporate Executive Officer shall meet with the Band Assembly to discuss 1054 the details of the Plan. The Band Assembly reserves all authority to approve or adjust 1055 any Plan being proposed by the Corporate Executive Officer. 1056 At the end of the fiscal year, Corporate Ventures shall submit a report detailing the 1057 (d) 1058 fiscal year's capital expenditures and funds expended to complete projects. Except as otherwise approved by Band Assembly Resolution, any funds previously 1059 appropriated and remaining at the end of a fiscal year shall be deposited in Band 1060 1061 Treasury within 60 calendar days. 1062 1063

1004	<u>g 250. K</u>	eporting Requirements.
1065 1066	(a)	Corporate Ventures shall provide quarterly reports to the Chief Executive, Speaker of
1067	<u>(a)</u>	the Assembly, District Representatives, and the Commissioner of Finance at official
1068		quarterly meetings and at other times as requested.
1069		quarterry meetings and at other times as requested.
1070	(b)	Reporting on Business Participation. The required form of reporting shall be in a
1071	3	format acceptable to the Band Assembly to maximize the value of the information
1072		contained therein. The Band Assembly may, at any time, following reasonable
1073		notice, call to meet with the Corporate Executive Officer to discuss any matter
1074		concerning any of the Corporate Ventures owned businesses, subsidiaries or
1075		investments. At a minimum, Corporate Ventures shall report or cause to be reported
1076		to the Band Assembly the following information concerning its operations:
1077		
1078		(1) a quarterly balance sheet, income or profit and loss, and cash flow statements;
1079		
1080		(2) annual audited financial statements within 120 days of the end of the fiscal
1081		<u>year;</u>
1082		
1083		(3) all other activities Corporate Ventures is engaged in including, but not limited
1084		to, business regulation;
1085		
1086		(4) any business record, statement, or other document in the possession or control
1087		of Corporate Ventures, its subsidiaries, or direct investments and, at the Band
1088		Assembly's request, delivered no later than ten (10) consecutive business days
1089 1090		from the date of the request; and
1090		(5) a monthly written summary of all Corporate Ventures vendor contracts which
1091		have been submitted to the Corporate Ventures Legal Department for review.
1093		The contract summary shall be submitted within five (5) business days of the
1094		end of each month. The summary shall include:
1095		end of each month. The summary shan merade.
1096		(i) Contract name;
1097		(1) Santato mana)
1098		(ii) Name of the vendor providing goods and/or services;
1099		1 55
1100		(iii) Amount of the contract;
1101		· · · · · · · · · · · · · · · · · · ·
1102		(iv) Description of the goods and/or services to be provided;
1103		
1104		(v) The contract start and end dates;
1105		
1106		(vi) Corporate Ventures department for which the goods or services are to
1107		be provided and the departmental employee who initiated the contract;
1108		
1109		(vii) Master control number: and

1110		
1111		(viii) Other ancillary information applicable to the contract.
1112		
1113		(6) a Band member and other Native American employment summary at quarter
1114		end. The summary shall be in sufficient detail to discern position, date of hire,
1115		date of termination, and tribal affiliation.
1116		
1117		
1118	<u>§ 257. Mi</u>	iscellaneous Provisions.
1119		
1120	-	e Ventures shall not borrow, lend or enter into any loan agreement or establish any line
1121	of credit v	without prior approval of the Band Assembly.
1122	(-)	Low Income Housing Toy Cuadita Comparts Vontages and its subsidiaries shall not
1123 1124	<u>(a)</u>	Low-Income Housing Tax Credits. Corporate Ventures and its subsidiaries shall not seek low-income housing tax credits without prior approval from the Band Assembly
1124		in the form of a resolution.
1126		in the form of a resolution.
1127	(b)	Tax Revenue. All tax revenue collected by Corporate Ventures or an entity thereof
1128	(0)	shall not be distributed or used for any purpose other than that expressly provided for
1129		by appropriation of the Band Assembly.
1130		
1131	(c)	Employment Information. Corporate Ventures shall submit a report to the Band
1132		Assembly detailing the specific budgeted dollar amount for each of the top 25
1133		positions, vacant or filled, within Corporate Ventures and shall report a dollar value
1134		in the aggregate for all the remaining positions no later than March 1 of every year.
1135		Bonus amounts for each of the top positions shall also be included in this report.
1136		
1137	<u>(d)</u>	Prohibited Projects. Corporate Ventures shall not use funds for any business
1138		activity, purpose, or venture that is illegal or inconsistent with the values of the Band.
1139	(a)	Band Mambar Davalanment. The professional and personal development of Dand
1140 1141	<u>(e)</u>	Band Member Development. The professional and personal development of Band
1141		Members is a priority of the Band Assembly. As such, Corporate Ventures shall:
1142		(1) Work with Pand Mambar Davidanment Advantagend TEDO
1143		(1) Work with Band Member Development Advocates and TERO Representatives, who are employees of the Band, to ensure Band members are
1145		given opportunities for employment and professional growth in order to
1146		increase Band member self-esteem and career progression;
1147		(2) I
1148		(2) Increase Band member employment, retention, promotion, and training
1149		opportunities by ten percent (10%) every year;
1150		
1151		(3) Implement measurable and sustainable Band member development goals;
1152		

1153		(4) Create and implement a Band Member succession plan for management
1154		positions; and
1155		
1156		(5) Submit monthly reports to Band Member Development Advocates and TERO
1157		Representatives that include statistics on the number of Band members hired,
1158		working positions, training opportunities and results, and promotions at
1159		Corporate Ventures. Band Member Development Advocates and TERO
1160		Representatives shall then provide quarterly reporting to the Band Assembly.
1161 1162	(f)	Human Resources and departmental management shall be responsible and held
1163		accountable to ensure all Band Member goals and promotion opportunities in
1164		paragraph (e) are routine and applied on a consistent basis. Human Resources and
1165		departmental management may be re-structured if these goals are not consistently
1166		met.
1167		
1168	<u>(g)</u>	Failure to meet the requirements of this Subchapter will result in fines levied by the
1169		Secretary-Treasurer, or withholding of funds.
1170		
1171		
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1173		PART C
1174		
1175		Non-Gaming Expenditures
1176	~ .	
1177	Section	
1178		ppropriations and Expenditures.
1179		eneral Appropriation.
1180 1181		evenue. perations Budget.
1182		apital Projects Budget.
1183		eporting Requirements.
1184		liscellaneous Provisions.
1185		
1186		
1187	§ 301. Ar	opropriations and Expenditures.
1188 1189	All annro	priations and authorized expenditures to Corporate Ventures for the operations and
1190		ad economic development projects of any current or future non-gaming business
1191		or operated directly or indirectly by Corporate Ventures ("Non-Gaming Businesses")
1192		ubject to the following.
1193		
1194		

§ 302. General Appropriation.

Corporate Ventures shall operate in accordance with an annual budget duly authorized by Band Assembly resolution and this subchapter.

 (a) No later than August 1 each year, Corporate Ventures shall submit a budget to the Band Assembly for the following fiscal year. The budget shall be in such form and content to provide supporting detail in accord with general custom and usage for similar types of business budgets and shall be specific to allow the Band Assembly to reasonably discern the proposed actions and expenditures of Corporate Ventures. The proposed budget shall consist of the following component parts: existing and proposed capital and economic development projects, and the general operations of any Non-Gaming Businesses managed or operated by Corporate Ventures directly or indirectly through other entities.

(b) Funds must be utilized for the purposes for which they were requested, notwithstanding any other active Band law.

(c) Unless otherwise approved by Band Assembly Resolution, all funds previously appropriated and remaining at the end of a fiscal year shall be deposited into the treasury of the Mille Lacs Band Government within 60 calendar days after the start of the fiscal year, but no later than November 30.

(d) The Corporate Ventures CEO and Corporate Commissioner shall report to the Band Assembly on a quarterly basis, or as otherwise requested by the Band Assembly, the cash requirement levels needed to operate and the justification to support the use of such funds.

§ 303. Revenue.

One hundred percent (100%) of the net revenue from non-gaming enterprises shall be deposited monthly into the Band treasury. Corporate Ventures shall calculate and remit its net revenues for a fiscal month no later than the 20th calendar day of the following month to the General Fund of the Band. Net Revenue is defined as the gross revenue from any and all departments, units, and all other sources of Corporate Ventures non-gaming enterprises, less reasonable and proper operating expenses for those facilities, and related businesses.

(a) For purposes of computing net revenue, reasonable and proper operating expenses may include but are not limited to:

(1) payment of wages, salaries, benefits, training and educational programs for employees;

(2) payment of principal and interest for debt acquired to maintain and improve assets;

1241 1242		(3) prizes;
1243		
1244		(4) materials and supplies;
1245		
1246		(5) administrative fees;
1247		
1248		(6) utilities;
1249		
1250		(7) repairs and maintenance;
1251		
1252		(8) interest on installment contract purchases;
1253		
1254		(9) insurance and bonding;
1255		
1256		(10) advertising and marketing expenses;
1257		
1258		(11) professional fees;
1259		
1260		(12) security costs;
1261		
1262		(13) costs associated with regulatory compliance;
1263		
1264		(14) equipment purchases and leases;
1265		(15)
1266		(15) trash removal;
1267		(16)
1268		(16) snow removal;
1269		(17) sector of condensation described
1270 1271		(17) costs of goods purchased; and
1271		(18) a reasonable operating reserve fund for expenditures that may arise
1272		periodically but not in a regular recurring manner.
1273		periodically but not in a regular recurring mainler.
1275	<u>(b)</u>	The Commissioner of Finance shall transfer funds to the Non-Gaming Business and
1276	<u>(U)</u>	Economic Development Fund no less than annually.
1277		Decironic Development I and no less than annually.
1278		
14/0		

§ 304. Operations Budget.

Any line-item budget modification totaling one hundred thousand (\$100,000.00) or more must be approved by the Corporate Ventures Board of Directors. The Corporate Executive Officer shall notify the Band Assembly and the Office of the Secretary-Treasurer of the Band of the change in writing within five (5) business days of the Corporate Ventures Board of Directors action. Any cumulative budget modification to net revenues over five hundred thousand dollars (\$500,000.00) must be approved by the Band Assembly after notification by the Commissioner

of Finance and the Corporate Executive Officer.

§ 305. Capital Projects Budget.

(a) Capital projects are funded by Band Assembly appropriation.

(b) The Corporate Executive Officer shall present the Capital Projects Plan to the Commissioner of Finance no later than August 1st of each year. The Plan shall include detailed reports which describe capital improvements completed during the fiscal year as well as those planned for the next fiscal year and four (4) years thereafter. The Plan shall not be binding on the Non-Gaming Businesses but will be used by the Band Assembly as a tool to project future capital project cost outlays to facilitate the annual budgetary process. Upon receipt of the Plan, the Commissioner of Finance and the Corporate Executive Officer shall meet with the Band Assembly to discuss the details of the Plan. The Band Assembly reserves all authority to approve or adjust any Plan proposed by the Corporate Executive Officer.

At the end of each fiscal year, Corporate Ventures shall submit a report detailing the

fiscal year's capital expenditures and funds expended to complete projects for Non-

Gaming Businesses. Except as otherwise approved by Band Assembly Resolution, any funds previously appropriated and remaining at the end of the fiscal year,

excluding obligated funds in any capital improvement line-item at the end of the

fiscal year, shall be deposited in the Band treasury within 60 calendar days.

(c)

1332 (3)

§ 306. Reporting Requirements.

Corporate Ventures shall provide quarterly reports on the Non-Gaming Businesses to the Chief Executive, Speaker of the Assembly, District Representatives, and the Commissioner of Finance at official quarterly meetings and at other times as requested.

- (a) Reporting on Business Participation. The required form of reporting shall be in a format acceptable to the Band Assembly to maximize the value of the information contained therein. The Band Assembly may at any time, following reasonable notices.
 - contained therein. The Band Assembly may at any time, following reasonable notice, call to meet with the Corporate Executive Officer to discuss any matter concerning the Non-Gaming Businesses. At a minimum, Corporate Ventures shall report or cause to be reported to the Band Assembly the following information concerning the operations of the Non-Gaming Businesses:
 - (1) a quarterly balance sheet, income or profit and loss, and cash flow statements;
 - (2) annual audited financial statements within 120 days of the end of the fiscal year;
 - all other activities the Non-Gaming Businesses are engaged in;

1333		
1334		(4) any business record, statement, or other document in the possession or control
1335		of the Non-Gaming Businesses, subsidiaries, or direct investments and, at
1336		Band Assembly's request, delivered no later than ten (10) consecutive
1337		business days from the date of the request; and
1338		
1339		(5) a monthly written summary of all vendor contracts which have been submitted
1340		to the Corporate Ventures Legal Department for review. The contract
1341		summary shall be submitted within five (5) business days of the end of each
1342		month. The summary shall include:
1343		
1344		(i) Contract name;
1345		
1346		(ii) Name of the vendor providing goods and/or services;
1347		
1348		(iii) Amount of the contract;
1349		
1350		(iv) Description of the goods and/or services to be provided;
1351		
1352		(v) The contract start and end date;
1353		
1354		(vi) The department for which the goods or services are to be provided and
1355		the departmental employee who initiated the contract;
1356		
1357		(vii) Master control number; and
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1359		(viii) Other ancillary information applicable to the contract.
1360		
1361		(6) a Band member and other Native American employment summary at quarter
1362		end. The summary shall be in sufficient detail to discern position, date of hire,
1363		date of termination, and tribal affiliation.
1364		
1365		
1366	<u>§ 307. Mi</u>	scellaneous Provisions.
1367		
1368	<u>(a)</u>	Loans for Non-Gaming Businesses and Other Credit. Corporate Ventures shall not
1369		borrow, lend or enter into any loan or lease agreement or establish any line of credit
1370		for Non-Gaming Businesses, which individually, or in aggregate, are in excess of two
1371		hundred fifty thousand dollars (\$250,000.00) without prior approval by the Band
1372		Assembly.
1373		
1374	<u>(b)</u>	Tax Revenue. All tax revenue collected by Corporate Ventures or Non-Gaming
1375		Businesses shall not be distributed or used for any purpose other than that expressly
1376		provided for by appropriation of the Band Assembly.
1377		

1378 **Employment Information.** Corporate Ventures, on behalf of all Non-Gaming (c) 1379 Businesses, shall submit a combined report to the Band Assembly detailing the 1380 specific budgeted dollar amount for each of the top 25 positions, vacant or filled, of 1381 every business entity and shall report a dollar value in the aggregate for all the 1382 remaining positions of the business entities no later than March 1 of every year. 1383 Bonus amounts for each of the top positions shall also be included in this report. 1384 1385 (d) Prohibited Projects. Corporate Ventures and Non-Gaming Businesses shall not use 1386 funds for any business activity, purpose, or venture that is illegal or inconsistent with 1387 the values of the Band. 1388 1389 Band Member Development. The professional and personal development of Band 1390 members is a priority of the Band. As such, Non-Gaming Businesses shall: 1391 1392 Work with Band Member Development Advocates and TERO (1) 1393 Representatives, who are employees of the Band, at each Non-Gaming 1394 Business to ensure Band members are given opportunities for employment and professional growth in order to increase Band member self-esteem and 1395 1396 career progression. 1397 Increase Band Member employment, retention, promotion, and training 1398 (2) 1399 opportunities by ten percent (10%) on a combined aggregate basis across all 1400 Non-Gaming Businesses from October 1, 2016 to September 30, 2017, and every year thereafter. 1401 1402 1403 (3) Implement measurable and sustainable Band Member development goals. 1404 1405 (4) Create and implement a Band Member succession plan for management 1406 positions. 1407 Submit monthly reports to Band Member Development Advocates and TERO 1408 (5) 1409 Representatives that includes statistics on the number of Band members hired, 1410 working positions, training opportunities and results, and promotions in the Non-Gaming Businesses. Band Member Development Advocates and TERO 1411 Representatives shall then provide quarterly reporting to the Band Assembly. 1412 1413 1414 (f) Human Resources and departmental management shall be responsible and held 1415 accountable to ensure all Band Member goals and promotion opportunities in 1416 paragraph (e) are routine and applied on a consistent basis. Human Resources and 1417 departmental management may be re-structured if these goals are not consistently 1418 met. 1419 1420 Failure to meet the requirements of this Subchapter will result in fines levied by the (g) 1421 Secretary-Treasurer, or withholding of funds. 1422

1424 Section 2. Amending Title 16, chapter 2, subchapter 2, section 1101. 1425 1426 § 1101. Purposes. 1427 1428 A corporation may be incorporated under this chapter for any business purpose or (a) 1429 purposes, unless some other statute of Band requires incorporation for any of those 1430 purposes under a different law. Unless otherwise provided in its articles, a 1431 corporation has general business purposes. 1432 1433 (b) A corporation may also be incorporated under this chapter as a Corporate Body 1434 Politic. A Corporate Body Politic shall be the same in all respects as any other 1435 corporation incorporated under this chapter except that: 1436 Such Corporate Body Politic shall also be a political subdivision of the Band 1437 **(1)** 1438 conferred with all privileges and immunities contained as such; and 1439 1440 **(2)** Such Corporate Body Politic will have members instead of shareholders. The members shall consist of the Chief Executive, the Speaker of the Band 1441 1442 Assembly, and the District Representatives of Districts 1, 2 and 3. These individuals shall serve as members in their official capacity as elected leaders 1443 of the Mille Lacs Band of Chippewa Indians. 1444 1445 1446 (3) There shall be no voting rights for the members. 1447 1448 (4) A shareholder shall have the right to be heard by the board of any Corporate Body Politic upon written request to the board or the corporate CEO. The 1449 1450 right to be heard shall include the right to address the board at a board 1451 meeting. 1452 Members shall have an absolute right, upon written demand, to examine and 1453 (5) 1454 copy, in person or by a legal representative, at any reasonable time, and the 1455 corporation shall make available, within three (3) days of receipt by the corporation of the written demand, any document available to the highest-1456 ranking corporate or Band officer, official, or employee, provided the 1457 document is not directly related to pending or ongoing litigation and 1458 protected by attorney-client confidentiality. 1459 1460 1461 Members have a right to bring direct lawsuits and derivative lawsuits in (6) 1462 equity in the Court of Central Jurisdiction when a director or officer of the Corporate Body Politic or its subsidiaries or affiliates breaches a duty or 1463 1464 violates Band law or corporate bylaws or charters and causes actual injury. The responded in such claims shall not raise the defense of sovereign 1465 1466 immunity, nor shall they file counterclaims.

1468	(3)(7) The members shall have the power to appoint or delegate the appointment of
1469	the board of director of such Corporate Body Politic in accord with applicable
1470	Band Statutes.
1471	
1472	(4)(8) Incorporators shall not be required for the Corporate Body Politic. The
1473	Corporate Body Politic shall be established in accord with Band Statute, or as
1474	delegated by Band Statute.
1475	·
1476	(5)(9) Any revenues from whatever source derived by such a Corporate Body
1477	Politic shall inure to the Mille Lacs Band of Chippewa IndiansOjibwe to be
1478	allocated for governmental purposes and the general welfare of the Mille
1479	Lacs Band people, according to a net revenue allocation schedule to be
1480	enacted by the Band.
1481	
1482	(6)(10) Such Corporate Body Politic shall not be required to pay any fees listed in
1483	this chapter.
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1485	
1486	Section 3. Repealing Ordinance 04-15.
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1488	Ordinance 04-15 is hereby repealed.
1489	
1490	
1491	
1492	EFFECTIVE DATE. This bill shall take effect one year after the signature by the Chief
1493	Executive, or lack of a veto, as provided in 3 MLBS § 17.