



August 19, 1998

Compliance Review Group  
Minnesota Gambling Control Board  
Suite 300 South  
1711 W. County Road B  
Roseville, MN 55113

RE: Gerry Turnberg CRG Conference  
August 20, 1998

Dear Members of the CRG:

Please consider this letter a response to the allegations contained in the Notice of Conference. Because the allegations against me mirror those alleged against the Minnesota Recreation and Park Association (MRPA), I will generally refer you to the MRPA response rather than repeating the same information here. However, to the extent that the allegations pertain to me directly, I will include a separate response in this document.

**1. RESPONDENT CONDUCTED LAWFUL GAMBLING, WITHOUT THE SUPERVISION OF A LICENSED GAMBLING MANAGER, IN VIOLATION OF MINN. STAT. 349.167, SUBD 1 (1996) AND MINN. R. 7861.0030, SUBP. 9 (1997).**

**RESPONSE: AGREE WITH MODIFICATION**

The first statutory allegation is not applicable to my situation, and appears to be more applicable to the MRPA. I agree however, as indicated in the MRPA's response to paragraph 1, that I did not adequately supervise the MRPA's lawful gambling operation as is required by Minn. R. 7861.0030, subp. 9 (1997).

**2. RESPONDENT FAILED TO MAINTAIN A \$10,000 FIDELITY BOND IN FAVOR OF THE ORGANIZATION CONDITIONED AS (SIC) THE FAITHFUL PERFORMANCE OF THE MANAGER'S DUTIES, IN VIOLATION OF MINN. STAT. 349.167, SUBD 1 (1996).**

**RESPONSE: AGREE**

Please see the MRPA's response to paragraph 6 of the Amended Notice of Conference.

**3. RESPONDENT, AS GAMBLING MANAGER, FAILED TO ENSURE THAT LAWFUL GAMBLING WAS CONDUCTED LAWFUL GAMBLING (SIC) ON A CASH BASIS, IN ADVANCE OF PLAY, IN VIOLATION OF MINN. R. 7861.0060, SUBP 1B (1997).**

**RESPONSE: DISAGREE**

Please see the MRPA's response to paragraphs 3 and 4 of the Amended Notice of Conference.

**4. RESPONDENT MADE A FALSE STATEMENT IN A DOCUMENT, APPLICATION, OR REPORT REQUIRED TO BE SUBMITTED TO THE BOARD, IN VIOLATION OF MINN. R. 7865.0020 (1997).**

**RESPONSE: DISAGREE**

Please see the MRPA's response to paragraph 7 of the Amended Notice of Conference.

**5. RESPONDENT FILED AN APPLICATION FOR A LICENSE THAT CONTAINED A STATEMENT THAT, IN LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT WAS MADE, WAS FALSE, MISLEADING, FRAUDULENT OR A MISREPRESENTATION, IN VIOLATION OF MINN. STAT. 349.155, SUBD. 4(2) (1996) AND MADE A FALSE STATEMENT IN A DOCUMENT OR REPORT REQUIRED TO BE SUBMITTED TO THE BOARD, IN VIOLATION OF MINN. STAT 349.155 SUBD. 4 (3) (1996).**

**RESPONSE: AGREE WITH MODIFICATION AND EXPLANATION**

First, the alleged violation of Minn. Stat. 349.155, subd 4 (3) seems inapplicable. Subdivision 4 (3) refers to a "document or report" submitted to the Board. Subdivision 4(2) refers to an application. Obviously, the legislature, by including the two provisions did not intend that applications also be considered documents and reports. Therefore, the reference to subd. 4(3) should be stricken.

With respect to the substance of the allegation, please refer to the MRPA's response to paragraph 6 of the Amended Notice of Conference.

**6. RESPONDENT HAS ENGAGED IN CONDUCT THAT IS CONTRARY TO THE PUBLIC HEALTH, WELFARE, OR SAFETY OR TO THE INTEGRITY OF GAMBLING AND THEREFORE IS SUBJECT TO DISCIPLINE PURSUANT TO MINN. STAT. 349.155, SUBD. 8 (1996).**

**RESPONSE: DISAGREE**

As indicated in the MRPA's response to paragraph 19 of the amended Notice of conference, we did not intentionally violate the law or knowingly engage in conduct to compromise the integrity of lawful gambling. While I admit that I failed to maintain adequate and appropriate supervision of our gambling operation, I did not condone misconduct, overlook misconduct nor knowingly violate the law in any way. I am fully committed to the MRPA and its mission and I know that I should have been similarly committed to its gambling operation. I was not. And for that I regret any harm I may have caused to the MRPA or its members.

Sincerely,

Signed copy to be provided  
Gerry Turnberg