

BUSINESS GUIDE

Supporting the Missions, Visions and Core Values of Native American Tribal Casinos





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How cloud-based enterprise resource planning helps Native American tribes bring their multifaceted operations onto a single platform, automate business reporting and gain a complete view of organizational performance.

With operations that incorporate lodging, golf, dining, gaming, retail stores and other business activities, tribal casinos provide a fun and entertaining outlet for visitors that want to spend a few hours playing slot machines or a few days enjoying an all-inclusive experience. These businesses were heavily impacted by pandemic-shutdowns and are now in recovery mode, seeking new ways to improve operational efficiencies, maximize their resources and do more with less.

As a starting point, some casinos are assessing their current business systems and investing in technology that helps them operate more

efficiently, effectively and affordably. This often means replacing aging systems with cloud-based software that can manage all aspects of the casino. Otherwise, tribes are left with siloed organizational structures and few (if any) insights into overall operational performance.

In this business guide, we look at the growth of Native American casino operations in the U.S., highlight the value that these operations provide for these organizations and their members, explain the technology challenges that these dynamic organizations are grappling with and explore how a cloud Enterprise Resource Planning (ERP) solution can help them overcome these and continue achieving their core missions and goals.

CHAPTER 1

Gaming: A Means to an End

Sovereign under federal law, Native American tribes currently run 524 gaming operations in 29 states. Owned and operated by 245 of the nation's 574 total federally-recognized tribes, these operations generate about \$32 billion in gross gaming revenues annually, representing 43% of all U.S. casino gaming revenues.

Tribal gaming revenues have increased steadily over the last decade in part due to the tribes' expansion into new geographies and lines of business. In May 2021, for example, the San Manuel Band of Mission Indians made a big move when it acquired the Palms Casino Resort in Las Vegas

for \$650 million. According to U.S. News & World Report, the move is seen as a milestone in the evolution of Native American casino ownership in Las Vegas, the very epicenter of the nation's gambling industry.

For tribal entities, gaming is a way to support tribal activities and members. For example, gaming revenues are used to support tribal operations, social and economic programs (e.g. health care, education, housing assistance), the development of other tribal enterprises and charitable causes and to cover the cost of government services (e.g. law enforcement, fire protection and judicial services).



From Aging Tech to Cloud ERP

The typical tribal casino operation relies on older, on-premises systems like Microsoft Great Plains to run their central business activities. That's typically complemented by a patchwork of different systems for inventory management, golf course management, retail operations, cage systems (financial "hubs" where employees manage large sums of cash), restaurant management and other activities. "Most of these operations haven't been through a system upgrade in a very long time," said Melissa Lanoue, Senior Manager of NetSuite Alliance Business Development, Eide Bailly, LLP, a NetSuite Alliance Partner and Solution Provider. "With so many disparate systems in place, their chart of accounts (COA) is unable to support the whole enterprise."

This complicates activities like reporting and inventory management enormously, and leaves managers wondering what inventory should be tracked, written off or disposed of. The tribes also want a clearer picture of exactly what people are doing when they come to visit. If they aren't playing cards at the tables, for instance, are they dining in a restaurant? Having a drink at the bar? Playing a round of golf? Eating lunch outside at the resort pool? With an open and unified system like NetSuite in place, tribes can more easily pull this information together for analysis and then disseminate it.

"These organizations want to be able to compare notes across those different activities," Lanoue explained, "but they have no way of pulling that information together with their existing on-premises and disparate systems." In most cases, they're lacking an analytics tool that would allow managers to see exactly how each individual business segment is performing and can also provide a full view of the entire operation's performance.

Tribes can then use this information to steer customers to areas of their operations (e.g. golf courses, restaurants, etc.) that see less foot traffic while potentially expanding or enhancing their more popular amenities. With a unified cloud ERP in place, these organizations can also improve their capital expenditure (CAPEX) tracking, implement better planning and budgeting processes, improve their project management approaches and manage their tribal grants. For example, NetSuite offers a project management feature and NetSuite Planning and Budgeting offers sophisticated forecasting, planning and budgeting capabilities.

A Complete Package

Using NetSuite's Restaurant Management System and Hospitality Bundle as a foundation, Eide Bailly helps Native American tribal casinos overcome their biggest operational challenges, entertain their guests and create new opportunity for the tribe, employees and surrounding communities.

With this software suite, NetSuite helps hospitality groups drive revenue and reduce costs. With a solid foundation of back-end financials and inventory in a unified cloud ERP platform, tribal casino operations can elevate their business by adding the functionality required to meet their changing business needs, including point-of-sale (POS) integration, procurement, inventory management, customer relationship management (CRM), guest services, fixed-assets management and more.

For many tribes, casino management is just one of their responsibilities. They are often managing health care facilities on tribal lands, governmental responsibilities and applying for and managing grants for their communities. The subsidiary management capabilities in NetSuite OneWorld and its ability to integrate with third-party tools allows tribes to handle these disparate needs.

For example, using PyanGo's direct integration with NetSuite, Eide Bailly also provides a grants management tool that tribes can use to manage

the full lifecycles of their grants—from the point of application to the award receiving to the final grant closure. The system supports both prepaid awards and cost-reimbursable grants, and provides a single dashboard for all of the tribe's grant-related activity. With all this information in one place in the cloud, these organizations can track the many different types of grants that they receive every year. As part of President Biden's \$1.9 trillion relief package, for example, tribal nations and indigenous people received \$31 billion in grants meant to improve health care and a variety of other services in some of the nation's poorest communities.

“By combining NetSuite with PyanGo, we help tribes effectively manage all of their hospitality, restaurant and gaming operations while also supporting their participating in and tracking of myriad different grants, funds and programs. It's a complete package.”

Kimberly Hitchcock, NetSuite Sales Engineer, Eide Bailly

CHAPTER 4

Strong Implementation Partnerships

Founded in 1917, Eide Bailly is currently one of the top 25 accounting firms in the U.S. With a team that includes seasoned NetSuite experts and associates who are well-versed in the intricacies of running gaming operations, Eide Bailly has worked with numerous tribal gaming organizations. With a typical implementation time of about eight months, the NetSuite Partner offers the integration, implementation and employee training support that tribal organizations need as they move from archaic on-premises systems and over to NetSuite's cloud ERP platform.

Knowing that the welfare and wellbeing of the tribe and its members is a core focus for the organizations that it works with, Eide Bailly helps them achieve that goal while leveraging software that brings all of their activities onto a single platform. This not only ensures that tribes meet requirements like the IRS' Title 31 Anti-Money Laundering rules (casinos must gather relevant information about their customers), but it also supports the organization's marketing efforts.

Eide Bailly is well positioned to help tribes implement an ERP system that's perfectly suited for their operations.

“We help them change what needs to be changed, whether it's their operations, a chart of accounts or how they function on an hour-by-hour basis. We understand their pain points, and help them adhere to their commitments to protect and support the tribe and its members.”

Daniel Martin, CPA, Partner, Eide Bailly



Eide Bailly also helps tribes tackle the cultural challenges that emerge during these types of transitions, and understands that it takes time to get all of the decision makers aligned and onboard with these types of major operational shifts. “Decisions aren’t made quickly,” said Lanoue. “There are politics, approvals and other elements that have to be factored in when these entities decide to upgrade their business systems.”

Once these complexities have been addressed and the system put in place, organizations quickly begin to see the benefits of their decision. The biggest advantage typically comes in the form of reduced manual entry across multiple systems, which translates into both time and cost savings from a labor perspective. Where a clerk may have spent much of the day extracting data from a restaurant POS and manually inputting that information into Great Plains, the same employee can now spend that time on more important projects.

The casino operators also gain better data transparency across all of their different operations and a centralized database to work from. Because that database is in the cloud, employees can access it from anywhere.

Using NetSuite’s native reporting capabilities, casinos get a complete COA. And, with NetSuite’s custom segments and financial segmentations, they gain three-dimensional reporting and analytics right from a single dashboard.

“These are all major wins for any casino that’s been operating with disparate systems, no reporting capabilities and a COA that doesn’t reflect its entire operation,” said Hitchcock.

With their food and beverage, gift shop and other retail operations hooked into NetSuite, tribal casinos know exactly what merchandise they have on hand, which items have been in stock for too long and what goods need to be marked down or disposed of. “By automating inventory tracking and replenishment, casinos save time once spent managing all of that manually,” said Hitchcock. “And, they know where their inventory is at any given time—something they didn’t have before.”

Supporting Tribes' Continued Success

From their NetSuite implementations, tribal casinos also gain a flexible business management platform that doesn't make them replace all of the outside applications that they've been using for decades. Instead, NetSuite integrates directly with many of these platforms. "This is a major plus for casinos, which need their existing POS systems to be able to run their businesses," said Hitchcock. "Knowing that they can integrate those and other solutions into NetSuite is usually a big relief for them."

According to Hitchcock, the accounting team at one Eide Bailly tribal gaming client was also thrilled to see how easy it was to drill down into data and reports that it didn't previously have access to (or that it had to obtain by combining numerous Excel spreadsheets). Today, it takes just one click to get to the desired report details and another to produce the report on a computer screen.

As they continue their mission of supporting tribal activities, their members and their communities, tribal casinos will need robust technology platforms

"With the automated system in place, the team can now spend time on more productive, revenue-generating projects versus digging around for the details that support the information and then developing reports manually."

Kimberly Hitchcock, NetSuite Sales Engineer, Eide Bailly

that help them achieve these goals and more. With NetSuite and a strong implementation partner like Eide Bailly, these organizations can rest assured that their technology needs are taken care of. In turn, this means that they can continue persevering with their core missions, visions and values.



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