

Former C&A officials convicted

Fourteen convicted after investigation of financial activities of Cheyenne-Arapaho Business Committee.

By DEPT. OF JUSTICE
Western Oklahoma District

OKLAHOMA CITY – A federal jury found William F. Blind, Jr. (aka “Bill Blind”), 68, and his wife, Vinita H. Sankey, 60, both of Canton, Okla., guilty of conspiracy and embezzlement of more than \$150,000 of funds belonging to the Cheyenne and Arapaho Tribes of Oklahoma (“Tribes”), including net gaming revenues derived from the Lucky Star Casinos, Sanford C. Coats, U.S. Attorney for the Western District of Oklahoma announced on Feb. 4.

“These defendants used their elected positions within the Tribe to take funds for improper and personal use,” said U.S. Attorney Coats. “Tribal elected officials must be held to the same standard as other elected government officials. I commend the FBI agents and prosecutors who worked diligently on these cases for six years in order to expose this

corruption and to bring these 14 defendants to justice.”

Blind and Sankey were elected to the Tribe’s Business Committee as representatives for the Arapaho District One (A-1) in 1998 and served on the Business Committee until 2006. Blind and Sankey also had served as Tribal Tax Commissioners. Blind served for a period as Tribal Chairman and Sankey served for a period as Tribal Secretary.

Evidence at trial showed that, between 2000 and 2006, Blind and Sankey conspired to embezzle tribal funds entrusted to them by virtue of their elected positions through submission of various travel claims for expenses related to conferences they did not attend, improper reimbursements, and payment for expenses of relatives to which they were not entitled.

In addition, evidence showed that tribal funds were used to purchase cashiers’ checks from which cash was retained for personal use, and that checks were improperly drawn on the Tribal operating and tax accounts for personal use. Also, evidence showed that tribal funds were

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used to purchase various vehicles (including a 2001 Dodge Pickup, 2002 Lincoln Town Car, Chrysler 300 M, and a 2003 Dodge 1500 Quad Cab Pickup), two riding lawn mowers, and a portable storage building, which were not returned to the Tribes upon leaving office. In total, more than \$150,000 of Tribal funds were embezzled or converted.

The pair was originally indicted in November of 2008. The trial lasted six days and the jury deliberated about six hours before finding Sankey guilty on conspiracy and 21 counts of embezzlement. The jury found Blind guilty of conspiracy and eight counts of embezzlement and found him not guilty on a single count of embezzlement.

At sentencing, Blind and Sankey each face up to five years in federal prison, a \$250,000 fine, and restitution on each count. Sentencing for both defendants has been set for May 5, 2010.

Related Case Prosecution Summary

The case against Blind and Sankey arose out of a long-term investigation of financial activities of the 33rd Cheyenne-Arapaho Business Committee which has also resulted in the conviction of the following individuals in prior separate cases:

1. Robert Tabor, 62, of Calumet, Okla., pleaded guilty to conspiracy to embezzle more than \$114,000 of net gaming revenues derived from the Lucky Star Casinos. Tabor was the Arapaho District A-2 elected representative and Chairman of the Cheyenne-Arapaho Business Committee. In April of 2008 he was sentenced to serve 12 months in federal prison and was ordered to pay \$114,376.47 in restitution. (Case No. CR-07-211)

2. Colleen Tabor, 49, of Calumet, Okla., pleaded guilty to embezzlement of \$7,646.60 of Cheyenne-Arapaho Tribal funds derived from the Lucky Star Casinos. She was the wife of Robert Tabor. In April of 2008 she was sentenced to serve four years probation and pay \$7,646.60 in restitution. (Case No. CR-07-211)

3. James Wayne Pedro, Sr., 69, of El Reno, Okla., pleaded guilty to embezzling gaming revenues from the Lucky Star Casinos and also pleaded guilty to making a fraudulent statement to HUD. Pedro was an elected member of the Business Committee of the Cheyenne-Arapaho Tribes of Oklahoma. In April of 2006 he was sentenced to 30 months in federal prison and ordered to pay \$193,235.77 in restitution to the Cheyenne-Arapaho Tribes of Oklahoma and \$6,277 to the Oklahoma Housing and Finance Agency. (Case No. CR-05-203)

4. Peggy Bigpond, 53, of Concho, Okla., pleaded guilty to unlawfully receiving and converting gaming revenues from the Lucky Star Casinos to her own use. Bigpond worked as Pedro's secretary during a portion of his term of office on the Business Committee of the Cheyenne-Arapaho Tribes of Oklahoma. In April of 2006 Bigpond was sentenced to 16 months in federal prison and ordered to pay \$32,276.66 in restitution to the Cheyenne-Arapaho Tribes of Oklahoma. (Case No. CR-05-204)

5. Lea E. Schantz, 42, of El Reno, Okla., pleaded guilty to receiving and converting gaming revenues from the Lucky Star Casinos, knowing that the funds had been embezzled. Schantz also pleaded guilty to making a false statement to HUD. In April of 2006 Schantz was sentenced to serve eight months in federal prison and ordered to pay \$48,434 and \$6,277

in restitution. (Case No. CR-05-205)

6. Vera E. Franklin, 55, of El Reno, Okla., pleaded guilty to embezzlement of \$7,000 of Cheyenne-Arapaho net gaming revenues from the Lucky Star Casinos. Franklin was an elected member of the Business Committee of the Cheyenne-Arapaho Tribes of Oklahoma, serving as the Cheyenne District 2 representative. Franklin was sentenced in October 2007 to serve one month in federal prison and pay \$7,000 in restitution. (Case No. CR-07-73)

7. Louella Oldbear, 56, of Del City, Okla., was convicted by a jury in November 2007 of embezzling over \$17,000 and making a false statement to the FBI about the use of Cheyenne-Arapaho tribal money to purchase vehicles. She was sentenced to serve 12 months and one day in federal prison and ordered to pay \$17,064.94 in restitution to the Cheyenne-Arapaho Tribes, and serve three years of supervised release and perform 104 hours of community service following her release from prison. Oldbear was Secretary to a Cheyenne-Arapaho Business Committee member. (Case No. CR-07-77).

8. Renee Island, 43, of Calumet, Okla., was convicted by a jury in January of 2008 of conspiracy and embezzlement of Cheyenne-Arapaho Tribal funds derived from the Lucky Star Casinos involving transfers of tribal funds between January and September 2003. She was sentenced to serve 10 months in prison and pay \$34,837.38 in restitution to the Cheyenne and Arapaho Tribes and serve three years of supervised release following her release from prison. Island was employed by the Cheyenne-Arapaho A-2 District as the secretary to Robert Tabor. (Case No. CR-07-49)

9. Edward Dunn Whiteskunk, 51, of Hammond, Okla., pleaded guilty to embezzling net gaming revenues from the Lucky Star Casinos. He was sentenced to serve one year and one day in prison, pay \$98,865.97 in restitution to the Cheyenne and Arapaho Tribes and serve three years of supervised release following his release from prison. Whiteskunk served as a member of the Cheyenne-Arapaho Business Committee and was the elected representative of the Cheyenne District 4. (Case No. CR-08-35)

10. Roy D. Bullcoming, 54, of Seiling, Okla., pleaded guilty to embezzlement of net gaming revenues from the Lucky Star Casinos. He was sentenced to serve 36 months in prison, pay \$101,585.68 in restitution to the Cheyenne and Arapaho Tribes and serve three years of supervised release following his release from prison. Bullcoming served as a Business Committee Representative of the Cheyenne and Arapaho Tribes, representing the tribal membership of Cheyenne District 1. He also served as a ceremonial Peace Chief for the Cheyenne Tribe. (Case No. CR-08-55).

11. Eugene Blackbear, Jr., 56, of Watonga, Okla., pleaded guilty to embezzlement from the Lucky Star Casinos. He was sentenced to serve five years probation and pay \$14,843.51 in restitution to the Cheyenne and Arapaho Tribes. Blackbear was an employee of the Tribes. (Case No. CR-08-141)

12. Robert Roy Woods, Sr., 64, of El Reno, Okla., pleaded guilty to defrauding Social Security by failing to report income he was earning from the Arapaho District One (A-1) office for his self-employed labor. Woods was sentenced to serve three years probation and pay \$13,312.86 in restitution to the Cheyenne and Arapaho Tribes. (Case No. CR-07-024)

All of these cases are the result of investigations conducted by the FBI and were prosecuted by Assistant U.S. Attorneys Jim Robinson and Arvo Mikkanen.