



STATE OF NEVADA

BEFORE THE NEVADA COMMISSION ON ETHICS

In the Matter of  
the Request for Opinion Concerning  
the Conduct of BOB LOUX,  
Executive Director,  
Office of Nuclear Projects,  
State of Nevada,

Request for Opinion No.: 08-57C

Subject. /

**AMENDED NOTICE OF ADDITIONAL ISSUES AND FACTS**

(NAC 281A.415)

Pursuant to the Ethics Complaint referenced above, take notice that during the course of the investigation, additional relevant issues and facts beyond those presented in the complaint have been discovered. According to NAC 281A.415.2:

If the Executive Director includes issues and facts beyond those presented in the ethics complaint in his written recommendations which are not included in the notice issued to the subject pursuant to NAC 281A.410, the Executive Director must provide additional notice to the subject of the additional issues and facts and provide the subject with the same opportunity to respond to such issues and facts that is set forth in NAC 281A.410.3.

The additional issues and facts discovered are related to alleged violations of NRS 281A.400.2. Copies of sections of the relevant statutes are attached hereto, incorporated by reference marked as "Exhibit A."

1 The additional information to respond to includes the following:

- 2
- 3 1. Bob Loux approved unauthorized salary raise for himself in 2006, an alleged
- 4 violation of NRS 281A.400.2.
- 5
- 6 2. Bob Loux approved unauthorized salary raises for the employees in his office in
- 7 2006, an alleged violation of NRS 281A.400.2.
- 8
- 9 3. Bob Loux used his position to benefit his financial interest by using a subordinate
- 10 Cathy Sack to secure salary raises for himself in 2006, 2007 and 2008, an alleged
- 11 violation of NRS 281A.400.9.
- 12

13 Copies of the Actual vs. Budgeted salaries schedules for the Agency for Nuclear Projects for  
14 Fiscal Years 2006 through 2009 are attached hereto, incorporated by reference marked “Exhibit  
15 B.”

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17 Please provide the response within ten days after the date on which this notice is received.

18

19 These allegations will be considered at the same time the panel considers allegations that Bob  
20 Loux approved unauthorized pay raises for himself in 2007 and in 2008 (two alleged violations  
21 of NRS 281A.400.2), and approved unauthorized pay raises for employees in his office in 2007  
22 and in 2008 (two alleged violations of NRS 281A.400.2). Evidence of these allegations and of  
23 his using a subordinate were attached to the Complaint filled on September 11, 2008.

24

25 If Loux has any questions regarding this matter, please contact the undersigned at 702-486-7250,  
26 ext. 223 or mvavra@ethics.nv.gov.

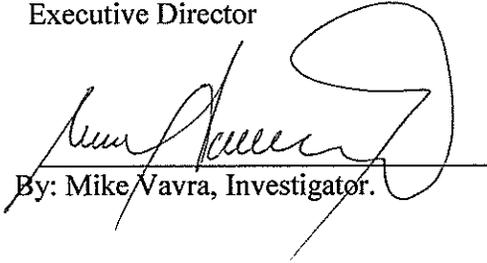
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Dated this 15 day of OCTOBER, 2008.

NEVADA COMMISSION ON ETHICS  
Patricia D. Cafferata, Esq.  
Executive Director

  
By: Mike Vavra, Investigator.

# **EXHIBIT A**

**NRS 281A.400. General requirements; exceptions.** A code of ethical standards is hereby established to govern the conduct of public officers and employees:

2. A public officer or employee shall not use his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for himself, any business entity in which he has a significant pecuniary interest, or any person to whom he has a commitment in a private capacity to the interests of that person. As used in this subsection:

(a) “Commitment in a private capacity to the interests of that person” has the meaning ascribed to “commitment in a private capacity to the interests of others” in subsection 8 of [NRS 281A.420](#).

(b) “Unwarranted” means without justification or adequate reason.

9. A public officer or employee shall not attempt to benefit his personal or financial interest through the influence of a subordinate.

## **EXHIBIT B**

**Agency For Nuclear Projects**  
**Actual Vs. Budgeted Salaries**  
**Fiscal Years 2006 Through 2009**

| PCN Position          | FY 2006        |                |                   |              | FY 2007        |                |                   |              | FY 2008        |                |                   |              | FY 2009        |                |                   |              | Budgeted Employer Paid Hourly Rate |
|-----------------------|----------------|----------------|-------------------|--------------|----------------|----------------|-------------------|--------------|----------------|----------------|-------------------|--------------|----------------|----------------|-------------------|--------------|------------------------------------|
|                       | Budget         | Actual         | Actual vs. Budget | % Difference | Budget         | Actual         | Actual vs. Budget | % Difference | Budget         | Actual         | Actual vs. Budget | % Difference | Budget         | Actual         | Actual vs. Budget | % Difference |                                    |
| 0005 Robert Loux      | 104,497        | 120,537        | 16,040            | 15.35%       | 108,677        | 125,355        | 16,678            | 15.35%       | 110,851        | 145,718        | 34,867            | 31.45%       | 115,285        | 151,542        | 36,257            | 31.45%       | 50.08                              |
| 0006 Susan Lynch      | 95,126         | 99,637         | 4,511             | 4.74%        | 98,931         | 103,606        | 4,675             | 4.73%        | 100,910        | 120,442        | 19,532            | 19.36%       | 104,946        | 125,253        | 20,307            | 19.35%       | 45.59                              |
| 0007 Joseph Strollin  | 95,126         | 99,637         | 4,511             | 4.74%        | 98,931         | 103,606        | 4,675             | 4.73%        | 100,910        | 120,442        | 19,532            | 19.36%       | 104,946        | 125,253        | 20,307            | 19.35%       | 45.59                              |
| 0010 Trudy Stanford   | 75,412         | 78,989         | 3,577             | 4.74%        | 78,428         | 82,132         | 3,704             | 4.72%        | 79,997         | 95,465         | 15,468            | 19.34%       | 83,197         | 113,627        | 30,430            | 36.58%       | 36.14                              |
| 0012 Paul Maser       | 75,412         | 78,989         | 3,577             | 4.74%        | 78,428         | 82,132         | 3,704             | 4.72%        | 79,997         | 95,465         | 15,468            | 19.34%       | 83,197         | 99,263         | 16,066            | 19.31%       | 36.14                              |
| 0004 Cathy Sack       | 60,670         | 63,549         | 2,879             | 4.75%        | 63,097         | 66,073         | 2,976             | 4.72%        | 64,359         | 76,795         | 12,436            | 19.32%       | 66,933         | 79,857         | 12,924            | 19.31%       | 29.08                              |
| 0011 Vacant           | 72,231         | 75,663         | 3,432             | 4.75%        | 75,120         | 78,668         | 3,548             | 4.72%        | 76,622         | -              | (76,622)          | -100.00%     | 79,687         | -              | (79,687)          | -100.00%     | 34.62                              |
| <b>Total Salaries</b> | <b>578,474</b> | <b>617,003</b> | <b>38,529</b>     | <b>6.66%</b> | <b>601,612</b> | <b>641,574</b> | <b>39,962</b>     | <b>6.64%</b> | <b>613,646</b> | <b>654,326</b> | <b>40,680</b>     | <b>6.63%</b> | <b>638,191</b> | <b>694,794</b> | <b>56,603</b>     | <b>8.87%</b> |                                    |

**Notes:**

Salaries based on Employee / Employer compensation schedule at 2,088 hours.

To calculate the salary on the Employer based pay plan for fiscal year 2008 multiply by 0.91012 from 7/1/2007 thru 7/15/2007. For the remainder of fiscal year 2008 and 2009 multiply the salary by 0.90703

To calculate the salary on Employer based pay plan for fiscal years 2006 multiply by 0.90806 from 7/1/2005 thru 7/17/2005. For the remainder of fiscal year 2006 and 2007 multiply the salary by 0.91012  
Includes unbudgeted COLA for fiscal years 2008 and 2009.

**Agency For Nuclear Projects**  
**Actual Vs. Budgeted Salaries**  
**Fiscal Years 2006 Through 2009**

| PCN Position          | FY 2006        |                |                                | FY 2007        |                |                                | FY 2008        |                |                                | FY 2009        |                |                                |
|-----------------------|----------------|----------------|--------------------------------|----------------|----------------|--------------------------------|----------------|----------------|--------------------------------|----------------|----------------|--------------------------------|
|                       | Budget         | Actual         | Actual vs. Budget Difference % | Budget         | Actual         | Actual vs. Budget Difference % | Budget         | Actual         | Actual vs. Budget Difference % | Budget         | Actual         | Actual vs. Budget Difference % |
| 0005 Robert Loux      | 104,497        | 120,537        | 16,040 15.35%                  | 108,677        | 125,355        | 16,678 15.35%                  | 114,088        | 145,718        | 31,630 27.72%                  | 114,088        | 151,542        | 37,454 32.83%                  |
| 0006 Susan Lynch      | 95,126         | 99,637         | 4,511 4.74%                    | 98,931         | 103,606        | 4,675 4.73%                    | 94,294         | 120,442        | 26,148 27.73%                  | 94,294         | 125,253        | 30,959 32.83%                  |
| 0007 Joseph Strolin   | 95,126         | 99,637         | 4,511 4.74%                    | 98,931         | 103,606        | 4,675 4.73%                    | 94,294         | 120,442        | 26,148 27.73%                  | 94,294         | 125,253        | 30,959 32.83%                  |
| 0010 Trudy Stanford   | 75,412         | 78,989         | 3,577 4.74%                    | 78,428         | 82,132         | 3,704 4.72%                    | 74,750         | 95,465         | 20,715 27.71%                  | 74,750         | 113,627        | 38,877 52.01%                  |
| 0012 Paul Maser       | 75,412         | 78,989         | 3,577 4.74%                    | 78,428         | 82,132         | 3,704 4.72%                    | 74,750         | 95,465         | 20,715 27.71%                  | 74,750         | 99,263         | 24,513 32.79%                  |
| 0004 Cathy Sack       | 60,670         | 63,549         | 2,879 4.75%                    | 63,097         | 66,073         | 2,976 4.72%                    | 60,134         | 76,795         | 16,661 27.71%                  | 60,134         | 79,857         | 19,723 32.80%                  |
| 0011 Vacant           | 72,231         | 75,663         | 3,432 4.75%                    | 75,120         | 78,668         | 3,548 4.72%                    | 71,598         | -              | (71,598) -100.00%              | 71,598         | -              | (71,598) -100.00%              |
| <b>Total Salaries</b> | <b>578,474</b> | <b>617,003</b> | <b>38,529 6.66%</b>            | <b>601,612</b> | <b>641,574</b> | <b>39,962 6.64%</b>            | <b>583,908</b> | <b>654,326</b> | <b>70,418 12.06%</b>           | <b>583,908</b> | <b>694,794</b> | <b>110,886 18.99%</b>          |

**Notes:**

Salaries based on Employee / Employer compensation schedule at 2,088 hours.

To calculate the salary on the Employer based pay plan for fiscal year 2008 multiply by 0.91012 from 7/1/2007 thru 7/15/2007. For the remainder of fiscal year 2008 and 2009 multiply the salary by 0.90703

To calculate the salary on Employer based pay plan for fiscal years 2006 multiply by 0.90806 from 7/1/2005 thru 7/17/2005. For the remainder of fiscal year 2006 and 2007 multiply the salary by 0.91012

**CERTIFICATE OF MAILING**

**I certify that I am an employee of the Nevada Commission on Ethics and that on this day in Las Vegas, Nevada, I placed a true and correct copy of the AMENDED NOTICE OF ADDITIONAL ISSUES AND FACTS ON RFO #08-57C in an envelope and caused same to be mailed via certified mail return receipt requested through the State of Nevada Mailroom addressed as follows:**

**BOB LOUX  
EXECUTIVE DIRECTOR  
OFFICE OF NUCLEAR PROJECTS  
1761 E. COLLEGE PARKWAY SUITE 118  
CARSON CITY NV 89706**

**Cert. No. 7007 1490 0001 3460 3182**

**JUDY SHELDREW, ESQ.  
LAW OFFICE OF KAREN L. WINTERS, ESQ  
P.O. BOX 1987  
MINDEN NV 89423**

**Cert. No. 7007 1490 0001 3460 3199**

DATED: \_\_\_\_\_

10/15/2008

  
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An employee, Nevada Commission on Ethics