



STATE OF NEVADA

BEFORE THE NEVADA COMMISSION ON ETHICS

In re **Sandra Reed**, Executive
Director, Board of Osteopathic
Medicine, State of Nevada,

Ethics Complaint
Case No. **18-057C**

Subject. /

DEFERRAL AGREEMENT

1. On February 20, 2019, a Review Panel approved this Deferral Agreement (the "Agreement") proposed by the Executive Director of the Nevada Commission on Ethics ("Commission") and Sandra Reed ("Reed"), Executive Director of the Board of Osteopathic Medicine ("Board"), instead of referring Ethics Complaint No. 18-057C ("Complaint") to the Commission for further proceedings.

2. At all material times, Reed was a public officer as defined in NRS 281A.160. The Ethics in Government Law ("Ethics Law") set forth in NRS Chapter 281A gives the Commission jurisdiction over elected and appointed public officers and public employees whose conduct is alleged to have violated the provisions of NRS Chapter 281A. See NRS 281A.280. Accordingly, the Commission accepted jurisdiction over Reed in this matter.

3. This Agreement is entered into based upon the February 20, 2019 Review Panel Determination that Reed's alleged conduct may be appropriately addressed through the terms and conditions of a deferral agreement instead of referring the Complaint to the Commission for further proceedings.

4. The Panel Determination was based on facts established by sufficient evidence to support just and sufficient cause for the Commission to render an opinion in the matter. The facts relied upon by the Review Panel to make its determination are summarized in Appendix A ("Facts Relied Upon by the Review Panel"),¹ but do not represent facts stipulated to by the parties.

¹ The Facts Relied Upon by the Review Panel do not constitute part of the "Investigative File" as that term is defined by NRS 281A.755. All statutory and common law protections afforded to the Investigative File shall remain and are not affected by this Agreement.

5. The parties acknowledge that no findings have been made by the Review Panel or the Commission that Reed violated the Ethics Law, and it is understood that this Agreement does not constitute an admission by Reed of any violation of the Ethics Law.

6. As authorized by NRS 281A.785(2), publication of this Agreement serves as a public admonishment, expressing the Review Panel's disapproval of Reed's conduct in this matter.

PROCEDURAL HISTORY

7. On or about August 13, 2018, the Commission received this Complaint from an individual who worked for the Board ("Requester").²

8. On September 27, 2018, the Commission issued its *Order on Jurisdiction and Investigation* accepting jurisdiction and directing the Executive Director to investigate alleged violations of the following provisions of the Ethics Law:³

- 1) **NRS 281A.400(2)** - Using public position to secure or grant an unwarranted advantage for herself or any person to whom she has a commitment in a private capacity; and
- 2) **NRS 281A.500** – Requirement to file Acknowledgment of Statutory Ethical Standards form with the Commission.

9. On September 27, 2018, the Executive Director provided a *Notice of Complaint and Investigation* pursuant to NRS 281A.720 and Reed was provided an opportunity to provide a written response to the Complaint.

10. On or about October 30, 2018, Reed, through legal counsel, Louis Ling, Esq., provided a written response to the Complaint.

11. On February 13, 2019, the Executive Director presented a recommendation relating to just and sufficient cause to a three-member review panel pursuant to NRS 281A.725.

12. A Panel Determination issued on February 25, 2019 concluded that:

- There is no evidence to support a determination that just and sufficient cause exists for the Commission to render an opinion in the matter regarding an alleged violation of NRS 281A.500 because failure to file an Acknowledgment of Ethical Standards has been cured; and

² Requester's identity has been kept confidential pursuant to NRS 281A.750.

³ The Commission declined to investigate the alleged violation of NRS 281A.400(7) for lack of sufficient evidence.

- There is sufficient credible evidence to support a determination that just and sufficient cause exists for the Commission to render an opinion in the matter regarding alleged violations of NRS 281A.400(2) related to reimbursements for personal expenses; and
- Reed's conduct may be appropriately addressed through corrective action under the terms and conditions of a deferral agreement instead of referring this Complaint to the Commission for further proceedings.

TERMS AND CONDITIONS

13. This Agreement shall be in effect for a period of two years (the "Deferral Period") from the date of approval by the Review Panel.

14. Reed must comply in all material respects with the provisions of NRS Chapter 281A during the Deferral Period without being the subject of another ethics complaint arising from an alleged violation which occurs during the Deferral Period and for which the Review Panel determines that there is just and sufficient cause for the Commission to render an opinion in the matter.

15. Reed agrees that she will not, in the future, seek payment from the Board for expenses related to her dog.

16. On or before July 1, 2019, Reed agrees to facilitate and attend an Ethics in Government Law training session for Board members and staff presented by the Commission's Executive Director, or her designee.

17. The Executive Director shall monitor Reed's compliance with this Agreement. Should the Executive Director discover that Reed has not complied with any term or condition of this Agreement, the Executive Director shall:

- a. Inform the Commission of any alleged failure of Reed to comply with the Agreement;
- b. Give Reed written notice of any alleged failure to comply with the Agreement; and
- c. Allow Reed not less than 15 days to respond to such a notice.


18. The Commission may vacate this Agreement and conduct further proceedings in the matter, including an adjudicatory hearing, if the Commission finds that

there is substantial evidence that Reed failed to comply with the terms and conditions of the Agreement.

19. If Reed complies with the terms and conditions of this Agreement, the Commission shall dismiss the matter with prejudice.

20. This Agreement applies only to the alleged conduct related to this Complaint.

ACCEPTANCE: We, the undersigned parties, have read this Agreement, understand each and every provision therein, and agree to be bound thereby.

DATED this 27 day of February, 2019. 
Sandra Reed

The above Agreement is approved by:

FOR SANDRA REED, Subject

DATED this 16th day of March, 2019. 
Louis Ling, Esq.

FOR YVONNE M. NEVAREZ-GOODSON, ESQ.
Executive Director, Commission on Ethics

DATED this 11th day of March, 2019. 
Judy A. Prutzman, Esq.
Associate Counsel

Approved as to form by:

FOR NEVADA COMMISSION ON ETHICS

DATED this 11th day of March, 2019.

/s/ Tracy L. Chase
Tracy L. Chase, Esq.
Commission Counsel

The above Agreement is accepted by the Review Panel.

DATED March 11, 2019.

By: /s/ Cheryl A. Lau
Cheryl A. Lau, Esq.
Chair/Presiding Officer

By: /s/ Teresa Lowry
Teresa Lowry, Esq.
Commissioner

By: /s/ Brian Duffrin
Brian Duffrin
Commissioner

Appendix A – Facts Relied Upon by the Review Panel

- A. On December 13, 2016, Reed was appointed as the Executive Director by the Board pursuant to NRS 633.271 and after training with her predecessor, her term as Executive Director commenced on February 1, 2017.
- B. Reed did not timely file an Acknowledgment of Ethical Standards Form after she was appointed as Executive Director of the Board.
- C. The Board is a statutorily created regulatory body that has the authority to regulate an occupation or profession pursuant to NRS Chapter 633.
- D. The Board consists of seven members appointed by the Governor, five of which must be engaged in the practice of osteopathic medicine in the State of Nevada.
- E. Louis Ling, Esq., is a lawyer licensed in the State of Nevada, serves as legal counsel for the Board and is representing Reed in this matter.
- F. Pursuant to NRS 633.271, the Board establishes compensation for its Executive Director.
- G. According to the Minutes of the Board's January 10, 2017 meeting, the Board considered the benefits that would be provided to Reed and determined the following: "Reed will receive the same benefits as all employees to include PEBP health insurance, PERS retirement insurance, PTO, and the option to participate in the State's deferred compensation program."
- H. Reed is solely responsible for the care of her dog Barney. On work days, Reed leaves Barney with Doggie District Summerlin, a day care for dogs. Doggie District charges Reed an extra \$10 when she cannot pick up Barney by 7 pm and charges an overnight fee of \$47.90.
- I. On various dates during 2017 and 2018, Reed filed voucher forms for travel she performed on behalf of the Board, and in some of those vouchers she sought and received the following reimbursements from the Board for overtime day care and boarding expenses for Barney in the total amount of \$588.60:

- Check No. 3554, August 18, 2017 - \$10.00 (attendance at regular Board meeting that ran late)
- Check No. 3589, September 26, 2017 - \$49.70 (attendance at conference in Reno)
- Check No. 3606, October 17, 2017 - \$91.80 (attendance at out-of-state conference)
- Check No. 3643, November 28, 2017 – \$142.70 (attendance at regular Board meeting that ran late plus attendance at out-of-state conference)
- Check No. 3680, January 8, 2018 - \$47.90 (attendance at regular Board meeting that ran late)
- Check No. 3790, May 7, 2018 - \$188.60 (attendance at out-of-state conference)
- Check No. 3811, May 29, 2018 - \$10.00 (attendance at regular Board meeting that ran late)
- Check No. 3843, June 29, 2018 - \$47.90 (attendance at regular Board meeting that ran late)

- J. In every instance of reimbursement received for Barney's care, Reed was engaged in the work of the Board.
- K. Reed's requests for reimbursement of Barney's day care and boarding expenses were approved by Ronald Hedger, D.O., President of the Board.
- L. No other Board staff member received reimbursement for expenses associated with overtime day care and/or boarding of a pet.
- M. After the Ethics Commission notified Reed of this Complaint, she arranged to return to the Board the entire amount for the care expenses for Barney that she had received. By the time of the execution of this Agreement, Reed has returned all such amounts to the Board.
- N. On October 31, 2018, the Commission received Reed's late-filed Acknowledgment of Statutory Ethics form with her written response.