



STATE OF NEVADA

BEFORE THE NEVADA COMMISSION ON ETHICS

In the Matter of the Third-Party Request
for Opinion Concerning the Conduct of
Clay Hendrix, Member, Churchill County
School District Board of Trustees,
State of Nevada,

Request for Opinion No. **16-83C**

Subject. /

STIPULATED AGREEMENT

1. **PURPOSE:** This Stipulated Agreement resolves Third-Party Request for Opinion (“RFO”) No. 16-83C before the Nevada Commission on Ethics (“Commission”) concerning Clay Hendrix (“Hendrix”), Member of the Board of Trustees (“Board”) of the Churchill County School District (“CCSD”), State of Nevada, and serves as the final opinion in this matter.

2. **JURISDICTION:** At all material times, Hendrix served as a member of the CCSD Board. As such, Hendrix is 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 has jurisdiction over Hendrix in this matter.

3. **PROCEDURAL HISTORY BEFORE COMMISSION:**

- a. On or about December 1, 2016, the Commission received RFO No. 16-83C from a member of the public (“Requester”), alleging that Hendrix:
- 1) Failed in his commitment to avoid conflicts between his personal interests and his public duties (NRS 281A.020(1)); and
 - 2) Failed to disclose a conflict of interest for which disclosure is required (NRS 281A.420(1)).

- b. On or about December 13, 2016, Staff of the Commission issued a Notice to Subject under NRS 281A.440(2), stating that the Commission accepted jurisdiction to investigate the allegations regarding violations of NRS 281A.020(1) and NRS 281A.420(1). Hendrix was provided an opportunity to respond to the RFO.
- c. On or about January 18, 2017, Hendrix, through legal counsel, filed his response to the RFO.
- d. Hendrix executed a Panel Waiver and Waiver of Confidentiality to permit the Commission to consider this Stipulated Agreement.
- e. In lieu of a panel determination and a hearing, Hendrix and the Commission now enter into this Stipulated Agreement, pursuant to NAC 281A.275, finding no violation of NRS 281A.020(1) or NRS 281A.420(1).
- f. This Stipulated Agreement provides an opportunity for the Commission to promote and clarify the goals of the Ethics Law and to educate all public officers similarly situated to Hendrix.

4. **STIPULATED FACTS:** At all material times, the following events were relevant to this matter: ¹

- a. Hendrix was elected as a Member of the CCSD Board in November, 2010 and was reelected in 2014. He is a public officer as defined in NRS 281A.160.
- b. CCSD is a political subdivision as defined in NRS 281A.145.
- c. Hendrix has two sons who attended Churchill County High School during school year 2014-15.
- d. Sharla Hales, Esq., is a lawyer licensed in the State of Nevada and serves as legal counsel for the CCSD Board and, in such capacity, represents Hendrix in these RFO proceedings.
- e. The Jump Start College program is a dual-enrollment opportunity for students in selected Nevada high schools, including Churchill County High School. Jump Start participants enroll in college courses through Western Nevada

¹ Stipulated Facts do not constitute part of the "Investigative File" as that term is defined by NRS 281A.440(17). All statutory and common law protections afforded to the Investigative File shall remain and are not affected by this Stipulated Agreement.

College and earn an Associates Degree while simultaneously earning high school credits.

- f. At the February 5, 2015 CCSD Board meeting, Agenda Item B, under New Business, related to the Jump Start College program and was noted on the agenda as follows:

B. For Discussion and Possible Action: Regarding the Jump Start Tuition Costs (BMAR-16)

- g. Hendrix did not disclose that his sons attended Churchill County High School because he knew that they were not interested in the Jump Start College program.
- h. Hendrix voted with other Board members to unanimously approve a motion to cover the cost of the Jump Start tuition in the amount of \$1,402.50 per student, the one-time application fee, lab fees, and the cost of books. The Board also voted to have the District purchase a set of books for Jump Start students to use and return at the end of the semester.
- i. Hendrix's sons did not participate in the Jump Start College program and have since left Churchill County High School.

5. TERMS / CONCLUSIONS OF LAW: Based on the foregoing, Hendrix and the Commission agree as follows:

- a. Each of the stipulated facts enumerated in Section 4 of this Stipulated Agreement is agreed to by the parties.
- b. Hendrix holds public office which constitutes a public trust to be held for the sole benefit of the people of the State of Nevada (in particular, the citizens of Churchill County).
- c. Hendrix had a commitment in a private capacity to the interests of his children. See NRS 281A.065(3).
- d. Public officers have a duty to avoid conflicts of interest. See NRS 281A.020. As a public officer, the conflict of interest provisions of the Ethics Law apply to Hendrix's conduct. Specifically, Hendrix must commit to avoid actual and perceived conflicts of interest, including publicly disclosing sufficient information concerning certain private relationships and significant pecuniary

- interests which would reasonably affect his decision on matters before the CCSD Board, as provided in NRS 281A.420(1). As a public officer, Hendrix is also required to abstain from voting or otherwise acting on matters in which such relationships would clearly and materially affect the independence of judgment of a reasonable person in his position. NRS 281A.420(3).
- e. Hendrix understands that he must disclose his relationship with and the interests of his school-aged children whenever any matter that directly involves his children comes before the Board. However, he was not required to disclose those relationships before voting on the Jump Start College program at the February 5, 2015 Board meeting. There is no evidence that Hendrix's children were interested in or intended to participate in the program, or that Hendrix and/or his children would receive any individual benefit from the Board's decision to cover costs for the Jump Start College program. Accordingly, Hendrix's action on the matter would not reasonably be affected by his commitments to the interests of his children.
 - f. Based on the lack of evidence requiring disclosure, Hendrix had no obligation to abstain from voting on the Jump Start College program pursuant to NRS 281A.420(3).
 - g. In appreciation of the public's concerns regarding the disclosure and abstention responsibilities of public officers in the context of the CCSD matters, Hendrix and the Commission agree to promote the Commission's outreach efforts by sponsoring an Ethics in Government Law training conducted by the Executive Director of the Commission to encourage continued compliance with the Ethics Law. This training will be conducted no later than twelve months after the date this Stipulated Agreement is executed.
 - h. This Stipulated Agreement depends on and applies only to the specific facts, circumstances and law related to this RFO now before the Commission. Any facts or circumstances that may come to light after its entry that are in addition to or differ from those contained herein may create a different resolution of this matter.

q. This agreement is intended to apply to and resolve only this specific proceeding before the Commission and is not intended to be applicable to or create any admission of liability for any other proceeding, including administrative, civil or criminal regarding Hendrix.

6. WAIVER:

a. Hendrix has waived his right to an Investigatory Panel proceeding and, upon approval of this Stipulation by the Commission, Hendrix knowingly and voluntarily waives his right to any related hearing before the full Commission on the allegations in this RFO (No. 16-83C) and of any and all rights he may be accorded with regard to this matter pursuant to NRS Chapter 281A, the regulations of the Commission (NAC Chapter 281A), the Nevada Administrative Procedures Act (NRS Chapter 233B) and any other applicable provisions of law.

b. Hendrix also knowingly and voluntarily waives his right to any judicial review of this matter, as provided in NRS Chapter 281A, NRS Chapter 233B, any extraordinary writs as provided in NRS Chapter 32, or any other applicable provisions of law.

7. ACCEPTANCE: We, the undersigned parties, have read this Stipulated Agreement, understand each and every provision therein, and agree to be bound thereby. The parties orally agreed to be bound by the terms of this agreement during the regular meeting of the Commission on February 15, 2017.

DATED this 27th day of Feb, 2017. 
Clay Hendrix

The above Stipulated Agreement is approved by:

FOR CLAY HENDRIX, Subject

DATED this 24th day of Feb., 2017. 
Sharla S. Hales, Esq.

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

DATED this 6th day of March, 2017.

Judy A. Prutzman
Judy A. Prutzman, Esq.
Associate Counsel

Approved as to form by:

FOR NEVADA COMMISSION ON ETHICS

DATED this 6th day of March, 2017.

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

The above Stipulated Agreement is accepted by the Commission.²

DATED February 15, 2017.

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

By: /s/ Phillip K. O'Neill
Phillip K. O'Neill
Commissioner

By: /s/ Keith A. Weaver
Keith A. Weaver, Esq.
Vice-Chair

By: /s/ Lynn Stewart
Lynn Stewart
Commissioner

By: /s/ Brian Duffrin
Brian Duffrin
Commissioner

By: /s/ Amanda Yen
Amanda Yen, Esq.
Commissioner

By: /s/ Barbara Gruenewald
Barbara Gruenewald, Esq.
Commissioner

² Hendrix waived his right to an Investigatory Panel pursuant to NRS 281A.440. Accordingly, this Stipulated Agreement was executed prior to a Panel hearing in this matter and no Commissioner was precluded from participating in this Stipulated Agreement pursuant to NRS 281A.220.