

ANNUAL REPORT FISCAL YEAR 2024



Nevada Commission on Ethics

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^{*}Cover photograph of Wheeler Peak taken by Commissioner Kim Wallin, CPA, CMA, CFM

DEAR NEVADANS,

The legislative declaration found in the Ethics Law includes the following observation "to enhance the people's faith in integrity and impartiality of public officers and employees, adequate guidelines are required to show the appropriate separation between the roles of persons who are both public servants and private citizens." The statutory language found in the Ethics Law establishes those guidelines for public officials. The Ethics Commission's authority is limited to applying the guidelines established by the Legislature. The daily work of the Ethics Commission and its staff is to help educate public officials about those guidelines, provide advice to public officials about how those guidelines apply to their public service, and when necessary, enforce those guidelines when a public official strays from the guidelines.

This report details the work of the Commission and provides helpful information to public entities, officials, and the general public about the Commission's efforts to meet its mission and statutory purpose. We hope you find the information included in the report helpful in understanding the Ethics Commission, what we do, and the direction ahead for Ethics in Nevada.

Scott Scherer, Esq. Commission Chair

Ross E. Armstrong, Esq.

Executive Director

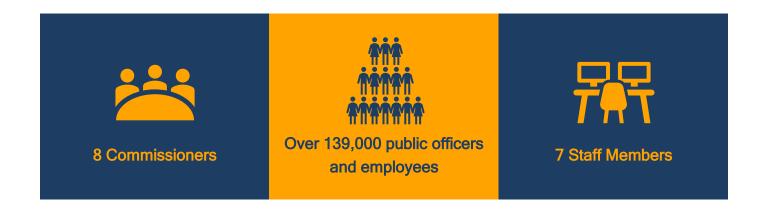
Public officers and employees must commit themselves to avoid conflicts between their private interests and those of the general public whom they serve. - NRS 281A.020(1)(b)

COMMISSION BACKGROUND

What We Do

The Nevada Commission on Ethics is an independent public body appointed by the Governor and Legislative Commission to interpret and enforce the provisions of Nevada's Ethics in Government Law, Nevada Revised Statutes Chapter 281A. The Ethics Law is designed to preserve the public's trust in government. It sets forth various standards of conduct to guide public officers and employees to avoid conflicts of interest and maintain integrity in public service. The Commission's primary functions include:

- Providing outreach and training to Nevada's public officers, employees, and other interested entities regarding the Ethics Law.
- Providing advisory opinions to public officers and employees to guide them in compliance with the Ethics Law.
- Enforcing the provisions of the Ethics Law by investigating and adjudicating alleged misconduct by public officers and employees.



Mission Statement

The Nevada Commission on Ethics, by the authority granted under Chapter 281A of NRS, strives to enhance the public's faith and confidence in government by ensuring that public officers and public employees uphold the public trust by committing themselves to avoid conflicts between their private interests and their public duties.

Commissioners & Staff as of June 30th, 2024

Commissioners		
Kim Wallin, CPA, CMA, CFM	Thoran Towler, Esq.	
Chair	Vice Chair	
Michael E. Langton, Esq.	Teresa Lowry, Esq.	
Commissioner	Commissioner	
John T. Moran, III, Esq.	Stan Olsen	
Commissioner	Commissioner	
Scott Scherer, Esq.	Scott Scherer, Esq. Amanda Yen, Esq.	
Commissioner	Commissioner	

Brian Duffrin, Barbara Gruenewald, Esq., and James Oscarson. served on the Commission for part of the fiscal year prior to their terms ending.

Commission Staff		
Ross Armstrong, Esq., Executive Director Elizabeth Bassett, Esq., Commissi Counsel		
VACANT Associate Counsel Wendy Pfaff, Senior Legal Resear		
Erron Terry, Investigator Kari Pedroza, Executive Assistant		
Sam Harvey, Outreach and Education Officer		

Commission's Guiding Principles

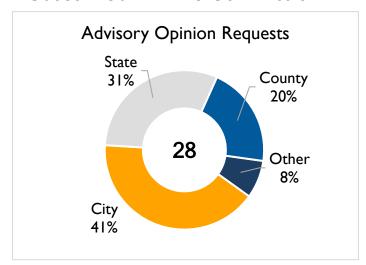
- 1. Our highest priority is to protect the citizens of Nevada by interpreting and enforcing the provisions of the Ethics Law in a fair, consistent and impartial manner.
- We act with a high degree of integrity, honesty and respect when investigating and adjudicating public complaints alleging ethics violations by public officers and employees.
- We are committed to providing outreach and education to our Stakeholders (the public and public officers and employees) to enhance their awareness and understanding of ethics requirements and prohibitions under the Nevada Ethics law.
- 4. Our objectivity, independence and impartiality are beyond reproach. We avoid all personal or professional circumstances or conflicts calling these into question.
- 5. Our processes ensure all actions, decisions and policies are consistently applied and do not result in advantages or disadvantages to any party to the detriment of another.
- Our confidential advisory opinions are thoroughly researched and written with the needs
 of the requestor in mind and consistent with opinion precedent and applicable statutes
 including legislative intent.
- 7. We carry out our duties in a rigorous and detailed manner and utilize the resources provided to us wisely and only for the legitimate purposes of the agency.
- We continuously challenge ourselves to improve the practices and processes of the agency to keep pace with the needs of the individuals we serve and to comply with legislative mandates.
- 9. We continuously improve our public communication and public access to provide guidance and assistance to those we hold accountable for compliance.
- We value and respect the opinions and recommendations of our Stakeholders, Staff and Commission Members which guide us in our decision-making.

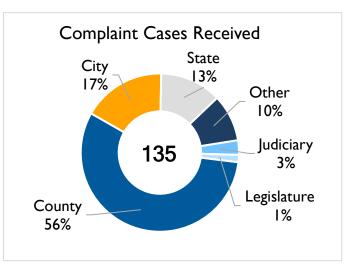
FY 2024 HIGHLIGHTS

Staff Transitions

Elizabeth Bassett, Esq. was promoted from Associate Counsel to Commission Counsel. The Outreach and Education Officer position approved during the 2023 legislative session was filled in March of 2024 by Sam Harvey.

Cases Filed with the Commission





Case Trend - Opportunities Beyond Public Service

The Commission saw several questions about contracting with government agencies as well as cooling off restrictions through its advisory opinion request process as more individuals considered secondary employment. In particular, the Commission had the opportunity to remind public officials of the Ethics Law's restriction on private contracting activities. See prior opinions in the Opinions Database.

"NRS 281A.430(1) establishes a broad restriction prohibiting contracts between public officers or employees, including business entities with which they are associated, and any public agency. *See* NRS 281A.035 . . . NRS 281A.430 has important public policy considerations given the perception, if not the reality, of tax-payer money being expended on contracts between government agencies and entities owned or operated by public officers or employees. Such contracts do not appear to be transparent or fair to the public unless certain circumstances are present." - *In re Public Employee*, Comm'n Op. No. 24-011A (2024).

ADOPTION OF A STRATEGIC PLAN

The Commission has not had an updated strategic plan for many years. During this fiscal year the Commission took the opportunity to assess its current operations and look to the future by setting strategic priorities.



Assessment of Current Operations: The Executive Director solicited feedback on current agency operations and direction from Commissioners and Staff to establish possible areas of focus for building the strategic plan.

Agreement on Overarching Priorities: The Commission held a strategic planning session during the Commission's April 2024 public meeting to receive public input, compile Staff and Commissioner priorities, organize the central themes, and discuss possible ways of accomplishing and evaluating each priority within the strategic plan.

Adoption of the Plan: The Commission approved these strategic priorities and proposed timeline for success during the June 2024 Commission Meeting. The plan includes four areas of strategic focus:

- 1) Outreach and Education
- 2) Maintaining the Public's Trust in the Commission
- 3) Sufficient Staffing to Deliver the Mission of the Commission
- 4) Technology and Service Improvement

Next Steps: With the <u>strategic plan</u> adopted, the next step is to adopt an implementation plan. That plan will include regular reports from Staff to the Commission on progress, challenges, and successes over the life of the plan.

FISCAL UPDATE

Fiscal Year 2024 was the first fiscal year to include an Outreach and Education Officer for the Commission along with some expenses associated with the new position. In addition, savings from vacancies helped offset unbudgeted cost of living adjustments and prevented the Commission from having to request special funding from the Interim Finance Committee.

The Commission set budget priorities for the next biennium during its meeting in April. The priorities selected center on technology improvements to provide better customer service and process efficiencies for the Commission in the future.

FY 2024 Sources of Commission Revenue & Penalties Collected

Local Government
Assessments
\$645,648

State General Funds \$246,118 Penalties Collected for General Fund \$5,137

We carry out our duties in a rigorous and detailed manner and utilize the resources provided to us wisely and only for the legitimate purposes of the agency. - Guiding Principle #7

Fiscal Priorities for 2025 Legislative Session

- 1. Case Management and Opinions Database Software
- 2. Outreach and Education Budget Proposal
- 3. Service Improvements

REGULATORY AND LEGISLATIVE STATUS

Regulatory Amendments

The Commission held a workshop and public hearing on changes to Nevada Administrative Code Chapter 281A. The proposed changes focus on operational efficiency, modernization of filing requirements, and clarity on the roles and responsibilities of Commissioners and Staff at different stages of Ethics cases.



Interim Legislative Operations & Elections Presentation

During the Interim, the Joint Interim Standing Committee on Legislative Operations and Elections invited the Commission to present at its May 2024 meeting. The Executive Director presented an overview of the Ethics Commission, including its structure, jurisdiction, and main ethics categories.

Ethics Law legislative history and ethics "hot topics" such as campaign cases and legislative ethics were also presented. This presentation provided an informational foundation for those lawmakers likely to serve on the Legislative and Operation and Elections Committee, as they evaluate any proposed changes to the Ethics Law during the 2025 Legislative Session.

2025 Legislative Priorities

During its March meeting, the Commissioners voted to refrain from submitting their own bill draft request in the upcoming 2025 legislative session. Despite this decision, the Commission affirms its intention to provide input on ethics legislation proposed during the 2025 session. The Commission will provide the necessary resources and expertise to enable the success of any legislation making positive changes to the Nevada Ethics Law. Read more in the corresponding press release: Commission Sets Priorities for Next Legislative Session (April 2024).

OUTREACH & EDUCATION

Embarking on Modernization and Innovation

The Commission presented a modernization plan for education and outreach as part of its budget proposal before the 2023 Legislature. Funding for the plan was approved and began implementation during the 2024 fiscal year.

The Outreach and Education Officer began in March. In the few short months since the position was filled, numerous advancements and improvements to the Commission's outreach and education efforts have been realized.

"We continuously challenge ourselves to improve the practices and processes of the agency to keep pace with the needs of the individuals we serve and to comply with legislative mandates." - Guiding Principle #8



Outreach and Education Developments

1. Improved the Accessibility of Existing Ethics Resources and Services

Commission Staff developed a modern <u>Ethics Manual</u> better suited to serve as a resource for all public servants across Nevada. It uses plain language and incorporates modern visual graphics to convey more complex areas of the law. In addition, the team developed and implemented a Training Feedback Survey to solicit feedback from training participants across multiple training mediums to improve the quality and accessibility of the Commission's training resources.

2. A Focus on LinkedIn for Outreach and Education

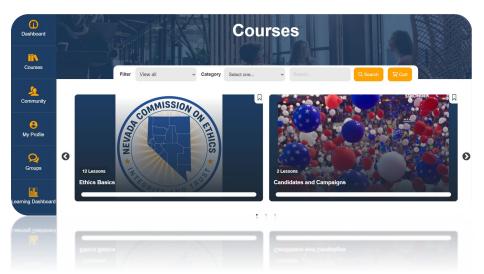
<u>LinkedIn</u> is an especially useful outreach tool for broadcasting specially designed messaging to the right audience, namely public servants. This is largely due to the nature of the LinkedIn platform which focuses on the professional lives of the user. During the fiscal

year, the Commission's LinkedIn page went from 231 users to 892 users. Of note, for the first time there are more followers from Southern Nevada than Northern Nevada. Currently, 85% of total followers are in Nevada and the top three profession types following the Commission's content are 1) Government Administration, 2) Public Health, and 3) Primary and Secondary Education.

3. Continued Development of Nevada Ethics Online (NEO)

In FY 2024 the Commission continued to develop <u>Nevada Ethics Online</u>, the Commission's online learning management system. The system was used to confirm training completion by Subjects of Ethics Complaints, which the Commission has previously been unable to track, and the number of users grew over the year.

Development plans for the year ahead include 1) establishing memoranda of understanding with government agencies wishing to use the platform for employee training, 2) additional development of course content, and 3) perfecting the collection of use and completion data.



Nevada Ethics Online Data

90 mins

Average Course Completion

54Total Users ¹

15 Courses Completed ²
33 Completed a Lesson
39 Completed a Quiz
38 Watched a Video

¹ Excludes users who registered, but never signed into the platform.

² Likely due to technical difficulties in submitting course content to ensure courses are marked as complete. Measures have since been implemented to prevent such difficulties.

COMMISSION OPERATIONS

Operations Focus

?	Top 3 Topics for Advisory Opinions 1. Cooling Off 2. Disclosure and Abstention 3. Contracting
Q	Top 3 Jurisdiction Types for Complaints 1. Rural County Government 2. School Districts 3. State Government
	Top 3 Resolution Types for Investigated Cases 1. Stipulated Violation 1. Dismissed with a Letter of Caution/ Instruction 2. Deferral Agreement
	 Three cases pending litigation. 2 petitions for judicial review filed following contested hearings 1 petition for judicial review filed following an advisory opinion

Report on the Goals Previously Set for Fiscal Year 2024

Complete an updated Ethics Manual for public officers and employees.

The new Ethics Manual was published in early July 2024.

Expand outreach and training opportunities for the general public.

The Commission hosted a Candidates and Campaign webinar available to and attended by the general public, positive media relations resulted in educational pieces published by media outlets.



Increase the number of public officers and employees who receive ethics training from the number trained in FY 2023.

The total number of public officers and employees who received ethics training dropped by 273 from FY 2023 to FY 2024.

Develop a new strategy for future proposed statutory changes.

The Commission adopted a new strategy for the 2025 Legislative Session which focuses on supporting and providing education on any new Ethics laws proposed by others in lieu of proposing its own legislative changes to NRS 281A.

Complete a review of Commission regulations for efficiency and effectiveness.

The Commission completed a regulatory workshop and public hearing in FY 2024. Following feedback from the Legislative Commission, a new public hearing was held in August of 2024 with approval of adopted regulations in September of 2024.

Goals for Fiscal Year 2025

- 1) Develop an implementation plan for the NCOE Strategic Plan
- 2) Increase the total number of individuals who receive Ethics training
- 3) Secure funding for budget priorities during the 2025 Legislative Session

APPENDIX

Appendix A Investigated Cases Resolved in FY 2024¹

Case Name	Resolution
In re John Bartlett (23-015C), Former	Stipulated Agreement - 1 willful violation of
Compliance Investigator, State Contractor's	NRS 281.400(5) & 1 non-willful violation of
Board	NRS 281A.400(7); \$1,500 civil penalty
In re Raymond Spencer (22-102C), Former Lieutenant, Las Vegas Metropolitan Police Department	Stipulated Agreement - 1 non-willful violation of NRS 281A.400(7); \$500 civil penalty
In re Kevin Chisum (23-048C), Assessor,	Stipulated Agreement - 1 non-willful violation
Mineral County	of NRS 281A.400(7)
In re Catherine Hall (23-120C, 23-121C, 23-	Stipulated Agreement - 1 non-willful violation
128C & 23-129C), Chair, Mineral County	of NRS 281.400(2) & 1 non-willful violation of
Commission	NRS 281A.400(7); \$1,000 civil penalty
In re Larry Grant (23-005C), Member, Mineral	Stipulated Deferral Agreement - Completed 2-
County Board of Commissioners	year compliance period; Ethics Training
In re Raymond Tulloch (23-054C), Trustee,	Stipulated Deferral Agreement - 2-year
Incline Village General Improvement District	compliance period expires August 2025;
	Ethics Training
In re Alan Bigelow (23-139C), Firefighter/EMT, Pahrump Valley Fire & Rescue, Nye County	Deferral Agreement - Compliance period ends November 2024
In re Eric Blondheim (23-057C), Undersheriff,	Stipulated Deferral Agreement - 2-year
Pershing County	compliance period expires August 2025;
	Ethics Training
In re Hillary Schieve (23-056C), Mayor, City of Reno	Opinion Published

¹ Investigated case means that the Commission accepted jurisdiction and directed an investigation be conducted. This list only includes cases that were resolved in FY 2024 (regardless of year the complaint was submitted) and does not include the list of current open cases.

Appendix B Investigated Cases Resolved by Review Panels in FY 2024²

Case Name	Resolution	
In re Danny Zampirro (23-022C), Engineering Tech III, Department of Conservation and Natural Resources	Dismissal with Letter of Caution	
In re Lisa Guzman (23-053C), Trustee, Clark County School District	Dismissal	
In re Matt McNally (23-063C), Community Engagement Director, Las Vegas-Clark County Library District	Dismissal	
In re Michelle Gorelow (23-114C), Assemblymember, Nevada State Legislature	Dismissal	
In re Paul Gordon (23-133C), Building Inspector, City of Reno	Dismissal	
In re Sheila Leijon (24-003C), Director of Parks and Recreation, Incline Village General Improvement District	Dismissal with Letter of Caution	
In re Justin Jones (24-009C), Commissioner, Clark County Commission	Dismissal	

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² Investigated case means that the Commission accepted jurisdiction and directed an investigation be conducted. This list only includes cases that were resolved in FY 2024 (regardless of year the complaint was submitted) and does not include the list of current open cases or those in which the determination of the review panel was to refer to the full Commission.

Appendix C Advisory Opinions Issued

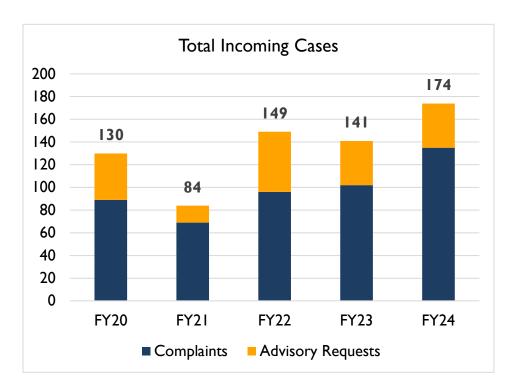
Date Published	Case Number	Main Topic(s)
2/12/2024	23-137A	Contracts
6/6/2024	24-038A	Contracts
4/15/2024	24-011A	Contracts
9/5/2023	23-083A	Cooling Off
9/5/2023	23-090A	Cooling Off
11/22/2023	23-117A	Cooling Off
11/13/2023	23-118A	Cooling Off
4/29/2024	24-021A	Cooling Off
5/6/2024	24-023A	Cooling Off
5/9/2024	24-037A	Cooling Off
12/14/2023	23-132A	Cooling Off
3/6/2024	23-155A	Cooling Off
10/31/2023	23-094A	Disclosure & Abstention
1/18/2024	23-141A	Disclosure & Abstention
3/25/2024	24-006A	Disclosure & Abstention
4/15/2024	24-019A	Disclosure & Abstention
5/28/2024	24-041A	Disclosure & Abstention
2/12/2024	23-154A	Disclosure & Abstention
2/26/2024	23-160A	Disclosure & Abstention
8/3/2023	23-069A	Disclosure & Abstention
8/28/2023	23-071A	Disclosure & Abstention
11/27/2023	23-119A	Government Resources - Campaigns
3/18/2024	23-143A	Government Resources - Campaigns
4/15/2024	24-018A	Government Resources - Campaigns
2/12/2024	23-135A	Improper Use of Public Position
11/20/2023	23-082A	Private Employment
3/25/2024	23-115A	Private Employment - Lobbying in Geographical Area

Appendix D Count of Open Complaint Cases as of June 30, 2024

Proceeding to Adjudicatory Hearing	Under Investigation	Pending Jurisdictional Determination
1	11	15

Appendix E Data Graphs

Figure 1



 Total incoming cases increased in FY 2024 with advisory requests remaining mostly flat while experiencing a surge of incoming complaint cases.

Figure 2

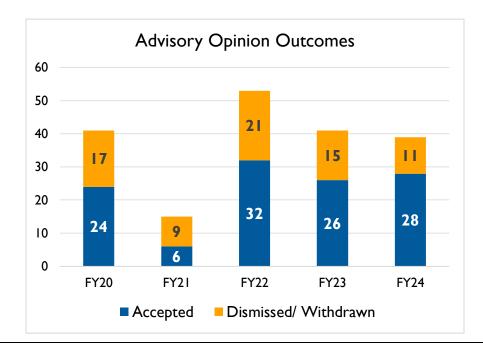
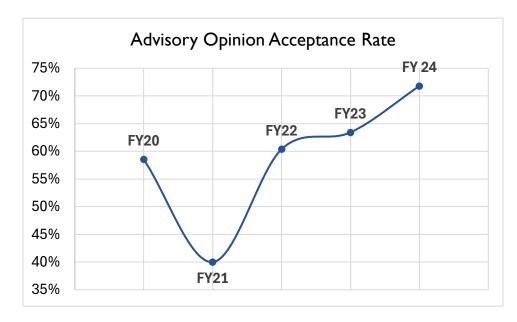
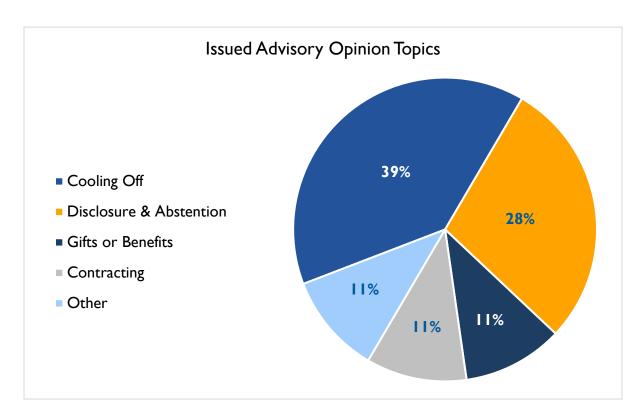


Figure 3



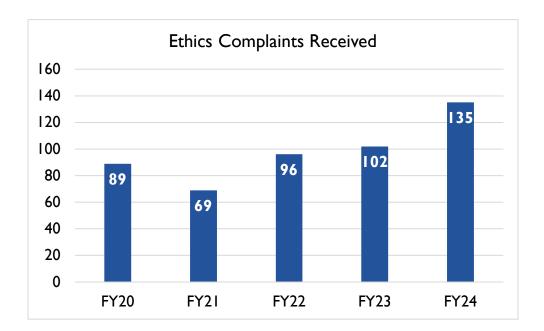
 The volume of advisory opinions requested slightly decreased but with more cases being accepted for opinions.

Figure 4



 This year saw an increase in cooling off questions with 39 percent of advisory opinion questions in FY 2024 compared to 22 percent in FY 2023. Disclosure and abstention dropped to the second-most asked about topic.

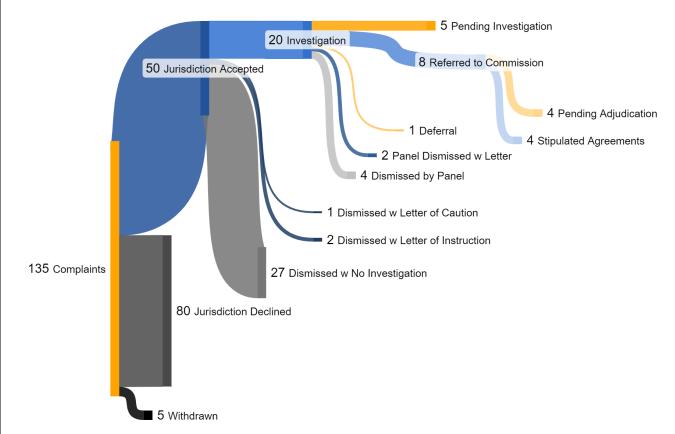
Figure 5



 Incoming complaint cases continue to grow, almost doubling from the dip experienced during the COVID-19 pandemic and a 32 percent increase over FY 2023.

Figure 6

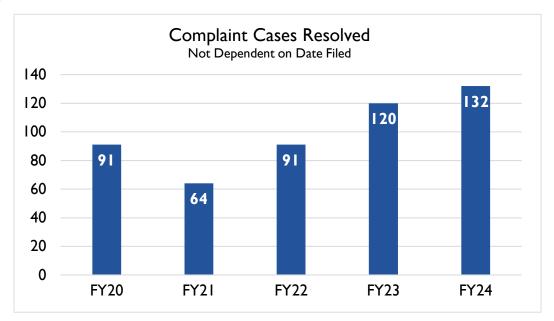
Jurisdictional Review Determinations for Cases Received in FY 2024



Made at SankeyMATIC.com

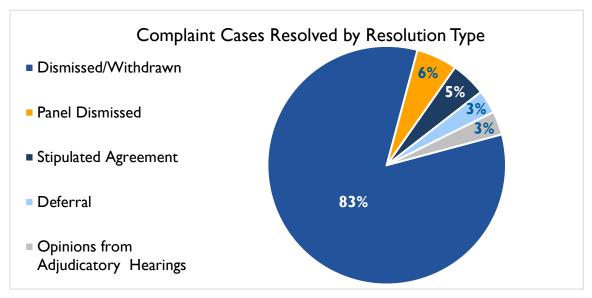
In FY 2024, the Commission adjusted its practice to accept jurisdiction over more
Complaints over public officers and employees. If the Complaints included insufficient
evidence to warrant an investigation, the Complaints are then dismissed. Over time,
this will provide a more accurate picture of the nature of the Commission's incoming
Complaints.

Figure 7



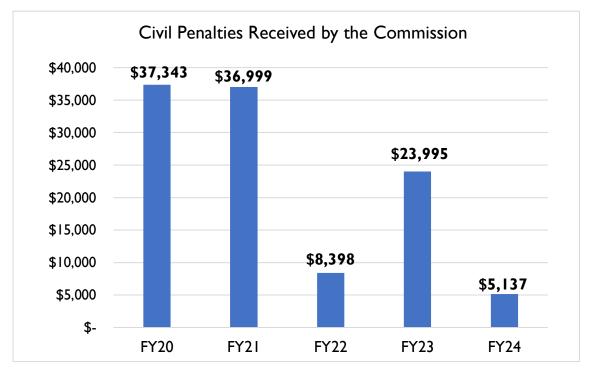
 Complaint case resolution saw an increase in FY 2024 as the Investigations team worked diligently to resolve old cases while at the same time ensuring new incoming cases were investigated and processed in a more timely manner.

Figure 8



 Cases dismissed and letters issued include both at the jurisdictional determination phase and at the review panel phase combined.

Figure 9



- Large civil penalties received in FY20 and FY21 are from the series of gift card cases related to the Las Vegas Convention Visitors Authority. Payments on those penalties continued through FY 2023.
- Two cases with financial penalties owed are currently on appeal and payments are suspended until the appeals are complete.

Figure 10

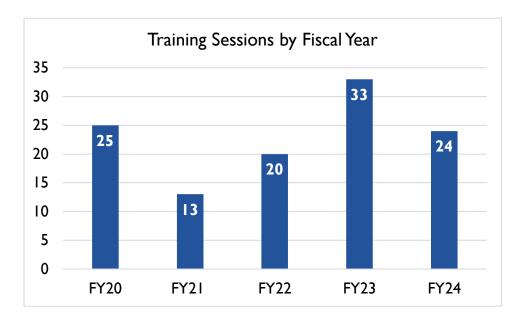
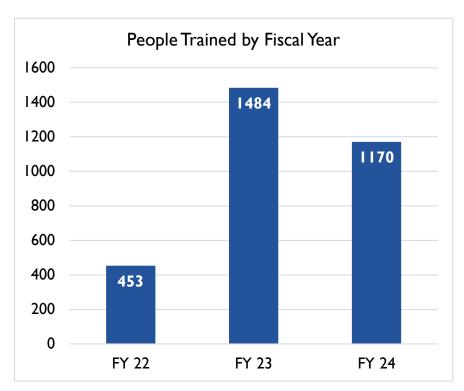
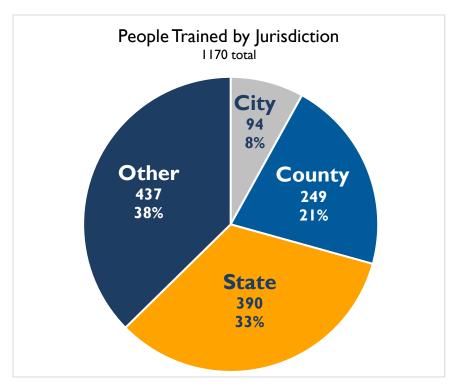


Figure 11



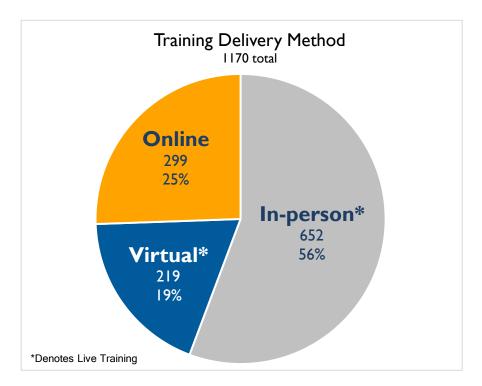
 The Commission started tracking the individual number of people trained halfway through FY22. The total number of people trained decreased in FY 2024 largely in part to staffing vacancies which limited staff availability to assist with training.

Figure 12



• The bulk of the "Other" category is made up of a training we recorded for the Nevada Psychological Association and a live training for the Southern Nevada International Code Council.

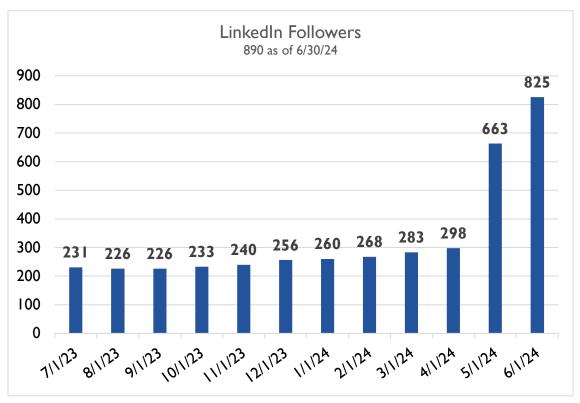
Figure 13



 Online, self-paced training was made available through <u>Nevada Ethics Online</u> during FY 2024. Clark County also delivered Commission training materials through their online learning platform accounting for the majority of those trained online during FY 2024. Request live training <u>here</u>.

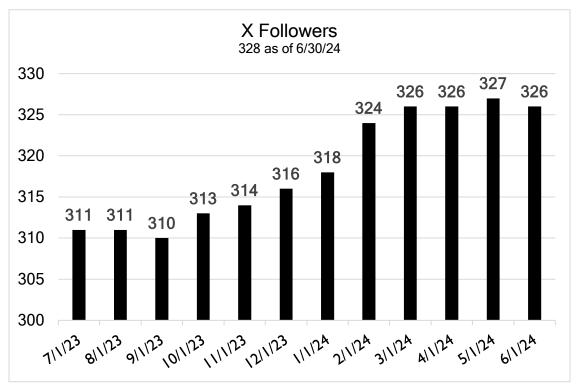
Outreach - Social Media Follower Data

Figure 14



 In April, the OEO began a series of targeted LinkedIn campaigns using an automation tool and LinkedIn filtering functionalities which resulted in a significant boost in our <u>LinkedIn</u> following and impact.

Figure 15



 X, formerly Twitter, followership has remained steady despite much disruption to the Social Media's platform's use and reputation.