

1 **ALLEGATIONS OF FACT SET FORTH IN COMPLAINT 2014-1485**

2 **(Audra Collins - Benton HOA)**

3 2. COLLINS is and was at all relevant times mentioned in this Complaint, licensed
4 as a supervisory community manager under certificate number CAM.0000314-SUPR.

5 3. COLLINS and her mother, Leslie White, provide community manager services
6 through their company NCF Corporation, doing business as Associated Community
7 Management (the "Management Company").

8 4. The Division opened an investigation against COLLINS and Leslie White in 2013
9 under Case No. CIS 13-05-34-340 based on information contained in annual registration
10 forms supplied by COLLINS and Ms. White to the Division.

11 5. The initial investigation concerned 21 associations managed by COLLINS and/or
12 Ms. White, including Benton Homeowners Association (the "Association").

13 6. The initial investigation concerned whether the associations had board
14 members.

15 7. By letter dated June 7, 2013, the Division sent COLLINS and Ms. White a letter
16 detailing the alleged violations and requesting documents and a sworn affidavit as to the
17 alleged violations.

18 8. By letter dated December 30, 2013, the Division sent COLLINS and Ms. White a
19 second request for the documents previously requested.

20 9. Neither COLLINS nor Ms. White responded with regard to the Association.

21 10. After not receiving an adequate response to the investigation from COLLINS or
22 Ms. White, the Division subpoenaed bank records for certain associations as well as the
23 Management Company in January 2014.

24 11. According to the Association's bank, Mutual of Omaha Bank, all of the
25 associations use a master signature card for the Management Company that corresponds
26 with all of their accounts.

27 12. The master signature card for the Management Company shows Ms. White as
28 the only authorized signor.

1 13. Based on a review of the subpoenaed bank records, the Division opened a new
2 case against COLLINS concerning only the Association under Case No. 2014-1485.

3 14. COLLINS was noticed of the new case by letter dated May 6, 2014 which
4 alleged COLLINS was the sole signor on Association checks. The Division's letter requested
5 copies of COLLIN'S three most recent management contracts, minutes from the last three
6 elections for the board, and copies of Association CC&R's and bylaws.

7 15. COLLINS responded by email dated June 6, 2014, which included as
8 attachments, her sworn affidavit, her management contract dated and signed September 5,
9 2010, her management contract dated July 1, 2005, nomination forms, CC&R's, and bylaws.

10 16. COLLINS' explanation for the single signed checks was that no one would run
11 for the board, so she was signing checks without a board in place based on the requirements
12 of her contract.

13 17. Ms. White signed and submitted to the Division annual registration forms for the
14 Association as follows:

15 18. 2010 reflecting one board member, John Lord;

16 19. 2011 reflecting two board members, John Lord and Vilmarie Vilar;

17 20. 2012 reflecting one board member, John Lord;

18 21. 2013 reflecting two board members, John Lord and Vilmarie Vilar;

19 22. 2014 reflecting two board members, John Lord and Vilmarie Vilar;

20 23. 2015 reflecting one board member, Jermain Tate.

21 24. The Division requested from the Secretary of State's office the annual list of
22 directors and officers filed for the Association. For 2012, COLLINS submitted an annual list for
23 the Association as its manager.

24 25. The Division sent Mr. Lord a list of questions regarding his service on the board.

25 26. Mr. Lord responded by sworn affidavit dated June 13, 2014 stating, "I have not
26 been president for over 2 years."

27 27. Mr. Lord later clarified to the Division that he had not served on the board for the
28 prior two years.

1 28. The management contract provided by COLLINS is purportedly signed by "John
2 Lord" on behalf of the Association.

3 29. By sworn affidavit, Mr. Lord states that he did not sign the management contract
4 and it is not his signature.

5 30. The Division requested COLLINS' response to the allegation that the
6 management contract she provided to the Division contained a forged board member's
7 signature.

8 31. COLLINS responded to the Division by email dated February 13, 2015 that she
9 never was the manager of the Association and had no knowledge of a forged contract.

10 32. The Division followed up with Mr. Lord asking that he respond to whether he was
11 the co-signor on three Association checks made payable to the Division dated September 17,
12 2010, January 26, 2012, and January 28, 2013 as each check appeared to be signed "John
13 Lord" along with Ms. White's signature.

14 33. By sworn affidavit dated February 10, 2015, Mr. Lord stated as to each of the
15 three checks, "No! Not my signature. Never seen this check before."

16 34. Ms. White was asked to respond to the allegation that Association checks
17 provided to the Division contained a forged board member's signature.

18 35. Ms. White stated she had no knowledge of forged signatures and that:
19 "Previously checks that had my signature were placed in a folder in a box so
20 when board members came in to sign they were easily located. This box was
21 placed in an area that was accessible by anyone. This practice is no longer used
22 and most boards use digital signatures."

23 36. The three forged checks are the only Association checks with two signatures out
24 of 331 Association checks.

25 37. The annual registration forms filed by Ms. White with the Division represent a
26 projected reserve account balance of over \$24,000 in 2010, \$42,000 in 2011, \$41,000 in
27 2012, \$24,000 in 2013, \$23,000 in 2014, and \$14,000 in 2015.

1 38. The Division reviewed bank statements and checks for the Association's
2 operating and reserve accounts from January 2010 through January 2014.

3 39. The Association's reserve account had a balance of approximately \$2,900 in
4 January 2010. By August 2011 through January 2014, the reserve account was approximately
5 \$260.

6 40. Ms. White was the sole signor on approximately 202 Association checks from
7 2010 through January 2014.

8 41. COLLINS was the sole signor on approximately 129 Association checks from
9 2010 through February 2013.

10 42. Approximately 134 Association checks were written to the Management
11 Company totaling over \$76,000.00.

12 43. In January 2014, the Management Company received money from the
13 Association by direct transfer of funds in the amount of \$2,120.

14 **VIOLATIONS OF LAW SET FORTH IN COMPLAINT 2014-1485**

15 **(Audra Collins - Benton HOA)**

16 44. COLLINS violated NRS 116A.640(2)(a) and NAC 116A.345(2)(a) by impeding
17 the Division's investigation by failing to comply with requests from the Division to provide
18 documents.

19 45. COLLINS violated NRS 116A.640(2)(b) and NAC 116A.345(2)(b) by impeding
20 the Division's investigation by supplying false and misleading information to the Division's
21 investigator.

22 46. COLLINS violated NRS 116A.640(2)(c) and NAC 116A.345(2)(c) by impeding
23 the Division's investigation by concealing facts and documents relating to the business of the
24 Association.

25 47. COLLINS violated NAC 116A.355(1)(a)(1) by committing unprofessional conduct
26 by engaging in deceitful, fraudulent or dishonest conduct by supplying to the Division an
27 improperly signed management agreement.

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1 48. COLLINS violated NAC 116A.355(1)(a)(1) by committing unprofessional conduct
2 when she failed to cooperate with the Division's investigation by failing to timely produce
3 documents and records of the Association.

4 49. COLLINS violated NAC 116A.355(1)(a)(1) by committing unprofessional conduct
5 by exceeding the authority granted to her by the Association.

6 50. COLLINS violated NAC 116A.355(1)(a)(2) by engaging in conduct constituting
7 professional incompetence by demonstrating a significant lack of ability, knowledge or fitness
8 to perform a duty or obligation owed to the Association.

9 51. COLLINS violated NAC 116A.355(1)(a)(2) by engaging in conduct constituting
10 professional incompetence by failing to exercise reasonable skill and care with respect to a
11 duty or obligation owed to the Association.

12 52. COLLINS violated NRS 116.31153 129 times by being the sole signor on 129
13 Association checks between January 2010 and January 2014.

14 53. COLLINS violated NRS 116A.620 and NAC 116A.325 by failing to have a valid
15 management contract with the Association at all times while she performed community
16 management services for the Association.

17 54. COLLINS violated NRS 116A.630(1)(a) by failing to act as a fiduciary in her
18 relationship with the Association.

19 55. COLLINS violated NRS 116A.630(1)(b) by failing to exercise ordinary and
20 reasonable care in the performance of her duties for the Association.

21 56. COLLINS violated NRS 116A.630(2) by failing to comply with all federal, state
22 and local laws, regulations and ordinances.

23 57. COLLINS violated NRS 116A.630(6)(a) by failing to ensure that the financial
24 transactions of the Association are current, accurate and properly documented.

25 58. COLLINS violated NRS 116A.630(6)(b) by failing to ensure that there are
26 policies and procedures designed to provide reasonable assurances in the reliability of the
27 financial reporting.
28

1 59. COLLINS violated NRS 116A.630(7) by failing to prepare or cause to be
2 prepared interim and annual financial statements to allow the Division, the unit owner and
3 board members to determine whether the financial position of the Association is fairly
4 presented in accordance with all applicable laws and regulations.

5 60. COLLINS violated NRS 116A.630(10) by failing to cooperate with the Division.

6 61. COLLINS violated NRS 116A.630(13) by failing to maintain the Association's
7 funds in separate financial accounts in the name of the Association and ensure that the
8 Association is authorized to have direct access to those accounts.

9 62. COLLINS violated NRS 116A.630(14) by failing to notify unit owners that the
10 board is aware of all legal requirements pursuant to the applicable laws and regulations.

11 63. COLLINS violated NRS 116A.630(15) by failing to maintain internal accounting
12 controls, including without limitation, segregation of incompatible accounting functions.

13 64. COLLINS violated NRS 116A.630(16) by failing to ensure that the executive
14 board developed and approved written investment policies and procedures.

15 65. COLLINS violated NRS 116A.630(18) by failing to take direction from the
16 Association.

17 66. COLLINS violated NAC 116A.320 by failing to comply with NRS 116A.630.

18 **ALLEGATIONS OF FACT SET FORTH IN COMPLAINT 2014-1491**

19 **(Leslie White - Benton HOA)**

20 2. At all relevant times mentioned in this complaint, WHITE was and is currently
21 licensed as a supervisory community manager under certificate number CAM.0000070.

22 3. At all relevant times mentioned in this complaint, WHITE acted as and is
23 currently performing the services of a community manager for Benton Homeowners
24 Association (the "Association") through her entity NCF Corporation, doing business as
25 Associated Community Management (the "Management Company").

26 4. The Division opened an investigation against WHITE and her daughter, Audra
27 Collins, in 2013 under Case No. CIS 13-05-34-340 based on information contained in annual
28 registration forms supplied by WHITE and Ms. Collins to the Division.

1 5. The initial investigation concerned 21 associations managed by WHITE and
2 concerned whether the associations had board members.

3 6. By letter dated June 7, 2013, the Division sent WHITE a letter detailing the
4 alleged violations and requested documents and a sworn affidavit as to the alleged violations.

5 7. By letter dated December 30, 2013, the Division sent WHITE a second request
6 and again requested the management contracts for each association.

7 8. As to the Association, WHITE did not respond or provide a copy of the
8 management contract as requested in both the June 7 and December 30, 2013 letters.

9 9. The Division subpoenaed bank records for the Association in January of 2014.

10 10. According to the Association's bank, Mutual of Omaha Bank, all of WHITE'S
11 associations use a master signature card for the management company that goes with all of
12 their accounts.

13 11. The master signature card is for the Management Company and shows WHITE
14 as the only authorized signor.

15 12. Based on a review of the subpoenaed bank records, the Division opened a new
16 case concerning only the Association under Case No. 2014-1491.

17 13. WHITE was noticed of the new case by letter dated May 6, 2014 which alleged
18 WHITE was the sole signor on Association checks. The Division's letter requested copies of
19 WHITE'S three most recent management contracts, minutes from the last three elections for
20 the board, and copies of Association CC&R's and bylaws.

21 14. WHITE responded by email dated June 3, 2014, which included as attachments,
22 her sworn affidavit dated June 3, 2014, her management contract dated as signed September
23 5, 2010, and nomination forms.

24 15. WHITE'S explanation for the single signed checks was that no one would run for
25 the board, so she was signing checks without a board in place based on the requirements of
26 her contract.

27 16. WHITE signed and submitted to the Division annual registration forms for the
28 Association as follows:

- 1 i. 2010 reflecting one board member, John Lord;
- 2 ii. 2011 reflecting two board members John Lord and Vilmarie Vilar;
- 3 iii. 2012 reflecting one board member, John Lord;
- 4 iv. 2013 reflecting two board members, John Lord and Vilmarie Vilar;
- 5 v. 2014 reflecting two board members, John Lord and Vilmarie Vilar;
- 6 and
- 7 vi. 2015 reflecting one board member, Jermaine Tate.

8 17. Each annual registration form submitted to the Division by WHITE states that the
9 board members completed Division Form 602 and submitted them to the Division, but none
10 were ever submitted to the Division.

11 18. The Division requested from the Secretary of State's office the annual list of
12 directors and officers filed for the Association. For 2011, WHITE submitted an annual list for
13 the Association reflecting Linda Shreve and Chris Hansel as the sole board members and
14 officers.

15 19. The Division sent Mr. Lord a list of questions regarding his service on the board.

16 20. Mr. Lord responded by sworn affidavit dated June 13, 2014 stating, "I have not
17 been president for over 2 years."

18 21. Mr. Lord later clarified to the Division that he had not served on the board for the
19 prior two years.

20 22. The management contract provided by WHITE is purportedly signed by "John
21 Lord" on behalf of the Association.

22 23. By sworn affidavit, Mr. Lord states that he did not sign the management contract
23 and it is not his signature.

24 24. The Division requested WHITE'S response to the allegation that the
25 management contract she provided to the Division contained a forged board member's
26 signature.

1 25. WHITE responded to the Division by sworn affidavit stating she had "no
2 knowledge of a contract with a forged signature" and provided a new contract dated January
3 30, 2015 and signed by "Jermaine Tate."

4 26. WHITE also provided purported minutes from a meeting held January 30, 2015,
5 but they are not signed.

6 27. The Division then followed up with Mr. Lord asking that he respond to whether
7 he was the co-signor on three Association checks made payable to the Division dated
8 September 17, 2010, January 26, 2012, and January 28, 2013 as each check appeared to be
9 signed "John Lord" along with WHITE'S signature.

10 28. By sworn affidavit dated February 10, 2015, Mr. Lord stated as to each of the
11 three checks, "No! Not my signature. Never seen this check before."

12 29. WHITE was asked to respond to the allegation that Association checks provided
13 to the Division contained a forged board member's signature.

14 30. WHITE stated she had no knowledge of forged signatures and that:

15 "Previously checks that had my signature were placed in a folder in a box so
16 when board members came into sign they were easily located. This box was
17 placed in an area that was accessible by anyone. This practice is no longer used
18 and most boards use digital signatures."

19 31. The annual registration forms filed by WHITE with the Division represent a
20 projected reserve account balance of over \$24,000 in 2010, \$42,000 in 2011, \$41,000 in
21 2012, \$24,000 in 2013, \$23,000 in 2014, and \$14,000 in 2015.

22 32. The Division reviewed bank statements and checks for the Association's
23 operating and reserve accounts from January 2010 through January 2014.

24 33. The Association's reserve account had a balance of approximately \$2,900 in
25 January 2010. By August 2011 through January 2014, the reserve account was approximately
26 \$260.

27 34. WHITE was the sole signor on approximately 202 Association checks from 2010
28 through January 2014.

1 44. WHITE violated NAC 116A.355(1)(a)(1) by committing unprofessional conduct
2 by supplying false or misleading information on annual registration forms she filed on behalf of
3 the Association.

4 45. WHITE violated NAC 116A.355(1)(a)(2) by engaging in conduct constituting
5 professional incompetence by demonstrating a significant lack of ability, knowledge or fitness
6 to perform a duty or obligation owed to the Association.

7 46. WHITE violated NAC 116A.355(1)(a)(2) by engaging in conduct constituting
8 professional incompetence by failing to exercise reasonable skill and care with respect to a
9 duty or obligation owed to the Association.

10 47. WHITE violated NRS 116.31153 202 times by being the sole signor on
11 Association checks between January 2010 and January 2014.

12 48. WHITE violated NRS 116A.620 and NAC 116A.325 by failing to have a valid
13 management contract with the Association at all times while she performed community
14 management services for the Association.

15 49. WHITE violated NRS 116A.630(1)(a) by failing to act as a fiduciary in her
16 relationship with the Association.

17 50. WHITE violated NRS 116A.630(1)(b) by failing to exercise ordinary and
18 reasonable care in the performance of her duties for the Association.

19 51. WHITE violated NRS 116A.630(2) by failing to comply with all federal, state and
20 local laws, regulations and ordinances.

21 52. WHITE violated NRS 116A.630(6)(a) by failing to ensure that the financial
22 transactions of the Association are current, accurate and properly documented.

23 53. WHITE violated NRS 116A.630(6)(b) by failing to ensure that there are policies
24 and procedures designed to provide reasonable assurances in the reliability of the financial
25 reporting.

26 54. WHITE violated NRS 116A.630(7) by failing to prepare or cause to be prepared
27 interim and annual financial statements to allow the Division, the unit owner and board
28

1 members to determine whether the financial position of the Association is fairly presented in
2 accordance with all applicable laws and regulations.

3 55. WHITE violated NRS 116A.630(10) by failing to cooperate with the Division.

4 56. WHITE violated NRS 116A.630(13) by failing to maintain the Association's funds
5 in separate financial accounts in the name of the Association and ensure that the Association
6 is authorized to have direct access to those accounts.

7 57. WHITE violated NRS 116A.630(14) by failing to notify unit owners that the board
8 is aware of all legal requirements pursuant to the applicable laws and regulations.

9 58. WHITE violated NRS 116A.630(15) by failing to maintain internal accounting
10 controls, including without limitation, segregation of incompatible accounting functions.

11 59. WHITE violated NRS 116A.630(16) by failing to ensure that the executive board
12 developed and approved written investment policies and procedures.

13 60. WHITE violated NRS 116A.630(18) by failing to take direction from the
14 Association.

15 61. WHITE violated NAC 116A.320 by failing to comply with NRS 116A.630.

16 **ALLEGATIONS OF FACT SET FORTH IN COMPLAINT 2014-1494**

17 **(Leslie White - La Siena Association)**

18 2. At all relevant times mentioned in this complaint, WHITE was and is currently
19 licensed as a supervisory community manager under certificate number CAM.0000070.

20 3. At all relevant times mentioned in this complaint, WHITE acted as and is
21 currently performing the services of a community manager for La Siena Association (the
22 "Association") through her entity NCF Corporation, doing business as Associated Community
23 Management (the "Management Company").

24 4. The Division opened an investigation against WHITE and her daughter, Audra
25 Collins, in 2013 under Case No. CIS 13-05-34-340 based on information contained in annual
26 registration forms supplied by WHITE and Ms. Collins to the Division.

27 5. The initial investigation concerned 21 associations managed by WHITE, not
28 including La Siena Association.

1 6. The initial investigation concerned whether the associations had board
2 members.

3 7. After not receiving an adequate response to the investigation from WHITE or
4 Ms. Collins, the Division subpoenaed bank records for certain associations as well as
5 WHITE'S management company in January 2014.

6 8. Based on a review of the subpoenaed bank records, the Division opened an
7 investigation concerning La Siena Association (the "Association") under Case No. 2014-1494
8 and subpoenaed bank records for the Association.

9 9. The Association was formed in 2002, but was not registered with the Division
10 until 2011.

11 10. The Division subpoenaed Association bank records for 2012 through March of
12 2014.

13 11. All but three checks received by the Division were solely signed by either WHITE
14 or Ms. Collins, and one check contained no signatures.

15 12. The check with no signatures (Check No. 796) was paid to the Management
16 Company for \$1,100.

17 13. The two checks reflecting a second signature were paid to the Division for
18 annual registration fees:

19 a. Check No. 681 dated November 1, 2012 payable to the Division appears
20 to be signed by board member Nancy Houston and Audra Collins; and

21 b. Check No. 788 dated November 26, 2013 payable to the Division appears to be
22 signed by board member Jaime Rose and WHITE.

23 14. Both checks were submitted to the Division with annual registration forms signed
24 by WHITE.

25 15. WHITE was noticed of this matter by letter dated May 6, 2014 which alleged
26 WHITE was the sole signor on Association checks. The letter requested copies of WHITE'S
27 three most recent management contracts, documents, including minutes, from the last three
28 board elections, and copies of Association CC&R's and bylaws.

1 16. Ms. Collins was also noticed of an investigation for her involvement with the
2 Association.

3 17. WHITE responded by email dated June 6, 2014, which included as attachments,
4 her sworn affidavit dated June 6, 2014, certain election documents, her management contract
5 dated July 1, 2012, and her management contract dated July 1, 2005.

6 18. WHITE'S explanation for the single signed checks was an electronic signature
7 error, but WHITE provided no evidence that any board member approved any of the sole
8 signed checks.

9 19. According to the Association's bank, Mutual of Omaha Bank, all of WHITE'S
10 associations use a master signature card for the Management Company that goes with all of
11 their accounts.

12 20. The master signature card for the Management Company shows WHITE as the
13 only authorized signor.

14 21. The Division contacted board members reflected in registration forms for more
15 information about the Association's activities.

16 22. Board members, Nancy Houston and Jaime Rose, deny having signed the two
17 Association checks reflecting their names.

18 23. WHITE'S 2005 contract, missing page 2, expired on its terms in July of 2007 and
19 included a monthly fee of \$800.

20 24. WHITE'S 2012 contract dated July 1, 2012 is for a 1-year term, renews on a
21 month to month basis indefinitely, and includes a monthly fee of \$1,000.

22 25. WHITE received from the Association more than \$1,000 for all but one month
23 from January 2012 through March of 2014, including payments of over \$3,800 in August of
24 2012, over \$4,000 in October of 2012, over \$3,700 in January of 2013, over \$6,700 in April of
25 2013, and over \$6,000 in June of 2013.

26 26. WHITE'S 2012 contract appears to be signed by board member, Jaime Rose.

27 27. Jaime Rose informed the Division that the 2012 contract was not signed by her,
28 noting that her name is signed as Jane Rose.

1 28. During the investigation, Ms. Collins provided two additional checks to the
2 Division to show that the Association's checks were being properly co-signed by a board
3 member along with WHITE:

4 a. Check No. 818 dated June 17, 2014 payable to A&M Sweeping
5 contains WHITE'S signature, along with an unknown, illegible second signature; and

6 b. Check No. 819 dated June 23, 2014 payable to Las Vegas Valley Water
7 District contains WHITE'S signature, along with an unknown, illegible second signature.

8 29. When asked by the Division to identify the unknown, illegible second signature,
9 neither WHITE nor Ms. Collins could identify who signed the two additional checks provided
10 by Ms. Collins. Both of them stated by sworn affidavit, "I lack information sufficient to form a
11 belief to respond to the Division's request."

12 30. Ms. Collins also supplied insurance certificates for the Association.

13 31. The insurance certificates reflect condominium insurance coverage, but the
14 Association consists of 92 single family homes, private streets, and landscaping.

15 32. WHITE is the sole signor on approximately 150 checks from the Association's
16 bank account from January 2012 through the early part of January 2014; of which 80 checks
17 were payable to the Management Company.

18 33. According to bank records, beginning in January 2014, money was withdrawn
19 from the Association's bank account by direct transfers to the Management Company 11
20 times in three months, totaling approximately \$10,695.

21 34. From January of 2012 to March 2014, there were approximately 202 checks
22 issued by the Association; approximately 104 of those checks were made payable to the
23 Management Company.

24 35. From January 2012 to March 2014, the Management Company received
25 approximately \$80,000 from the Association.

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1 **VIOLATIONS OF LAW SET FORTH IN COMPLAINT 2014-1494**

2 **(Leslie White - La Siena Association)**

3 36. WHITE violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(c)) by
4 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
5 by signing checks to the Management Company for charges that were not approved by the
6 Association's board and for charges not authorized by a management agreement.

7 37. WHITE violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(c)) by
8 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
9 by submitting checks to the Division for registration fees reflecting a board member's name,
10 when the checks were not actually signed or authorized by the board member.

11 38. WHITE violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(c)) by
12 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
13 by submitting a forged management contract to the Division as if it were signed by a board
14 member and approved by the Association.

15 39. WHITE violated NAC 116A.345(2)(b) by impeding or otherwise interfering with an
16 investigation of the Division by supplying false or misleading information to an investigator
17 when she provided a forged management contract to the Division.

18 40. WHITE violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(c)) by
19 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
20 by receiving in excess of \$10,000 from the Association by way of automatic transfers 11 times
21 in three months, January through March 2014.

22 41. WHITE violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(b)) by
23 engaging in conduct constituting professional incompetence by failing to exercise reasonable
24 skill and care with respect to a duty or obligation owed to the Association by receiving in
25 excess of \$10,000 from the Association by way of automatic transfers 11 times in three
26 months, January through March 2014.

27 42. WHITE violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(a)) by
28 engaging in conduct constituting professional incompetence by demonstrating a significant

1 lack of ability, knowledge or fitness to perform a duty or obligation owed to the Association by
2 receiving in excess of \$10,000 from the Association by way of automatic transfers 11 times in
3 three months, January through March 2014.

4 43. WHITE violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(b)) by
5 engaging in conduct constituting professional incompetence by failing to exercise reasonable
6 skill and care with respect to a duty or obligation owed to the Association by signing checks to
7 the Management Company for unauthorized charges.

8 44. WHITE violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(a))
9 approximately 150 times by engaging in conduct constituting professional incompetence by
10 demonstrating a significant lack of ability, knowledge or fitness to perform a duty or obligation
11 owed to the Association by signing checks without approval from the Association's board.

12 45. WHITE violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(4)(g)) by
13 engaging in conduct constituting professional incompetence by failing to act in the best
14 interests of the Association.

15 46. WHITE violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(i))
16 approximately 150 times by committing unprofessional conduct by exceeding the authority
17 granted to her by the Association when she signed approximately 150 Association checks
18 without approval from the Association's board.

19 47. WHITE violated NRS 116.31153 approximately 150 times by being the sole
20 signor on approximately 150 Association checks between January 2012 and January 2014.

21 48. WHITE violated NRS 116A.620 and NAC 116A.325 by managing the Association
22 without a valid management contract.

23 49. WHITE violated NRS 116A.630(1)(a) by failing to act as a fiduciary in her
24 relationship with the Association.

25 50. WHITE violated NRS 116A.640(10) by signing checks in favor of the
26 Management Company for fees or other charges not specified in a management agreement.

27 51. WHITE violated NRS 116A.630(1)(b) by failing to exercise ordinary and
28 reasonable care in the performance of her duties for the Association.

1 5. The initial investigation concerned 21 associations managed by WHITE.

2 6. The initial investigation concerned whether the associations had board
3 members.

4 7. By letter dated June 7, 2013, the Division sent WHITE a letter detailing the
5 alleged violations and requested documents and a sworn affidavit as to the alleged violations.

6 8. As to the Association, WHITE responded with a sworn statement dated June 8,
7 2013 stating that the Association had struggled to keep a full board, but did have a board at
8 that time. She stated meetings "have been held as scheduled and as directors were able."

9 9. WHITE did not provide a copy of her management contract as requested.

10 10. By letter dated December 30, 2013, the Division sent WHITE a second request
11 for her management contract.

12 11. Despite the request for the management contract within 12 business days,
13 WHITE did not respond to the second request.

14 12. The Division subpoenaed bank records for the Association in January of 2014.

15 13. Based on a review of the records, the Division opened a new case concerning 3
16 of the Association under Case No, 2014-1505.

17 14. WHITE was noticed of the new case by letter dated May 6, 2014 which alleged
18 WHITE was the sole signor on Association checks. The letter requested copies of WHITE'S
19 three most recent management contracts, minutes from the last three elections for the board,
20 and copies of Association CC&R's and bylaws.

21 15. WHITE responded by email dated June 6, 2014, which included as attachments,
22 her sworn affidavit dated June 6, 2014, certain election documents, her management contract
23 dated November 13, 2012, and her management contract dated August 10, 2015.

24 16. WHITE'S explanation for the single signed checks was an electronic signature
25 error, but WHITE provided no evidence that any board member approved any of the sole
26 signed checks.

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1 17. According to the Association's bank, Mutual of Omaha Bank, all of WHITE'S
2 associations use a master signature card for the management company that goes with all of
3 their accounts.

4 18. The master signature card is for the Management Company and shows WHITE
5 as the only authorized signor.

6 19. The Association's most recent annual registration form submitted to the Division
7 was signed by WHITE and dated February 20, 2014.

8 20. WHITE lists three board members and officers on the annual registration form.

9 21. The Division requested a sworn affidavit from the three purported board
10 members.

11 22. Each of the board members were elected in 2013 and each of them say no
12 board meetings were ever held and they were unaware they held any officer positions.

13 23. WHITE supplied a management agreement from 2012 purportedly signed by
14 board member Janet Deaver who informed the Division she was elected in February 2013.

15 24. Ms. Deaver provided a sworn statement to the Division that she did not sign the
16 management contract and that her name was misspelled on it.

17 25. The Division requested WHITE'S response to the allegation that she provided a
18 forged management contract to the Division.

19 26. In response, WHITE provided a third management contract dated August 10,
20 2005 with a provision that the contract is for a 1 year term, but that it renews on a month to
21 month basis unless otherwise terminated.

22 27. The prior management contract dated August 10, 2005 WHITE provided to the
23 Division was for a one year term with a one year renewal term which expired in 2007.

24 WHITE did not explain why she had two contracts dated August 10, 2005, but stated
25 that she provided the November 2012 contract to the Division in error.

26 28. The Division reviewed checks for the Association from January 2010 through
27 December 2013. Nearly all the checks contain only one signature.

28

1 29. Ms. Deaver stated in her affidavit to the Division that she was asked to sign only
2 a few checks since she was elected in February 2013 including two checks payable to the
3 Division.

4 30. WHITE was the sole signor on over 100 Association checks from 2010 through
5 2013.

6 31. Approximately 146 Association checks were written to the Management
7 Company totaling over \$68,000.

8 **VIOLATIONS OF LAW SET FORTH IN COMPLAINT 2014-1505**

9 **(Leslie White - Willow Trace HOA)**

10 32. WHITE violated NRS 116A.640(2)(a) and NAC 116A.345(2)(a) by impeding the
11 Division's investigation by failing to comply with requests from the Division to provide
12 documents.

13 33. WHITE violated NRS 116A.640(2)(b) and NAC 116A.345(2)(b) by impeding the
14 Division's investigation by supplying false and misleading information to the Division's
15 investigator.

16 34. WHITE violated NRS 116A.640(2)(c) and NAC 116A.345(2)(c) by impeding the
17 Division's investigation by concealing facts and documents relating to the business of the
18 Association.

19 35. WHITE violated NAC 116A.355(1)(a)(1) by committing unprofessional conduct
20 by engaging in deceitful, fraudulent or dishonest conduct.

21 36. WHITE violated NAC 116A.355(1)(a)(1) by committing unprofessional conduct
22 when she failed to cooperate with the Division's investigation by failing to timely produce
23 documents and records of the Association.

24 37. WHITE violated NAC 116A.355(1)(a)(1) by committing unprofessional conduct
25 by exceeding the authority granted to her by the Association.

26 38. WHITE violated NAC 116A.355(1)(a)(2) by engaging in conduct constituting
27 professional incompetence by demonstrating a significant lack of ability, knowledge or fitness
28 to perform a duty or obligation owed to the Association.

1 39. WHITE violated NAC 116A.355(1)(a)(2) by engaging in conduct constituting
2 professional incompetence by failing to exercise reasonable skill and care with respect to a
3 duty or obligation owed to the Association.

4 40. WHITE violated NRS 116.31153 over 100 times by being the sole signor on
5 more than 100 Association checks between January 2010 and January 2014.

6 41. WHITE violated NRS 116A.620 and NAC 116A.325 by failing to have a valid
7 management contract with the Association from at least July 2007 to the present date.

8 42. WHITE violated NRS 116A.630(1)(a) by failing to act as a fiduciary in her
9 relationship with the Association.

10 43. WHITE violated NRS 116A.630(1)(b) by failing to exercise ordinary and
11 reasonable care in the performance of her duties for the Association.

12 44. WHITE violated NRS 116A.630(2) by failing to comply with all federal, state and
13 local laws, regulations and ordinances.

14 45. WHITE violated NRS 116A.630(6)(a) by failing to ensure that the financial
15 transactions of the Association are current, accurate and properly documented.

16 46. WHITE violated NRS 116A.630(6)(b) by failing to ensure that there are policies
17 and procedures designed to provide reasonable assurances in the reliability of the financial
18 reporting.

19 47. WHITE violated NRS 116A.630(7) by failing to prepare or cause to be prepared
20 interim and annual financial statements to allow the Division, the unit owner and board
21 members to determine whether the financial position of the Association is fairly presented in
22 accordance with all applicable laws and regulations.

23 48. WHITE violated NRS 116A.630(10) by failing to cooperate with the Division.

24 49. WHITE violated NRS 116A.630(13) by failing to maintain the Association's funds
25 in separate financial accounts in the name of the Association and ensure that the Association
26 is authorized to have direct access to those accounts.

27 50. WHITE violated NRS 116A.630(14) by failing to notify unit owners that the board
28 is aware of all legal requirements pursuant to the applicable laws and regulations.

1 51. WHITE violated NRS 116A.630(15) by failing to maintain internal accounting
2 controls, including without limitation, segregation of incompatible accounting functions.

3 52. WHITE violated NRS 116A.630(16) by failing to ensure that the executive
4 financial transactions of the Association are current, accurate and properly documented.

5 53. WHITE violated NRS 116A.630(18) by failing to take direction from the
6 Association.

7 54. WHITE violated NAC 116A.320 by failing to comply with NRS 116A.630.

8 **ALLEGATIONS OF FACT SET FORTH IN COMPLAINT 2014-2720**

9 **(Audra Collins – La Siena Association)**

10 2. COLLINS was at all relevant times mentioned in this Complaint, licensed as a
11 supervisory community manager under certificate number CAM.0000314-SUPR.

12 3. At all relevant times mentioned in this complaint, COLLINS performed the
13 services of a community manager for La Siena Association (the "Association") through her
14 and her mother, Leslie White's, entity NCF Corporation, doing business as Associated
15 Community Management (the "Management Company").

16 4. The Division opened an investigation against COLLINS and Leslie White in 2013
17 under Case No. CIS 13-05-34-340 based on information contained in annual registration
18 forms supplied by COLLINS and Ms. White to the Division.

19 5. The initial investigation concerned 21 associations managed by COLLINS and/or
20 Ms. White, not including La Siena Association.

21 6. The initial investigation concerned whether the associations had board
22 members.

23 7. After not receiving an adequate response to the investigation from COLLINS or
24 Ms. White, the Division subpoenaed bank records for certain associations as well as
25 COLLIN'S management company in January 2014.

26 8. Based on a review of the subpoenaed bank records, the Division opened an
27 investigation concerning Ms. White and La Siena Association (the "Association") and
28 subpoenaed bank records for the Association.

1 9. The Association was formed in 2002, but was not registered with the Division
2 until 2011.

3 10. The Division subpoenaed bank records for 2012 through March of 2014.

4 11. Out of approximately 202 checks issued during that time, all but three checks
5 were solely signed by either COLLINS or Ms. White: Two reflected two signatures; and one
6 had no signatures at all.

7 12. The check with no signatures (Check No. 796) was paid to the Management
8 Company for \$1,100.

9 13. The two checks reflecting a second signature were paid to the Division for
10 annual registration fees:

11 a. Check No. 681 dated November 1, 2012 payable to the Division appears
12 to be signed by board member Nancy Houston and COLLINS; and

13 b. Check No. 788 dated November 26, 2013 payable to the Division appears
14 to be signed by board member Jaime Rose and Leslie White.

15 14. Both checks were submitted to the Division with annual registration forms
16 signed by Ms. White.

17 15. The Division opened an investigation against COLLINS in Case No. 2014-2720
18 and sent her an opening letter dated July 23, 2014 requesting a response to the allegation
19 that she was the sole signor on Association checks and requesting her last three management
20 contracts, election materials, and governing documents.

21 16. By a signed, but unsworn, undated affidavit received by the Division on August
22 29, 2014, COLLINS states as follows:

23 "We did have a board member previously sign the card allowing his digital
24 signature to be placed on the checks after their approval. Unfortunately, for
25 some reason the system must have malfunctioned and did not attach the
26 signature to the checks you provided.

27 Since you brought this to our attention, we have notified the software company
28 that there is an issue with this signature not attaching. In the meantime, we
notified the Board member to come in to sign checks in person and have
rectified the digital signature situation. (Please see the attached checks showing
two signatures)

...

1 Again, since this was brought to our attention; we have now implemented a
2 system where the checks are reviewed by the accounting department as well as
3 the admin staff to ensure that two signatures are on the checks prior to mailing
4 any digital checks."

5 17. Registration forms submitted to the Division and the election materials provided
6 by COLLINS show only female board members since 2010.

7 18. COLLINS provided along with her written response, two checks to show
8 compliance with having a board member sign the checks, certain election materials, her
9 management contract dated July 1, 2012, and her management contract dated July 1, 2005.

10 19. COLLIN'S 2005 contract, missing page 2, expired on its terms in July of 2007
11 and included a monthly fee of \$800.

12 20. COLLIN'S 2012 contract dated July 1, 2012 is for a 1 year term, renews on a
13 month to month basis indefinitely, and includes a monthly fee of \$1,000.

14 21. COLLIN'S 2012 contract appears to be signed by board member Jaime Rose.

15 22. Jaime Rose informed the Division that the 2012 contract was not signed by her,
16 noting that her name is signed as *Jane Rose*.

17 23. According to the Association's bank, Mutual of Omaha Bank, the Association's
18 bank accounts use a master signature card for the Management Company.

19 24. The master signature card for the Management Company shows Leslie White as
20 the only authorized signor.

21 25. COLLINS provided the following two checks with her statement to show that the
22 Association's checks were being co-signed by a board member:

23 a. Check No. 818 dated June 17, 2014 payable to A&M Sweeping
24 reflecting Leslie White's signature along with an unknown, illegible second signature;

25 and

26 b. Check No. 819 dated June 23, 2014 payable to Las Vegas Valley Water
27 Dist. reflecting Leslie White's signature along with an unknown, illegible second
28 signature.

1 26. When COLLINS and Ms. White were asked to identify who the second signature
2 was from, they both stated by sworn affidavit:

3 "I lack information sufficient to form a belief to respond to the Division's request."

4 27. Both board members Nancy Houston and Jaime Rose deny that they signed the
5 only two checks reflecting two signatures in 2012 and 2013 as well as the checks COLLINS
6 provided in 2014.

7 28. When asked to respond to the allegation that the check signed by COLLINS
8 includes a forged board members' name and that the 2012 management contract she
9 provided to the Division also contains a forged board members' name, COLLINS responded
10 by letter dated May 22, 2015 that she was never assigned to be the manager of the
11 Association and generally denies any knowledge of the forged signatures.

12 29. Included with her May 22 response, COLLINS provided redacted insurance
13 certificates.

14 30. The insurance certificates reflect condominium insurance coverage, but the
15 Association consists of 92 single family homes, private streets, and landscaping.

16 31. Throughout 2012 and into 2013, COLLINS sole signed 51 Association checks;
17 23 of those checks were payable to the Management Company.

18 32. Throughout 2012 and into 2013, Ms. White sole signed 150 Association checks;
19 80 of those checks were payable to the Management Company.

20 33. From January of 2012 into 2014 there were a total of 202 checks issued by the
21 Association; 104 of those checks were made payable to the Management Company.

22 34. In the first three months of 2014, the Management Company received electronic
23 transfers from the Association's account for a total of \$10,695.

24 35. From January 2012 to March 2014, the Management Company received
25 approximately \$80,000 from the Association.

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1 **VIOLATIONS OF LAW SET FORTH IN COMPLAINT 2014-2720**

2 **(Audra Collins - La Siena Association)**

3 36. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(c)) by
4 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
5 by signing checks to the Management Company for charges that were not approved by the
6 Association's board and for charges not authorized by a management agreement.

7 37. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(c)) by
8 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
9 by submitting a forged management contract to the Division as if it were signed by a board
10 member and approved by the Association.

11 38. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(c)) by
12 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
13 by signing an Association check payable to the Division with a forged board member's
14 signature.

15 39. COLLINS violated NAC 116A.345(2)(b) by impeding or otherwise interfering with
16 an investigation of the Division by supplying false or misleading information to an investigator
17 when she provided a forged management contract to the Division.

18 40. COLLINS violated NAC 116A.345(2)(b) by impeding or otherwise interfering with
19 an investigation of the Division by supplying false or misleading information to an investigator
20 when she provided two checks to show proper signatures were being placed on them, but
21 later could not identify who had signed them.

22 41. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(c)) by
23 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
24 by receiving in excess of \$10,000 from the Association by way of automatic transfers 11 times
25 in three months, January through March 2014.

26 42. COLLINS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(b)) by
27 engaging in conduct constituting professional incompetence by failing to exercise reasonable
28 skill and care with respect to a duty or obligation owed to the Association by receiving in

1 excess of \$10,000 from the Association by way of electronic transfers 11 times in three
2 months, January through March 2014.

3 43. COLLINS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(a)) by
4 engaging in conduct constituting professional incompetence by demonstrating a significant
5 lack of ability, knowledge or fitness to perform a duty or obligation owed to the Association by
6 receiving in excess of \$10,000 from the Association by way of automatic transfers 11 times in
7 three months, January through March 2014.

8 44. COLLINS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(b)) by
9 engaging in conduct constituting professional incompetence by failing to exercise reasonable
10 skill and care with respect to a duty or obligation owed to the Association by signing checks to
11 the Management Company for unauthorized charges.

12 45. COLLINS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(a))
13 approximately 51 times by engaging in conduct constituting professional incompetence by
14 demonstrating a significant lack of ability, knowledge or fitness to perform a duty or obligation
15 owed to the Association by signing checks without approval from the Association's board.

16 46. COLLINS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(4)(g)) by
17 engaging in conduct constituting professional incompetence by failing to act in the best
18 interests of the Association.

19 47. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(i))
20 approximately 51 times by committing unprofessional conduct by exceeding the authority
21 granted to her by the Association when she signed approximately 51 Association checks
22 without approval from the Association's board.

23 48. COLLINS violated NRS 116.31153 approximately 51 times by being the sole
24 signor on approximately 51 Association checks between January 2012 and January 2014.

25 49. COLLINS violated NRS 116A.620 and NAC 116A.325 by managing the
26 Association without a valid management contract.

27 50. COLLINS violated NRS 116A.630(1)(a) by failing to act as a fiduciary in her
28 relationship with the Association.

1 51. COLLINS violated NRS 116A.640(10) by signing checks in favor of the
2 Management Company for fees or other charges not specified in a management agreement.

3 52. COLLINS violated NRS 116A.630(1)(b) by failing to exercise ordinary and
4 reasonable care in the performance of her duties for the Association.

5 53. COLLINS violated NRS 116A.630(2) by failing to comply with all federal, state
6 and local laws, regulations and ordinances.

7 54. COLLINS violated NRS 116A.630(6)(a) by failing to ensure that the financial
8 transactions of the Association are current, accurate and properly documented.

9 55. COLLINS violated NRS 116A.630(6)(b) by failing to ensure that there are
10 policies and procedures designed to provide reasonable assurances in the reliability of the
11 financial reporting.

12 56. COLLINS violated NRS 116A.630(13) by failing to maintain the Association's
13 funds in separate financial accounts in the name of the Association and ensure that the
14 Association is authorized to have direct access to those accounts.

15 57. COLLINS violated NRS 116A.630(14) by failing to notify unit owners that the
16 board is aware of all legal requirements pursuant to the applicable laws and regulations.

17 58. COLLINS violated NRS 116A.630(15) by failing to maintain internal accounting
18 controls, including without limitation, segregation of incompatible accounting functions.

19 59. COLLINS violated NRS 116A.630(16) by failing to ensure that the executive
20 board developed and approved written investment policies and procedures.

21 60. COLLINS violated NAC 116A.320 by failing to comply with NRS 116A.630.

22 **ALLEGATIONS OF FACT SET FORTH IN COMPLAINT 2014-4473**

23 **(Audra Collins - Willow Trace HOA)**

24 2. COLLINS was, at all relevant times mentioned in this Complaint, and currently is
25 licensed as a supervisory community manager under certificate number CAM.0000314 SUPR.

26 3. COLLINS provides community management services through NCF Corporation,
27 doing business as Associated Community Management (the "Management Company") along
28 with her mother, Leslie White, and her husband, Ryan Collins.

1 4. The Division opened an investigation against COLLINS, and her mother, Leslie
2 White, in 2013 under Case No, CIS 13-05-34-340 based on information contained in annual
3 registration forms supplied by COLLINS and Ms. White to the Division.

4 5. The initial investigation concerned whether 21 associations managed by
5 COLLINS or White had a board of directors.

6 6. By letter dated June 7, 2013, the Division sent COLLINS and Ms. White a letter
7 detailing the alleged violations and requesting documents and a sworn affidavit as to the
8 alleged violations.

9 7. As to Willow Trace Homeowners' Association (the "Association"), Ms. White
10 responded with a sworn statement dated June 21 , 2013 stating that the Association had
11 struggled to keep a full board, but did have a board at that time. She stated meetings "have
12 been held as scheduled and as directors were able."

13 8. Ms. White did not provide a copy of her management contract, minutes, proof of
14 insurance, history of fines, or copies of annual budgets as requested and COLLINS did not
15 provide any response.

16 9. By letter dated December 30, 2013, the Division sent COLLINS and Ms. White a
17 second request for the documents previously requested.

18 10. Neither COLLINS nor Ms. White responded to the second request.

19 11. The Division subpoenaed bank records for the Association in January of 2014.

20 12. Based on a review of the records, the Division opened a new case concerning
21 only the Association under Case No. 2014-1505 against Leslie White and Case No. 2014-
22 4473 against COLLINS.

23 13. According to the subpoenaed bank records, COLLINS was the sole signor on
24 over 100 Association checks from January 2010 through February 2013, but was not a signor
25 on the Association's bank account.

26 14. During the course of the investigation, Ms. White responded by email dated
27 June 6, 2014, which included her management contract dated November 13, 2012 (the "2012
28 Contract"), and her management contract dated August 10, 2005 (the "2005 Contract #1").

1 15. The 2005 Contract #1 has a term of one year ending July 31, 2006 and contains
2 a one year automatic renewal, which would expire on July 31, 2007.

3 16. The 2012 Contract appears to be signed by board member Janet Deaver.

4 17. Janet Deaver denies having signed the 2012 Contract and was not a board
5 member until February of 2013.

6 18. COLLINS was asked to respond to the allegations that she was the sole signor
7 on Association checks, managed the Association without a management contract from August
8 2007, and managed the Association under a forged management contract from November
9 2012.

10 19. COLLINS denied being the manager for the Association and claimed no
11 knowledge about a forged contract.

12 20. COLLINS provided a management contract dated August 10, 2005 (the "2005
13 Contract #2").

14 21. The 2005 Contract #2 appears to be identical to the 2005 Contract #1 previously
15 provided by Ms. White. Both are missing page 2 and both appear to have the same signature
16 page. The only difference is the term of the contract.

17 22. The 2005 Contract #2 has an initial one year term and then renews
18 automatically on a month to month basis with no expiration date.

19 23. Ms. White provided the 2005 Contract #2 to the Division a few days prior to
20 COLLINS and also in response to the allegation that they were managing the Association
21 under a forged contract. Ms. White claimed the other contracts were provided in error.

22 24. With reference to the checks signed only by COLLINS, COLLINS stated the
23 Association did not have a board. COLLINS alleged that based on a meeting she and Ms.
24 White had with Division representatives, Sharon Jackson and a compliance investigator, they
25 could perform under their management contract, but they needed to make every effort to get a
26 board in place.

27 25. Ms. Jackson met with COLLINS and Ms. White in 2012 and told both of them
28 they could not operate an association without a board and had to resign.

1 26. Invoices provided by COLLINS to support some of the checks she signed by
2 herself include advanced management fees, management charges for monthly parking
3 inspections, debris and trash removal, a website, and transfer fees; none of which are
4 authorized by any of the three management contracts provided to the Division.

5 27. In 2010, COLLINS signed a check in favor of the Management Company in the
6 amount of \$2,799.99, which included \$2,370 for graffiti removal and \$150 for parking
7 inspections.

8 28. COLLINS signed a check in July of 2012 for an advance on management fees
9 for the months of August through December 2012 in an amount of \$4,500, and then also
10 signed separate management fee checks for the months of November and December 2012.

11 29. The Association's Income/Expense Statements for July through December 2012
12 provided to the Division during the investigation do not reflect the advance payment of
13 management fees or the overpayment for management fees by year end.

14 **VIOLATIONS OF LAW SET FORTH IN COMPLAINT 2014-4473**

15 **(Audra Collins - Willow Trace HOA)**

16 30. COLLINS violated NRS 116A.640(2)(a) and NAC 116A.345(2)(a) by impeding
17 the Division's investigation by failing to comply with requests from the Division to provide
18 documents and an affidavit requested by letter dated June 7, 2013, and a second request
19 dated December 30, 2013.

20 31. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A .355(2)(i)) over
21 100 times by committing unprofessional conduct by exceeding the authority granted to her by
22 the Association when she signed over 100 Association checks without approval from the
23 Association's board.

24 32. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A .355(2)(c)) by
25 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
26 by signing checks to the Management Company for invoices that were not approved by the
27 Association's board and included charges not authorized by a management agreement.
28

1 33. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A .355(2)(c)) by
2 committing unprofessional conduct by engaging in deceitful, fraudulent or dishonest conduct
3 by signing checks to the Management Company for advanced management fees, additional
4 management fees for months already advanced, and not having those advancements or
5 overcharges reflected in the Income/Expense Statements for the Association.

6 34. COLLINS violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(f)) by
7 committing unprofessional conduct when she failed to cooperate with the Division's
8 investigation by failing to timely produce documents and records of the Association as
9 requested by letter dated June 7, 2013, and a second request dated December 30, 2013.

10 35. COLLINS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(a)) over
11 100 times by engaging in conduct constituting professional incompetence by demonstrating a
12 significant lack of ability, knowledge or fitness to perform a duty or obligation owed to the
13 Association by signing checks without approval from the Association's board.

14 36. COLLINS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(b)) by
15 engaging in conduct constituting professional incompetence by failing to exercise reasonable
16 skill and care with respect to a duty or obligation owed to the Association by signing checks to
17 the Management Company for invoices which included unauthorized charges, advancements,
18 and overcharges.

19 37. COLLINS violated NRS 116.31153 over 100 times by being the sole signor on
20 more than 100 Association checks between January 2010 and February 2013.

21 38. COLLINS violated NRS 116A.620 and NAC 116A.325 by managing the
22 Association without a valid management contract.

23 39. COLLINS violated NRS 116A.630(1)(a) by failing to act as a fiduciary in her
24 relationship with the Association.

25 40. COLLINS violated NRS 116A.640(10) by signing checks in favor of the
26 Management Company for fees or other charges not specified in a management agreement.

27 41. COLLINS violated NRS 116A.640(2)(c) and NAC 116A.345(2)(c) by impeding
28 the Division's investigation by concealing facts and documents relating to the business of the

1 Association by failing to provide documents requested by the Division by letter dated June 7,
2 2013, and a second request dated December 30, 2013.

3 42. COLLINS violated NRS 116A.630(1)(b) by failing to exercise ordinary and
4 reasonable care in the performance of her duties for the Association.

5 43. COLLINS violated NRS 116A.630(2) by failing to comply with all federal, state
6 and local laws, regulations and ordinances.

7 44. COLLINS violated NRS 116A.630(6)(a) by failing to ensure that the financial
8 transactions of the Association are current, accurate and properly documented.

9 45. COLLINS violated NRS 116A.630(6)(b) by failing to ensure that there are
10 policies and procedures designed to provide reasonable assurances in the reliability of the
11 financial reporting.

12 46. COLLINS violated NRS 116A.630(7) by failing to prepare or cause to be
13 prepared accurate interim and annual financial statements to allow the Division, the unit
14 owners and board members to determine whether the financial position of the Association is
15 fairly presented in accordance with all applicable laws and regulations.

16 47. COLLINS violated NRS 116A.630(13) by failing to maintain the Association's
17 funds in separate financial accounts in the name of the Association and ensure that the
18 Association is authorized to have direct access to those accounts.

19 48. COLLINS violated NRS 116A.630(14) by failing to notify unit owners that the
20 board is aware of all legal requirements pursuant to the applicable laws and regulations.

21 49. COLLINS violated NRS 116A.630(15) by failing to maintain internal accounting
22 controls, including without limitation, segregation of incompatible accounting functions.

23 50. COLLINS violated NRS 116A.630(16) by failing to ensure that the executive
24 board developed and approved written investment policies and procedures.

25 51. COLLINS violated NAC 116A.320 by failing to comply with NRS 116A.630.

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1 **ALLEGATIONS OF FACT SET FORTH IN COMPLAINT 2014-4472**

2 **(Ryon Collins – Willow Trace HOA)**

3 2. RESPONDENT was at all relevant times mentioned in this Complaint, licensed
4 as a community manager under certificate number CAM.0007445.

5 3. RESPONDENT provides community management services through NCF
6 Corporation, doing business as Associated Community Management (the "Management
7 Company") along with his wife, Audra Collins, and his mother in-law, Leslie White.

8 4. RESPONDENT first applied for his provisional certificate in 2011 and received
9 his Community manager certificate in 2013, and only worked for the Management Company
10 with the certificates.

11 5. The Division opened an investigation against Audra Collins and her mother,
12 Leslie White, in 2013, under Case No. CIS 13-05-34-340 based on information contained in
13 annual registration forms supplied by Ms. Collins and Ms. White to the Division.

14 6. The initial investigation concerned whether 21 associations managed by Ms.
15 Collins or Ms. White had a board of directors.

16 7. The Division subpoenaed bank records for a number of the associations.

17 8. Ultimately, the Division opened an investigation specific to Willow Trace
18 Homeowners' Association (the "Association") against both Ms. White and Ms. Collins.

19 9. Ms. White responded with a sworn statement dated June 21, 2013 stating that
20 the Association had struggled to keep a full board, but did have a board at that time. She
21 stated meetings "have been held as schedules and directors were able."

22 10. By email dated June 6, 2014, Ms. White provided the Division with a
23 management contract from 2005 that had an automatic one year renewal period ("2005
24 Contract #1) and a management contract from 2012 purportedly signed by board member,
25 Janet Deaver ("2012 Contract").

26 11. Janet Deaver informed the Division that she did not sign the 2012 Contract and
27 was not on the board until February 2013.

28 12. RESPONDENT submitted the Association's annual registration form to the

1 Division in 2013.

2 13. The Division opened an investigation against RESPONDENT for managing the
3 Association without a valid management contract.

4 14. In response to the investigation, RESPONDENT provided a management
5 contract from 2005 (the "2005 Contract #2) which was identical to the 2005 Contract #1, but
6 the term was one year with automatic month to month renewals indefinitely.

7 15. Both 2005 Contract #1 and 2005 Contract #2 have the same signature page and
8 are missing page 2.

9 16. After being asked to respond to the allegation that the 2012 Contract was
10 forged, Leslie White provided the 2012 Contract #2 and said the other contracts were
11 provided in error.

12 17. Audra Collins also provided the 2005 Contract #2 in her response to the
13 allegation that she was managing the Association without a valid management contract.

14 18. RESPONDENT states that he was supposed to be the manager, for the
15 Association, but plans changed and he was not.

16 19. RESPONDENT emailed the board members elected in February 2013 to tell
17 them he and Leslie White are the managers for the Association and that they need to set up a
18 meeting date.

19 20. Before a meeting was scheduled RESPONDENT requested that one of the three
20 new board members sign checks payable to the Division for annual fees and late fees.

21 21. By email, the new board members questioned their authority to sign checks
22 without having had a meeting or being put on the bank account as a signor.

23 22. By email copied to RESPONDENT, Leslie White advised the board that when
24 they come in to sign the checks to the Division, they will also be signing a signature card for
25 the bank.

26 23. By email dated February 28, 2013 from RESPONDENT to the board members
27 he provides meeting dates for consideration saying board member Janet Deaver is available
28 those dates.

1 24. RESPONDENT mentions in his email that Ms. Deaver signed the checks for the
2 Division, and he thanked her for her assistance.

3 25. Ms. Deaver was never a signor on the Association's bank accounts.

4 26. Ms. Deaver received a Director's Book from the Management Company
5 containing NRS and NAC 116 provisions from 2009, CC&R's, Architectural Rules and
6 Regulations, Reserve Study from 2011, list of owners, 2008 budget, and unsigned document
7 titled Violation Process.

8 27. By the time a meeting was scheduled for April 5, 2013 one board member had
9 already resigned.

10 28. The April 5th meeting was cancelled by Ms. White due to a second board
11 member's resignation leaving only Janet Deaver on the board.

12 29. Ms. White emailed Ms. Deaver that nomination forms would be sent out for the
13 two vacancies and that she can contact RESPONDENT with any questions.

14 30. Ms. Deaver did not hear from RESPONDENT or Ms. White after April 5, 2013.

15 31. In July 2013, Derek Wise and Allan Barnett were informed by email that they
16 were elected to the board.

17 32. In July 2013, RESPONDENT emailed Mr. Wise and Mr. Barnett informing them
18 that he was the community manager for the Association and a meeting needed to be
19 scheduled.

20 33. Mr. Wise responded with days that worked for him.

21 34. Hearing nothing more from RESPONDENT, Mr. Wise emailed Ms. White in May
22 of 2014 asking when the first meeting would be.

23 35. Ms. White responded that she was trying to coordinate dates and planning on
24 June.

25 36. No meeting was ever scheduled.

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1 37. During 2013, while RESPONDENT represented to the Association board
2 members and to the Division that he was the Association's community manager:

- 3 • No board meetings were held;
- 4 • No one other than Leslie White was an authorized signor on the Association's
5 bank accounts;
- 6 • Out of the 82 checks written from the Association's operating account in 2013 by
7 Leslie White only 4 checks were counter-signed by a board member;
- 8 • 2 of the 4 checks signed by a board member were payable to NRED;
- 9 • The Management Company received approximately \$18,859.63 which included
10 monthly charges for parking inspections, graffiti removal and website management not
11 authorized by a management contract or approved by the board;
- 12 • In addition to the \$900 per month management fee charged by the Management
13 Company an additional \$900 was charged as management fees for the months of April, May
14 and August totaling \$2,700;
- 15 • Automatic withdrawals from the Association's account were made for Tops
16 Software, also not authorized by a management contract;
- 17 • No payments were made to the Association's reserve account; and
- 18 • No board members received a copy of the management contract.

19 38. According to documents provided by RESPONDENT, the Association's
20 Income/Expense Statements for 2013 did not reflect the additional management fees paid by
21 the Association and billed by the Management Company for the month of April, May and
22 August totaling \$2,700.

23 39. According to the Association's reserve study from 2011, the Association's
24 reserve account should have had approximately \$47,000 by the beginning of 2014 and would
25 have been 49% funded. At the beginning and end of 2013, the Association's reserve account
26 balance was approximately \$20,000.

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1 40. According to the Association's bank statement for 2014 provided by
2 RESPONDENT, fees charged by the Management Company were electronically withdrawn
3 and transferred to the Management Company's bank account from the Association's account
4 over 45 times in an amount totaling \$17,826.99, and electronic funds transfers were made for
5 Tops Software in an amount totaling \$599.40.

6 **VIOLATIONS OF LAW SET FORTH IN COMPLAINT 2014-4472**

7 **(Ryon Collins – Willow Trace HOA)**

8 41. RESPONDENT violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(a))
9 by committing professional incompetence by demonstrating a significant lack of ability,
10 knowledge or fitness to perform a duty or obligation owed to a client by allowing the
11 Management Company to receive unauthorized fees and overcharge for April, May and
12 August 2013.

13 42. RESPONDENT violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(b))
14 by committing professional incompetence by failing to exercise reasonable skill and care with
15 respect to a duty or obligation owed to a client by failing to have board members approve
16 invoices when the Management Company took unauthorized fees and overcharged for April,
17 May and August 2013.

18 43. RESPONDENT violated NAC 116A.355(1)(a)(3) by committing negligence or
19 gross negligence preparing or failing to review the Income/Expense Statements for 2013
20 which fail to report additional Management Company fees for the months of April, May and
21 August 2013.

22 44. RESPONDENT violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(a))
23 committing professional incompetence by demonstrating a significant lack of ability,
24 knowledge or fitness to perform a duty or obligation owed to a client by having board member
25 Janet Deaver sign four check during 2013 (two of which were to the Division) while Leslie
26 White signed over 75 Association checks as sole signor and Leslie White was the only
27 authorized signor for the Association's bank accounts.

28 45. RESPONDENT violated NAC 116A.355(1)(a)(1) and (2) (through NAC

1 116A.355(4)(g)) by failing to act in the best interests of his client.

2 46. RESPONDENT violated NAC 116A.355(1)(a)(1) and (2) (through NAC
3 116A.355(4)(h)) by failing to ensure that each member of the board received a copy of the
4 management agreement.

5 47. RESPONDENT violated NAC 116A.360 and NAC 116A.325 by managing the
6 Association without a valid management contract.

7 48. RESPONDENT violated NRS 116A.630(1)(a) by failing to act as a fiduciary in
8 his relationship with the Association.

9 49. RESPONDENT violated NRS 116A.630(1)(b) by failing to exercise ordinary and
10 reasonable care in the performance of his duties for the Association.

11 50. RESPONDENT violated NRS 116A.630(2)(a) by failing to comply with all
12 federal, state, and local laws, regulations and ordinances.

13 51. RESPONDENT violated NRS 116A.630(6)(a) by failing to ensure that the
14 financial transactions of the Association are current, accurate and properly documented.

15 52. RESPONDENT violated NRS 116A.630(6)(b) by failing to ensure that there are
16 policies and procedures designed to provide reasonable assurances in the reliability of the
17 Association's financial reporting, including, without limitation, documentation of the
18 authorization for any expenditures or disbursements.

19 53. RESPONDENT violated NRS 116A.630(7) by failing to prepare or cause to be
20 prepared accurate interim and annual financial statements to allow the Division, the unit
21 owners and board members to determine whether the financial position of the Association is
22 fairly presented in accordance with all applicable laws and regulations.

23 54. RESPONDENT violated NRS 116A.630(13) by failing to maintain the
24 Association's funds in separate financial accounts in the name of the Association and ensure
25 that the Association is authorized to have direct access to those accounts.

26 55. RESPONDENT violated NRS 116A.630(14) by failing to notify unit owners that
27 the board is aware of all legal requirements pursuant to the applicable laws and regulations.

28 56. RESPONDENT violated NRS 116A.630(15) by failing to maintain internal

1 accounting controls, including without limitation, segregation of incompatible accounting
2 functions.

3 57. RESPONDENT violated NRS 116A.630(16) by failing to ensure that the
4 executive board developed and approved written investment policies and procedures.

5 58. RESPONDENT violated NRS 116A.640(10) by collecting fees or charges from
6 the Association that were not specified in a management contract.

7 59. RESPONDENT violated NAC 116A.320 by failing to comply with the standards
8 of practice set forth in NRS 116A.630.

9 **DISCIPLINE AUTHORIZED**

10 Pursuant to the provisions of NAC 116A.360 the Commission has discretion to impose
11 discipline as it deems appropriate, including, but not limited to one or more of the following
12 actions:

- 13 1. Revoke or suspend the certificate;
- 14 2. Refuse to renew or reinstate the certificate;
- 15 3. Place the community manager on probation;
- 16 4. Issue a reprimand or censure to the community manager;
- 17 5. Impose a fine of not more than \$5,000 for each violation of a statute or
18 regulation;
- 19 6. Require the community manager to pay restitution;
- 20 7. Require the community manager to pay the costs of the investigation and
21 hearing;
- 22 8. Require the community manager to obtain additional education relating to the
23 management of common-interest communities; and
- 24 9. Take such other disciplinary action as the Commission deems appropriate.

25 The Commission may order one or any combination of the discipline described above.

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1 **BONITA HILLS ASSOCIATION (Case Nos. 2014-1486; 2014-1492)**

2 10. Between 2010 and January 2014, WHITE and A. COLLINS were the sole
3 signors or improperly used signatures of alleged board members on the Association's checks.

4 11. Between 2010 and January 2014, the Management Company received
5 approximately \$73,000 from the Association's funds.

6 12. The management contract is from 2004 for a one year term renewing month to
7 month thereafter indefinitely.

8 **BRIGHTON HOMEOWNERS ASSOCIATION (Case Nos. 2014-1493; 2014-2719)**

9 13. Between 2012 through March 2014, WHITE and A. COLLINS were the sole
10 signors or improperly used the signatures of alleged board members on the Association's
11 checks and beginning in 2014 took direct transfers of funds from the Association's bank
12 account.

13 14. Respondents do not have a signed management contract.

14 15. Between 2012 and March 2014, the Management Company received
15 approximately \$34,400 from the Association's funds.

16 **COUNTRY GLEN ASSOCIATION (Case Nos. 2015-1673; 2015-1672)**

17 16. Between 2010 and January 2014, WHITE and A. COLLINS were the sole
18 signors or improperly used the electronic signatures of alleged board members on the
19 Association's checks and beginning in 2014 took direct transfers of funds from the
20 Association's bank account.

21 17. Between 2010 and January 2014, the Management Company received
22 approximately \$63,500 from the Association's funds.

23 **CRESCENT VALLEY ASSOCIATION (Case No. 2014-361)**

24 18. Homeowner filed statement of fact complaining that fine was assessed to him
25 without a hearing of the board.

26 19. WHITE failed to provide minutes of a meeting to show the board took action to
27 impose a fine or an assessment against the complaining owner.

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1 **CRESTWOOD HOMEOWNERS ASSOCIATION (Case Nos. 2015-1670; 2015-1671)**

2 20. From 2010 through 2013, WHITE and A. COLLINS were the sole signors or
3 improperly used board member signatures on all Association checks.

4 21. Between 2010 and 2013, the Management Company received more than
5 \$88,000 from the Association's funds.

6 22. The management contract provided during investigation expired on its terms in
7 2006.

8 **HILLCREST HOMEOWNERS ASSOCIATION (Case Nos. 2014-1487; 2015-1443)**

9 23. In response to a letter from the Division that Ms. Collins was the sole signor on
10 Association checks, A. COLLINS provided the Division with a sworn affidavit, a management
11 contract dated August 13, 2012, a management contract dated August 13, 2006, some
12 election materials, and a few Association checks.

13 24. A. COLLINS states in her sworn affidavit that a board member's electronic
14 signature was supposed to be attached to the sole signed checks, but that there must have
15 been "a glitch with the system." A. COLLINS provided checks (#'s 276, 340, 343, 344, 373,
16 376, and 375) to show the electronic signature of the board member was used.

17 25. The board member whose name appears on the checks provided by A.
18 COLLINS is Christopher Roller.

19 26. Mr. Roller informed the Division that he never authorized the use of his signature
20 on any checks for the Association and sold his home on November 14, 2012.

21 27. Bank records show that Mr. Roller's electronic signature was used on over 70
22 checks all of which were issued after he sold his home and relocated.

23 28. WHITE'S signature appears with Ms. Roller on over 60 Association checks.

24 29. The 2006 management contract provided by A. COLLINS expired on its terms
25 on November 30, 2008.

26 30. The 2012 management contract from A. COLLINS reflects WHITE'S signature
27 and the signature of board member Matthew Ortega, but Mr. Ortega informed the Division that
28 he did not sign the contract.

1 31. WHITE was noticed of the case by letter dated May 21, 2015 which alleged
2 WHITE signed checks containing the unauthorized use of Mr. Roller's signature on
3 Association checks and managed the Association with a forged contract.

4 32. WHITE responded by email dated June 11, 2015, which included her sworn
5 affidavit in which she denies knowing about the forged contract or checks.

6 33. WHITE never provided an explanation as to how her signature and Mr. Roller's
7 signature appears on over 60 Association checks made payable to the Management
8 Company totaling over \$28,000.

9 34. A. COLLINS signature is on approximately 25 Association checks made payable
10 to the Management Company, 19 of which also include Mr. Roller's name, totaling over
11 \$17,000.

12 35. Only Mr. Roller's name appears on approximately 16 checks made payable to
13 the Management Company totaling over \$6,000.

14 36. From 2010 through January 2014, the Management Company received over
15 \$53,000 from the Association.

16 **HORIZON HILLS ASSOCIATION (Case Nos. 2015-1626; 2015-1628)**

17 37. According to minutes of board meetings, WHITE and R. COLLINS are managers
18 of the Association.

19 38. WHITE began managing the Association in 2002.

20 39. The Association was revoked by the Nevada Secretary of State on or about
21 October 1, 2008.

22 40. The Association was not and never has been registered with the Division.

23 **MESA VERDE HOMEOWNERS ASSOCIATION (Case Nos. 2015-1669; 2015-1667)**

24 41. From 2010 through November 2013, WHITE and A. COLLINS were the sole
25 signors or improperly used board member signatures on all Association checks.

26 42. Between 2010 and 2013, the Management Company received more than
27 \$59,000 from the Association's bank account.

28 43. Management contract from 2010 provided during investigation was not signed

1 by a board member on record with the Division.

2 **RIDGE COURT HOMEOWNERS ASSOCIATION (Case Nos. 2014-1488; 2014-1500)**

3 44. The management contract provided to the Division during the investigation
4 contains a signature of a board member who denies signing it.

5 45. Between 2010 through 2013, WHITE and A. COLLINS were the sole signors or
6 improperly used the signatures of alleged board members on the Association's checks.

7 46. Between 2010 through 2013, the Management Company received
8 approximately \$90,144 from the Association's funds.

9 **SCARLET CROSSING ASSOCIATION (Case Nos. 2014-1502; 2014-2717)**

10 47. From 2012 through March 2014, WHITE and A. COLLINS were the sole signors
11 or improperly used board member signatures on Association checks and beginning in 2014
12 took direct transfers of funds from the Association's bank account.

13 48. Between 2012 through March 2014, the Management Company received
14 approximately \$52,000 from the Association's funds.

15 **SHEFFIELD HOMEOWNERS ASSOCIATION (Case No. 2014-1503)**

16 49. From 2010 through January 2014, WHITE and A. COLLINS were the sole
17 signors or improperly used board member signatures on Association checks and beginning in
18 2014 took direct transfers of funds from the Association's bank account.

19 50. From 2010 through January 2014, the Management Company received over
20 \$70,000.

21 51. The management contract provided during the investigation expired on its terms
22 in 2008.

23 **ROSEWOOD ASSOCIATION (Case Nos. 2014-2716; 2014-1501)**

24 52. From 2012 through January 2014, WHITE and A. COLLINS were the sole
25 signors or improperly used board member signatures on Association checks and beginning in
26 2014 took direct transfers of funds from the Association's bank account.

27 53. Between 2012 through January 2014, the Management Company received
28 approximately \$38,000 from the Association's funds.

1 54. The Management Company's contract with the Association expired on its terms
2 in 2007.

3 **TRAILWOOD HOMEOWNERS ASSOCIATION (Case Nos. 2014-1489; 2014-1504)**

4 55. The management contract provided during the investigation reflects the name of
5 a board member who informed the Division that she did not sign the contract and her name is
6 misspelled.

7 56. From 2010 through 2013, WHITE and A. COLLINS were the sole signors or
8 improperly used board member signatures on Association checks.

9 57. Between 2010 through 2013, the Management Company received more than
10 \$50,000 from the Association's funds.

11 **TUSCANO HOMEOWNERS' ASSOCIATION (Case Nos. 2015-1627; 2015-1630)**

12 58. From 2010 through 2013, WHITE and A. COLLINS were the sole signors or
13 improperly used board member signatures on Association checks.

14 59. Between 2010 and 2013, the Management Company received more than
15 \$79,400 from the Association's bank account.

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SETTLEMENT

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2 1. The Parties desire to compromise and settle the instant controversy pursuant to
3 the following terms and conditions.

4 2. Respondents admit that the Division may have potentially proven by a
5 preponderance of evidence that the Factual Allegations set forth in each of the Complaints
6 and the investigative letters above were true; however, Respondents do not admit that such
7 were true.

8 3. Respondents admit that the Division may have potentially proven by a
9 preponderance of evidence that the Violations of Law set forth in each of the Complaints and
10 the investigative letters above were true; however, Respondents do not admit that such were
11 true.

12 4. Respondents agree to pay joint and severally to the Division \$35,000.00 in an
13 administrative fine and costs in an amount of \$6,000 which shall be paid as follows:

- 14 a. \$6,000 within 3 working days of the Commission's order approving this
- 15 Stipulation;
- 16 b. \$5,834 due on or before November 1, 2015;
- 17 c. \$5,834 due on or before December 1, 2015;
- 18 d. \$5,833 due on or before January 1, 2016;
- 19 e. \$5,833 due on or before February 1, 2016;
- 20 f. \$5,833 due on or before March 1, 2016; and
- 21 g. \$5,833 due on or before April 1, 2016.

22 5. If Respondents fail to make any payment required by Section 4, this Stipulation
23 shall also require joint and severally an additional fine of \$34,000 and all payments, including
24 the additional fine due under this Stipulation shall be due and payable within 120 days from
25 the date of the default. For purposes of this section, a default shall occur on the day a
26 payment was due and was not received by the Division.

27 6. Respondents Leslie White and Audra Collins agree to surrender their
28 certificates to engage in community management for a period of no less than ten years from

1 the date this Stipulation is Ordered by the Commission.

2 7. Respondent Ryon Collins agrees to surrender his certificate to engage in
3 community management for a period of no less than five years from the date this Stipulation is
4 Ordered by the Commission.

5 8. Respondents agree to cooperate in transitioning all of the associations currently
6 being managed by Respondents, including sending notices to owners and facilitating elections
7 as necessary and as directed by the Board of Directors of each association.

8 9. Respondents agree to turn over all association records as directed by the Board
9 of Directors of each association to its new community manager, and/or the Division.

10 10. If an association does not have the Board of Directors, Respondents Leslie
11 White and Audra Collins agree to work with the Division as requested by the Division as for
12 such association.

13 11. The Division agrees not to pursue any other or greater remedies or fines in
14 connection with Respondents' conduct referenced herein and that all pending matters related
15 to the Complaints and open investigations are resolved. The Division further agrees no more
16 new investigations will be opened or conducted against Respondents individually, NCF
17 Corporation, and/or Associated Community Management that arise from the allegations set
18 forth in this Stipulation.

19 12. Respondents and the Division agree that by entering into this Stipulation and
20 Order, the Division does not concede any defense or mitigation Respondents may assert and
21 that once this Stipulation and Order is approved and fully performed, the Division will close all
22 of its files in the matters against Respondents.

23 13. Respondents agree that if the terms and conditions of this Stipulation are not
24 met, the Division may, at its option, rescind this Stipulation and Order and proceed with
25 prosecuting the Complaints before the Commission at the Commission's next regular public
26 meeting.

27 14. Respondents agree and understand that by entering into this Stipulation and
28 Order, Respondents are waiving their rights to a hearing at which Respondents may present

1 evidence in their defense, their rights to a written decision on the merits of the Complaints,
2 their rights to reconsideration and/or rehearing, appeal and/or judicial review, and all other
3 rights which may be accorded by the Nevada Administrative Procedure Act, the Nevada
4 Common Interest Ownership statutes and accompanying regulations, and the federal and
5 state constitutions. Respondents understand that this Stipulation and other documentation
6 may be subject to public records laws. The Commission members who review this matter for
7 approval of this Stipulation may be the same members who ultimately hear, consider and
8 decide the Complaints if this Stipulation is either not approved by the Commission or is not
9 timely performed by Respondents. Respondents fully understand that they have the right to be
10 represented by legal counsel in this matter at their own expense.

11 15. Except for the payment of costs provided herein, each party shall bear its own
12 attorney's fees and costs.

13 16. Stipulation is Not Evidence. Neither this Stipulation nor any statements made
14 concerning this Stipulation may be discussed or introduced into evidence at any hearing on
15 the Complaints, if the Division must ultimately present its case based on the Complaints filed
16 in this matter, and/or the cases that would be filed if this Stipulation is not performed. Neither
17 this Stipulation nor any statements made concerning this Stipulation may be discussed or
18 introduced into evidence to prove guilt. This Stipulation is not an admission of liability or
19 wrongdoing by or on the part of the Respondents, agents, affiliates, companies, corporations
20 and shall not serve as evidence or notice of any wrongdoing by or on the part of Respondents,
21 their officers, partners, employees, affiliates, attorneys, agents, heirs, executors,
22 administrators, predecessors, successors, spouses, companies, corporations, and assigns.
23 Neither this Stipulation nor any statements made concerning this Stipulation may be
24 discussed or introduced into evidence to prove guilt, liability, admission, and/or responsibility
25 at any hearing on other matters in any venue.

26 17. Approval of Stipulation. Once executed, this Stipulation will be filed with the
27 Commission and will be placed on the agenda for approval at its September 22-24, 2015
28 public meeting. The Division will recommend to the Commission approval of the Stipulation.

1 Respondents agree that the Commission may approve, reject, or suggest amendments to this
2 Stipulation and that it must be accepted or rejected by Respondents before any amendment is
3 effective.

4 18. Withdrawal of Stipulation. If the Commission rejects this Stipulation or suggests
5 amendments unacceptable to Respondents, Respondents may withdraw from this Stipulation
6 and the Division may pursue its Complaints before the Commission at the Commission's next
7 regular public meeting.

8 19. Release. In consideration of execution of this Stipulation, the Respondents for
9 themselves, their heirs, executors, administrators, successors, and assigns, hereby releases,
10 remises, and forever discharges the State of Nevada, the Department of Business and
11 Industry and the Division, and each of their respective members, agents, employees and
12 counsel in their individual and representative capacities, from any and all manner of actions,
13 causes of action, suits, debts, judgments, executions, claims, and demands whatsoever,
14 known and unknown, in law or equity, that the Respondents ever had, now has, may have, or
15 claim to have, against any or all of the persons or entities named in this section, arising out of
16 or by reason of the Division's investigation, this disciplinary action, and all other matters
17 relating thereto.

18 20. Indemnification. Respondents hereby indemnifies and holds harmless the State
19 of Nevada, the Department of Business and Industry, the Division, and each of their
20 respective members, agents, employees and counsel in their individual and representative
21 capacities against any and all claims, suits, and actions brought against said persons and/or
22 entities by reason of the Division's investigation, this disciplinary action and all other matters
23 relating thereto, and against any and all expenses, damages, and costs, including court costs
24 and attorney fees, which may be sustained by the persons and/or entities named in this
25 section as a result of said claims, suits, and actions.

26 21. Respondents have signed and dated this Stipulation only after reading and
27 understanding all terms herein.

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Attorney General's Office
555 E. Washington, Suite 3900
Las Vegas, NV 89101

1 REAL ESTATE DIVISION
2 DEPARTMENT OF BUSINESS & INDUSTRY
3 STATE OF NEVADA

4 Dated: _____

5 By: _____
6 JOSEPH (J.D.) DECKER, Administrator

7 Dated: 9/18/15

8 By: *Leslie White*
9 LESLIE WHITE, Respondent

Dated: 9/18/15

By: *Audra Collins*
AUDRA COLLINS, Respondent

11 Dated: 09/18/15

12 By: *Ryon Collins*
13 RYON COLLINS, Respondent

15 Approved as to form:

16 ADAM PAUL LAXALT,
17 Attorney General

LIPSON, NEILSON, COLE, SELTZER &
GARIN, P.C.

18 Dated: _____

Dated: _____

20 By: _____
21 Michelle D. Briggs, Esq,
22 Senior Deputy Attorney General
23 Attorney for the Division

By: _____
Joseph Garin, Esq.
Attorney for Respondents Leslie White
and Audra Collins

24 WOLF, RIFKIN, SHAPIRO, SCHULMAN & RABKIN, LLP

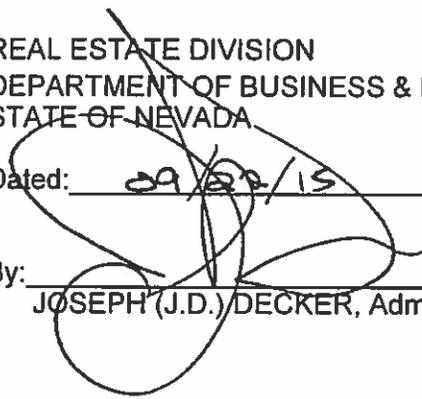
25 Dated: September 18, 2015

26 By: _____
27 Gregory P. Kerr, Esq.
28 Attorney for Respondent Ryon Collins

Attorney General's Office
555 E. Washington, Suite 3900
Las Vegas, NV 89101

1 REAL ESTATE DIVISION
2 DEPARTMENT OF BUSINESS & INDUSTRY
3 STATE OF NEVADA

4 Dated: 09/22/15

5 By: 
6 JOSEPH (J.D.) DECKER, Administrator

7 Dated: _____

Dated: _____

8 By: _____
9 LESLIE WHITE, Respondent

By: _____
AUDRA COLLINS, Respondent

10 Dated: _____

11 By: _____
12 RYON COLLINS, Respondent

13 Approved as to form:

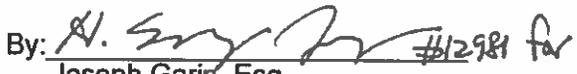
14 ADAM PAUL LAXALT,
15 Attorney General

LIPSON, NEILSON, COLE, SELTZER &
GARIN, P.C.

16 Dated: 9.22-15

Dated: 9/18/15

17 By: 
18 Michelle D. Briggs, Esq,
19 Senior Deputy Attorney General
20 Attorney for the Division

By:  #12981 for
Joseph Garin, Esq.
Attorney for Respondents Leslie White
and Audra Collins

21 WOLF, RIFKIN, SHAPIRO, SCHULMAN & RABKIN, LLP

22 Dated: _____

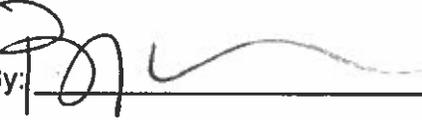
23 By: _____
24 Gregory P. Kerr, Esq.
25 Attorney for Respondent Ryon Collins

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IT IS ORDERED that the foregoing Stipulation is approved in full.

Dated this 22 day of September, 2015.

COMMISSION FOR COMMON-INTEREST
COMMUNITIES AND CONDOMINIUM HOTELS
DEPARTMENT OF BUSINESS & INDUSTRY
STATE OF NEVADA

By:  _____

Name: BARRY BRETLOW

Title: Chair

Attorney General's Office
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