

BEFORE THE COMMISSION FOR COMMON-INTEREST
COMMUNITIES AND CONDOMINIUM HOTELS
STATE OF NEVADA

Sharath Chandra, Administrator,
Real Estate Division, Department of
Business & Industry, State of Nevada,

Case No. 2018-68

Petitioner,

vs.

FILED

JAN 25 2019

Teresa Drakeley,

Respondent.

NEVADA COMMISSION OF
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

**COMPLAINT FOR DISCIPLINARY
ACTION AND NOTICE OF HEARING**

The Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of the State of Nevada, and Michelle D. Briggs, Esq., Senior Deputy Attorney General, hereby notifies Respondent Teresa Drakeley ("RESPONDENT" or "DRAKELEY") of an administrative hearing before the Commission for Common-Interest Communities and Condominium Hotels, State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 and 116A of the Nevada Revised Statutes ("NRS") and Chapter 116 and 116A of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if an administrative penalty will be imposed on the RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to, NAC 116A.360.

JURISDICTION AND NOTICE

1. During all relevant times mentioned in this complaint, DRAKELEY held, and currently holds, a provisional community manager certificate from the Division (CAM.0008767.PROV) and is, therefore, subject to the jurisdiction of the Division and the provisions of NRS Chapters 116 and 116A and NAC Chapters 116 and 116A.

...

...

FACTUAL ALLEGATIONS

1
2 2. On or about July 19, 2017, the Division received a complaint against
3 DRAKELEY by Sun City Summerlin Community Association, Inc. (the "Association").

4 3. The Association alleged DRAKELEY, who was an employee of the
5 Association, embezzled funds from the Association.

6 4. The Association's controller and finance director "concluded with certainty
7 that Ms. Drakeley was embezzling funds from the Association, through a fraud scheme
8 called lapping."

9 5. Lapping occurs when an employee steals cash by diverting a payment from
10 one customer, and then hides the theft by diverting cash from another customer to offset
11 the receivable from the first customer.

12 6. The Association concluded that DRAKELEY took cash from a resident or
13 advertiser when cash was taken to the safe.

14 7. The stolen cash was replaced by posting title checks to resident and
15 advertiser accounts.

16 8. DRAKELEY changed deposit slips prepared by other employees and the
17 daily log book contained no less than 18 white-out changes.

18 9. The Association's CPA conducted an audit and concluded that the controller
19 and finance director's findings were accurate and the loss was approximately \$75,634.19
20 from April 2013 to April 2017.

21 10. The Association filed a police report against DRAKELEY on or about April
22 13, 2017.

23 11. DRAKELEY was supervised by Kathleen Carroll (CAM.0001780-SUPR) at
24 the Association. Carroll disassociated with DRAKELY on or about July 10, 2017.

25 12. DRAKELEY submitted a change form to change her supervisor to Corina
26 Sailer (CAM.0007307.SUPR) at First Service Residential on or about December 19, 2017.

27 13. On or about February 5, 2018, DRAKELEY responded to the Division's
28 investigation.

1 14. DRAKELEY denied that she took money from the Association.

2 15. She said she no longer worked at First Service Residential and would return
3 her provisional certificate to the Division.

4 16. To date, DRAKELEY has not returned her provisional certificate to the
5 Division and Corina Sailer has not disassociated as her supervising community manager.

6 **VIOLATIONS OF LAW**

7 17. DRAKELEY violated NRS 116A.630(1)(a) when she failed to act as a
8 fiduciary in her relationship with the Association.

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

11 19. DRAKELEY violated NRS 116A.630(2)(a) and NAC 116A.320 by failing to
12 comply with state laws.

13 20. DRAKELEY 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 21. DRAKELEY violated NRS 116A.640(4) by using Association money for her
16 own personal use.

17 22. DRAKELEY violated NAC 116A.355(1)(a)(1) by engaging in unprofessional
18 conduct by engaging in deceitful, fraudulent or dishonest conduct.

19 23. DRAKELEY violated NAC 116A.355(3)(a) by committing acts of professional
20 incompetence by demonstrating a significant lack of ability, knowledge or fitness to
21 perform a duty or obligation owed to the Association.

22 24. DRAKELEY violated NAC 116A.355(3)(b) by committing acts of
23 professional incompetence by failing to exercise reasonable skill and care with respect to
24 a duty or obligation owed to the Association.

25 **DISCIPLINE AUTHORIZED**

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

- 1 1. Revoke or suspend the certificate;
 - 2 2. Refuse to renew or reinstate the certificate;
 - 3 3. Place the community manager on probation;
 - 4 4. Issue a reprimand or censure to the community manager;
 - 5 5. Impose a fine of not more than \$5,000 for each violation of a statute or
 - 6 regulation;
 - 7 6. Require the community manager to pay restitution;
 - 8 7. Require the community manager to pay the costs of the investigation and
 - 9 hearing;
 - 10 8. Require the community manager to obtain additional education relating to
 - 11 the management of common-interest communities; and
 - 12 9. Take such other disciplinary action as the Commission deems appropriate.
- 13 The Commission may order one or any combination of the discipline described
- 14 above.

15 NOTICE OF HEARING

16 PLEASE TAKE NOTICE, that a disciplinary hearing has been set to consider

17 this administrative Complaint against the above-named RESPONDENT in accordance

18 with Chapters 233B and 116 and 116A of the Nevada Revised Statutes and Chapters 116

19 and 116A of the Nevada Administrative Code.

20 THE HEARING WILL TAKE PLACE at the Commission meeting scheduled for

21 March 12-14, 2019, beginning at approximately 9:00 a.m. each day, or until such time as

22 the Commission concludes its business. The Commission meeting will be held at the

23 Nevada State Business Center, 3300 W. Sahara Avenue, Nevada Room, Suite 400, Las

24 Vegas, Nevada 89102 with videoconferencing to Division of Insurance, 1818 E. College

25 Parkway, Carson City, Nevada 89706.

26 STACKED CALENDAR: Your hearing is one of several hearings that may be

27 scheduled at the same time as part of a regular meeting of the Commission that is

28 expected to take place on March 12-14, 2019. Thus, your hearing may be continued until

1 later in the day or from day to day. It is your responsibility to be present when your case
2 is called. If you are not present when your hearing is called, a default may be entered
3 against you and the Commission may decide the case as if all allegations in the complaint
4 were true. If you need to negotiate a more specific time for your hearing in advance
5 because of coordination with out of state witnesses or the like, please call Samiel
6 Williams, Commission Coordinator, at (702) 486-4606.

7 YOUR RIGHTS AT THE HEARING: Except as mentioned below, the hearing is an
8 open meeting under Nevada's open meeting law, and may be attended by the public.
9 After the evidence and arguments, the commission may conduct a closed meeting to
10 discuss your alleged misconduct or professional competence. A verbatim record will be
11 made by a certified court reporter. You are entitled to a copy of the transcript of the open
12 and closed portions of the meeting, although you must pay for the transcription.

13 As a RESPONDENT, you are specifically informed that you have the right to
14 appear and be heard in your defense, either personally or through your counsel of choice.
15 At the hearing, the Division has the burden of proving the allegations in the complaint
16 and will call witnesses and present evidence against you. You have the right to respond
17 and to present relevant evidence and argument on all issues involved. You have the right
18 to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses
19 on any matter relevant to the issues involved.

20 You have the right to request that the Commission issue subpoenas to compel
21 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
22 you may be required to demonstrate the relevance of the witness's testimony and/or
23 evidence. Other important rights and obligations, including your obligation to answer the
24 complaint, you have are listed in NAC 116A.560 through NAC 116A.655, NRS Chapter
25 233B, and NRS Chapters 116 and 116A and NAC 116 and 116A.

26 Note that under NAC 116A.585, not less than five (5) working days before a
27 hearing, RESPONDENT must provide to the Division a copy of all reasonably available
28 documents that are reasonably anticipated to be used to support his or her position, and a

1 list of witnesses RESPONDENT intends to call at the time of the hearing. Failure to
2 provide any document or to list a witness may result in the document or witness being
3 excluded from RESPONDENT'S defense. The purpose of the hearing is to determine if the
4 RESPONDENT has violated any of the provisions of NRS and NAC Chapters 116 and
5 116A, and to determine what administrative penalty is to be assessed against
6 RESPONDENT, if any, pursuant to NAC 116A.360.

7 DATED: January 25, 2019.

8 REAL ESTATE DIVISION,
9 DEPARTMENT OF BUSINESS & INDUSTRY,
STATE OF NEVADA

10 By: 

11 Sharath Chandra, Administrator
12 3300 W. Sahara Avenue
Las Vegas, Nevada 89104
(702) 486-4033

13 AARON D. FORD
14 Attorney General

15 By: 

16 Michelle D. Briggs, Esq.
17 Senior Deputy Attorney General
555 E. Washington Avenue, Suite 3900
Las Vegas, Nevada 89101
18 (702) 486-3420
Attorneys for Nevada Real Estate Division

CERTIFICATE OF SERVICE
(NRS 116.770)

I hereby certify that on this 6th day of February 2019 I deposited a true and correct copy of the foregoing:

**COMPLAINT AND NOTICE OF HEARING,
NOTICE OF DOCUMENTS PRODUCED,**

And NOTICE OF COMPLAINT AND OBLIGATION TO RESPOND

in the United States Mail, postage pre-paid, in Las Vegas, Nevada, through the State of Nevada mailroom, by certified mail addressed to the following respondents at his last known address as follows

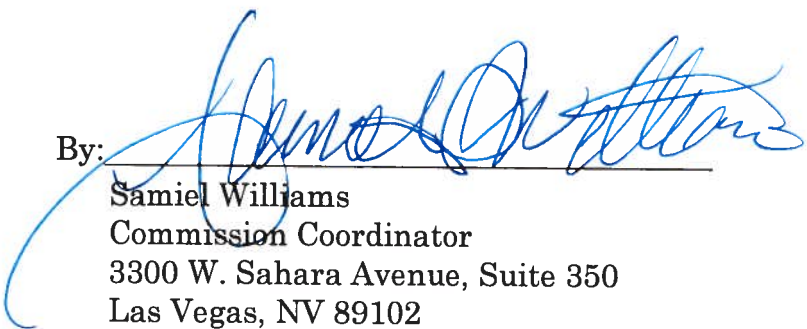
Certified No. 7017 1450 0000 8967 9637

Teresa Drakeley
8145 Marshall Canyon Drive
Las Vegas, Nevada 89166

Certified No. 7017 1450 0000 8967 9644

Corina Sailer
First Service Residential
8290 Arville Street
Las Vegas, Nevada 89139

By: _____


Samuel Williams
Commission Coordinator
3300 W. Sahara Avenue, Suite 350
Las Vegas, NV 89102