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,

Petitioner,

Case No. 2019-1061

FEB 2 4 2021

NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS Kelly Valader

Respondent.

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

This matter came on for hearing before the Commission for Common-Interest Communities and Condominium Hotels, State of Nevada (the "Commission"), during a regular agenda on February 2, 2021, via telephone and video, with no physical public location (as permitted by the Governor's Declaration of Emergency, Directive 006, as thereafter extended). The Respondent, KRISTIN PUTINTA ("PUTINTA" and/or "RESPONDENT"), did not appear personally or through counsel and did not answer the complaint. Karissa D. Neff, Esq., Senior Deputy Attorney General with the Nevada Attorney General's Office, appeared on behalf of the Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division").

Ms. Neff presented testimony from Kelly Valadez, the Commission coordinator, regarding service of the notice of the Complaint, hearing and documents on RESPONDENT. The Commission, having determined that RESPONDENT was properly served with the complaint but that she failed to timely respond as required by NRS 116.770(5), voted in favor of entering RESPONDENT's default and making a decision based on the allegations in the complaints pursuant to NAC 116A.595(13).

The Commission, having considered the evidence introduced by the Division and

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Kristin Putinta,

being fully advised, enters the following Findings of Fact, Conclusions of Law, and Order. Under Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC) Chapter 116A, the Commission has legal jurisdiction and authority over this matter.

FACTUAL ALLEGATIONS

Based on a preponderance of the evidence in the record and the documents admitted at the Hearing, the Commission unanimously voted to find the following factual allegations were proven:

1. RESPONDENT obtained her supervising community manager certificate from the Division in March of 2019, license CAM.0006957-SUPR, said license being active.

2. RESPONDENT was employed by Associa Nevada South ("Associa") and was the on-site community manager for the Club at Madeira Canyon Unit Owners Association ("Association") from approximately June of 2018 through October of 2019.

3. Several homeowners complained to the Division alleging that RESPONDENT was misusing the Association's funds, leading to the Division initiating an investigation.

4. An audit was conducted concerning the misuse of the Association's petty cash, credit cards, and onsite cash from June through December 2018 and from August through September of 2019.

5. The audit concluded that there were numerous control deficiencies and break downs within the petty cash account at the Association and that there had been misuse of the Association's card by Associa's on-site staff.

6. The audit found a general misuse of the Association's card in the amount of \$612.02.

7. In addition, the audit found that the Association's credit card was used for personal transactions (defined as those directly benefiting an Associa employee and not in the best interest of the Association) in the amount of \$326.66.

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The audit found that personal transactions were made with the

Association's card for energy drinks, soda, birthday cards, dog supplies, sushi lunches, and magazines.

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9. The audit found that \$6,988.90 in charges were made on the Association's card but the auditor was unable to determine if they were proper due to a lack of proper documentation.

10. A board member of the Association also filed a police report against RESPONDENT with the Henderson Police Department stating that RESPONDENT was fraudulently using the Association's debit card for personal use.

11. Ultimately the District Attorney's office brought criminal charges against RESPONDENT in February of 2020 for felony embezzlement in Henderson Justice Court ("Criminal Action").

12. Per a negotiation in the Criminal Action, RESPONDENT agreed to stay out of trouble, pay \$2,000 in restitution, complete 50 hours of community service, and complete a petit larceny class, in exchange for the felony charge being amended to a misdemeanor.

16 13. On October 24, 2019, Associa paid the Association \$5,078.07 to compensate
17 it for the unknown charges detailed in the audit.

18 14. On January 14, 2020, Associa paid the Association \$938.67 to compensate
19 it for charges the audit found improper.

15. On September 20, 2019, the Division properly notified RESPONDENT that
it had opened a case against her and requested that RESPONDENT provide a response
to allegations that she had improperly used the Association's card for personal gain and
also requested that RESPONDENT provide the Division with certain documents
("Requested Documents").

16. On November 5, 2019, December 12, 2019, February 11, 2020, February
28, 2020, and April 10, 2020, the Division again requested a response to the allegations
set forth in its September 20th letter to RESPONDENT and that she provide the
Requested Documents.

17. RESPONDENT did not respond to the Division's letters or provide the Requested Documents.

18. On April 10, 2020, the Division properly notified RESPONDENT of its intent to commence a disciplinary action against her before the Commission.

VIOLATIONS OF LAW

Based on the foregoing factual findings and the preponderance of the evidence, the Commission unanimously voted that the following violations of law occurred:

19. RESPONDENT violated NRS 116A.630(1)(a) by failing to act as a fiduciary to the Association in the performance of her duties as a supervisory community association manager.

20. RESPONDENT violated NRS 116A.630(1)(b) by failing to exercise ordinary and reasonable care in the performance of her duties as a supervisory community association manager.

21. RESPONDENT violated NRS 116A.630(2)(a) and NAC 116A.320 by failing to comply with state laws.

22. RESPONDENT violated NRS 116A.640(4) by misappropriating money from the Association.

23. RESPONDENT violated NRS 116A.640(2)(a) and NAC 116A.345(2)(a) by impeding or otherwise interfering with an investigation of the Division by failing to provide the Requested Documents to the Division during its investigation.

24. RESPONDENT violated NAC 116A.355(1)(a)(4) by misappropriating money from the Association.

25. RESPONDENT violated NAC 116A.355(1)(a)(1) and (2) (through NAC 116A.355(4)(g)) by committing unprofessional conduct or professional incompetence by failing to act in the best interests of the Association.

26. Respondent violated NAC 116A.355(2)(c) by committing acts of unprofessional conduct by engaging in deceitful, fraudulent, or dishonest conduct.

ORDER

The Commission, being fully apprised in the premises and good cause appearing, ORDERS as follows:

1. RESPONDENT's supervisory community manager certificate is hereby revoked for a period of no less than ten years. RESPONDENT shall not be permitted to reapply for a certificate from the Division following the ten-year revocation period until all fines and restitution imposed by the Commission are paid in full.

8 2. Following the revocation period, should RESPONDENT apply for a
9 certificate from the Division, RESPONDENT shall be required to submit a new
10 application and comply with all Division requirements in place at the time she applies.
11 The Division shall deny RESPONDENT's application and refer the application denial to
12 the Commission pursuant to NAC 116A.135.

3. RESPONDENT shall pay to the Division a total fine of \$41,980.33,
consisting of a fine of \$40,000.00, plus \$1,980.33 for the Division's attorney's fees and
costs. The total fine shall be paid in full within one year of the date of this Order.

16 4. RESPONDENT shall also pay \$5,286.99 in restitution to the Association
17 within one year of the date of this Order.

5. The Division may institute debt collection proceedings for failure to timely
pay the total fine, including action to reduce this Order to a judgment. Further, if
collection goes through the State of Nevada, then RESPONDENT shall also pay the
costs associated with collection.

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DATED this $\frac{23}{\text{day}}$ of February, 2021.

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

EL BURKE CHAIRMAN

Submitted by:

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| 3 | By: Is/Karissa Neff |
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| 6 | KARISSA D. NEFF, ESQ. Deputy Attorney General 555 East Washington Avenue, Suite 3900 Las Vegas, Nevada 89101 Attorneys for Real Estate Division |
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