State of Nebraska Accountability and Disclosure Commission

P.O. BOX 95086 Lincoln, Nebraska 68509 www.nadc.nebraska.gov



Centre Terrace, 1225 L St. #400 Phone (402) 471-2522 Fax (402) 471-6599

Synopsis Case #20-10 Action Taken on June 4, 2021

Respondent: Nancy Schlotfeld

Nancy Schlotfeld was a member of the Elkhorn Township Board in Dodge County. Floods in 2019 caused severe damage to the roads in the Township. The three member Township Board spent a great deal of time addressing flooding issues. Each member of the Township Board voted, without legal authority, to pay themselves an additional \$1,000 per week for 33 weeks. Prior to the vote, compensation for each board members was \$600 for the entire year.

Based upon information received from the Auditor of Public Accounts, the Executive Director commenced a Preliminary Investigation on June 29, 2020. The allegation was that the Respondent voted to increase her compensation by and that this constituted the use her public office for personal financial gain in violation of §49-14,101.01 of the NPADA. The parties entered into a settlement agreement by which the Commission found 13 violations of §49-14,101.01 relating to the extra pay. By the terms of the agreement, the Respondent agreed to reimburse Elkhorn Township the extra compensation in the amount of \$33,000 less a credit of \$950.00 for normal compensation.

The Commission approved the Settlement Agreement with nine Commissioners concurring, no Commissioners dissenting, and no Commissioners abstaining.

Violation: Pursuant to the Settlement Agreement, the Commission found 13 violations of §49-14,101.01 of the NPADA.

Civil Penalty: None

Other: The Respondent will reimburse Elkhorn Township in the amount of \$32,050.

Attorney for the Commission: Neil B. Danberg

Synopsis Prepared by: Frank Daley Executive Director Nebraska Accountability & Disclosure Commission P.O. Box 95086 Lincoln, NE 68509 402-471-2522

BEFORE THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

In the Matter of Nancy Schlotfeld,)	Case #20-10
Respondent)	ORDER

Now on this 4th day of June, 2021, this matter comes before the Nebraska Accountability and Disclosure Commission. Commissioners Anderson, Callahan, Carlson, Davis, Enenbach, Evnen, Hegarty, Peetz and Sullivan are present with Commissioner Davis presiding. The Respondent is not present. The Commission notes the submission of a proposed Settlement Agreement.

Whereupon, the Commission, with nine Commissioners concurring, no Commissioners dissenting, and no Commissioners abstaining, finds that the attached Settlement Agreement should be and hereby is approved and incorporated into this Order. Pursuant to that Agreement, the Commission finds 13 violations of §49-14,101(1) of the NPADA by the Respondent as alleged as stated in the Amended Notice of Preliminary Investigation.

In accordance with the Settlement Agreement, the Commission directs that the Respondent repay Elkhorn Township of Dodge County, Nebraska a total of \$32,050.00 according to the terms of the Installment Payment Agreement, which is attached to and is a part of the Settlement Agreement.

Issued this 4th day of June, 2021.

Nebraska Accountability and Diselosure Comprission Frank J. Daley Executive Directo

Certificate of Service

I hereby certify that a copy of this Order was sent by certified U.S. Mail, postage prepaid, return receipt requested on this day of June 2021, to the following address: Nancy Schlotfeld, 6138 East County Rd U Blvd, Fremont, NE 68025 and by regular U.S. Mail, postage prepaid to Spencer Wilson, Yost Law Firm, 81 West 5th St, Fremont, NE 68025

Frank J. Dalev, Jr.

BEFORE THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

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In the Matter of Nancy Schlotfeld

CASE No. 20-10 SETTLEMENT AGREEMENT

- <u>Parties</u>: The parties to this Settlement Agreement (hereinafter "Agreement") are the Nebraska Accountability and Disclosure Commission, hereafter referred to as the "Commission" and Nancy Schlotfeld, hereafter referred to as the "Respondent."
- Jurisdiction: The Respondent acknowledges that the Commission has jurisdiction in this matter pursuant to the terms of Nebraska Statutes 49-1401 et seq., known as the Nebraska Political Accountability and Disclosure Act ("NPADA").
- 3) <u>Intention</u>: The parties hereby agree and intend that this Agreement shall constitute a waiver of any further proceedings in this matter, thereby resolving the matter without further delay and expense to the parties.
- 4) <u>The Alleged Violations:</u> In its Second Amended Notice of Preliminary Investigation in this case, the Commission has alleged thirteen (13) violations of the NPADA, which may be summarized as follows: The alleged violations relate to payments which the Respondent allegedly accepted in a total amount of \$33,000 which constituted unauthorized extra compensation for herself as a member of the Board of Elkhorn Township in Dodge County in violation of Section 49-14,101.01 of the NPADA.
- 5) <u>Stipulation:</u> The Respondent and the Commission stipulate and agree that at the time of the alleged violation, the Respondent was a public official in that she was a member of the Elkhorn Township Board of Dodge County, Nebraska.
- 6) The Alleged Violations, Agreement: The Respondent and the Commission agree that the Second Amended Notice of Preliminary Investigation (attached hereto as Exhibit "A") states the alleged violations of Section 49-14,101.01 of the NPADA, which relate to unauthorized extra compensation from the Elkhorn Township to the Respondent in the total amount of \$33,000.00. With respect to said violations the Respondent states the following: it was not her intent to violate the NPADA as alleged, but she agrees and stipulates that: (a) if this matter proceeded to a hearing, there is sufficient evidence from which the Commission could make a finding that there have been violations as alleged in the thirteen violations referred to above in this paragraph and paragraph 4, above, and as more fully set forth in the Second Amended Notice of Preliminary Investigation, Exhibit "A"; and (b) the Commission may enter an order that there have been violations as alleged in the Second Amended Notice of Preliminary Investigation, and as described above.

- 7) <u>Agreement to pay Restitution less credit for past unpaid salary</u>: With respect to the violations as stated in the Second Amended Notice of Preliminary Investigation, the Respondent, as a material part of this Agreement, agrees to repay \$33,000 in restitution to the Elkhorn Township Board of Dodge County, Nebraska, less a credit for past lawful salary due but unpaid as follows: In 2019, \$600.00, which was her annual salary from the Township; in 2020, \$350.00, which was seven months of her lawful salary until the time of her resignation from the Board in August of 2020. The credits total \$950.00, and this amount will be subtracted from the \$33,000 in restitution. Therefore, a total of \$32,050 will be paid by the Respondent in restitution in this matter.
- 8) <u>The Commission must approve this Agreement in order for it to be effective</u>: The parties agree that in order for this Agreement to become effective, the Commission must approve it, and the Commission shall, if it approves the Settlement, enter an Order in accordance with the terms of this Agreement.
- 9) Effective Date of Agreement: This Agreement shall not be binding upon the parties until the date it is approved by the Commission and the Commission issues an order in accordance with the terms of this Agreement. The date upon which the Commission enters its Order approving this Agreement shall be deemed its effective date. If this Agreement is not approved in whole by the Commission, this Settlement Agreement shall be void and may not be used in this or any other proceeding. The parties acknowledge that this Settlement Agreement and any subsequent Order shall be announced at an open public meeting of the Commission. The parties further acknowledge that, upon adoption, this Settlement Agreement, the Order, and the Commission's file pertaining to this matter shall become open and public.
- 10) <u>Right to Address the Commission:</u> The Respondent has a right to address the Commission on the matter of the approval of this Settlement Agreement.
- 11) <u>Release of Claims.</u> The Commission hereby releases and forever discharges the Respondent from any and all claims, demands, damages, actions, causes of action, or suits of any kind or nature whatsoever, which are within scope of the alleged violations as stated in Exhibit "A", attached hereto.
- 12) <u>Full and Final Compromise.</u> The parties hereto enter into this Settlement Agreement for the purpose of making a full and final compromise, adjustment and settlement of all claims asserted by the Commission in Exhibit "A".
- 13) <u>Advice of Counsel:</u> The Respondent acknowledges that she has had an opportunity to seek the advice of an attorney in connection with the terms of this agreement.

Nancy Schlotfeld

Spencer Wilson, Attorney for Nancy Schlotfeld—approved as to form

Frank J. Daley, Jr., Executive Director Nebraska Accountability and Disclosure Commission

4-21-21 Date

4-21-21 Date

6-4-21 Date