

# WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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STATE OF WISCONSIN  
BEFORE THE REAL ESTATE BOARD

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IN THE MATTER OF THE DISCIPLINARY :  
PROCEEDINGS AGAINST :  
 : FINAL DECISION AND ORDER  
ERIK M. AUKLAND & :  
LINCOLN MANAGEMENT, LLC, :  
RESPONDENTS. : LS0309258REB

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The parties to this action for the purpose of Wis. Stats. sec. 227.53 are:

Erik M. Aukland  
906 State St.  
Racine, WI 53404

Lincoln Management LLC  
906 State St.  
Racine, WI 53404

Wisconsin Real Estate Board  
P.O. Box 8935  
Madison, WI 53708

Department of Regulation and Licensing  
Division of Enforcement  
P.O. Box 8935  
Madison, WI 53708-8935

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the Board. The Board has reviewed this Stipulation and considers it acceptable.

Accordingly, the Board in this matter adopts the attached Stipulation and makes the following:

## FINDINGS OF FACT

1. **Erik M. Aukland** ("Aukland"), date of birth 03/07/79, is licensed in the State of Wisconsin as a real estate broker having license # 90-49248. This license was first granted to him on 01/28/98.
2. Aukland's most recent address on file with the Department of Regulation and Licensing is 906 State St., Racine, WI 53404.
3. At all times relevant hereto, Aukland was the broker of record for the real estate firm of Lincoln Management LLC, (Lincoln Management), license # 91-700131, located at, 906 State St., Racine, WI 53404. Lincoln Management is a property management company and is owned by Aukland's parents, Randall and Sherrill Aukland.
4. By letter dated June 22, 2001, Patricia Sautner (Sautner), notified the Department of Regulation and Licensing (Department) that Lincoln Management did not have a broker present in the office on a regular basis and that the trust account had not been reconciled or balanced for over three years. Sautner was a past employee of Lincoln Management and performed various office duties.
5. Based upon the information contained in Sautner's letter the Department opened an investigation.
6. Aukland stated that he was the broker of record for Lincoln Management and worked in the office from 1998 through 1999. In 2000, he moved to Door County but provided consultations as a broker to Lincoln Management via telephone. In Spring of 2001, Aukland moved to Madison, WI and continued to consult with Lincoln Management. By approximately the summer of 2001, he was no longer providing supervision at Lincoln Management. Aukland stated that he did not realize that there was no ledger or journal being maintained.
7. During the Department's investigation it was discovered that there was approximately \$20,000.00 missing from Lincoln Management's trust account. Nancy Sharp, who worked in the office of Lincoln Management, has been convicted in Racine County Case Number 2002CF000336, of Wis. Stat. 943.20(1)(b), Theft-Business Setting >\$2,500.00.
8. On or about November 30, 2001, an auditor with the Department performed an audit of Lincoln Management's records. The auditor found that since approximately 1994, none of the required reconciliations, validations or trial balances were performed and that the Ledger and Journal were not adequately maintained. The auditor could not reconcile Lincoln Management's records due to the missing funds.

## CONCLUSIONS OF LAW

1. The Wisconsin Real Estate Board has jurisdiction to act in this matter pursuant to sec. 452.14, Wis. Stats.
2. The Wisconsin Real Estate Board is authorized to enter into the attached Stipulation pursuant to sec. 227.44(5), Wis. Stats.

3. Respondent **Erik M. Aukland** has violated:

a. Sections RL 18.13(1), RL 18.13(2), RL 18.13(3), RL 18.13(4), RL 18.13(5), RL 18.14, and RL 24.17(3) of the Wisconsin Administrative Code and section 452.14(3)(i) of the Wisconsin Statutes by failing to adequately supervise Lincoln Management's employees, by failing to insure that required monthly account reconciliations, trial balances and validations were prepared, and failed to adequately maintain the required Ledger and Cash Journals.

4. Respondent **Lincoln Management** has violated:

a. Sections RL 17.08(1), RL 17.08(2), and RL 24.17(3) of the Wisconsin Administrative Code by failing to adequately supervise Lincoln Management's employees, by failing to insure that required monthly account reconciliations, trial balances and validations were prepared, and failed to adequately maintain the required Ledger and Cash Journals.

### **ORDER**

NOW, THEREFORE, IT IS HEREBY ORDERED, that the attached Stipulation is hereby accepted.

IT IS FURTHER ORDERED, that Respondent **Erik M. Aukland**, license # 90-49248, be, and hereby is, **REPRIMANDED**.

IT IS FURTHER ORDERED, that Respondent **Erik M. Aukland**, within six months of the date of this Order, successfully complete the following course module from the 36 hour pre-licensing real estate broker's course at an educational institution approved by the Department of Regulation and Licensing:

a. The Trust Account, Escrow, and Closing Statement module-section  
RL 25.02(2)(c), of the Wisconsin Administration Code,

b. The Financial and Office Management module-section RL 25.02(2)(e), of the Wisconsin  
Administration Code.

and submit proof of the same to the Real Estate Board, P.O. Box 8935, Madison, WI 53708-8935, in the form of verification from the institution providing the education. None of the education completed pursuant to this requirement may be used to satisfy any continuing education requirements that are or may be instituted by the Board or the Department of Regulation and Licensing.

IT IS FURTHER ORDERED, that in the event Respondent **Erik M. Aukland**, fails to successfully complete the educational requirements within the time and in the manner as set forth above, then and in that event, and without further notice to the Respondent Erik M. Aukland, his real estate license shall be suspended without further hearing and without further Order of the Board, and said suspension shall continue until further Order of the Board.

IT IS FURTHER ORDERED, that Respondent **Erik M. Aukland**, pay **PARTIAL COSTS** in this matter in the amount of \$500.00, within 60 days of the date of this Order. Payment shall be made by **certified check or money order**, payable to the Wisconsin Department of Regulation and Licensing and sent to: **Department Monitor, Division of Enforcement, Department of Regulation and Licensing , PO Box 8935, Madison, WI 53708-8935.**

IT IS FURTHER ORDERED, that in the event Respondent **Erik M. Aukland** fails to pay the \$500.00 partial costs within the time and in the manner as set forth above, then and in that event, and without further notice to the Respondent **Erik M. Aukland**, his real estate license shall be suspended without further hearing and without further Order of the Board, and said suspension shall continue until the full amount of said partial costs have been paid to the Department of Regulation and Licensing and his failure to pay the partial costs shall be considered a violation of this Order by the Board.

IT IS FURTHER ORDERED, that Respondent **Erik M. Aukland** pay a **forfeiture** in this matter in the amount of **\$500.00**, within 60 days of the date of this Order. Payment shall be made by **certified check or money order**, payable to the Wisconsin Department of Regulation and Licensing and sent to: **Department Monitor, Division of Enforcement, Department of Regulation and Licensing , PO Box 8935, Madison, WI 53708-8935.**

IT IS FURTHER ORDERED, that in the event Respondent **Erik M. Aukland** fails to pay the \$500.00 forfeiture within the time and manner as set forth above, then and in that event, and without further notice to the Respondent **Erik M. Aukland** his real estate broker's license shall be suspended without further hearing and without further Order of the Board, and said suspension shall continue until the full amount of said partial costs have been paid to the Department of Regulation and Licensing and his failure to pay the costs shall be considered a violation of this Order by the Board.

IT IS FURTHER ORDERED, that Respondent **Lincoln Management**, license # 91-700131, be, and hereby is, **REPRIMANDED.**

IT IS FURTHER ORDERED, that Respondent **Lincoln Management**, pay **PARTIAL COSTS** in this matter in the amount of \$500.00, within 60 days of the date of this Order. Payment shall be made by **certified check or money order**, payable to the Wisconsin Department of Regulation and Licensing and sent to: **Department Monitor, Division of Enforcement, Department of Regulation and Licensing , PO Box 8935, Madison, WI 53708-8935.**

IT IS FURTHER ORDERED, that in the event Respondent **Lincoln Management**, fails to pay the \$500.00 partial costs within the time and in the manner as set forth above, then and in that event, and without further notice to the Respondent **Lincoln Management**, its real estate license shall be suspended without further hearing and without further Order of the Board, and said suspension shall continue until the full amount of said partial costs have been paid to the Department of Regulation and Licensing and its failure to pay the partial costs shall be considered a violation of this Order by the Board.

IT IS FURTHER ORDERED, that Respondent **Lincoln Management**, pay a **forfeiture** in this matter in the amount of **\$500.00**, within 60 days of the date of this Order. Payment shall be made by **certified check or money order**, payable to the Wisconsin Department of Regulation and Licensing and sent to: **Department Monitor, Division of Enforcement, Department of Regulation and Licensing , PO Box 8935, Madison, WI 53708-8935.**

IT IS FURTHER ORDERED, that in the event Respondent **Lincoln Management**, fails to pay the \$500.00 forfeiture within the time and manner as set forth above, then and in that event, and without further notice to the Respondent **Lincoln Management**, its real estate broker's license shall be suspended without further hearing and without further Order of the Board, and said suspension shall continue until the full amount of said partial costs have been paid to the Department of Regulation and Licensing and its failure to pay the costs shall be

considered a violation of this Order by the Board.

IT IS FURTHER ORDERED, that file 02 REB 004 be, and hereby is, closed.

Dated this 25<sup>th</sup> day of September, 2003.

**WISCONSIN REAL ESTATE BOARD**

Richard Kollmansberger

A member of the Board