

WISCONSIN DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES



Wisconsin Department of Safety and Professional Services Access to the Public Records of the Reports of Decisions

This Reports of Decisions document was retrieved from the Wisconsin Department of Safety and Professional Services website. These records are open to public view under Wisconsin's Open Records law, sections 19.31-19.39 Wisconsin Statutes.

Please read this agreement prior to viewing the Decision:

- The Reports of Decisions is designed to contain copies of all orders issued by credentialing authorities within the Department of Safety and Professional Services from November, 1998 to the present. In addition, many but not all orders for the time period between 1977 and November, 1998 are posted. Not all orders issued by a credentialing authority constitute a formal disciplinary action.
- Reports of Decisions contains information as it exists at a specific point in time in the Department of Safety and Professional Services data base. Because this data base changes constantly, the Department is not responsible for subsequent entries that update, correct or delete data. The Department is not responsible for notifying prior requesters of updates, modifications, corrections or deletions. All users have the responsibility to determine whether information obtained from this site is still accurate, current and complete.
- There may be discrepancies between the online copies and the original document. Original documents should be consulted as the definitive representation of the order's content. Copies of original orders may be obtained by mailing requests to the Department of Safety and Professional Services, PO Box 8935, Madison, WI 53708-8935. The Department charges copying fees. *All requests must cite the case number, the date of the order, and respondent's name* as it appears on the order.
- Reported decisions may have an appeal pending, and discipline may be stayed during the appeal. Information about the current status of a credential issued by the Department of Safety and Professional Services is shown on the Department's Web Site under "License Lookup."

The status of an appeal may be found on court access websites at:

<http://ccap.courts.state.wi.us/InternetCourtAccess> and <http://www.courts.state.wi.us/wscga>

- Records not open to public inspection by statute are not contained on this website.

By viewing this document, you have read the above and agree to the use of the Reports of Decisions subject to the above terms, and that you understand the limitations of this on-line database.

Correcting information on the DSPS website: An individual who believes that information on the website is inaccurate may contact DSPS@wisconsin.gov

STATE OF WISCONSIN
BEFORE THE REAL ESTATE EXAMINING BOARD

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

SCOTT B. SALAN AND
UDONI & SALAN REALTY GROUP, LLC,
RESPONDENTS.

:
:
:
:
:
:
:

FINAL DECISION AND ORDER

ORDER 0002499

Division of Legal Services and Compliance Case No. 12 REB 124

The parties to this action for the purpose of Wis. Stat. § 227.53 are:

Scott B. Salan
120 E. Badger St.
Waupaca, WI 54981

Udoni & Salan Realty Group, LLC
120 E. Badger St.
Waupaca, WI 54981

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

Division of Legal Services and Compliance
Department of Safety and Professional Services
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 Wisconsin Real Estate Examining Board (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, Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent Scott B. Salan (dob July 12, 1967) is licensed in the State of Wisconsin as a Real Estate Broker, having license number 52811-90, first issued on March 2, 2005 and current through December 14, 2014. Respondent Salan's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is 120 East Badger Street, Waupaca, Wisconsin 54981.

2. Respondent Udoni & Salan Realty Group, LLC (Udoni and Salan) is licensed in the State of Wisconsin as a Real Estate Business Entity, having license number 701075-91, first issued on January 14, 2005 and current through December 14, 2014. Respondent Udoni & Salan's most recent address on file with Department is 120 East Badger Street, Waupaca, Wisconsin 54981.

3. At all times relevant to this matter, Respondent Salan was an owner and responsible broker of Respondent Udoni and Salan.

4. On October 23, 2012, the Department auditor sent Respondents a pre-audit questionnaire with a requested response date of November 6, 2012. After multiple requests by the Department auditor, Respondents returned the questionnaire and it was received by the Department on December 1, 2012.

5. On December 11, 2012, the Department auditor performed an audit of Respondents' real estate trust account. The December 11, 2012 audit revealed the following violations:

- a. Respondents were unable to produce a journal or checkbook or paper records of deposits.
- b. There was no evidence of any bank reconciliation, trial balance or validation being prepared.
- c. There were many errors, including: earnest money was being deposited into the wrong account and never discovered, checks which had never cleared were not followed up on, earnest money was not deposited into an account, and there was money in the trust account that could not be accounted for.
- d. Respondents had failed to notify the Department that an old trust account was closed and a new one opened.

6. In resolution of this matter, Respondents consent to the entry of the following Conclusions of Law and Order.

CONCLUSIONS OF LAW

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

2. By the conduct described in the Findings of Fact, Respondents violated Wis. Stat. § 452.133(1)(f) by failing to safeguard trust funds held by the broker.

3. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.031(1) by failing to deposit all real estate trust funds received in a real estate trust account within 48 hours.

4. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.035(1) and (2) by failing to notify the Department within 10 days after closing a real estate trust account and opening a new one.

5. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.13(1)-(5) by failing to:

- a. maintain a journal showing the chronological sequence in which real estate trust funds are received and disbursed;
- b. maintain a ledger showing the receipts and disbursements as they affect each particular transaction;
- c. reconcile the real estate trust account in writing each month;
- d. prepare or have prepared a trial balance of all open items in the real estate trust account; and
- e. review the reconciled account statement balance, the open ledger account listing, and the journal running balance to ensure all of these records are valid and in agreement as of the date the account statement has been reconciled.

6. By the conduct described in the Findings of Fact, Respondent Salan demonstrated incompetency to act as a real estate broker in a manner as to safeguard public pursuant to Wis. Admin. Code § REEB 18.14 by failing to comply with the rules in Wis. Admin. Code Ch. REEB 18.

7. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 24.17(5) by failing to respond to a Department request for information within 30 days.

8. As a result of the above violations, Respondents are subject to discipline pursuant to Wis. Stat. § 452.14(3)(h), (i) and (L).

ORDER

1. The attached Stipulation is accepted.

2. Respondents Scott B. Salan and Udoni & Salan Realty Group, LLC are **REPRIMANDED**.

3. The Real Estate Broker license issued to Scott B. Salan (license number 52811-90) is **LIMITED** as follows:

- a. Within 90 days of the date of this Order, Respondent Salan shall successfully complete 12 hours of education on the topic of trust accounts and financial management offered by a provider pre-approved by the

Board's monitoring liaison, including taking and passing any exam offered for the courses.

- b. Respondent shall submit proof of completion in the form of verification from the institution providing the education to the address stated below. None of the education completed pursuant to this requirement may be used to satisfy any continuing education requirements that have been or may be instituted by the Board or Department, and also may not be used in future attempts to upgrade a credential in Wisconsin.
- c. This limitation shall be removed from Respondent's license after satisfying the Board or its designee that Respondent has successfully completed all of the ordered education.

4. The Real Estate Broker license issued to Scott B. Salan (license number 52811-90) is further LIMITED in that Respondent shall submit a monthly report to the Department Monitor at the address listed below by the 15th day of each month. The report shall include:

- a. A trial balance that itemizes all deposits Respondent is holding at the statement closing date;
- b. Bank statements for Respondent's real estate trust account;
- c. A reconciliation in accordance with Wis. Admin. Code § REEB 18.13(3) that includes a numbered list of outstanding checks; and
- d. The check register showing all real estate trust account transactions for the period in chronological order, along with a daily running balance.

5. Respondent Salan may petition the Board for removal of the monthly reporting limitation after Respondent Salan has provided six complete and correct reports to the Department.

6. Within 90 days from the date of this Order, Respondent Salan shall pay a FORFEITURE in the amount of \$400.00 and COSTS of this matter in the amount of \$164.00.

7. Within 90 days from the date of this Order, Respondent Udoni & Salan shall pay a FORFEITURE in the amount of \$400.00 and COSTS of this matter in the amount of \$164.00.

8. Proof of successful course completion, monthly reports, and payment of forfeiture and costs (made payable to the Wisconsin Department of Safety and Professional Services) shall be sent by Respondent Salan to the Department Monitor at the address below:

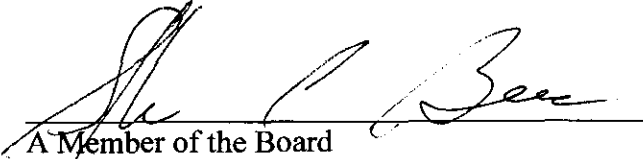
Department Monitor
Division of Legal Services and Compliance
Department of Safety and Professional Services
P.O. Box 8935, Madison, WI 53708-8935

9. Violation of any of the terms of this Order may be construed as conduct imperiling public health, safety and welfare and may result in a summary suspension of Respondents' licenses. The Board in its discretion may in the alternative impose additional conditions and limitations or other additional discipline for a violation of any of the terms of this Order. In the event Respondents fail to timely submit payment of the forfeiture and costs as ordered Respondents' licenses (nos. 52811-90 and 701075-91) may, in the discretion of the Board or its designee, be SUSPENDED, without further notice or hearing, until Respondents have complied with payment of the forfeiture and costs. In the event Respondent Salan fails to submit proof of successful completion of the ordered education or fails to submit monthly reports as set forth above, Respondent Salan's license (no. 52811-90) may, in the discretion of the Board or its designee, be SUSPENDED, without further notice or hearing, until Respondent Salan has submitted proof of satisfactory completion of the ordered education and complied with submission of monthly reports.

10. This Order is effective on the date of its signing.

WISCONSIN REAL ESTATE EXAMINING BOARD

by:


A Member of the Board

6-27-13
Date