

## 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](mailto:DSPS@wisconsin.gov)

STATE OF WISCONSIN  
BEFORE THE REAL ESTATE EXAMINING BOARD

---

IN THE MATTER OF DISCIPLINARY :  
PROCEEDINGS AGAINST :  
 : FINAL DECISION AND ORDER  
NANCI A. CAFLISCH AND :  
CAFLISCH REAL ESTATE LLC, :  
RESPONDENTS. : **ORDER 0007641**

---

Division of Legal Services and Compliance Case No. 19 REB 001

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

Nanci A. Caflisch  
Baraboo, WI 53913

Caflisch Real Estate LLC  
Baraboo, WI 53913

Wisconsin Real Estate Examining Board  
P.O. Box 8366  
Madison, WI 53708-8366

Division of Legal Services and Compliance  
Department of Safety and Professional Services  
P.O. Box 7190  
Madison, WI 53707-7190

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 Nanci A. Caflisch (Birth Year 1963) is licensed by the State of Wisconsin as a real estate broker, having license number 56544-90, first issued on January 31, 2012 and current through December 14, 2022. Respondent's most recent address on file with the Wisconsin Department of Safety and Professional Services (Department) is in Baraboo, Wisconsin 53913.

2. Respondent Caflisch Real Estate LLC is licensed by the State of Wisconsin as a real estate business entity, having license number 937851-91, first issued on February 9, 2016 and current through December 14, 2022. Respondent's most recent address on file with the Department is in Baraboo, Wisconsin 53913.

3. Respondent Nanci A. Caflisch is identified in Department records as the responsible licensee in charge of Respondent Caflisch Real Estate LLC.

4. On January 14, 2019, a Department auditor reported that he discovered several violations during an audit of Respondent Caflisch Real Estate LLC. The Division of Legal Services and Compliance (DLSC) subsequently opened Case Number 19 REB 001 for investigation.

5. On September 10, 2018, a Department auditor sent Respondent Caflisch Real Estate LLC a pre-audit questionnaire (PAQ).

6. On December 19, 2018, a Department auditor conducted an audit of Respondent Caflisch Real Estate LLC's trust account.

7. The audit discovered the following specific errors:

- a. Respondents failed to identify the number of trust account deposits on the PAQ, which the auditor determined to be over 135 earnest money deposits in 12 months.
- b. The trust account bank statement indicated check #239 cleared on October 9, 2018, but no such check number was recorded in the paper journal or the electronic journal.
- c. Respondents incorrectly indicated no deposits in the trust account were over six-months old.
- d. On September 25, 2018, the paper journal indicated a \$1,000 disbursement occurred, but the running balance decreased by \$2,000.
- e. Under Ledger #592, the auditor discovered a \$1,000 commission deposit was left in the account 10 months after the applicable transaction closed, which constitutes commingling of funds.
- f. The auditor discovered two \$100 deposits were deposited in September 2017 for a transaction expected to close in January 2018, but these deposits were not removed.
- g. Under Ledger #697, \$10,000 was deposited on October 15, 2018. The account statement indicated \$4,753 was disbursed on October 23, 2018. The paper ledger showed no disbursement, the paper journal showed disbursement on October 22, 2018, and the electronic journal showed disbursement on November 1, 2018. Respondents failed to disburse the remaining \$5,247 commission within 24 hours of closing, which occurred October 22, 2018. These funds were in the trust account when the auditor began his audit.
- h. Under Ledger #685, a deposit was listed in the electronic journal, but not the paper journal. Under Ledger #694, the paper ledger recorded a

disbursement occurred on November 2, 2018, but the disbursement is not recorded in the paper journal. Under Ledger #709, the disbursement was listed in the paper journal, but not the electronic journal.

- i. Under Ledger #688, the transaction closed October 18, 2018, but disbursement did not occur until December 7, 2018.
- j. Under Ledger #703, the paper journal indicated a \$1,500 disbursement on November 30, 2018, but the electronic journal indicated a \$2,000 disbursement.
- k. The electronic journal did not fulfill the requirements of Wis. Admin. Code § REEB 18.13, and did not provide a “system of reference” to correspond to the appropriate ledger.
- l. Respondents were unable to provide an accurate list of all open transactions upon request.
- m. Respondents did not compare the journal balance, reconciled bank balance, and trial balance on the required monthly basis. Respondent Cafilisch was not aware of the trial balance and validation requirements.
- n. The account reconciliations were not occurring in a timely manner, as the reconciliation reports for July through October 2018 were dated December 4 or 5, 2018. December 4, 2018 was the date the auditor emailed Respondents to schedule the audit.

8. 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. § 452.14(3)(i) by demonstrating incompetency to act as a broker in a manner which safeguards the interests of the public pursuant to Wis. Admin. Code § REEB 18.14.

3. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.09(3)(a) by failing to withdraw commissions or fees earned by the firm from real estate trust accounts maintained by the firm within 24 hours after transactions are consummated or terminated, or after the commissions or fees are earned in accordance with the contract involved.

4. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.13(1) by failing to properly maintain a record, called a journal showing the chronological sequence in which real estate trust funds are received and disbursed.

5. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.13(2) by failing to properly maintain a record including the receipts and the disbursements as they affect each particular transaction, including transactions between buyer and seller, landlord and tenant, etc.

6. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.13(3) by failing to properly reconcile the real estate trust account or accounts in writing each month.

7. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.13(4) by failing to prepare or have prepared a written listing of all open items in the real estate trust account.

8. By the conduct described in the Findings of Fact, Respondents violated Wis. Admin. Code § REEB 18.13(5) by failing to review the reconciled account statement balance, the open ledger account listing, and the journal running balance to ensure that all of these records are valid and in agreement as of the date the account statement has been reconciled.

9. As a result of the above violations, Respondents are subject to discipline pursuant to Wis. Stat. § 452.14(3)(i), (L), and (4m)(a).

#### ORDER

1. The attached Stipulation is accepted.
2. Respondent Nanci A. Caflisch is REPRIMANDED.
3. Respondent Caflisch Real Estate LLC is REPRIMANDED.
4. Respondent Nanci A. Caflisch's real estate broker license (no. 56544-90) is LIMITED as follows:
  - a. Within sixty (60) days of the date of this Order, Respondent shall successfully complete one (1) course on the topic of trust accounts from a provider pre-approved by the Board's monitoring liaison, including taking and passing any exam(s) offered for the course.
  - b. Respondent shall submit proof of successful completion of the ordered education in the form of verification from the institution providing the education to the Department Monitor at the address stated below.
  - c. The education completed pursuant to this Order may not be used to satisfy any other continuing education requirements with the Board.

5. Further, the real estate broker's license (no. 56544-90) of Respondent Nanci A. Caflisch and the real estate business entity license (no. 937851-91) of Respondent Caflisch Real Estate LLC are LIMITED for a period of two (2) years as follows:

- a. Respondents shall retain a certified public accountant (CPA).

- b. Beginning ninety (90) days from the date of this Order, Respondents shall submit quarterly reports prepared by a CPA detailing all of Respondents' trust accounts and bookkeeping maintained/performed by Respondents during the previous quarterly period. The reports shall be filed with the Department Monitor, at the address below, every ninety (90) days.
- c. The reports shall include a list of all real estate services provided by Respondents during the previous quarterly period including the name, address, and contact information for each service. The reports shall be notarized to certify their accuracy.
- d. From these reports the Board's monitoring liaison or its designee will randomly select one to three entries from each report and conduct an internal audit for compliance with Wisconsin Statutes and Regulations. The Board's monitoring liaison will not contact any of Respondents' current, past, or prospective customers as part of the audit process described herein. Respondents shall cooperate with any requests pursuant to the audit. If Respondents are found to be non-compliant, the Board may refer the violation to the Division of Legal Services and Compliance for further investigation and action. If DLSC opens an additional case based upon a non-compliant report, and determines that Respondents committed a violation the limitation on the licenses shall be continued for one (1) year from the date of the non-compliant report.

6. Within ninety (90) days from the date of this Order, Respondent Nanci A. Cafilisch shall pay a FORFEITURE in the amount of \$250 and one-half of the COSTS of this matter in the amount of \$587.

7. Within ninety (90) days from the date of this Order, Respondent Cafilisch Real Estate LLC shall pay a FORFEITURE in the amount of \$250 and one-half of the COSTS of this matter in the amount of \$587.

8. All submissions, including requests for pre-approval, proof of successful course completion, and payment of forfeitures and costs (made payable to the Wisconsin Department of Safety and Professional Services) shall be sent by Respondents to the Department Monitor at the address below:

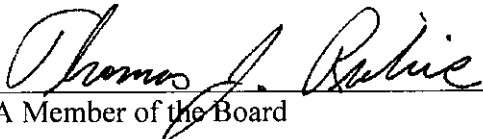
Department Monitor  
Division of Legal Services and Compliance  
Department of Safety and Professional Services  
P.O. Box 7190, Madison, WI 53707-7190  
Telephone (608) 266-2112; Fax (608) 266-2264  
[DSPSMonitoring@wisconsin.gov](mailto:DSPSMonitoring@wisconsin.gov)

You may also submit this information online via DSPS' Monitoring Case Management System at: <https://dpsmonitoring.wi.gov/>

9. In the event Respondents violate any term of this Order, Respondents' credentials (numbers 56544-90 and 937851-91), or Respondents' right to renew their credentials, may, in the discretion of the Board or its designee, be SUSPENDED, without further notice or hearing, until Respondents have complied with the terms of the Order. The Board may, in addition and/or in the alternative, refer any violation of this Order to the Division of Legal Services and Compliance for further investigation and action.

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

WISCONSIN REAL ESTATE EXAMINING BOARD

by:  \_\_\_\_\_  
A Member of the Board

21 October 2021 \_\_\_\_\_  
Date

STATE OF WISCONSIN  
BEFORE THE REAL ESTATE EXAMINING BOARD

IN THE MATTER OF DISCIPLINARY  
PROCEEDINGS AGAINST

NANCI A. CAFLISCH AND  
CAFLISCH REAL ESTATE LLC,  
RESPONDENTS.

:  
:  
:  
:  
:  
:

STIPULATION

**ORDER 0007641**

Division of Legal Services and Compliance Case No. 19 REB 001

Respondents Nanci A. Caflisch and Caflisch Real Estate LLC and the Division of Legal Services and Compliance, Department of Safety and Professional Services stipulate as follows:

1. This Stipulation is entered into as a result of a pending investigation by the Division of Legal Services and Compliance. Respondents consent to the resolution of this investigation by Stipulation.

2. Respondents understand that by signing this Stipulation, Respondents voluntarily and knowingly waive the following rights:

- the right to a hearing on the allegations against Respondents, at which time the State has the burden of proving those allegations by a preponderance of the evidence;
- the right to confront and cross-examine the witnesses against Respondents;
- the right to call witnesses on Respondents' behalf and to compel their attendance by subpoena;
- the right to testify on Respondents' own behalf;
- the right to file objections to any proposed decision and to present briefs or oral arguments to the officials who are to render the final decision;
- the right to petition for rehearing; and
- all other applicable rights afforded to Respondents under the United States Constitution, the Wisconsin Constitution, the Wisconsin Statutes, the Wisconsin Administrative Code, and other provisions of state or federal law.

3. Respondents are aware of Respondents' right to seek legal representation and have been provided an opportunity to obtain legal counsel before signing this Stipulation.

4. Respondents agree to the adoption of the attached Final Decision and Order by the Wisconsin Real Estate Examining Board (Board). The parties to the Stipulation consent to the entry of the attached Final Decision and Order without further notice, pleading, appearance or consent of the parties. Respondents waive all rights to any appeal of the Board's order, if adopted in the form as attached.

5. If the terms of this Stipulation are not acceptable to the Board, the parties shall not be bound by the contents of this Stipulation, and the matter shall then be returned to the Division




of Legal Services and Compliance for further proceedings. In the event that the Stipulation is not accepted by the Board, the parties agree not to contend that the Board has been prejudiced or biased in any manner by the consideration of this attempted resolution.

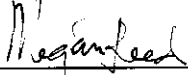
6. The parties to this Stipulation agree that the attorney or other agent for the Division of Legal Services and Compliance and any member of the Board ever assigned as an advisor in this investigation may appear before the Board in open or closed session, without the presence of Respondents, for purposes of speaking in support of this agreement and answering questions that any member of the Board may have in connection with deliberations on the Stipulation. Additionally, any such advisor may vote on whether the Board should accept this Stipulation and issue the attached Final Decision and Order.

7. Respondents are informed that should the Board adopt this Stipulation, the Board's Final Decision and Order is a public record and will be published in accordance with standard Department procedure.

8. The Division of Legal Services and Compliance joins Respondents in recommending the Board adopt this Stipulation and issue the attached Final Decision and Order.

  
\_\_\_\_\_  
Nanci A. Caflisch, Respondent  
Baraboo, WI 53913  
Credential No. 56544-90  
08/11/2021  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Caflisch Real Estate LLC, Respondent  
By: Nanci A. Caflisch, Responsible Licensee  
Baraboo, WI 53913  
Credential No. 937851-91  
08/11/2021  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Megan Reed, Attorney  
Division of Legal Services and Compliance  
P.O. Box 7190  
Madison, WI 53707-7190  
08/12/2021  
\_\_\_\_\_  
Date