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FILED

OCT 18 2018

DEPARTMENT OF REAL ESTATE

By L. Knapp

9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 In the Matter of the Accusation of)

12 RHONDA ELAINE DRAKEFORD,)

13 Respondent.)

No. H-12322 SF

ACCUSATION

14 The Complainant, ROBIN S. TANNER, a Supervising Special Investigator of the
15 State of California, for cause of Accusation against RHONDA ELAINE DRAKEFORD
16 (Respondent), is informed and alleges as follows:

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18 The Complainant, ROBIN S. TANNER, a Supervising Special Investigator of the
19 State of California, makes this Accusation in her official capacity.

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21 Respondent is presently licensed and/or has license rights under the Real Estate
22 Law, Part 1 of Division 4 of the Business and Professions Code (Code).

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24 At all times mentioned, Respondent was and is licensed by the Department as a
25 real estate broker.

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At all times mentioned, Respondent engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the State of California within the meaning of Sections 10131(b) of the Code, including the operation and conduct of a property management business with the public wherein, on behalf of others, for compensation or in expectation of compensation, Respondent leased or rented and offered to lease or rent, and solicited for prospective tenants of real property or improvements thereon, and collected rents from real property or improvements thereon.

FIRST CAUSE OF ACTION

On or about February 15, 2018, through June 8, 2018, an audit was conducted of the records of Respondent. The auditor herein examined the records for the period of January 1, 2017, through December 31, 2017.

While acting as a real estate broker as described in Paragraph 4, Respondent accepted or received funds in trust (trust funds) from or on behalf of owners and tenants in connection with the leasing, renting, and collection of rents on real property or improvements thereon, as alleged herein, and thereafter from time-to-time made disbursements of said trust funds.

The trust funds accepted or received by Respondent as described in Paragraph 6 were deposited or caused to be deposited by Respondent into trust accounts which were maintained by Respondent for the handling of trust funds, and thereafter from time-to-time Respondent made disbursements of said trust funds, identified as follows:

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ACCOUNT # 1	
Bank Name and Location:	Bank of America P.O. Box 25118 Tampa, FL 33622
Account No.:	XXXX-XXXX-0956
Entitled:	B and B Management Service, LLC

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In the course of the activities described in Paragraph 4, Respondent:

- a) failed to deposit trust funds into one or more trust funds accounts in the name of Respondent as trustee at a bank or other financial institution, in conformance with Section 10145 of the Code and Section 2832 of the Regulations;
- b) failed to maintain a written control record, for Account #1, of all trust funds received and disbursed, containing all information required by Section 2831 of the Regulations;
- c) failed to keep accurate separate records for each beneficiary or transaction, accounting therein for all funds which were deposited into Account #1 containing all of the information required by Section 2831.1 of the Regulations;
- d) failed to reconcile the balance of separate beneficiary or transaction records with the control record of trust funds received and disbursed at least once a month, and/or failed to maintain a record of such reconciliations for Account #1 as required by Section 2831.2 of the Regulations;
- e) caused, permitted, and/or allowed, the possible withdrawal of trust funds from Account # 1 by a person, , Anthony Brown, who was not licensed to the broker and not covered by a fidelity bond in violation of Section 2834 of the Regulations; and
- f) conducted real estate activities using the fictitious business names "B and B Management Service" and "B & B Property Management", without first registering these

1 fictitious business names with the Department as required by Section 10159.5 of the Code and
2 Section 2731 of the Regulations.

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4 The acts and/or omissions of Respondent as alleged in the First Cause of Action
5 constitute grounds for the suspension or revocation of all licenses and license rights of
6 Respondent, pursuant to the following provisions of the Code and Regulations:

7 As to Paragraph 8(a), under Sections 10177(d) and/or 10177(g) of the Code in
8 conjunction with Section 10145 of the Code and Section 2832 of the Regulations;

9 As to Paragraph 8(b), under Sections 10177(d) and/or 10177(g) of the Code in
10 conjunction with Section 2831 of the Regulations;

11 As to Paragraph 8(c), under Sections 10177(d) and/or 10177(g) of the Code in
12 conjunction with Section 2831.1 of the Regulations;

13 As to Paragraph 8(d), under Sections 10177(d) and/or 10177(g) of the Code in
14 conjunction with Section 2831.2 of the Regulations;

15 As to Paragraph 8(e), under Sections 10177(d) and/or 10177(g) of the Code in
16 conjunction with Section 2834 of the Regulations and Section 10145 of the Code; and

17 As to Paragraph 8(f), under Sections 10177(d) and/or 10177(g) of the Code in
18 conjunction with Section 2731 of the Regulations and Section 10159.5 of the Code.

19 SECOND CAUSE OF ACTION

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21 Each and every allegation in Paragraphs 1 through 9, inclusive, above, are
22 incorporated by this reference as if fully set forth herein.

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24 At all times relevant herein, Respondent was required to exercise reasonable
25 supervision and control over the activities of Respondent's employees, agents, and others acting
26 on Respondent's behalf pursuant to Section 2725 of the Regulations.

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Respondent failed to exercise reasonable supervision over the acts and/or omissions of Respondent's employees, agents and others acting on Respondent's behalf in such a manner as to allow the acts and/or omissions as described in Paragraph 8, above, to occur, which constitutes cause for the suspension or revocation of the licenses and license rights of Respondent pursuant to Sections 10177(d), 10177(g), and/or 10177(h) of the Code, in conjunction with Section 2725 of the Regulations.

COST RECOVERY

The acts and/or omissions of Respondent as alleged above, entitle the Department to reimbursement of the costs of its audit pursuant to Section 10148(b) (audit costs for trust fund handling violation) of the Code.

Section 10106 of the Code provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department, the Commissioner may request the Administrative Law Judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and license rights of Respondent under the Code, for the cost of investigation and enforcement as permitted by law, for the cost of the audit, and for such other and further relief as may be proper under other provisions of law.



ROBIN S. TANNER
Supervising Special Investigator

Dated at Oakland, California,
this 16th day of October, 2018

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2 DISCOVERY DEMAND

3 Pursuant to Sections 11507.6, *et seq.* of the *Government Code*, the Department of Real Estate
4 hereby makes demand for discovery pursuant to the guidelines set forth in the *Administrative*
5 *Procedure Act*. Failure to provide Discovery to the Department of Real Estate may result in the
6 exclusion of witnesses and documents at the hearing or other sanctions that the Office of
7 Administrative Hearings deems appropriate.
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