

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

FILED

JUN - 8 2012

4 Telephone: (916) 227-0789

DEPARTMENT OF REAL ESTATE

5
6 By K. Conner

7
8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Continuing Education)
12 Course Offerings of:) NO. H-5794 SAC
13)
14 QUEST EDUCATIONAL SERVICES,) STIPULATION AND AGREEMENT
15) IN SETTLEMENT AND ORDER
16)
17 Sponsor.)

18 It is hereby stipulated by and between QUEST EDUCATIONAL SERVICES
19 (herein "the Sponsor") through Bernard Leon Farmer, and its attorney, Timothy D. Ferris; and
20 the Complainant, acting by and through Mary F. Clarke, Counsel for the Department of Real
21 Estate (herein "the Department"), as follows for the purpose of settling and disposing of the
22 NOTICE OF WITHDRAWAL OF THE CONTINUING EDUCATION COURSE OFFERING
23 APPROVALS (herein "Notice of Withdrawal") filed on March 16, 2012, in this matter:

24 1. Sponsor has filed its timely response to the Department's Notice of
25 Withdrawal in which it has denied the Department's allegations of fact. All issues which were
26 to be contested and all evidence which was to be presented by Complainant and the Sponsor at
27 a formal hearing on the Notice of Withdrawal which hearing was to be held in accordance with
the provisions of the Administrative Procedure Act (herein "APA"), shall instead and in place
thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement in
Settlement and Order.

1 2. The Sponsor has received the Notice of Withdrawal filed by the Department
2 and understands the Sponsor's hearing rights under the provisions of the APA in this proceeding.

3 3. The Sponsor hereby freely and voluntarily waives its right to a hearing on the
4 allegations in the Notice of Withdrawal and in so doing hereby waives its right to require the
5 Real Estate Commissioner (herein "Commissioner") to prove in accordance with the provisions
6 of the APA the allegations in the Notice of Withdrawal. The Sponsor will waive other rights
7 afforded to the Sponsor in connection with the hearing such as the right to present evidence
8 in defense of the allegations in the Notice of Withdrawal and the right to cross-examine
9 witnesses.

10 4. This Stipulation is based on the factual allegations contained in the Notice of
11 Withdrawal. In the interests of expedience and economy only, Sponsor has elected to waive its
12 rights to contest such allegations, without the same being admitted, and has agreed to submit to
13 the imposition of disciplinary action as stipulated below. The Commissioner shall not be
14 required to provide further evidence to prove such factual allegations.

15 5. It is understood by the parties that the Commissioner may adopt the
16 Stipulation and Agreement in Settlement and Order as his/her Decision in this matter thereby
17 imposing the penalty and sanctions on the Sponsor as set forth in the below "Order". In the event
18 that the Commissioner in his/her discretion elects not to ratify this Stipulation and Agreement in
19 Settlement and Order the same shall be void for all purposes with the parties retaining all of their
20 rights under the APA.

21 6. The Order or any subsequent Order of the Commissioner made pursuant to
22 this Stipulation and Agreement in Settlement and Order shall not constitute an estoppel, merger,
23 or bar to any further administrative or civil proceedings by the Department with respect to any
24 matters which were not specifically alleged to be causes for accusation in this proceeding.

25 DETERMINATION OF ISSUES

26 The conduct described in the Notice of Withdrawal, without being admitted,
27 constitutes cause for the withdrawal of the Sponsor's Continuing Education course offerings as

1 described in the Notice of Withdrawal under the provisions of Sections 3007.3(n) and 3010(a) of
2 Title 10, Chapter 6, California Code of Regulations.

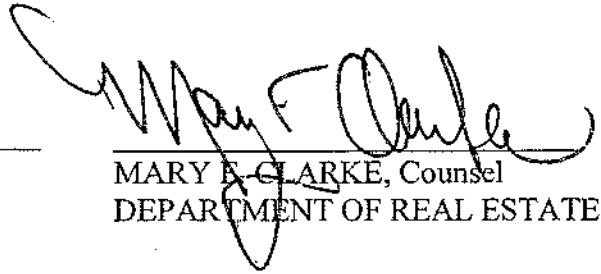
3 ORDER

4 1. The approval by the Commissioner of the Sponsor's Continuing Education
5 Course offerings as described in the Notice of Withdrawal is hereby withdrawn and Sponsor
6 agrees to withdraw all Continuing Education Course offerings.

7 2. Neither Sponsor nor Bernard Leon Farmer nor any dba of Bernard Leon
8 Farmer nor any company owned by Bernard Leon Farmer nor any corporation owned or
9 controlled by Bernard Leon Farmer shall be eligible to make application for approval by the
10 Commissioner of any Continuing Education Course offerings until three (3) years have elapsed
11 from the effective date of this Order.

12 4-30-12

13 DATED

14 
15 MARY E. CLARKE, Counsel
16 DEPARTMENT OF REAL ESTATE

17 * * *

18 I have read the Stipulation and Agreement in Settlement and Order, have
19 discussed it with my counsel, and its terms are understood by me and are agreeable and
20 acceptable to me. I understand that I am waiving rights given to me by the California APA
21 (including but not limited to Sections 11506, 11508, 11509, and 11513 of the Government Code),
22 and I willingly, intelligently, and voluntarily waive those rights, including the right of requiring
23 the Commissioner to prove the allegations in the Notice of Withdrawal at a hearing at which I
24 would have the right to cross-examine witnesses against me and to present evidence in defense
25 and mitigation of the charges.

26 QUEST EDUCATIONAL SERVICES, Sponsor

27 4-26-2012

DATED

By: 

BERNARD LEON FARMER

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I have reviewed the Stipulation and Agreement in Settlement and Order as to form and content and have advised my client accordingly.

4-20-12
DATED


TIMOTHY D. FERRIS
Attorney for Sponsor

The foregoing Stipulation and Agreement in Settlement and Order is hereby adopted by me as my Decision and Order and shall become effective at 12 o'clock noon on June 28, 2012.

IT IS SO ORDERED June 1, 2012.

Real Estate Commissioner

By WAYNE S. BELL
Chief Counsel

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

FILED

MAR 20 2012

DEPARTMENT OF REAL ESTATE

By K. Contreras

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Continuing Education)
12 Course Offerings of:)
13 QUEST EDUCATIONAL SERVICES,)
14 Sponsor.)

NO. H-5794 SAC.

15 NOTICE OF WITHDRAWAL OF
16 CONTINUING EDUCATION COURSE OFFERING APPROVAL

17 TO: QUEST EDUCATIONAL SERVICES
18 Bernard Leon Farmer
19 P.O. Box 319
20 Chico, CA 95927

21 RE: COURSES / COURSE NUMBERS

- 22 1. "PROFESSIONAL SALESMANSHIP" 1072
(Approval Pending)
- 23 2. "RISK MANAGEMENT" 1071
- 24 3. "TIME MANAGEMENT (... AND CREATIVE
25 DISARRAY)" (Approval Pending) 1070
- 26 4. "8-HOUR SURVEY COURSE" 1069
- 27 5. "AGENCY - A PRACTICAL ESSAY" 1068

1 RE: COURSES / COURSE NUMBERS (Continued)

- 2 6. "ETHICS – A PRACTICAL DISCUSSION" 1067
3 7. "HOW TO WRITE A LEGALLY BINDING
4 AGREEMENT" 1066
5 8. "FAIR HOUSING – A PRACTICAL DISCUSSION" 1065
6 9. "TRUST FUND HANDLING" 1064
7 10. "PROFESSIONAL SALESMANSHIP" (expired 2/21/12) 1063
8 11. "RISK MANAGEMENT" (expired 11/3/11) 1062

9 NOTICE IS HEREBY GIVEN pursuant to the provisions of Sections 3006
10 through 3010 of Title 10, Chapter 6, California Code of Regulations (herein "the Regulations")
11 that the Real Estate Commissioner (herein "the Commissioner") has caused an investigation to
12 be made into the presentation of the continuing education course offerings identified in
13 Paragraph 2, below. Said course offerings are sponsored by QUEST EDUCATIONAL
14 SERVICES (herein "QUEST") and were previously approved by the Department of Real Estate
15 of the State of California (herein "the Department") and on the basis of said investigation, the
16 Commissioner has determined that said courses no longer meet the statutory and regulatory
17 standards for approval for continuing education course offerings, and that approval of said
18 courses should be and hereby are withdrawn for the reasons set forth below:

19 1. QUEST is the sponsor, DRE Sponsor #2643, of the continuing education
20 course offerings identified in Paragraph 2, below. QUEST is owned and/or controlled by
21 Bernard Leon Farmer (herein "Farmer").

22 2. The Department issued to QUEST, approval for the following continuing
23 education course offerings pursuant to Section 10170.4 of the California Business and
24 Professions Code (herein "the Code") and Sections 3006 through 3009 of the Regulations:

<u>Course No.</u> <u>Issued by DRE</u>	<u>Approval</u> <u>Date</u>	<u>Course Title</u>
1072	Pending	"PROFESSIONAL SALESMANSHIP"
1071	12/28/11	"RISK MANAGEMENT"

	<u>Course No.</u> <u>Issued by DRE</u>	<u>Approval</u> <u>Date</u>	<u>Course Title</u>	(Continued)
1				
2				
3	1070	Pending	"TIME MANAGEMENT (... AND CREATIVE DISARRAY)"	
4	1069	9/6/11	"8-HOUR SURVEY COURSE"	
5	1068	6/25/11	"AGENCY – A PRACTICAL ESSAY"	
6	1067	2/20/11	"ETHICS – A PRACTICAL DISCUSSION	
7				
8	1066	11/16/10	"HOW TO WRITE A LEGALLY BINDING AGREEMENT"	
9	1065	9/17/10	"FAIR HOUSING – A PRACTICAL DISCUSSION"	
10				
11	1064	8/15/10	"TRUST FUND HANDLING"	
12	1063	2/22/10	"PROFESSIONAL SALESMANSHIP" (expired 2/21/12)	
13				
14	1062	11/4/09	"RISK MANAGEMENT" (expired 11/3/11)	

15 These courses were applied for and approved to be taught as correspondence courses.

16 3. Approval of said courses was predicated upon the sponsor's compliance with
17 Sections 3006 through 3013 of the Regulations and Sections 10170 through 10170.6 of the
18 Code, including criteria set forth by the Regulations, as shown below in pertinent part, and other
19 assurances which QUEST and Farmer represented and assured the Department would be
20 complied with:

21 3007.3. Final Examination Rules. "A final examination is required for all continuing
22 education courses. Sponsors shall establish the following final examination rules for
23 approved offerings that are to be observed by all offering participants:

24 (a) The final examination shall provide the means by which a sponsor
25 determines whether a participant has successfully completed the
26 offering. The sponsor shall take steps to protect the integrity of the
27 examination by controlling access to the exam by the participant and
to prevent cheating in an examination.

1 (h) Final examination for a correspondence course may be administered
2 by a proctor designated by the Sponsor who is not related by blood,
3 marriage, domestic partnership, or any other relationship, i.e., future
4 employing broker, to the participant taking the examination which
5 might reasonably influence them from properly administering the
6 exam. The proctor must certify in writing that they have complied with
7 all examination rules during the administration of the examination.

8 ...
9 (m) Participants shall not take possession of the final examination
10 outside of the controlled environment under which the examination
11 is administered.

12 (n) A violation of a final examination rule by the sponsor or the
13 sponsor's representative administering the examination shall
14 constitute grounds for denial or withdrawal of approval of the
15 offering.

16 (o) To pass the examination, participant must achieve a percentage score
17 of 70 percent or more.

18 The sponsor shall take steps to protect the integrity of the examination and to
19 prevent cheating on an examination.

20 4. On about September 7, 2011, CPS HR Consulting (herein "CPS") employee,
21 Kelly M. (herein "Kelly") called QUEST to register for the following 3-hour courses:

- 22 a) Risk Management;
- 23 b) Trust Fund Handling – A Practical Discussion;
- 24 c) Fair Housing – A Practical Discussion;
- 25 d) Ethics – A Practical Discussion; and,
- 26 e) Agency – A Practical Discussion.

27 5. On about September 8, 2011, QUEST mailed a continuing education course
package to Kelly containing said course materials. QUEST also included in the package a
partially sealed envelope entitled, FINAL EXAMS ENCLOSED – to be opened by the Test
Administrator, said envelope contained:

- a) a final exam for each of the five (5) courses;
- b) test administrator instructions; and,
- c) a test administrator certification form.

1 6. On about September 13, 2011, Kelly mailed all five (5) final examinations
2 back to QUEST, purposely failing the “Trust Fund Handling” course; and purposely failing to
3 return the test administrator certification form.

4 7. On about September 21, 2011, QUEST mailed Kelly a Continuing Education
5 Completion Certificate for all five (5) of the courses described in Paragraph 4, above. Farmer
6 verified that Kelly “has successfully completed the above correspondence home/study courses
7 and passed the final exams with a score of 70% or better,” despite the fact that Kelly purposely
8 failed the “Trust Fund Handling” course and purposely failed to return the test administrator
9 certification form.

10 8. QUEST, as described in Paragraphs 4 through 7, above, in connection with
11 the continuing education courses described in Paragraph 2, above, failed to take steps to protect
12 the integrity of and to prevent cheating on the final examinations, in violation of Section
13 10170.4(d) and (e) and Section 3007.3(a) of the Regulations.

14 9. The conduct described in Paragraphs 4 through 8, above, constitutes failure
15 by QUEST to perform in accordance with its representations and assurances that it would
16 comply with the conditions of approval of the continuing education courses identified in
17 Paragraph 2, above, in violation of Section 10170.4(d) and (e) of the Code and Section
18 3007.3(a), (h), (m), (n), and (o) of the Regulations, and are grounds for the withdrawal of
19 approval of the continuing education course offerings identified in Paragraph 2, above, under
20 the provisions of Sections 3007.3(n) and 3010(a) of the Regulations.

21 10. Based on the foregoing, the Commissioner has determined that the courses
22 identified in Paragraph 2, above, no longer meet the prescribed statutory and regulatory
23 standards for approval, and therefore, approval of said courses should be and hereby are
24 withdrawn, pursuant to the provision of Sections 3007.3(n) and 3010(a) of the Regulations.

25 11. The withdrawal of approval of all of the course offerings identified in
26 Paragraph 2, above, shall be automatically effective at 12 o’clock noon on the 30th day after
27 receipt of this notice by sponsor unless the sponsor causes a request for hearing to be delivered

1 to the Department of Real Estate at P.O. Box 187007, Sacramento, California 95818-7007
2 before 12 o'clock noon of the effective date of this withdrawal of approval of the course
3 offerings pursuant to Section 3010(a) of the Regulations.
4

5 Dated: 3/16/12

6
7 BARBARA BIGBY
Acting Real Estate Commissioner

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17 cc: QUEST EDUCATIONAL SERVICES
18 Bernard Leon Farmer
19 P.O. Box 319
20 Chico, CA 95927
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27 Atty MFC/kc