

**ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
ILLINOIS DIVISION OF PROFESSIONAL REGULATION**

**AUCTION ADVISORY BOARD**

Meeting Date: February 26, 2008  
 Meeting Convened: 11:00 a.m.  
 Meeting Adjourned: 12:41 p.m.  
 Meeting Location: IDFPR Springfield Office  
 500 East Monroe Street  
 Conference Room, Ninth Floor

Board Members Present: Ray Doerr, Auction Member  
 Rick Levin, Auction Member  
 Alva McDowell, Auction Member

Board Members via teleconference: Terry Dunning, Auction Member  
 Judie McConville, Real Estate Member

Division Staff Present: Ron Hardgrove, Chairperson, Real Estate Coordinator  
 Young Brockhouse, Division of Professional Regulation, Licensing and Education Manager  
 Susan Sigourney, Auction Board Liaison, Administrative Assistant

Division Staff Present Via teleconference: John Botner, Chief of Prosecutions  
 Mike Garvin, Senior Counsel, Inter Division Prosecutions

| TOPIC                        | DISCUSSION   | ACTION   |
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| <b>Approval of Minutes:</b>  | The Board reviewed the minutes from the December 18, 2007 Auction Advisory Board meeting.  | A motion was made by Doerr/seconded by McDowell to approve the Auction Advisory Board minutes from the December 18, 2007 meeting. The motion passed. |
| <b>Report – Chairperson:</b> | Ron Hardgrove introduced John Botner to the Board. He is the new Chief of Prosecutions. He was present via conference call.<br>Young Brockhouse informed the Board on January 24, 2008, the Division switched computer systems from CLEAR to ILES. The two systems are very similar with few minor changes. ILES is used by all of the Division of Professional Regulation. At this time, the sponsors are not listed on the system as they were on CLEAR and completed CE is also not listed. We have requested these items be added to ILES. |  |

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| <p><b>Auction License Report:</b></p>   | <p>Auction License Reports for December 2007 and January 2008 had been distributed to the Board. The January report indicated there were 1,178 active Illinois licensed auctioneers/associate auctioneers. The total number of active auction licenses at the end of January, 2008 was 1,403. This figure includes auctioneers, associate auctioneers, auction firms, auction continuing education (CE) schools, CE courses, and Internet Auction Listing Services. In January there were nine new licensees. The examination pass rate for December was 100%.</p>  |  |
| <p><b>Report from Prosecutions:</b></p> | <p>Mike Garvin noted that since the Division has converted databases from CLEAR to ILES, we will no longer have I case numbers or E case numbers. There will only be one case number assigned to each case, no matter if the case is in Prosecution Review or in the Formal Process. Also, because of this conversion, there was some down time in January and February 2008 with regard to the entry of case activities.</p> <p>Mike Garvin explained the Prosecution Report as of February 26, 2008:</p> <ul style="list-style-type: none"> <li>• 34 Total Auction cases pending in Legal: <ul style="list-style-type: none"> <li>15 Formal Legal cases</li> <li>19 in Prosecution Review</li> </ul> </li> <li>• 19 Total cases pending in Investigations (all cases have either 2006 or 2007 case numbers)</li> <li>• 511 Total cases pending in Legal in the Bureau of Real Estate Professions (Auction, Real Estate, Home Inspection, Appraisal, Timeshare, Land Sales).</li> </ul> <p>Mike stated a clear majority of the Auction cases in both Legal and Investigations contain allegations of either unlicensed practice or failure to account.</p> <p>Mike also explained the activity in Legal cases in Auction since the last Board meeting:</p> <ul style="list-style-type: none"> <li>• 2 Orders</li> <li>• 0 Memos to Close</li> <li>• 9 Cases Referred to Legal</li> </ul> <p>Mike added in his report that with the addition of two new attorneys in the Bureau, it is anticipated that cases that are appropriate for Informal Conference will be scheduled more frequently, both in Springfield and Chicago. Staff will</p> |  |

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|   | contact Board members to schedule dates via email or phone.   |   |
| <b>Motion to go into Closed Session</b> |   | A motion was made by Doerr/seconded by McDowell to go into Closed Session at 11:20 a.m. The motion passed.  |
| <b>Deliberations</b>                    | <p>E2006-40 AU Ronald Ciaglia<br/> E2006-41 AU All American Auction &amp; Appraisal<br/> E2007-20 AU Eric Bruner<br/> E2007- 80035 Garford Ray Randolph</p> <p>Continuing Education Courses:</p> <p>Evans Education Center:<br/> <u>Ethics and Standards of Practice for Auctioneers</u><br/> 6 hours, mandatory, classroom</p> <p>Novalis, Inc.:<br/> <u>Ethics and Professional Conduct for Auctioneers</u><br/> 3 hours, mandatory, home study and classroom</p> <p>Nashville Auction School:<br/> <u>Internet Auctions</u><br/> 3 hours, elective, classroom<br/> <u>Contracts and Uniform Commercial Code</u><br/> 3 hours, mandatory, classroom</p> |   |
| <b>Motion to go into Open Session</b>   |   | A motion was made by McDowell /seconded by Levin to go into Open Session at 12:30 p.m. The motion passed.   |
| <b>Recommendations</b>                  | <p>E2006-40AU Ronald Ciaglia<br/> E2006-41AU All American Auctions and Appraisal</p>  | A motion was made by McDowell/ seconded by Doerr to fine Ronald Ciaglia and All American Auctions and Appraisal \$6000 with probation for two years, during which Mr. Ciaglia will submit quarterly reports to Enforcement and Mr. Ciaglia is required to complete 12 hours of continuing education courses in the areas of Ethics, the Auction License Act and Rule, and Contracts. These CE courses will not fulfill Mr. Ciaglia's CE |

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|   | <p>E2007-20AU Eric Bruner<br/>E2007-80035 Garford Ray Randolph</p> <p>Continuing Education Courses:</p> <p>Note: Evans Education Center provided the corrections the Board requested on February 28, 2008. This course has been approved.</p> <p>Novalis, Inc.:<br/><u>Ethics and Professional Conduct for Auctioneers</u><br/>3 hours, mandatory, home study and classroom</p> <p>Nashville Auction School:<br/><u>Internet Auctions</u><br/>3 hours, elective, classroom<br/><u>Contracts and Uniform Commercial Code</u><br/>3 hours, mandatory, classroom</p> <p>These three CE courses were not received in enough time prior to the date of the meeting for the Board to review.</p> | <p>requirements for renewal. The motion passed.</p> <p>A motion was made by McDowell /seconded by Doerr to ratify the recommendations made in closed session for Eric Bruner and Garford Ray Randolph. The motion passed.</p> <p>A motion was made by Doerr/ seconded by Levin to approve the CE course submitted by Evans Education Center titled <u>Ethics and Standards of Practice for Auctioneers</u> subject to a couple of corrections. The motion passed.</p> <p>A motion was made by Doerr/ seconded by Levin to table the other three CE courses submitted for approval; one submitted by Novalis, Inc. titled <u>Ethics and Professional Conduct for Auctioneers</u>, and the two courses submitted by Nashville Auction School, <u>Internet Auctions</u> and <u>Contracts and Uniform Commercial Code</u>. The motion passed.</p> |
| <p><b>Old Business:</b></p> <p><b>Auction License Act amendments – Rule changes</b></p> | <p>A draft of the Administrative Rule changes was distributed to the Board. The Auction License Act amendments will become effective June 1, 2008. The Board discussed changes to the Rule. This draft has not yet been submitted to JCAR.</p>   | <p>Mr. Brockhouse asked the Board to review this draft of the Rule and email their comments to Susan Sigourney.</p>   |

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| <p><b>New Business:</b></p> <p><b>CE Courses</b></p> <p><b>Auction Advisory Board Contact Information changes</b></p> | <p>The CE courses submitted by licensed schools were discussed in closed session.</p> <p>There were no changes in the Board member contact information which is kept by the Director's assistant, Jill Kreoger.</p> |  |
| <p><b>Adjournment</b></p>   |   | <p>There being no further business to discuss, a motion was made by Levin/ seconded by McDowell to adjourn at 12:41 p.m.</p> |