

BEFORE THE IOWA REAL ESTATE COMMISSION OF THE STATE OF IOWA

IN THE MATTER OF William Jennings License No. B39814000 JRE Services LLC F05404000 RESPONDENT	CASE NO.: 24-278 COMBINED STATEMENT OF CHARGES, SETTLEMENT AGREEMENT, AND FINAL ORDER
--	--

The Iowa Real Estate Commission (“Commission”) and William Jennings (“Respondent”) enter into this combined Statement of Charges and Settlement Agreement and Final Order (“Order”) pursuant to Iowa Code sections 17A.10(2), 272C.3(4), 272C.10, and 193 Iowa Administrative Code rule 7.4.

A. BACKGROUND

1. **Iowa License.** Respondent was issued Iowa real estate broker license B39814000 on June 17, 2010. Respondent’s Iowa real estate broker license is active and will next expire on December 31, 2027. At all times relevant to this matter, the Respondent was the licensed real estate broker in charge of JRE Services, LLC, license number F05404000, a real estate firm located in Ames, Iowa.
2. **Practice Setting.** Respondent is an Iowa licensed real estate broker who practiced in Ames, Iowa, as the real estate broker in charge of real estate firm JRE Services, LLC, during the time period relevant to these allegations. As the broker in charge, the Respondent was responsible for ensuring compliance with all applicable rules and regulations governing his assigned real estate firm’s operations in the State of Iowa, including maintenance of all trust

accounts used by the firm.

3. **Jurisdiction.** The Commission has jurisdiction in this matter pursuant to Iowa Code chapters 17A, 543B, 272C and 193E Iowa Administrative Code rule 18.14.

4. **Allegations.** From December 16 through December 31, 2024, a Commission auditor completed an examination of Respondent's Iowa real estate trust accounts and transaction records. The auditor found that the Respondent and Respondent's staff were not completing reconciliations timely. Staff admitted to working on reconciliations when time permitted, such as (1) getting behind in May of 2023 then catching up in November of 2023, (2) getting behind in January of 2024 then catching up in May 2024, and (3) getting behind in June of 2024 then catching up in November of 2024. The auditor found that Respondent was not properly performing a written three-way tie to document and ensure agreement of the general ledger balance, individual ledgers, and reconciled bank balance. The auditor found that the trust account had repeated shortages between August 4, 2022, and November 7, 2024. Such shortages were often due to earnest money checks being deposited into the commission account instead of the trust account. Additionally, the auditor found that checks for the commission account were incorrectly deposited into the trust account.

B. STATEMENT OF CHARGES

COUNT I

5. Respondent is charged under Iowa Code sections 543B.29(1)"d", 543B.29(1)"k", 543B.34(1)"g", and 543B.46 and 193E Iowa Administrative Code rule 13.1(1)"e" for engaging in a practice harmful or detrimental to the public by utilizing the trust account as a business operating account.

COUNT II

6. Respondent is charged under Iowa Code sections 543B.29(1)“d”, 543B.29(1)“k”, 543B.34(1)“g”, and 543B.46 and 193E Iowa Administrative Code rules 13.1(6)“a”(3) and 18.14(5)“e” for engaging in a practice harmful or detrimental to the public by failing to provide a means for a monthly reconciliation of the Respondent’s trust account to ensure agreement of the general ledger balance, reconciled bank balance, and individual ledger accounts.

COUNT III

7. Respondent is charged under Iowa Code sections 543B.29(1)“d”, 543B.29(1)“k”, 543B.34(1)“g”, and 543B.46 and 193E Iowa Administrative Code rules 13.1(6)“b” and 18.14(5)“e”(2) for engaging in a practice harmful or detrimental to the public by failing to properly maintain individual ledger accounts.

C. SETTLEMENT AGREEMENT

8. Respondent acknowledges that the allegations in the Statement of Charges, if proven in a contested case hearing, would constitute grounds for the discipline agreed to in this Order.

9. To resolve this matter without proceeding to hearing, Respondent agrees to pay a civil penalty in the amount of five thousand dollars (\$5,000), complete additional continuing education relating to trust accounting practices, and engage a Certified Public Accountant to establish trust account records and verify current compliance with applicable trust accounting standards.

10. In entering this Order, Respondent acknowledges the following:

- a. This Order is subject to the approval of the Commission and will have no force or effect if it is not accepted by the Commission.
- b. Counsel for the State will present this Order to the Commission *ex parte*.

- c. I have the right to be represented by counsel in this matter.
 - d. I understand I have an opportunity to be heard and to contest the allegations against me in a formal hearing before the Commission and that, by waiving the formal hearing, I waive my right to challenge the allegations against me and all attendant rights, including the right to seek judicial review of the Commission's actions.
 - e. I waive my ability to review the investigative file in this case.
 - f. I understand this Order will be part of my permanent licensure file and may be considered by the Commission in determining the nature and severity of any disciplinary action to be imposed in the event of any future violations.
 - g. I am voluntarily entering into this Order.
 - h. Failure to comply with the provisions of this Order shall be grounds for further disciplinary action pursuant to Iowa Code § 272C.3(2)(a).
 - i. I understand I am responsible for all expenses incurred to comply with the conditions and requirements of this Order.
11. Respondent shall submit a copy of this Order to all licensing boards where Respondent holds a license, whether active or not, within **THIRTY days** of the date of the Commission approval of this Order.
12. This Order constitutes discipline against Respondent pursuant to and in accordance with 193E Iowa Administrative Code rule 18.14, is the final agency action in a contested case pursuant to Iowa Code section 17A.10. This case shall constitute one violation for purposes of Iowa Code section 543B.29(4).
13. This Order shall not preclude the Commission from taking additional action against

Respondent should Respondent violate laws, rules, or standards of practice administered by the Commission in the future.

14. This Order becomes a public record available for inspection and copying upon execution in accordance with the requirements of Iowa Code Chapters 17A, 22, and 272C.

15. The Commission's approval of this Order shall constitute a **Final Order** of the Commission.

D. FINAL ORDER

IT IS THEREFORE ORDERED:

A. CIVIL PENALTY: Respondent shall pay a civil penalty in the amount of five thousand dollars (\$5,000), due within eight (8) months of Commission approval of this Settlement Agreement. Respondent shall make his check payable to the "State of Iowa" and mail the check to:

Iowa Real Estate Commission
C/O Ashley Thompson, Executive Officer
6200 Park Avenue
Des Moines, IA 50321

B. EDUCATION: Respondent shall attend the Commission approved six (6) hour course "Iowa Real Estate Trust Accounts." These hours shall be in addition to any real estate continuing education required by law for license renewal or licensure as a real estate broker. The original certificate of attendance must be submitted to the Iowa Real Estate Commission no later than twelve (12) months after approval of this Settlement Agreement by the Commission.

C. CPA AUDIT: Respondent shall hire an Iowa licensed Certified Public Accountant (CPA) at the Respondent's expense to audit and to establish trust account records following Generally Accepted Accounting Principles for the trust account relating to property management

activity. The CPA's audit report demonstrating Respondent's current compliance with applicable standards, Iowa law and Commission trust account rules shall be submitted to the Iowa Real Estate Commission on or before December 1, 2025.

FOR THE RESPONDENT:

Voluntarily agreed to and accepted by William Jennings on this 1st day of April, 2025.

William Jennings
William Jennings (Apr 1, 2025 13:43 CDT)

By: William Jennings, Respondent

FOR THE IOWA REAL ESTATE COMMISSION:

Voluntarily agreed to and accepted by the **IOWA REAL ESTATE COMMISSION** on this 3rd day of April, 2025.



JAMES M.H. CLINGMAN, Chair
Iowa Real Estate Commission