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8
9 **BEFORE THE**
PROFESSIONAL FIDUCIARIES BUREAU
DEPARTMENT OF CONSUMER AFFAIRS
10 **STATE OF CALIFORNIA**
11

12 In the Matter of the Accusation Against:

Case No.

13 **TERESA LAGGNER**
14 **P.O. Box 1710**
La Mesa, CA 91944-1710

A C C U S A T I O N

15 **Professional Fiduciary License No. PF 182**

16 Respondent.
17

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19 Complainant alleges:

20 **PARTIES**

21 1. Gil DeLuna (Complainant) brings this Accusation solely in his official capacity as the
22 Acting Chief of the Professional Fiduciaries Bureau, Department of Consumer Affairs.

23 2. On or about February 2, 2009, the Professional Fiduciaries Bureau, Department of
24 Consumer Affairs, issued Professional Fiduciary License Number PF 182 to Teresa Laggner
25 (Respondent). The Professional Fiduciary License was in full force and effect at all times
26 relevant to the charges brought herein and will expire on November 30, 2011, unless renewed.

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JURISDICTION

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2 3. This Accusation is brought before the Professional Fiduciaries Bureau, Department of
3 Consumer Affairs, under the authority of the following laws. All section references are to the
4 Business and Professions Code (Code) unless otherwise indicated.

5 4. Section 6580 of the Code states, in pertinent part:

6 (a) The bureau may upon its own, and shall, upon the receipt of a complaint
7 from any person, investigate the actions of any professional fiduciary. The bureau
8 shall review a professional fiduciary's alleged violation of statute, regulation, or
9 the Professional Fiduciaries Code of Ethics and any other complaint referred to it
10 by the public, a public agency, or the department, and may impose sanctions upon
11 a finding of a violation or a breach of fiduciary duty.

12 (b) Sanctions shall include any of the following:

13 (1) Administrative citations and fines as provided in Section 125.9 for a
14 violation of this chapter, the Professional Fiduciaries Code of Ethics, or any
15 regulation adopted under this chapter.

16 (2) License suspension, probation, or revocation

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18 5. Section 6582 of the Code states:

19 All proceedings against a licensee for any violation of this chapter or any
20 regulations adopted by the bureau shall be conducted in accordance with the
21 Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of
22 Part 1 of Division 3 of Title 2 of the Government Code), and shall be prosecuted
23 by the Attorney General's office, and the bureau shall have all the powers granted
24 therein.

25 6. Section 118, subdivision (b), of the Code provides that the suspension, expiration,
26 surrender or cancellation of a license shall not deprive the Director of jurisdiction to proceed with
27 a disciplinary action during the period within which the license may be renewed, restored,
28 reissued or reinstated.

STATUTORY REGULATIONS

1 7. Section 6584 of the Code states, in pertinent part:

2 A license issued under this chapter may be suspended, revoked, denied, or
3 other disciplinary action may be imposed for one or more of the following causes:

4

1 (d) Fraud, dishonesty, corruption, willful violation of duty, gross negligence
2 or incompetence in practice, or unprofessional conduct in, or related to, the
3 practice of a professional fiduciary. For purposes of this section, unprofessional
4 conduct includes, but is not limited to, acts contrary to professional standards
5 concerning any provision of law substantially related to the duties of a professional
6 fiduciary.

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8 COSTS

9 8. Section 125.3 of the Code provides, in pertinent part, that the Bureau may request the
10 administrative law judge to direct a licentiate found to have committed a violation or violations of
11 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
12 enforcement of the case.

13 CAUSE FOR DISCIPLINE

14 (Unprofessional Conduct - Dishonesty)

15 9. Respondent is subject to disciplinary action under Code section 6584, subdivision (d),
16 for unprofessional conduct in that she was dishonest when she stole money from client trust
17 accounts for her own personal use to gamble at Barona Casino. The circumstances are as follows:

18 10. In the course of Respondent's responsibilities as a professional fiduciary, she
19 managed and was in control of several estates and served as a trustee. As a trustee, Respondent
20 was authorized to open bank accounts to maintain trust assets. From 2006 through 2010,
21 Respondent opened accounts for the majority of the trust accounts under her control at Union
22 Bank in La Mesa, California.

23 11. With complete and sole control over the trust accounts, Respondent made
24 unauthorized wire transfers from the trust accounts at Union Bank, via on-line banking, of trust
25 assets to her personal bank accounts. Shortly after the transfers were complete, Respondent
26 withdrew the cash or made checks payable to Barona Casino. Barona Casino then used the
27 money to credit Respondent's Player's Account at Barona Casino. Respondent used the credits
28 from her Player's Account to gamble for her personal benefit at Barona Casino.

12. From 2006 through 2009, Respondent claimed on her joint income tax returns with
her husband that she lost at least \$920,000 as a result of her gambling, an amount which was
larger than her family's reported income during the same time period. Bank records reflect that,

1 during the same time period, Respondent made large cash deposits and withdrawals from her
2 personal and business accounts involving funds greater than her reported income. Respondent
3 also made large cash withdrawals at local casinos and she comingled personal and trust funds
4 during this period.

5 13. Based upon the facts alleged above, on or about February 18, 2011, in a pending
6 criminal proceeding entitled *United States of America v. Teresa Laggner*, in the United States
7 District Court, Southern District of California, Case No. 11CV0121-LAB-RBB, Respondent pled
8 guilty to one count of wire fraud (18 U.S.C. section 1343) and one count of money laundering (18
9 U.S.C. section 1956). During the plea hearing, Respondent's criminal attorney made oral
10 admissions on Respondent's behalf that Respondent, on more than one occasion, did transfer
11 money from her client trust accounts into her business account and then transferred that money to
12 her personal accounts for her own use in gambling at a local casino. Respondent's criminal
13 sentencing hearing is scheduled for May 16, 2011.

14 PRAYER

15 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
16 and that following the hearing, the Professional Fiduciaries Bureau, Department of Consumer
17 Affairs, issue a decision:

- 18 1. Revoking or suspending Professional Fiduciary License Number PF 182 issued to
19 Teresa Laggner;
- 20 2. Ordering Teresa Laggner to pay the Professional Fiduciaries Bureau the reasonable
21 costs of the investigation and enforcement of this case, pursuant to Business and Professions
22 Code section 125.3; and
- 23 3. Taking such other and further action as is deemed necessary and proper.

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25 DATED: _____

26 GIL DELUNA
27 Acting Bureau Chief
28 Professional Fiduciaries Bureau
Department of Consumer Affairs
State of California
Complainant

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