

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Removal and the Prohibition of:

No. 08F-BD045-BNK

3 **LISA GORNEY**  
4 18202 N. 56<sup>th</sup> Drive  
5 Glendale, AZ 85308

**SUPERINTENDENT'S FINAL  
DECISION AND ORDER**

6 Respondent.

7 The Superintendent of Financial Institutions (the "Superintendent") having reviewed the record  
8 in this matter, including the, Administrative Law Judge Decision attached and incorporated herein by  
9 this reference, adopts the Administrative Law Judge's Findings of Fact, Conclusions of Law and Order.

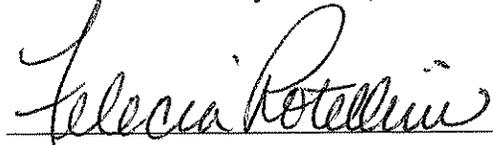
10 ORDER

11 IT IS ORDERED that Respondent is removed and prohibited from further participation in any  
12 manner as a director, officer, employee, agent or other person in the conduct of the affairs of any  
13 financial institution or enterprise in the State of Arizona pursuant to A.R.S. §6-161.

14 NOTICE

15 The parties are advised that this Order becomes effective immediately and the provisions of this  
16 Order shall remain effective and enforceable except to the extent that, and until such time as, any  
17 provision of this Order shall have been modified, terminated, suspended, or set aside by the  
18 Superintendent or a court of competent jurisdiction.

19  
20 DATED this 2<sup>nd</sup> day of June, 2008.

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22 Felecia Rotellini  
23 Superintendent of Financial Institutions  
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1 ORIGINAL filed this 2nd day of  
2 June, 2008, in the office of:

3 Felecia Rotellini  
4 Superintendent of Financial Institutions  
5 Arizona Department of Financial Institutions  
6 ATTN: June Beckwith  
7 2910 North 44th Street, Suite 310  
8 Phoenix, Arizona 85018

9 COPY of the foregoing mailed/hand delivered  
10 This same date to:

11 Michael G. Wales, Administrative Law Judge  
12 Office of Administrative Hearings  
13 1400 West Washington, Suite 101  
14 Phoenix, AZ 85007

15 Craig Raby, Assistant Attorney General  
16 Office of the Attorney General  
17 1275 West Washington  
18 Phoenix, AZ 85007

19 Robert D. Charlton, Assistant Superintendent  
20 Arizona Department of Financial Institutions  
21 2910 N. 44th Street, Suite 310  
22 Phoenix, AZ 85018

23 AND COPY MAILED SAME DATE by  
24 Certified Mail, Return Receipt Requested, to:

25 Lisa Gorney  
26 18202 N. 56<sup>th</sup> Drive  
27 Glendale, AZ 85308

28 Lisa Gorney  
37637 N. Sunset Trail  
Cave Creek, AZ 85331

Respondent.

BY: June Beckwith

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**STATE OF ARIZONA**  
**IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

In The Matter Of the Removal and  
Prohibition of:

LISA GORNEY  
18202 N. 56th Drive  
Glendale, AZ 85308

Respondent.

**No. 08F-BD045-BNK**

**ADMINISTRATIVE  
LAW JUDGE DECISION**

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**HEARING:** April 30, 2008

**APPEARANCES:** Assistant Attorney General Craig Raby appeared on behalf of  
the Arizona Department of Financial Institutions; Respondent Lisa Gorney did  
not appear at the hearing.

**ADMINISTRATIVE LAW JUDGE:** Michael G. Wales

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**FINDINGS OF FACT**

1. Respondent Lisa Gorney ("Ms. Gorney") was employed as an escrow officer by Premier Title Group ("Premier") from November 1, 2005 to April 6, 2007. Premier is a Division of, and a registered trade name of, Title Security Agency of Arizona ("TSA"), an Arizona corporation.

2. TSA is licensed as an escrow agent by the Arizona Department of Financial Institutions ("Department"), License No. EA-0001723.

3. On or about March 27, 2007, Premier discovered a defalcation by Ms. Gorney when they received a telephone call from a customer, complaining that the customer's mortgage loan was not paid off as expected after escrow closed. Upon an initial investigation to determine why the payoff funds were not transferred to the lender as required, Premier discovered that Ms. Gorney had been transferring monies to unrelated escrow files and diverting funds to parties unrelated to loan transactions, by means of signing checks and authorizations to transfer funds.

Office of Administrative Hearings  
1400 West Washington, Suite 101  
Phoenix, Arizona 85007  
(602) 542-9826

1 4. Premier promptly initiated an internal audit of the escrow transactions of  
2 Ms. Gorney's entire inventory of escrow files from her employment start date.

3 5. Premier's investigation and audit revealed a complex fraudulent scheme  
4 by Ms. Gorney wherein she failed to pay off mortgage loans as required, but rather,  
5 diverted monies to parties unrelated to the escrow transactions. Ms. Gorney also  
6 transferred monies from unrelated escrow accounts to cover shortages in the accounts  
7 from which she had previously diverted funds. Premier's investigation and audit  
8 revealed diversion and misappropriation of funds by Ms. Gorney totaling \$995,952.83.

9 6. Premier terminated Ms. Gorney's employment on April 6, 2007.

10 7. Premier brought Ms. Gorney's defalcation to the attention of the  
11 Department. Based on the information presented by Premier, the Department decided  
12 to institute disciplinary action against Ms. Gorney. This resulted in the instant hearing  
13 being brought before the Office of Administrative Hearings.

14 8. Patty Freeman ("Ms. Freeman"), Director of Internal Affairs for TSA,  
15 testified that Ms. Gorney was an employee of, and co-manager at, Premier. Ms.  
16 Freeman was instructed by Mark Young, then President of Premier, and by Vivian  
17 Boggie, Executive Vice President and Escrow Administrator for TSA, to conduct an  
18 audit of Lisa Gorney's escrow accounts.

19 9. The Department presented evidence obtained by Ms. Freeman from  
20 documents kept by Premier in the normal course of business, as well as Ms. Freeman's  
21 notes and other documentary evidence reflecting the audit and investigation findings.  
22 This evidence clearly and unequivocally established that for certain escrow accounts,  
23 Ms. Gorney diverted funds to individuals for which she had no authorization to pay  
24 funds to, causing loan funds to be unavailable to pay off existing mortgages; diverted  
25 funds from one escrow account to another to cover shortfalls; and, in the course of  
26 misappropriating and diverting funds caused Premier a loss of \$995,952.83.

27 10. By way of example, Ms. Freeman testified that during her audit of Escrow  
28 File No. 1004266-LAG, she found that borrower Michael Lester had employed Premier  
29 as his escrow agent for the refinance of his home at 14251 North 48<sup>th</sup> Street, Phoenix,  
30 Arizona. Mr. Lester arranged for a new loan in the amount of \$171,700.29 from Wells  
Fargo Bank. The monies from Wells Fargo Bank were wired to Premier on November

1 30, 2006. Shortly thereafter, Mr. Lester's original lender, HomEq Servicing, called for  
2 \$139,835.85 for the payoff amount on Mr. Lester's original loan. Rather than fund the  
3 payoff to HomEq Servicing as required, Ms. Gorney disbursed the \$139,835.85 as  
4 follows:

- 5 \$ 6,000.00 Check No. 040911 payable to Robert Arrowsmith
- 6 \$ 10,000.00 Check No. 040987 payable to Eduardo Nicholson
- 7 \$ 19,686.00 Check No. 040988 payable to Eduardo Nicholson
- 8 \$ 8,314.00 Wired to Eduardo Nicholson
- 9 \$ 29,686.00 Wired to Eduardo Nicholson
- 10 \$ 20,000.00 Check No. 041593 payable to Premier Title Group and deposited in  
Escrow No. 1006515 and thereafter wired to Eduardo Nicholson
- 11 \$ 23,000.00 Wired to Eduardo Nicholson
- 12 \$ 20,000.00 Wired to Eduardo Nicholson
- 13 \$ 1,265.50 Check No. 043897 paid to HomEq Servicing for January payment to  
avoid detection
- 14 \$ 1,672.20 Check No. 045383 payable to Premier Tile and deposited into  
Escrow No. 1007120 to make up a shortage in that file.

15 Mr. Arrowsmith and Mr. Nicholson were not parties for whom any authorization by Mr.  
16 Lester, his lender, or anyone else had approved, or authorized, disbursement of Mr.  
17 Lester's escrow funds. Mr. Arrowsmith and Mr. Nicholson were later determined by Ms.  
18 Freeman to be co-conspirators of Ms. Gorney.

19 11. The Department presented substantial evidence of similar  
20 misappropriations and diversions in numerous other escrow accounts including, but not  
21 limited to, Escrow No. 1006715-LAG; Escrow No. 1006853-LAG; Escrow No. 1007479-  
22 LAG; Escrow No. 1007479-LAG; and Escrow No. 1007606-LAG. Ms. Freeman testified  
23 that the total amount of diverted funds in the audited files, for which Premier was  
required to reimburse aggrieved lenders, was \$995,952.83.

24 12. Vivian Boggie, Executive Vice President and Escrow Administrator for  
25 TSA, testified that she commissioned Patty Freeman to conduct the audit and  
26 investigation of Lisa Gorney; that she authorized the filing of lawsuit against Lisa  
27 Gorney; and that a default judgment was obtained in Maricopa Superior Court against  
28 Lisa Gorney in the amount of \$995,952.83, along with treble damages and attorneys  
29 fees.





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Original transmitted by mail this  
20 day of May, 2008, to:

Arizona Department of Financial Institutions  
Felecia Rotellini, Superintendent  
ATTN: Susan L. Ross  
2910 North 44th Street, Suite 310  
Phoenix, AZ 85018

By Chris Fishler