

# LEGISLATIVE APPROPRIATIONS REQUEST

for Fiscal Years 2002 and 2003

Submitted to the Governor's Office of Budget and Planning and the Legislative Budget Board

by

TEXAS REAL ESTATE COMMISSION

## Commission Members

Charles Michael Brodie, Chairman  
Christine T. Folmer, Vice Chairperson  
Kay Sutton, Secretary  
James N. Austin  
Jay C. Brummett  
Ramon N. Cantu  
Maria Gonzalez-Gil  
Lawrence D. Jokl  
Deanna Mayfield

## Dates of Terms

1997 - 2003  
1995 - 2001  
1997 - 2003  
1999 - 2005  
1995 - 2001  
1999 - 2005  
1997 - 2003  
1999 - 2005  
1995 - 2001

## Hometown

Dallas  
El Paso  
Midland  
Fort Worth  
Austin  
Houston  
San Antonio  
Brownsville  
San Angelo

August 11, 2000

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TEXAS REAL ESTATE COMMISSION

<b>Commission Members</b>	<b>Dates of Terms</b>	<b>Hometown</b>
Charles Michael Brodie, Chairman	1997 - 2003	Dallas
Christine T. Folmer, Vice Chairperson	1995 - 2001	El Paso
Kay Sutton, Secretary	1997 - 2003	Midland
James N. Austin	1999 - 2005	Fort Worth
Jay C. Brummett	1995 - 2001	Austin
Ramon N. Cantu	1999 - 2005	Houston
Maria Gonzalez-Gil	1997 - 2003	San Antonio
Lawrence D. Jokl	1999 - 2005	Brownsville
Deanna Mayfield	1995 - 2001	San Angelo

August 11, 2000

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**ADMINISTRATOR'S STATEMENT**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**

TIME: **11:00:00AM**

PAGE: **1 of 2**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Legislative Appropriations Request for the 2002-2003 Biennium

The Texas Real Estate Commission (TREC) is an independent state agency whose jurisdiction extends to real estate brokers and salespersons, real estate inspectors, easement or right-of-way agents, residential service companies, proprietary schools and instructors offering real estate and inspector courses as well as mandatory continuing education (MCE) for real estate and inspector licensees, and developers registering timeshares for sale in Texas. To carry out its responsibilities, the Commission is supported by an agency organization consisting of five divisions: Licensing and Education, Enforcement, Information Services, Staff Services, and Administration.

The Commission has a statutory relationship to, and works closely with, the Real Estate Center at Texas A & M University. Two committees established by the Real Estate License Act (TRELA) are essential to the work of the agency: the Texas Real Estate Broker-Lawyer Committee consisting of six persons appointed by TREC and six attorneys appointed by the President of the State Bar of Texas, and the Texas Real Estate Inspector Committee comprising nine inspectors appointed by the Commission.

The following are the Commission's priorities for the next biennium as developed in conjunction with the public and reflected in the agency's Strategic Plan for 2001-2005.

1. TREC's current lease for headquarters space in Austin was originally awarded in fiscal year 1981 and was renegotiated in fiscal year 1990 at a rate considerably below current market cost. This lease will expire on August 31, 2001. After reducing office space square footage from the current level, a new lease will require additional funding, whether or not the agency moves from its present location. Any new site would require additional funding for moving expenses as well. To meet these anticipated expenses, TREC is requesting additional appropriation authority for lease expense. (See page 9 - Strategic Plan and page 2 - Legislative Appropriations Request for fiscal years 2000-2001).
2. The Texas Real Estate Commission continues to receive a large number of public and licensee inquiries by telephone. Currently, more calls are made than can be received by the agency at any one point in time. To alleviate the number of busy signals, TREC is requesting appropriation authority for two additional toll-free lines, two employees to answer the calls received, and associated costs for furniture and equipment. Prompt response to telephone calls is of critical importance to the fulfillment of TREC's mission. (See page 19 - Strategic Plan)
3. As consumers become more aware of the agency's complaint process, TREC is seeing a steady increase in the number and complexity of complaints filed against licensees. To meet this challenge, the agency is requesting appropriation authority to obtain one additional attorney, update the equipment provided to investigators, and acquire an employee to review financial information as part of examinations of various licensed entities. Additionally, to reduce the extent of unlicensed activity, TREC would mail notices to licensees who failed to renew their licenses. (See page 18-19 - Strategic Plan)
4. In order to retain qualified and experienced staff, the Commission requests appropriation authority to make TREC's salary structure more competitive with similar state agencies. Given the current Austin job market, it is extremely difficult to recruit and retain staff. To avoid the expense and disruption associated with turnover as well as ensure the retention of experienced professionals, TREC must be more competitive with other state agencies. In addition to raising the salaries of experienced staff currently paid below the first quartile of their salary range, TREC requests that the exempt salary cap for the Administrator be modified to a level commensurate with the average for similar state agencies. (See page 19 - Strategic Plan).
5. The desire for acceptance of credit cards for payment of agency fees has been made evident to TREC. The Commission has begun the process of accepting license renewals via the Internet using credit cards for payment. Appropriation authority would be needed for TREC to accept payment of fees by mail or in person using credit cards without the client incurring an additional fee. It is anticipated that the increase in the number of licensee renewals will cover the additional cost of credit card processing fees. (See page 15 - Strategic Plan).

**ADMINISTRATOR'S STATEMENT**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**

TIME: **11:02:00AM**

PAGE: **2 of 2**

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Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

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6. Currently the agency provides limited funds for payment of travel expenses by broker members who attend meetings of the Texas Real Estate Broker-Lawyer Committee and by members of the Texas Real Estate Inspector Committee. These expenses count against the travel cap imposed on the agency for staff and commissioner activity. Additionally, staff travel to conduct audits of regulated entities counts against the travel cap, even though these expenses are reimbursed to the state. A rider would exempt these expenses from the overall travel cap for the agency but would require no additional appropriations. (See page 11- Strategic Plan)

**SUMMARY OF BASE REQUEST BY STRATEGY**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
 TIME: **1:33:02PM**  
 PAGE: **1 of 2**

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

<b>Goal / Objective / STRATEGY</b>	<b>EXP 1999</b>	<b>EST 2000</b>	<b>BUD 2001</b>	<b>REQ 2002</b>	<b>REQ 2003</b>
<b>1</b> Determine That TREC Applicants Meet Legal Requirements for Licensure					
<b>1</b> <i>Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency</i>					
<b>1</b> TREC LICENSING	825,921	886,706	853,896	905,774	905,774
<b>TOTAL, GOAL</b> <b>1</b>	<b>\$825,921</b>	<b>\$886,706</b>	<b>\$853,896</b>	<b>\$905,774</b>	<b>\$905,774</b>
<b>2</b> Enforce the TREC Laws and Rules in a Fair and Evenhanded Manner					
<b>1</b> <i>Resolve Complaints and Hold Hearings Expeditiously</i>					
<b>1</b> TREC INVESTIGATION	730,084	903,565	923,323	941,219	941,219
<b>TOTAL, GOAL</b> <b>2</b>	<b>\$730,084</b>	<b>\$903,565</b>	<b>\$923,323</b>	<b>\$941,219</b>	<b>\$941,219</b>
<b>3</b> To Communicate Effectively with the Public and Licensees					
<b>1</b> <i>Notify 100% of Licensees of Law/Rule Chnges w/i 60 Days; Custmr Survey</i>					
<b>1</b> LICENSEE/CONSUMER EDUCATION	583,165	729,543	717,840	757,246	757,246
<b>TOTAL, GOAL</b> <b>3</b>	<b>\$583,165</b>	<b>\$729,543</b>	<b>\$717,840</b>	<b>\$757,246</b>	<b>\$757,246</b>
<b>5</b> Indirect Administration					
<b>1</b> <i>Indirect Administration</i>					
<b>1</b> INDIRECT ADMINISTRATION	1,430,635	1,248,257	1,503,746	1,280,927	1,280,927
<b>TOTAL, GOAL</b> <b>5</b>	<b>\$1,430,635</b>	<b>\$1,248,257</b>	<b>\$1,503,746</b>	<b>\$1,280,927</b>	<b>\$1,280,927</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>	<b>\$3,569,805</b>	<b>\$3,768,071</b>	<b>\$3,998,805</b>	<b>\$3,885,166</b>	<b>\$3,885,166</b>

**SUMMARY OF BASE REQUEST BY STRATEGY**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
 TIME: **1:33:02PM**  
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Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

<b>Goal / Objective / STRATEGY</b>	<b>EXP 1999</b>	<b>EST 2000</b>	<b>BUD 2001</b>	<b>REQ 2002</b>	<b>REQ 2003</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*</b>				<b>50,000</b>	<b>50,000</b>
<b>GRAND TOTAL, AGENCY REQUEST</b>	<b>\$3,569,805</b>	<b>\$3,768,071</b>	<b>\$3,998,805</b>	<b>\$3,935,166</b>	<b>\$3,935,166</b>
<b>METHOD OF FINANCING:</b>					
<b>1</b> General Revenue Fund					
	\$3,407,914	\$3,582,028	\$3,809,305	\$3,695,666	\$3,695,666
<b>666</b> Appropriated Receipts					
	\$161,470	\$185,383	\$185,500	\$235,500	\$235,500
<b>971</b> Real Estate Recovery Trust Fund					
	\$396	\$600	\$3,500	\$3,500	\$3,500
<b>988</b> Real Estate Inspection Trust Fund					
	\$25	\$60	\$500	\$500	\$500
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$3,569,805</b>	<b>\$3,768,071</b>	<b>\$3,998,805</b>	<b>\$3,935,166</b>	<b>\$3,935,166</b>

\*Rider appropriations for the historical years are included in the strategy amounts.

**SUMMARY OF BASE REQUEST BY METHOD OF FINANCE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
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PAGE: **1 of 2**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

METHOD OF FINANCING	EXP 1999	EST 2000	BUD 2001	REQ 2002	REQ 2003
<b><u>GENERAL REVENUE</u></b>					
<b><u>1</u></b> General Revenue Fund					
<i>LAPSED APPROPRIATIONS</i>					
Lapsed Appropriations	-26,666	-2,484	0	0	0
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations	3,335,795	3,485,339	3,704,905	3,695,666	3,695,666
<i>TRANSFERS</i>					
Transfers, Art. IX, Section 195 Salary Increase	98,785	0	0	0	0
Transfers, Art. IX, Section 9-11.06 Salary Increase	0	99,173	104,400	0	0
<b>TOTAL, General Revenue Fund</b>	<b>\$3,407,914</b>	<b>\$3,582,028</b>	<b>\$3,809,305</b>	<b>\$3,695,666</b>	<b>\$3,695,666</b>
<b>TOTAL, ALL GENERAL REVENUE</b>	<b>\$3,407,914</b>	<b>\$3,582,028</b>	<b>\$3,809,305</b>	<b>\$3,695,666</b>	<b>\$3,695,666</b>

**OTHER FUNDS**

**666** Appropriated Receipts

*RIDER APPROPRIATION*

GAA 00/01, Section 9-8.04 Surplus Property	1,234	321	0	0	0
GAA 00/01, Section 9-8.03 Reimbursements and Payments	157,716	179,568	180,000	180,000	180,000
GAA 00/01, Section 9-8.07 Pay Station Telephones	92	111	0	0	0
Rider #2, H.B. 1 (Sec. 24(c), Art. 6573b, V.T.C.S.)	2,428	5,383	5,500	5,500	5,500
Credit Card Rider	0	0	0	50,000	50,000

**SUMMARY OF BASE REQUEST BY METHOD OF FINANCE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
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Agency name: **REAL ESTATE COMMISSION**

<b>METHOD OF FINANCING</b>		<b>EXP 1999</b>	<b>EST 2000</b>	<b>BUD 2001</b>	<b>REQ 2002</b>	<b>REQ 2003</b>
<b>TOTAL,</b>	<b>Appropriated Receipts</b>	<b>\$161,470</b>	<b>\$185,383</b>	<b>\$185,500</b>	<b>\$235,500</b>	<b>\$235,500</b>
<u><b>971</b></u>	Real Estate Recovery Trust Fund					
	<i>LAPSED APPROPRIATIONS</i>					
	Lapsed Appropriations	-3,104	-2,900	0	0	0
	<i>REGULAR APPROPRIATIONS</i>					
	Rider #5, H.B. 1	3,500	3,500	3,500	3,500	3,500
<b>TOTAL,</b>	<b>Real Estate Recovery Trust Fund</b>	<b>\$396</b>	<b>\$600</b>	<b>\$3,500</b>	<b>\$3,500</b>	<b>\$3,500</b>
<u><b>988</b></u>	Real Estate Inspection Trust Fund					
	<i>LAPSED APPROPRIATIONS</i>					
	Lapsed Appropriations	-475	-440	0	0	0
	<i>REGULAR APPROPRIATIONS</i>					
	Rider #5, H.B. 1	500	500	500	500	500
<b>TOTAL,</b>	<b>Real Estate Inspection Trust Fund</b>	<b>\$25</b>	<b>\$60</b>	<b>\$500</b>	<b>\$500</b>	<b>\$500</b>
<b>TOTAL, ALL</b>	<b>OTHER FUNDS</b>	<b>\$161,891</b>	<b>\$186,043</b>	<b>\$189,500</b>	<b>\$239,500</b>	<b>\$239,500</b>
<b>GRAND TOTAL</b>		<b>\$3,569,805</b>	<b>\$3,768,071</b>	<b>\$3,998,805</b>	<b>\$3,935,166</b>	<b>\$3,935,166</b>
<b>FULL-TIME-EQUIVALENT POSITIONS</b>		<b>82.9</b>	<b>83.1</b>	<b>88.0</b>	<b>88.0</b>	<b>88.0</b>

**SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation system of Texas (ABEST)

Date : **08/18/2000**  
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Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Goal/ Objective / <b>OUTCOME</b>	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
1 Determine That TREC Applicants Meet Legal Requirements for Licensure 1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency					
<b>KEY 1 Percent of Licensees with No Recent Violations</b>	99.80%	99.00%	99.00%	99.00%	99.00%
2 Enforce the TREC Laws and Rules in a Fair and Evenhanded Manner 1 Resolve Complaints and Hold Hearings Expeditiously					
<b>KEY 1 Percent of Complaints Resulting in Disciplinary Action</b>	2.60%	6.00%	5.00%	5.00%	5.00%
<b>2 Recidivism Rate for Those Receiving Disciplinary Action</b>	1.60%	2.80%	1.50%	1.50%	1.50%
<b>3 Percent of Documented Complaints Resolved within 6 Months</b>	85.20%	70.00%	60.00%	62.00%	65.00%
3 To Communicate Effectively with the Public and Licensees 1 Notify 100% of Licensees of Law/Rule Chnges w/i 60 Days; Custmr Survey					
<b>1 Percent of Licensees Provided the Act and Rules w/i 60 Days of Adoptn</b>	44.90%	90.00%	90.00%	90.00%	90.00%
<b>2 % of Calls Resulting in a Document's Being Produced</b>	10.30%	10.00%	10.00%	10.00%	10.00%
<b>3 % of Electronic Contacts Resulting in a Document</b>	100.00%	100.00%	100.00%	100.00%	100.00%

**SUMMARY OF EXCEPTIONAL ITEMS REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
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Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Priority	Item	2002			2003			Biennium	
		GR and GR/Dedicated	All Funds	FTEs	GR and GR/Dedicated	All Funds	FTEs	GR and GR/Dedicated	All Funds
1	Lease expense increase	\$ 179,314	\$ 179,314		\$ 7,608	\$ 7,608		\$ 186,922	\$ 186,922
2	Additional 1-800 lines and staff	\$ 80,492	\$ 80,492	2.0	\$ 62,934	\$ 62,934	2.0	\$ 143,426	\$ 143,426
3	Improve efficiency of Enforcement	\$ 113,966	\$ 113,966	2.0	\$ 81,516	\$ 81,516	2.0	\$ 195,482	\$ 195,482
4	Salary adjustment to retain staff	\$ 79,298	\$ 79,298		\$ 79,298	\$ 79,298		\$ 158,596	\$ 158,596
<b>Total, Exceptional Items Request</b>		<b>\$ 453,070</b>	<b>\$ 453,070</b>	<b>4.0</b>	<b>\$ 231,356</b>	<b>\$ 231,356</b>	<b>4.0</b>	<b>\$ 684,426</b>	<b>\$ 684,426</b>

**Method of Financing**

General Revenue	\$ 453,070	\$ 453,070		\$ 231,356	\$ 231,356		\$ 684,426	\$ 684,426
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	<b>\$ 453,070</b>	<b>\$ 453,070</b>		<b>\$ 231,356</b>	<b>\$ 231,356</b>		<b>\$ 684,426</b>	<b>\$ 684,426</b>

**Full Time Equivalent Positions**

**4.0**

**4.0**

**SUMMARY OF TOTAL REQUEST BY STRATEGY**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 08/18/2000  
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Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

<b>Goal/Objective/STRATEGY</b>		<b>Base 2002</b>	<b>Base 2003</b>	<b>Exceptional 2002</b>	<b>Exceptional 2003</b>	<b>Total Request 2002</b>	<b>Total Request 2003</b>
<b>1</b> Determine That TREC Applicants Meet Legal Requirements for Licen							
<b>1</b> Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competenc							
<b>1</b> TREC LICENSING	\$	905,774	905,774	92,716	39,562	998,490	945,336
<b>TOTAL, GOAL 1</b>	<b>\$</b>	<b>905,774</b>	<b>905,774</b>	<b>92,716</b>	<b>39,562</b>	<b>998,490</b>	<b>945,336</b>
<b>2</b> Enforce the TREC Laws and Rules in a Fair and Evenhanded Manner							
<b>1</b> Resolve Complaints and Hold Hearings Expeditiously							
<b>1</b> TREC INVESTIGATION		941,219	941,219	153,158	83,567	1,094,377	1,024,786
<b>TOTAL, GOAL 2</b>	<b>\$</b>	<b>941,219</b>	<b>941,219</b>	<b>153,158</b>	<b>83,567</b>	<b>1,094,377</b>	<b>1,024,786</b>
<b>3</b> To Communicate Effectively with the Public and Licensees							
<b>1</b> Notify 100% of Licensees of Law/Rule Chnges w/i 60 Days; Custmr S							
<b>1</b> LICENSEE/CONSUMER EDUCATION		757,246	757,246	149,793	93,922	907,039	851,168
<b>TOTAL, GOAL 3</b>	<b>\$</b>	<b>757,246</b>	<b>757,246</b>	<b>149,793</b>	<b>93,922</b>	<b>907,039</b>	<b>851,168</b>

**SUMMARY OF TOTAL REQUEST BY STRATEGY**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 08/18/2000  
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Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

<b>Goal/Objective/STRATEGY</b>	<b>Base 2002</b>	<b>Base 2003</b>	<b>Exceptional 2002</b>	<b>Exceptional 2003</b>	<b>Total Request 2002</b>	<b>Total Request 2003</b>
<b>5</b> Indirect Administration						
<b>1</b> <i>Indirect Administration</i>						
<b>1</b> INDIRECT ADMINISTRATION	\$ 1,280,927	\$ 1,280,927	\$ 57,403	\$ 14,305	\$ 1,338,330	\$ 1,295,232
<b>TOTAL, GOAL 5</b>	<b>\$ 1,280,927</b>	<b>\$ 1,280,927</b>	<b>\$ 57,403</b>	<b>\$ 14,305</b>	<b>\$ 1,338,330</b>	<b>\$ 1,295,232</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>	<b>\$ 3,885,166</b>	<b>\$ 3,885,166</b>	<b>\$ 453,070</b>	<b>\$ 231,356</b>	<b>\$ 4,338,236</b>	<b>\$ 4,116,522</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>
<b>GRAND TOTAL, AGENCY REQUEST</b>	<b>\$ 3,935,166</b>	<b>\$ 3,935,166</b>	<b>\$ 453,070</b>	<b>\$ 231,356</b>	<b>\$ 4,388,236</b>	<b>\$ 4,166,522</b>

**SUMMARY OF TOTAL REQUEST BY STRATEGY**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

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Agency name: **REAL ESTATE COMMISSION**

<b>Goal/Objective/STRATEGY</b>		<b>Base 2002</b>	<b>Base 2003</b>	<b>Exceptional 2002</b>	<b>Exceptional 2003</b>	<b>Total Request 2002</b>	<b>Total Request 2003</b>
<b>General Revenue Funds:</b>							
1 GENERAL REVENUE FUND	\$	3,695,666	\$ 3,695,666	\$ 453,070	\$ 231,356	\$ 4,148,736	\$ 3,927,022
	<b>\$</b>	<b>3,695,666</b>	<b>\$ 3,695,666</b>	<b>\$ 453,070</b>	<b>\$ 231,356</b>	<b>\$ 4,148,736</b>	<b>\$ 3,927,022</b>
<b>Other Funds:</b>							
666 APPROPRIATED RECEIPTS		185,500	185,500	0	0	185,500	185,500
971 REAL ESTATE RECOVERY FUND		3,500	3,500	0	0	3,500	3,500
988 REAL ESTATE INSPEC TRUST		500	500	0	0	500	500
	<b>\$</b>	<b>189,500</b>	<b>\$ 189,500</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 189,500</b>	<b>\$ 189,500</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$</b>	<b>3,885,166</b>	<b>\$ 3,885,166</b>	<b>\$ 453,070</b>	<b>\$ 231,356</b>	<b>\$ 4,338,236</b>	<b>\$ 4,116,522</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>		<b>88.0</b>	<b>88.0</b>	<b>4.0</b>	<b>4.0</b>	<b>92.0</b>	<b>92.0</b>

**SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation system of Texas (ABEST)

Date : **08/18/2000**  
Time: **1:41:25PM**  
Page : **1 OF 1**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Goal/ Objective / <b>OUTCOME</b>	BL 2002	BL 2003	Excp 2002	Excp 2003	Total Request 2002	Total Request 2003
1 Determine That TREC Applicants Meet Legal Requirements for Licensure						
1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency						
<b>KEY 1 Percent of Licensees with No Recent Violations</b>	99.00%	99.00%	%	%	99.00%	99.00%
2 Enforce the TREC Laws and Rules in a Fair and Evenhanded Manner						
1 Resolve Complaints and Hold Hearings Expeditiously						
<b>KEY 1 Percent of Complaints Resulting in Disciplinary Action</b>	5.00%	5.00%	%	%	5.00%	5.00%
<b>2 Recidivism Rate for Those Receiving Disciplinary Action</b>	1.50%	1.50%	%	%	1.50%	1.50%
<b>3 Percent of Documented Complaints Resolved within 6 Months</b>	62.00%	65.00%	70.00%	70.00%	70.00%	70.00%
3 To Communicate Effectively with the Public and Licensees						
1 Notify 100% of Licensees of Law/Rule Chnges w/i 60 Days; Custmr Survey						
<b>1 Percent of Licensees Provided the Act and Rules w/i 60 Days of Adoptn</b>	90.00%	90.00%	%	%	90.00%	90.00%
<b>2 % of Calls Resulting in a Document's Being Produced</b>	10.00%	10.00%	%	%	10.00%	10.00%
<b>3 % of Electronic Contacts Resulting in a Document</b>	100.00%	100.00%	%	%	100.00%	100.00%

**PRIORITY ALLOCATION TABLE**

DATE: **08/18/2000**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

TIME: **1:43:47PM**

Automated Budget and Evaluation System of Texas (ABEST)

PAGE: **1 OF 1**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

<b>2000-01 Biennial Funding</b>	
Total: \$	7,766,876
GR / GR-Dedicated: \$	7,391,333

Strategy/Strategy Option/Rider	BL 2002 Funds		BL 2003 Funds		Cumulative % of 2000-01 GR / GR-Dedicated Funds
	Total	GR and GR-Dedicated	Total	GR and GR-Dedicated	
Strategy: <b>3 - 1 - 1</b> LICENSEE/CONSUMER EDUCATION	\$ 757,246	\$ 574,496	\$ 757,246	\$ 574,496	15.55%
Strategy: <b>5 - 1 - 1</b> INDIRECT ADMINISTRATION	1,280,927	1,280,927	1,280,927	1,280,927	50.21%
Strategy: <b>2 - 1 - 1</b> TREC INVESTIGATION	941,219	937,219	941,219	937,219	75.57%
Strategy: <b>1 - 1 - 1</b> TREC LICENSING	905,774	903,024	905,774	903,024	100.00%
Rider: <b>2 - 1</b> Appropriation of RSC Exam Fees	0	0	0	0	100.00%
Rider: <b>2 - 2</b> Appropriation of RSC Exam Fees	0	0	0	0	100.00%
Rider: <b>700 - 1</b> Credit Card Service Charges	50,000	0	50,000	0	100.00%
Strategy: <b>4 - 1 - 1</b> TALCB LICENSING	0	0	0	0	100.00%
Strategy: <b>4 - 2 - 1</b> TALCB ENFORCEMENT	0	0	0	0	100.00%
<b>TOTAL</b>	\$ <b>3,935,166</b>	\$ <b>3,695,666</b>	\$ <b>3,935,166</b>	\$ <b>3,695,666</b>	

**STRATEGY REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
 TIME: 1:45:06PM  
 PAGE: 1 OF 10

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 1 Determine That TREC Applicants Meet Legal Requirements for Licensure Statewide Goal/Benchmark: 8 0  
 OBJECTIVE: 1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency Service Categories:  
 STRATEGY: 1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
<b>Output Measures:</b>						
1	Number of Individuals Examined	23,163.00	27,041.00	19,000.00	23,000.00	23,000.00
2	Number of New Licenses Issued to Individuals	14,216.00	14,370.00	10,750.00	13.00	13,000.00
3	Number of Licenses Renewed (Individuals)	53,974.00	55,000.00	53,000.00	53,000.00	53,000.00
<b>Efficiency Measures:</b>						
1	Average Licensing Cost Per Individual License Issued	12.36	14.27	15.43	15.00	15.00
2	Average Time for Individual License Issuance	35.50	37.00	37.00	37.00	37.00
3	Average Time for Individual License Renewal	2.80	3.30	3.50	3.50	3.50
4	Percentage New Indiv Licences within 10 Days	0.00 %	0.00 %	0.00 %	95.00 %	95.00 %
5	% Indiv License Renewals within 7 Days	0.00 %	0.00 %	0.00 %	97.00 %	97.00 %
<b>Explanatory/Input Measures:</b>						
1	Pass Rate	77.90 %	77.00 %	82.00 %	80.00 %	80.00 %
2	Total Number of Programs/Schools Licensed	138.00	134.00	140.00	140.00	140.00
3	Total Number of Individuals Licensed	112,714.00	112,500.00	104,500.00	110,000.00	110,000.00
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$ 536,598	\$ 614,934	\$ 643,337	\$ 643,337	\$ 643,337
1002	OTHER PERSONNEL COSTS	\$ 20,331	\$ 24,800	\$ 10,664	\$ 10,664	\$ 10,664
2000	OPERATING COSTS	\$ 257,122	\$ 245,718	\$ 199,895	\$ 251,773	\$ 251,773
5000	CAPITAL EXPENDITURES	\$ 11,870	\$ 1,254	\$ 0	\$ 0	\$ 0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$ 825,921</b>	<b>\$ 886,706</b>	<b>\$ 853,896</b>	<b>\$ 905,774</b>	<b>\$ 905,774</b>

**Method of Financing:**

**STRATEGY REQUEST**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:45:36PM  
PAGE: 2 OF 10

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 1 Determine That TREC Applicants Meet Legal Requirements for Licensure Statewide Goal/Benchmark: 8 0  
OBJECTIVE: 1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency Service Categories:  
STRATEGY: 1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
1	GENERAL REVENUE FUND	\$ 824,707	\$ 884,015	\$ 851,146	\$ 903,024	\$ 903,024
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$ 824,707</b>	<b>\$ 884,015</b>	<b>\$ 851,146</b>	<b>\$ 903,024</b>	<b>\$ 903,024</b>

**Method of Financing:**

666	APPROPRIATED RECEIPTS	\$ 1,214	\$ 2,691	\$ 2,750	\$ 2,750	\$ 2,750
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$ 1,214</b>	<b>\$ 2,691</b>	<b>\$ 2,750</b>	<b>\$ 2,750</b>	<b>\$ 2,750</b>

**Rider Appropriations:**

666	APPROPRIATED RECEIPTS					
2	1 Appropriation of Residential Service Company Examination Fees				\$ 0	\$ 0
700	1 Credit Card Service Charges				\$ 50,000	\$ 50,000
<b>TOTAL, RIDER &amp; UNEXPENDED BALANCES APPROP</b>					<b>\$ 50,000</b>	<b>\$ 50,000</b>

**TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)** \$ 955,774 \$ 955,774

**TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)** \$ 825,921 \$ 886,706 \$ 853,896 \$ 905,774 \$ 905,774

**FULL TIME EQUIVALENT POSITIONS:** 20.6 23.1 25.1 25.1 25.1

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Real Estate License Act (Article 6573a, V.T.C.S.) requires persons providing real estate brokerage and inspection services, easement or right-of-way agents, proprietary real estate prelicense education, and mandatory continuing education to be licensed. To assure that all broker, salesperson and inspector licensees meet statutory requirements the Commission reviews transcripts and coursework. Applicants are also required to demonstrate competency by passing an examination. To determine the honesty, trustworthiness, and integrity of licensees, the Commission submits the names of license applicants to the Texas Department of Public Safety (DPS) for criminal history checks. The processing of each application is an integrated function that requires the participation of each of the agency's operating divisions. Each division provides substantially the same services when a license is renewed. This comprehensive process ensures the protection of the consumers of real estate services. This strategy contributes to meeting priority goals established in Vision Texas by ensuring that Texas consumers are effectively and efficiently served by high quality professionals and businesses by setting clear standards, maintaining compliance, and seeking innovative solutions.

**STRATEGY REQUEST**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:45:37PM  
PAGE: 3 OF 10

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL:	1	Determine That TREC Applicants Meet Legal Requirements for Licensure	Statewide Goal/Benchmark:	8	0
OBJECTIVE:	1	Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency	Service Categories:		
STRATEGY:	1	Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses	Service:	16	Income: A.2 Age: B.3

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Exp 1999</b>	<b>Est 2000</b>	<b>Bud 2001</b>	<b>BL 2002</b>	<b>BL 2003</b>
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**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

Decreased travel appropriation has caused the audits of education providers to be limited. A continuation of current salary levels will result in the loss of experienced staff to the private sector. The Commission continues to employ technological improvements to as many applications as possible.

The Licensing and Education Division processes and evaluates the application and education information. Staff Services ensures payment and timely deposit of the statutorily required fees. Information Services provides the information infrastructure to accomplish all licensing functions, including electronic interfaces with Texas Guaranteed Student Loan Corporation (TGSLC) and DPS. The Enforcement Division reviews TGSLC and DPS information to determine whether to discipline licensees or disapprove applications. The Administration Division provides policy development and oversight of agency procedures.

**STRATEGY REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
 TIME: 1:45:37PM  
 PAGE: 4 OF 10

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 2 Enforce the TREC Laws and Rules in a Fair and Evenhanded Manner Statewide Goal/Benchmark: 8 0  
 OBJECTIVE: 1 Resolve Complaints and Hold Hearings Expeditiously Service Categories:  
 STRATEGY: 1 Investigate Complaints and Resolve Valid Complaint Case Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
<b>Output Measures:</b>						
1	Number of Complaints Resolved	2,691.00	3,750.00	2,750.00	2,900.00	3,000.00
2	Number of Administrative Hearings Conducted	120.00	225.00	100.00	120.00	120.00
<b>Efficiency Measures:</b>						
1	Average Time for Complaint Resolution	90.00	90.00	140.00	130.00	130.00
2	Average Cost Per Complaint Resolved	279.23	280.00	560.00	300.00	300.00
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$ 628,478	\$ 802,167	\$ 837,950	\$ 837,950	\$ 837,950
1002	OTHER PERSONNEL COSTS	\$ 12,385	\$ 13,741	\$ 12,420	\$ 12,420	\$ 12,420
2000	OPERATING COSTS	\$ 80,762	\$ 85,678	\$ 72,953	\$ 90,849	\$ 90,849
5000	CAPITAL EXPENDITURES	\$ 8,459	\$ 1,979	\$ 0	\$ 0	\$ 0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$ 730,084</b>	<b>\$ 903,565</b>	<b>\$ 923,323</b>	<b>\$ 941,219</b>	<b>\$ 941,219</b>
<b>Method of Financing:</b>						
1	GENERAL REVENUE FUND	\$ 729,613	\$ 902,905	\$ 919,323	\$ 937,219	\$ 937,219
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$ 729,613</b>	<b>\$ 902,905</b>	<b>\$ 919,323</b>	<b>\$ 937,219</b>	<b>\$ 937,219</b>
<b>Method of Financing:</b>						
666	APPROPRIATED RECEIPTS	\$ 50	\$ 0	\$ 0	\$ 0	\$ 0
971	REAL ESTATE RECOVERY FUND	\$ 396	\$ 600	\$ 3,500	\$ 3,500	\$ 3,500
988	REAL ESTATE INSPEC TRUST	\$ 25	\$ 60	\$ 500	\$ 500	\$ 500
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$ 471</b>	<b>\$ 660</b>	<b>\$ 4,000</b>	<b>\$ 4,000</b>	<b>\$ 4,000</b>

**STRATEGY REQUEST**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:45:39PM  
PAGE: 5 OF 10

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 2 Enforce the TREC Laws and Rules in a Fair and Evenhanded Manner Statewide Goal/Benchmark: 8 0  
OBJECTIVE: 1 Resolve Complaints and Hold Hearings Exeditiously Service Categories:  
STRATEGY: 1 Investigate Complaints and Resolve Valid Complaint Case Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					\$ 941,219	\$ 941,219
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		\$ 730,084	\$ 903,565	\$ 923,323	\$ 941,219	\$ 941,219
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>18.8</b>	<b>22.9</b>	<b>24.0</b>	<b>24.0</b>	<b>24.0</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Real Estate License Act (Article 6573a, V.T.C.S.) requires a signed written complaint or Commission authorization to initiate an investigation and disciplinary action.. Each complaint is reviewed by an attorney or legal assistant to determine if the complaint is within the jurisdiction of the agency and, if so, then assigned to an investigator. An investigator interviews and obtains documentation from the complainant, licensee, and potential witnesses. The investigative report is then evaluated by headquarters enforcement staff to determine whether disciplinary action is appropriate. A formal notice invites response from the licensee to discuss resolution of the matter prior to the hearing process. If the complaint is not resolved at this point, disciplinary action begins with the filing of an allegation. Unless the case is resolved by an agreed order, a hearing is called before the agency’s administrative hearings officer. The Commission may subpoena witnesses and compel the production of documents. Venue for most hearings is in the county of the licensee’s principal place of business. This strategy contributes to meeting priority goals established in Vision Texas by ensuring that Texas consumers are effectively and efficiently served by high quality professionals and businesses by setting clear standards, maintaining compliance, and seeking innovative solutions.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

The projections for some measures were increased over the figures budgeted for 1999. The agency is seeing an increase in the number of complaints filed against licensees as consumers become more aware of the complaint process. Consumer protection and satisfaction depends on the regulated industry’s perception that violators will be punished in a timely manner. Utilization of a case manager and another legal assistant in the complaint process have increased the Enforcement Division’s ability to resolve complaints in a more timely manner. The agency has requested an additional attorney, a staff person to assist in examinations of regulated entities, and additional funding to upgrade field investigators office equipment as exceptional items. Additional enforcement staff should reduce the time that a contested case is pending within the agency and achieve timelier resolution of all complaints in general. Punishment for violations of the Real Estate License Act should be swift and sure, serving both as a deterrent to licensees and a satisfactory resolution to complainants.

**STRATEGY REQUEST**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:45:40PM  
PAGE: 6 OF 10

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 3 To Communicate Effectively with the Public and Licensees Statewide Goal/Benchmark: 8 0  
OBJECTIVE: 1 Notify 100% of Licensees of Law/Rule Chnges w/i 60 Days; Custmr Survey Service Categories:  
STRATEGY: 1 Prepare and Distribute Information Describing TREC Functions Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
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**Output Measures:**

1	Number of Calls Received	334,713.00	350,000.00	330,000.00	330,000.00	330,000.00
2	Number of Electronic Contacts Received	1,038,625.00	2,000,000.00	684,000.00	1,500,000.00	1,500,000.00

**Efficiency Measures:**

1	Average Cost Per Call and Electronic Contact Received	0.34	0.25	0.46	0.24	0.24
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**Objects of Expense:**

1001	SALARIES AND WAGES	\$ 405,602	\$ 520,217	\$ 560,423	\$ 560,423	\$ 560,423
1002	OTHER PERSONNEL COSTS	\$ 5,170	\$ 9,686	\$ 5,581	\$ 5,581	\$ 5,581
2000	OPERATING COSTS	\$ 164,978	\$ 186,141	\$ 151,836	\$ 191,242	\$ 191,242
5000	CAPITAL EXPENDITURES	\$ 7,415	\$ 13,499	\$ 0	\$ 0	\$ 0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$ 583,165</b>	<b>\$ 729,543</b>	<b>\$ 717,840</b>	<b>\$ 757,246</b>	<b>\$ 757,246</b>

**Method of Financing:**

1	GENERAL REVENUE FUND	\$ 422,959	\$ 546,851	\$ 535,090	\$ 574,496	\$ 574,496
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$ 422,959</b>	<b>\$ 546,851</b>	<b>\$ 535,090</b>	<b>\$ 574,496</b>	<b>\$ 574,496</b>

**Method of Financing:**

666	APPROPRIATED RECEIPTS	\$ 160,206	\$ 182,692	\$ 182,750	\$ 182,750	\$ 182,750
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$ 160,206</b>	<b>\$ 182,692</b>	<b>\$ 182,750</b>	<b>\$ 182,750</b>	<b>\$ 182,750</b>

**Rider Appropriations:**

666	APPROPRIATED RECEIPTS					
2	2 Appropriation of Residential Service Company Examination Fees			\$ 0	\$ 0	\$ 0
<b>TOTAL, RIDER &amp; UNEXPENDED BALANCES APPROP</b>				<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**STRATEGY REQUEST**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:45:41PM  
PAGE: 7 OF 10

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 3 To Communicate Effectively with the Public and Licensees Statewide Goal/Benchmark: 8 0  
OBJECTIVE: 1 Notify 100% of Licensees of Law/Rule Chnges w/i 60 Days; Custmr Survey Service Categories:  
STRATEGY: 1 Prepare and Distribute Information Describing TREC Functions Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					\$ 757,246	\$ 757,246
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		\$ 583,165	\$ 729,543	\$ 717,840	\$ 757,246	\$ 757,246
<b>FULL TIME EQUIVALENT POSITIONS:</b>		14.5	16.1	16.8	16.8	16.8

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Real Estate License Act (Article 6573a, V.T.C.S.) requires the commission to communicate effectively and efficiently with the public to fulfill its mission. During FY2000 TREC substantially improved its communication efforts through the allocation of electronic and human resources. Further the Commission developed its Compact with Texans and made this document available to consumers on its web site. TREC's Compact articulates (in layman's terms) a brief description of services offered, TREC's procedures for responding to public contacts and complaints, licensing procedures, and principles for customer wait time for access and service delivery, as well as the manner in which TREC responds to complaints. Part of TREC's Compact is a revised customer service survey form that has been mailed out to licensees and is now available online to our web site visitors. Survey results are available at TREC's web site. The Commission remains a leader in state government in employing technology to enhance and expand its communication with the consumers of real estate services. TREC educates licensees and the public about its statutes and rules via public speaking engagements, personal contacts, electronic means including E-mail, our web site, the fax-on-demand system (TRECfax) and a quarterly newsletter. Information and advisory opinions are also provided in response to telephonic, electronic and written requests. The Communications section has proven to be an effective means of addressing the wide range and increasing number of telephone calls that TREC receives annually.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

Currently, TREC has three 1-800 lines. The 1-800 lines allow TREC's Communication section to receive approximately 19,275 calls quarterly from the public and licensees. During the first quarter of fiscal year 2000, TREC had 67,578 attempts to complete calls using the 1-800 number. However, only 19,275 (28.5%) of the 67,578 attempts were successful connecting with TREC. Unsuccessful attempts receiving busy signals numbered 48,303 (71.5%). To alleviate the number of busy signals received by the public and licensees TREC requests funding for two additional 1-800 lines (2 @ \$8,165 = \$16,330 per fiscal year), two additional employees (2 A11s @ \$23,052 = \$46,104 per fiscal year) to answer the calls received, and associated costs (operating and modular furniture/equipment expenses: \$7,771 for fiscal year 2002 and \$500 for fiscal year 2003). Additionally, funding is requested for automatic call distribution (ACD) software that will produce reports for monitoring ACD capabilities of telephone systems and a universal trunk card to allow more callers in the queue to hear messages. (ACD C&D software and installation: \$8,052; universal trunk card: \$2,235). Increased demand continues to strain the telephone resources of TREC. Prompt response to telephone calls is of critical importance to the fulfillment of TREC's mission. Funding for this item will be from licensee fees. (Agency Strategic Plan for the 2001-2005 Period for TREC, G. Service Delivery Challenges and Opportunities, Longer Term Modifications to Rules or Statutes, Communications, Item 26, page 19.)

**STRATEGY REQUEST**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:45:42PM  
PAGE: 8 OF 10

Agency code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 5 Indirect Administration  
OBJECTIVE: 1 Indirect Administration  
STRATEGY: 1 Indirect Administration

Statewide Goal/Benchmark: 7 0  
Service Categories:  
Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$ 961,880	\$ 787,752	\$ 888,658	\$ 888,658	\$ 888,658
1002	OTHER PERSONNEL COSTS	\$ 29,411	\$ 40,220	\$ 54,275	\$ 44,875	\$ 44,875
2000	OPERATING COSTS	\$ 332,330	\$ 338,081	\$ 275,813	\$ 347,394	\$ 347,394
5000	CAPITAL EXPENDITURES	\$ 107,014	\$ 82,204	\$ 285,000	\$ 0	\$ 0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$ 1,430,635</b>	<b>\$ 1,248,257</b>	<b>\$ 1,503,746</b>	<b>\$ 1,280,927</b>	<b>\$ 1,280,927</b>
<b>Method of Financing:</b>						
1	GENERAL REVENUE FUND	\$ 1,430,635	\$ 1,248,257	\$ 1,503,746	\$ 1,280,927	\$ 1,280,927
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$ 1,430,635</b>	<b>\$ 1,248,257</b>	<b>\$ 1,503,746</b>	<b>\$ 1,280,927</b>	<b>\$ 1,280,927</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$ 1,280,927</b>	<b>\$ 1,280,927</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$ 1,430,635</b>	<b>\$ 1,248,257</b>	<b>\$ 1,503,746</b>	<b>\$ 1,280,927</b>	<b>\$ 1,280,927</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>29.0</b>	<b>21.0</b>	<b>22.1</b>	<b>22.1</b>	<b>22.1</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Indirect Administrative costs are reflected in this strategy which is dictated by Article 6573a, V.T.C.S. The costs associated with this strategy are necessary to ensure the agency functions efficiently. In addition to leadership and day-to-day management, the Administration Division performs key functions to assist and protect the consumers of real estate services. The functions include direction of the hearings process, coordination of Advisory committees and the newsletter, drafting of proposed rules and legislation, and implementation of staff development programs. The Staff Services Division provides accounting, budget, human resources, purchasing, cashier, quick copy, and other support to the agency. The Information Services Division provides agency-wide support in three main areas: (1) internal computer systems which include fees receipts, education evaluation, examination result posting, license and renewal processing, enforcement case tracking, open records access and education provider approval systems; (2) cooperative systems working in concert with the TGSLC, the Office of the Attorney General in the collection of delinquent child support, the DPS in criminal history checks of applicants, and the Real Estate Center at Texas A&M University in licensee demographic and address data; and (3) public access systems including World Wide Web Site, E-mail system, and fax-on-demand (TREC Fax). This strategy contributes to meeting priority goals established in Vision Texas.

**STRATEGY REQUEST**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

Automated Budget and Evaluation System of Texas (ABEST)

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**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

The agency could not operate without funding for this strategy.

**STRATEGY REQUEST**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

Automated Budget and Evaluation System of Texas (ABEST)

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**SUMMARY TOTALS:**

<b>OBJECTS OF EXPENSE:</b>	<b>3,569,805</b>	<b>3,768,071</b>	<b>3,998,805</b>	<b>3,885,166</b>	<b>3,885,166</b>
<b>METHODS OF FINANCE (INCLUDING RIDERS):</b>				<b>3,935,166</b>	<b>3,935,166</b>
<b>METHODS OF FINANCE (EXCLUDING RIDERS):</b>	<b>3,569,805</b>	<b>3,768,071</b>	<b>3,998,805</b>	<b>3,885,166</b>	<b>3,885,166</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>	<b>82.9</b>	<b>83.1</b>	<b>88.0</b>	<b>88.0</b>	<b>88.0</b>

## Rider Revisions and Additions Request

<b>Agency Code:</b> 329	<b>Agency Name:</b> Texas Real Estate	<b>Prepared By:</b> Alan R. Waters	<b>Date:</b> 07/31/00	<b>Request Level:</b> Base																		
<b>Current Rider Number</b>	<b>Page Number in 2000-01 GAA</b>	<b>Proposed Rider Language</b>																				
4.	VIII-67	<p><del><b>Capital Budget, Real Estate Commission.</b> None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease purchase payments to the Texas Public Finance Authority pursuant to the provisions of V.T.C.S., Article 601d, Sec. 9A.</del></p> <table style="width: 100%; margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; width: 10%;"><u>2000</u></th> <th style="text-align: right; width: 10%;"><u>2001</u></th> </tr> </thead> <tbody> <tr> <td colspan="3" style="text-align: center;">Out of the General Revenue Fund</td> </tr> <tr> <td colspan="3">a. Acquisition of Information Resource Technologies</td> </tr> <tr> <td style="padding-left: 20px;">(1) Lease Purchase of Mainframe CPU, Disk, Printers and System Software (MLPP Payments for 1996-97 acquisitions)</td> <td style="text-align: right;">\$ 67,484</td> <td style="text-align: right;">\$</td> </tr> <tr> <td style="padding-left: 20px;">(2) Purchase of Mainframe CPU, Disk, Printers, and System Software</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">\$ 285,000</td> </tr> <tr> <td><b>Total, Capital Budget</b></td> <td style="text-align: right;"><b>\$ 67,484</b></td> <td style="text-align: right;"><b>\$ 285,000</b></td> </tr> </tbody> </table> <p><i>This rider is not needed in the agency's bill pattern since the purchase of a mainframe cpu, disk, printers, and system software will be accomplished in fiscal year 2001.</i></p>				<u>2000</u>	<u>2001</u>	Out of the General Revenue Fund			a. Acquisition of Information Resource Technologies			(1) Lease Purchase of Mainframe CPU, Disk, Printers and System Software (MLPP Payments for 1996-97 acquisitions)	\$ 67,484	\$	(2) Purchase of Mainframe CPU, Disk, Printers, and System Software	\$	\$ 285,000	<b>Total, Capital Budget</b>	<b>\$ 67,484</b>	<b>\$ 285,000</b>
	<u>2000</u>	<u>2001</u>																				
Out of the General Revenue Fund																						
a. Acquisition of Information Resource Technologies																						
(1) Lease Purchase of Mainframe CPU, Disk, Printers and System Software (MLPP Payments for 1996-97 acquisitions)	\$ 67,484	\$																				
(2) Purchase of Mainframe CPU, Disk, Printers, and System Software	\$	\$ 285,000																				
<b>Total, Capital Budget</b>	<b>\$ 67,484</b>	<b>\$ 285,000</b>																				

## Rider Revisions and Additions Request

Current Rider Number	Page Number in 2000-01 GAA	Proposed Rider Language
2.	VIII-67	<p><b>Appropriation of Residential Service Company Examination Fees.</b> In addition to the funds appropriated above (\$5,500 each year of the biennium), all monies collected pursuant to Section 24(c), Article 6573b, V.T.C.S., are hereby appropriated to the Texas Real Estate Commission for the purposes of conducting examinations and related activities included within Strategy A.1.1., Real Estate Licensing and Strategy C.1.1., Real Estate Public Education. <u>Travel expenses incurred pursuant to this rider are exempt from the travel cap.</u></p> <p><i>The residential service companies reimburse the Texas Real Estate Commission for all expenses incurred in the conduct of examinations (audits). This rider is necessary to permit legislatively directed audits of residential service companies and have the companies pay for the audits so there is no expense incurred by the state. Excluding the travel expense reimbursements received pursuant to this rider from the travel cap would allow more detailed audits resulting in better protection of the public.</i></p>
6.	VIII-67	<p><b>Reimbursement of Advisory Committees.</b> Pursuant to V.T.C.A., Government Code, Section 2110.004 and out of the funds appropriated above, reimbursement of expenses for advisory committee members is limited to the broker members of the Real Estate Broker-Lawyer Advisory Committee and the Real Estate Inspector Committee. <u>Travel expenses incurred pursuant to this rider are exempt from the travel cap.</u></p> <p><i>The advisory committee members are reimbursed by the Texas Real Estate Commission for travel expenses incurred in the conduct of state business. This rider is necessary to permit the travel expenses incurred by legislatively authorized advisory committee members to be excluded from the travel cap. Excluding the travel expenses incurred pursuant to this rider from the travel cap would allow more work to be accomplished by committee members resulting in better protection of the public.</i></p>

# Rider Revisions and Additions Request

Current Rider Number	Page Number in 2000-01 GAA	Proposed Rider Language
7.	VIII-67	<p><del><b>Contingent Revenue TREC Investigation.</b> Of the amounts appropriated above to the Real Estate Commission for the purpose of hiring one additional legal assistant and one additional case manager in Strategy B.1.1: TREC Investigation, the amount of \$53,640 in each year is contingent on the Real Estate Commission assessing fees sufficient to generate, during the 2000-01 biennium, \$447,143 in excess of \$9,182,249 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2000 and 2001. Also contingent on the Real Estate Commission meeting the above revenue target, the "Number of Full-time Equivalent Positions (FTE) figure indicated above is hereby increased by two in 2000 and two in 2001. The Real Estate Commission, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of the Real Estate Commission's minutes and other information supporting the estimated revenues to be generated for the 2000-01 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller of Public Accounts finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.</del></p> <p><i>This rider is not needed for the Texas Real Estate Commission in the agency's bill pattern since the agency has already complied with the provisions of the rider.</i></p>

# Rider Revisions and Additions Request

Current Rider Number	Page Number in 2000-01 GAA	Proposed Rider Language
701	VIII	<p><b>Credit Card Service Charges:</b> <u>The Texas Real Estate Commission, from revenues collected pursuant to V.T.C.S., Article 6573(a), is appropriated monies necessary to pay credit card service charges or related credit service charges assessed by credit service providers.</u></p> <p><i>This new rider would allow TREC to accept payments of fees using credit cards or other fund transfer methods. TREC's customers have expressed a desire to pay fees using credit cards. A rider in the current appropriations bill (Article IX-69, Sec. 9-8.12.) provides for credit card use but makes the service provider charge an extra expense to the customer, an action the Commission declined to take. The Commission believes that customer cost should be the same for a cash, check or credit transaction. The service charges associated with the use of a credit card would be appropriated for expenditure from the fees collected by TREC. This issue was addressed two years ago in TREC's 1999-2003 Strategic Plan (Page 16, Service Delivery Challenges, Paying Fees With Credit Cards, Agency Strategic Plan for the 1999-2003 Period for the Texas Real Estate Commission). The desire for acceptance of credit cards for payment of agency fees has been made evident to TREC. The House Appropriations Subcommittee on Regulatory Agencies, at a hearing conducted July 7, 2000, expressed a desire for TREC to accept credit cards for all transactions.</i></p> <p><i>The Commission has begun the process of accepting license renewals via the Internet using credit cards for payment. Appropriation authority would be needed for TREC to accept payment of fees by mail or in person using credit cards without the client incurring an additional fee. It is anticipated that the increase in the number of licensee renewals will cover the additional cost of credit card processing fees. (See page 15 - Strategic Plan).</i></p>

**RIDER APPROPRIATIONS AND UNEXPENDED BALANCES REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
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Agency code: **329**      Agency name: **REAL ESTATE COMMISSION**

RIDER	STRATEGY	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
2	1 Appropriation of RSC Exam Fees 1-1-1 TREC LICENSING					
<b>OBJECT OF EXPENSE:</b>						
2000	OPERATING COSTS	\$ 1,214	\$ 2,691	\$ 2,750	\$ 0	\$ 0
<b>Total, Object of Expense</b>		<b>\$ 1,214</b>	<b>\$ 2,691</b>	<b>\$ 2,750</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>METHOD OF FINANCING:</b>						
666	APPROPRIATED RECEIPTS	\$ 1,214	\$ 2,691	\$ 2,750	\$ 0	\$ 0
<b>Total, Method of Financing</b>		<b>\$ 1,214</b>	<b>\$ 2,691</b>	<b>\$ 2,750</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Description/Justification for continuation of existing riders or proposed new rider**

The residential service companies reimburse the Texas Real Estate Commission for all expenses incurred in the conduct of examinations (audits). This rider is necessary to fund legislatively directed examinations (audits) of residential service companies and have the companies pay for the examinations (audits) so there is no expense incurred by the state.

2      2 Appropriation of RSC Exam Fees  
 3-1-1 LICENSEE/CONSUMER EDUCATION

<b>OBJECT OF EXPENSE:</b>						
2000	OPERATING COSTS	\$ 1,214	\$ 2,692	\$ 2,750	\$ 0	\$ 0
<b>Total, Object of Expense</b>		<b>\$ 1,214</b>	<b>\$ 2,692</b>	<b>\$ 2,750</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>METHOD OF FINANCING:</b>						
666	APPROPRIATED RECEIPTS	\$ 1,214	\$ 2,692	\$ 2,750	\$ 0	\$ 0
<b>Total, Method of Financing</b>		<b>\$ 1,214</b>	<b>\$ 2,692</b>	<b>\$ 2,750</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Description/Justification for continuation of existing riders or proposed new rider**

The residential service companies reimburse the Texas Real Estate Commission for all expenses incurred in the conduct of examinations (audits). This rider is necessary to fund legislatively directed examinations (audits) of residential service companies and have the companies pay for the examinations (audits) so there is no expense incurred by the state.

**RIDER APPROPRIATIONS AND UNEXPENDED BALANCES REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
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 PAGE: 2 OF 3

Agency code: **329**      Agency name: **REAL ESTATE COMMISSION**

RIDER	STRATEGY	Exp 1999	Est 2000	Bud 2001	BL 2002	BL 2003
700	1 Credit Card Service Charges 1-1-1 TREC LICENSING					
<b>OBJECT OF EXPENSE:</b>						
2000	OPERATING COSTS	\$ 0	\$ 0	\$ 0	\$ 50,000	\$ 50,000
<b>Total, Object of Expense</b>		<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>
<b>METHOD OF FINANCING:</b>						
666	APPROPRIATED RECEIPTS	\$ 0	\$ 0	\$ 0	\$ 50,000	\$ 50,000
<b>Total, Method of Financing</b>		<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>

**Description/Justification for continuation of existing riders or proposed new rider**

This new rider would allow TREC to accept payments of fees using credit cards or other fund transfer methods. TREC's customers have expressed a desire to pay fees using credit cards. A rider in the current appropriations bill (Article IX-69, Sec. 9-8.12.) provides for credit card use but makes the service provider charge an extra expense to the customer, an action the Commission declined to take. The Commission believes that customer cost should be the same for a cash, check or credit transaction. The service charges associated with the use of a credit card would be appropriated for expenditure from the fees collected by TREC. This issue was addressed two years ago in TREC's 1999-2003 Strategic Plan (Page 16, Service Delivery Challenges, Paying Fees With Credit Cards, Agency Strategic Plan for the 1999-2003 Period for the Texas Real Estate Commission). The desire for acceptance of credit cards for payment of agency fees has been made evident to TREC. The House Appropriations Subcommittee on Regulatory Agencies, at a hearing conducted July 7, 2000, expressed a desire for TREC to accept credit cards for all transactions. The Commission has begun the process of accepting license renewals via the Internet using credit cards for payment. Appropriation authority would be needed for TREC to accept payment of fees by mail or in person using credit cards without the client incurring an additional fee. It is anticipated that the increase in the number of licensee renewals will cover the additional cost of credit card processing fees. (See page 15 - Strategic Plan).

**RIDER APPROPRIATIONS AND UNEXPENDED BALANCES REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: **329**      Agency name: **REAL ESTATE COMMISSION**

<b>RIDER</b>	<b>STRATEGY</b>		<b>Exp 1999</b>	<b>Est 2000</b>	<b>Bud 2001</b>	<b>BL 2002</b>	<b>BL 2003</b>
<b>SUMMARY:</b>							
	<b>OBJECT OF EXPENSE TOTAL</b>	\$	<b>2,428</b>	\$ <b>5,383</b>	\$ <b>5,500</b>	\$ <b>50,000</b>	\$ <b>50,000</b>
	<b>METHOD OF FINANCING TOTAL</b>	\$	<b>2,428</b>	\$ <b>5,383</b>	\$ <b>5,500</b>	\$ <b>50,000</b>	\$ <b>50,000</b>

**EXCEPTIONAL ITEM REQUEST SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
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Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2002</b>	<b>Excp 2003</b>
	<b>Item Name:</b> Lease expense increase for Austin Headquarters		
	<b>Item Priority:</b> 1		
	<b>Includes Funding for the Following Strategy or Strategies:</b>		
	01-01-01 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
	02-01-01 Investigate Complaints and Resolve Valid Complaint Case		
	03-01-01 Prepare and Distribute Information Describing TREC Functions		
	05-01-01 Indirect Administration		
<b>OBJECTS OF EXPENSE:</b>			
2000	OPERATING COSTS	179,314	7,608
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$179,314</b>	<b>\$7,608</b>
<b>METHOD OF FINANCING:</b>			
1	GENERAL REVENUE FUND	179,314	7,608
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$179,314</b>	<b>\$7,608</b>

**DESCRIPTION / JUSTIFICATION:**

The current 20 year lease of the Texas Real Estate Commission (TREC) expires August 31, 2001. The lease is for TREC Headquarters' operation located in Austin. The current lease was originally awarded in fiscal year 1981 and was renegotiated in fiscal year 1990. The rate of the current lease is considerably below current market cost. The lease is necessary for the operation of TREC to continue to meet statutory obligations. The new lease specifications submitted to the General Services Commission in May 2000 incorporate compliance with the legislative mandate of 153 square feet per employee. TREC's current annual lease expenses of \$217,880 involve rent (\$175,148), utilities (\$29,195), janitorial services (\$12,765), and exterminating services (\$773). Relocation/moving expenses are estimated to be \$151,100. The current amount of space is being reduced from 27,079 square feet to 22,144 square feet. The current cost per square foot is approximately \$8.05 and the estimated cost per square foot for the new lease is \$18.00 (Fiscal year 2002 expense increase equals: \$18.00 per square foot X 22,144 square feet equals \$398,592 minus current lease appropriations of \$217,880 equals \$180,712 plus \$151,100 moving expense plus \$22,500 modular furniture equals \$354,312) Fiscal year 2003 cost equals \$182,605 (\$180,712 plus CPI increase of \$1,893). The increase in costs will be funded from licensee fees. (Agency Strategic Plan for the 2001-2005 Period for the Texas Real Estate Commission, External/Internal Assessment, B. Organizational Aspects, Staff Services, Page 9).

**EXTERNAL/INTERNAL FACTORS:**

**EXCEPTIONAL ITEM REQUEST SCHEDULE**  
77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
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Agency name: **REAL ESTATE COMMISSION**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2002</b>	<b>Excp 2003</b>
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The current market value of leased office space (including rent, utilities, janitorial services, and exterminating services) is approximately \$18.00 per square foot based on The Flick Report for the 4th Quarter, 1999. This exceptional item request is based on \$ 18.00 per square foot. It is anticipated that actual costs for this exceptional item will be available by the legislative session. The scenarios will be (1) TREC remaining at its current location (this will require additional lease expenses plus the expense of 5 modular units (5 @ \$4,500 = \$22,500), or (2) TREC relocating from its current location to a new location (this will require additional lease expenses, moving expenses, plus the expense of 5 modular units)

The amounts requested above include capital budget items funded during fiscal years 2000 and 2001. The capital budget amounts in the current appropriations bill [\$67,484 (\$65,000 actual expense) for fiscal year 2000 and \$285,000 (\$284,995 actual expense) for fiscal year 2001] are included as part of TREC's baseline for the 2002-03 LAR. The total amount of the capital budget (\$349,995) is being divided equally (\$174,998 fiscal years 2002 and \$174,997 for fiscal year 2003. The \$349,995 will be used to offset the additional expenses involved with TREC's new lease that will begin September 1, 2001. The capital budget monies will offset the lease increase so that only \$179,314 (\$354,312 less \$174,998) additional funding will be required for fiscal year 2002 and \$7,608 (\$182,605 less \$174,997) for fiscal year 2003.

**EXCEPTIONAL ITEM REQUEST SCHEDULE**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

CODE	DESCRIPTION	Excp 2002	Excp 2003
	<b>Item Name:</b> Additional 1-800 lines and staff for Communications		
	<b>Item Priority:</b> 2		
	<b>Includes Funding for the Following Strategy or Strategies:</b>		
	03-01-01 Prepare and Distribute Information Describing TREC Functions		
 <b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	46,104	46,104
2000	OPERATING COSTS	34,388	16,830
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$80,492</b>	<b>\$62,934</b>
 <b>METHOD OF FINANCING:</b>			
1	GENERAL REVENUE FUND	80,492	62,934
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$80,492</b>	<b>\$62,934</b>
 <b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>			
		2.00	2.00

**DESCRIPTION / JUSTIFICATION:**

Currently the Texas Real Estate Commission (TREC) has three 1-800 lines. The 1-800 lines allow TREC's Communication section to receive approximately 19,275 calls quarterly from the public and licensees. During the first quarter of fiscal year 2000, TREC had 67,578 attempts to complete calls using the 1-800 number. Only 19,275 ( 28.5%) of the 67,578 attempts were successful connecting with TREC. Unsuccessful attempts receiving busy signals numbered 48,303 (71.5%). To alleviate the number of busy signals received by the public and licensees TREC requests funding for two additional 1-800 lines (2 @ \$8,165 = \$16,330 per fiscal year), two additional employees (2 A11-1 @ \$23,052 = \$46,104 per fiscal year) to answer the calls received, and associated costs (operating and modular furniture/equipment expenses: \$7,771 for fiscal year 2002 and \$500 for fiscal year 2003 ). Additionally, funding is requested for automatic call distribution (ACD) software that will produce reports for monitoring ACD capabilities of telephone system and a universal trunk card to allow more callers in the queue to hear messages. (ACD C&D software and installation: \$8,052; universal trunk card: \$2,235). Increased demand continues to strain the telephone resources of TREC. Prompt response to telephone calls is of critical importance to the fulfillment of TREC's mission. Funding for this item will be from licensee fees. (Agency Strategic Plan for the 2001-2005 Period for the Texas Real Estate Commission, G. Service Delivery Challenges and Opportunities, Longer Term Modifications to Rules or Statutes, Communications, Item 26., Page 19).

**EXTERNAL/INTERNAL FACTORS:**

The number of calls received from the public and licensees using 1-800 lines will continue to increase. TREC must meet this increased demand by adding additional 1-800 lines and staff.

**EXCEPTIONAL ITEM REQUEST SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

CODE	DESCRIPTION	Excp 2002	Excp 2003
	<b>Item Name:</b> Improve efficiency of Enforcement Division		
	<b>Item Priority:</b> 3		
	<b>Includes Funding for the Following Strategy or Strategies:</b>		
	01-01-01 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
	02-01-01 Investigate Complaints and Resolve Valid Complaint Case		
	03-01-01 Prepare and Distribute Information Describing TREC Functions		
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	72,632	72,632
2000	OPERATING COSTS	41,334	8,884
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$113,966</b>	<b>\$81,516</b>
<b>METHOD OF FINANCING:</b>			
1	GENERAL REVENUE FUND	113,966	81,516
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$113,966</b>	<b>\$81,516</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>			
		0.40	0.40
		1.70	1.70
		2.00	2.00

**DESCRIPTION / JUSTIFICATION:**

As consumers become more aware of the complaint process, the agency is seeing a steady increase in the number and complexity of complaints filed against licensees. Approximately 2,200 complaints were filed in 1997, compared to 2,900 in 1999. At the current rate, we anticipate 3,100 complaints to be filed in the year 2000, which will result in a 41% increase in just 3 years. To meet this steady increase in complaints, the Texas Real Estate Commission is requesting legislative appropriations to hire an additional attorney (Agency Strategic Plan for the 2001-2005 Period for the Texas Real Estate Commission, H. Prioritization of Strategic Planning Initiatives, Enforcement, Page 22), to update the investigators office equipment (Agency Strategic Plan for the 2001-2005 Period for the Texas Real Estate Commission, G. Service Delivery Challenges and Opportunities, Longer Term Modifications to Rules or Statutes, Enforcement, Item 23., Page 18), and to hire an employee to review financial information obtained in conjunction with examinations of various licensed entities (Agency Strategic Plan for the 2001-2005 Period for the Texas Real Estate Commission, G. Service Delivery Challenges and Opportunities, Longer Term Modifications to Rules or Statutes, Administration, Item 29., Page 19). Additionally, funding is requested for mailing notices to licensees who fail to renew their license on time (Agency Strategic Plan for the 2001-2005 Period for the Texas Real Estate Commission, G. Service Delivery Challenges and Opportunities, Long Term Modifications to Rules or Statutes, Item 18, Page 18).

Funding for the above items will be from licensee fees.

**EXTERNAL/INTERNAL FACTORS:**

**EXCEPTIONAL ITEM REQUEST SCHEDULE**  
77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
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Agency name: **REAL ESTATE COMMISSION**

**CODE DESCRIPTION**

**Excp 2002**

**Excp 2003**

As stated above, the commitment to firm, fair and consistent resolution of complaints is an important aspect of the customer service provided by the Texas Real Estate Commission. TREC will continue to give the highest priority to improving the timelessness and consistency of the agency's complaint resolution process. The funding requested above will help achieve this goal and the agency's mission.

**EXCEPTIONAL ITEM REQUEST SCHEDULE**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
 TIME: **1:48:45PM**  
 PAGE: **6 of 6**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

CODE	DESCRIPTION	Excp 2002	Excp 2003
	<b>Item Name:</b> Salary adjustment to retain experienced staff		
	<b>Item Priority:</b> 4		
	<b>Includes Funding for the Following Strategy or Strategies:</b>		
	01-01-01 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
	02-01-01 Investigate Complaints and Resolve Valid Complaint Case		
	03-01-01 Prepare and Distribute Information Describing TREC Functions		
	05-01-01 Indirect Administration		
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	79,298	79,298
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$79,298</b>	<b>\$79,298</b>

**METHOD OF FINANCING:**

1	GENERAL REVENUE FUND	79,298	79,298
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**DESCRIPTION / JUSTIFICATION:**

Non-competitive salaries put the Commission in danger of turnover in key technical areas and the loss of experienced staff. In order to ensure the retention of qualified and experienced staff, TREC requests appropriation authority to raise TREC's salary structure. A survey of 85 filled positions at TREC reveals 55 of these positions to be salaried at below the "first quartile" of the position's salary range. Currently, these 55 positions (64% of TREC's filled positions) are salaried near the minimum of the position's salary range.

Given the current exceedingly tight Austin job market, it is extremely difficult to recruit and retain staff into lower level positions such as Administrative Technician I, II, and III. Over 40% of currently filled positions -all located in Austin - fall into this category. For these 35 positions, TREC is in competition not only with other state agencies, but with retailers and fast food businesses as well. TREC experienced a 15% turnover in staff during FY99. During FY2000, 5 staff have departed the agency for more lucrative positions in other state agencies. Also during FY2000, TREC has made counteroffers to 5 staff in an attempt to retain them in their positions at TREC.

To retain experienced staff and avoid the expense and disruption associated with training a large core of new hires, it is vital that TREC attempt to be more competitive with other state agencies. Therefore, we recommend raising salaries of all staff who are currently paid below the first quartile of their salary range. The cost associated with bringing each of these 55 individuals up to the first quartile is \$79,298 per year. Funding for this item will be from licensee fees. (Agency Strategic Plan for the 2001-2005 Period for the Texas Real Estate Commission, G. Service Delivery Challenges and Opportunities, Administration, Item 28., Page 19)

**EXTERNAL/INTERNAL FACTORS:**

As stated above given the current exceedingly tight Austin job market, it is extremely difficult to recruit and retain staff into lower level positions such as Administrative Technician I, II, and III. Over 40% of currently filled positions -all located in Austin - fall into this category. For these 35 positions, TREC is in competition not only with other state agencies, but with retailers and fast food businesses as well. The funding requested above will help achieve retention of experienced staff and the agency's mission.

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:49:23PM**  
PAGE: **1 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Excp 2002

Excp 2003

**Item Name:** Lease expense increase for Austin Headquarters

**Allocation to Strategy:** 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue L

**OBJECTS OF EXPENSE:**

2000 OPERATING COSTS	51,104	2,168
<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$51,104</b>	<b>\$2,168</b>

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND	51,104	2,168
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$51,104</b>	<b>\$2,168</b>

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:51:50PM**  
PAGE: **2 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Excp 2002

Excp 2003

**Item Name:** Lease expense increase for Austin Headquarters

**Allocation to Strategy:** 2-1-1 Investigate Complaints and Resolve Valid Complaint Case

**OBJECTS OF EXPENSE:**

2000 OPERATING COSTS	48,953	2,077
<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$48,953</b>	<b>\$2,077</b>

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND	48,953	2,077
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$48,953</b>	<b>\$2,077</b>

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:51:52PM**  
PAGE: **3 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Excp 2002

Excp 2003

**Item Name:** Lease expense increase for Austin Headquarters

**Allocation to Strategy:** 3-1-1 Prepare and Distribute Information Describing TREC Functions

**OBJECTS OF EXPENSE:**

2000 OPERATING COSTS	34,249	1,453
<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$34,249</b>	<b>\$1,453</b>

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND	34,249	1,453
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$34,249</b>	<b>\$1,453</b>

EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE  
77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:51:54PM  
PAGE: 4 of 12

Agency code: 329

Agency name: REAL ESTATE COMMISSION

	Excp 2002	Excp 2003
<b>Item Name:</b>	Lease expense increase for Austin Headquarters	
<b>Allocation to Strategy:</b>	5-1-1 Indirect Administration	
<b>OBJECTS OF EXPENSE:</b>		
2000 OPERATING COSTS	45,008	1,910
<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$45,008</b>	<b>\$1,910</b>
<b>METHOD OF FINANCING:</b>		
1 GENERAL REVENUE FUND	45,008	1,910
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$45,008</b>	<b>\$1,910</b>

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:51:56PM**  
PAGE: **5 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

	Excp 2002	Excp 2003
<b>Item Name:</b> Additional 1-800 lines and staff for Communications		
<b>Allocation to Strategy:</b> 3-1-1 Prepare and Distribute Information Describing TREC Functions		
<b>OUTPUT MEASURES:</b>		
1 Number of Calls Received	20,704.00	20,704.00
<b>OBJECTS OF EXPENSE:</b>		
1001 SALARIES AND WAGES	46,104	46,104
2000 OPERATING COSTS	34,388	16,830
<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$80,492</b>	<b>\$62,934</b>
<b>METHOD OF FINANCING:</b>		
1 GENERAL REVENUE FUND	80,492	62,934
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$80,492</b>	<b>\$62,934</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>	2.0	2.0

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:51:57PM**  
PAGE: **6 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Excp 2002

Excp 2003

**Item Name:** Improve efficiency of Enforcement Division

**Allocation to Strategy:** 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue L

**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES  
2000 OPERATING COSTS

12,558  
5,373

12,558  
1,155

**TOTAL, OBJECT OF EXPENSE**

**\$17,931**

**\$13,713**

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND

17,931

13,713

**TOTAL, METHOD OF FINANCING**

**\$17,931**

**\$13,713**

**FULL-TIME EQUIVALENT POSITIONS (FTE):**

0.4

0.4

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:51:58PM**  
PAGE: **7 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

	Excp 2002	Excp 2003
<b>Item Name:</b>	Improve efficiency of Enforcement Division	
<b>Allocation to Strategy:</b>	2-1-1 Investigate Complaints and Resolve Valid Complaint Case	
<b>OUTPUT MEASURES:</b>		
<b>1</b> Number of Complaints Resolved	150.00	150.00
<b>2</b> Number of Administrative Hearings Conducted	25.00	25.00
<b>EFFICIENCY MEASURES:</b>		
<b>1</b> Average Time for Complaint Resolution	-10.00	-10.00
<b>OBJECTS OF EXPENSE:</b>		
1001 SALARIES AND WAGES	49,179	49,179
2000 OPERATING COSTS	28,934	6,219
<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$78,113</b>	<b>\$55,398</b>
<b>METHOD OF FINANCING:</b>		
1 GENERAL REVENUE FUND	78,113	55,398
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$78,113</b>	<b>\$55,398</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>	1.3	1.3

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:51:58PM**  
PAGE: **8 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Excp 2002

Excp 2003

**Item Name:** Improve efficiency of Enforcement Division

**Allocation to Strategy:** 3-1-1 Prepare and Distribute Information Describing TREC Functions

**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES  
2000 OPERATING COSTS

10,895  
7,027

10,895  
1,510

**TOTAL, OBJECT OF EXPENSE**

**\$17,922**

**\$12,405**

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND

17,922

12,405

**TOTAL, METHOD OF FINANCING**

**\$17,922**

**\$12,405**

**FULL-TIME EQUIVALENT POSITIONS (FTE):**

0.3

0.3

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:51:59PM**  
PAGE: **9 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

Excp 2002

Excp 2003

**Item Name:** Salary adjustment to retain experienced staff

**Allocation to Strategy:** 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue L

**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES	23,681	23,681
<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$23,681</b>	<b>\$23,681</b>

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND	23,681	23,681
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$23,681</b>	<b>\$23,681</b>

EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE  
77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:51:59PM  
PAGE: 10 of 12

Agency code: 329

Agency name: REAL ESTATE COMMISSION

Excp 2002

Excp 2003

**Item Name:** Salary adjustment to retain experienced staff

**Allocation to Strategy:** 2-1-1 Investigate Complaints and Resolve Valid Complaint Case

**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES

26,092

26,092

**TOTAL, OBJECT OF EXPENSE**

**\$26,092**

**\$26,092**

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND

26,092

26,092

**TOTAL, METHOD OF FINANCING**

**\$26,092**

**\$26,092**

EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE  
77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 08/18/2000  
TIME: 1:52:00PM  
PAGE: 11 of 12

Agency code: 329

Agency name: REAL ESTATE COMMISSION

Excp 2002

Excp 2003

**Item Name:** Salary adjustment to retain experienced staff

**Allocation to Strategy:** 3-1-1 Prepare and Distribute Information Describing TREC Functions

**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES

17,130

17,130

**TOTAL, OBJECT OF EXPENSE**

**\$17,130**

**\$17,130**

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND

17,130

17,130

**TOTAL, METHOD OF FINANCING**

**\$17,130**

**\$17,130**

**EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE**  
**77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1**  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **08/18/2000**  
TIME: **1:52:02PM**  
PAGE: **12 of 12**

Agency code: **329**

Agency name: **REAL ESTATE COMMISSION**

	Excp 2002	Excp 2003
<b>Item Name:</b> Salary adjustment to retain experienced staff		
<b>Allocation to Strategy:</b> 5-1-1 Indirect Administration		
<b>OBJECTS OF EXPENSE:</b>		
1001 SALARIES AND WAGES	12,395	12,395
<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$12,395</b>	<b>\$12,395</b>
<b>METHOD OF FINANCING:</b>		
1 GENERAL REVENUE FUND	12,395	12,395
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$12,395</b>	<b>\$12,395</b>

**EXCEPTIONAL ITEMS STRATEGY REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
**Automated Budget and Evaluation System of Texas (ABEST)**

DATE: **08/18/2000**  
 TIME: **1:52:28PM**  
 PAGE: **1 of 4**

Agency Code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL:	1 Determine That TREC Applicants Meet Legal Requirements for Licensure	Statewide Goal/Benchmark:	8 - 0
OBJECTIVE:	1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency	Service Categories:	
STRATEGY:	1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses	Service: 16	Income: A.2
			Age: B.3

<b>CODE DESCRIPTION</b>	<b>Excp 2002</b>	<b>Excp 2003</b>
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**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES	36,239	36,239
2000 OPERATING COSTS	56,477	3,323
<b>Total, Objects of Expense</b>	<b>\$92,716</b>	<b>\$39,562</b>

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND	92,716	39,562
<b>Total, Method of Finance</b>	<b>\$92,716</b>	<b>\$39,562</b>

**FULL-TIME EQUIVALENT POSITIONS (FTE):**

0.4	0.4
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**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Lease expense increase for Austin Headquarters  
 Improve efficiency of Enforcement Division  
 Salary adjustment to retain experienced staff

**EXCEPTIONAL ITEMS STRATEGY REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
**Automated Budget and Evaluation System of Texas (ABEST)**

DATE: **08/18/2000**  
 TIME: **1:53:12PM**  
 PAGE: **2 of 4**

Agency Code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 2 Enforce the TREC Laws and Rules in a Fair and Evenhanded Manner Statewide Goal/Benchmark: 8 - 0  
 OBJECTIVE: 1 Resolve Complaints and Hold Hearings Exeditiously Service Categories:  
 STRATEGY: 1 Investigate Complaints and Resolve Valid Complaint Case Service: 16 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Excp 2002</b>	<b>Excp 2003</b>
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**STRATEGY IMPACT ON OUTCOME MEASURES:**

<u>3</u> Percent of Documented Complaints Resolved within 6 Months	70.00 %	70.00 %
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**OUTPUT MEASURES:**

<u>1</u> Number of Complaints Resolved	150.00	150.00
<u>2</u> Number of Administrative Hearings Conducted	25.00	25.00

**EFFICIENCY MEASURES:**

<u>1</u> Average Time for Complaint Resolution	(10.00)	(10.00)
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**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES	75,271	75,271
2000 OPERATING COSTS	77,887	8,296
<b>Total, Objects of Expense</b>	<b>\$153,158</b>	<b>\$83,567</b>

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND	153,158	83,567
<b>Total, Method of Finance</b>	<b>\$153,158</b>	<b>\$83,567</b>

**FULL-TIME EQUIVALENT POSITIONS (FTE):**

1.3	1.3
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**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Lease expense increase for Austin Headquarters  
 Improve efficiency of Enforcement Division  
 Salary adjustment to retain experienced staff

**EXCEPTIONAL ITEMS STRATEGY REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
**Automated Budget and Evaluation System of Texas (ABEST)**

DATE: **08/18/2000**  
 TIME: **1:53:14PM**  
 PAGE: **3 of 4**

Agency Code: **329** Agency name: **REAL ESTATE COMMISSION**

GOAL: 3 To Communicate Effectively with the Public and Licensees Statewide Goal/Benchmark: 8 - 0  
 OBJECTIVE: 1 Notify 100% of Licensees of Law/Rule Chnges w/i 60 Days; Custmr Survey Service Categories:  
 STRATEGY: 1 Prepare and Distribute Information Describing TREC Functions Service: 09 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Excp 2002</b>	<b>Excp 2003</b>
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**OUTPUT MEASURES:**

<b>1</b> Number of Calls Received	20,704.00	20,704.00
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**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES	74,129	74,129
2000 OPERATING COSTS	75,664	19,793

<b>Total, Objects of Expense</b>	<b>\$149,793</b>	<b>\$93,922</b>
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**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND	149,793	93,922
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<b>Total, Method of Finance</b>	<b>\$149,793</b>	<b>\$93,922</b>
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**FULL-TIME EQUIVALENT POSITIONS (FTE):**

2.3	2.3
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**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Lease expense increase for Austin Headquarters

Additional 1-800 lines and staff for Communications

Improve efficiency of Enforcement Division

Salary adjustment to retain experienced staff

**EXCEPTIONAL ITEMS STRATEGY REQUEST**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
**Automated Budget and Evaluation System of Texas (ABEST)**

DATE: **08/18/2000**  
 TIME: **1:53:15PM**  
 PAGE: **4 of 4**

Agency Code: **329**

Agency name: **REAL ESTATE COMMISSION**

GOAL: 5 Indirect Administration  
 OBJECTIVE: 1 Indirect Administration  
 STRATEGY: 1 Indirect Administration

Statewide Goal/Benchmark: 7 - 0  
 Service Categories:  
 Service: 09                      Income: A.2                      Age: B.3

<b>CODE DESCRIPTION</b>	<b>Excp 2002</b>	<b>Excp 2003</b>
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**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES	12,395	12,395
2000 OPERATING COSTS	45,008	1,910
<b>Total, Objects of Expense</b>	<b>\$57,403</b>	<b>\$14,305</b>

**METHOD OF FINANCING:**

1 GENERAL REVENUE FUND	57,403	14,305
<b>Total, Method of Finance</b>	<b>\$57,403</b>	<b>\$14,305</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Lease expense increase for Austin Headquarters  
 Salary adjustment to retain experienced staff

**ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency name: **REAL ESTATE COMMISSION**

DATE: 08/18/2000

TIME: 1:54:03PM

PAGE: 1 OF 5

Agency Code: **329**

<b>FUND/ACCOUNT</b>	<b>Act 1999</b>	<b>Est 2000</b>	<b>Est 2001</b>	<b>Est 2002</b>	<b>Est 2003</b>
<b>1 GENERAL REVENUE FUND</b>					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3103 Limited Sales & Use Tax-State	1,797	2,000	1,800	1,800	1,800
3105 Discounts for Sales Tax-State	12	13	12	12	12
3171 Prof-Fees-HB11, GR Increase	7,132,200	7,031,500	7,000,000	7,000,000	7,000,000
3175 Professional Fees	4,414,489	5,000,000	4,800,000	5,050,000	4,850,000
3775 Returned Check Fees	4,925	4,675	4,700	4,700	4,700
3795 Other Misc Government Revenue	7,375	7,035	7,000	7,000	7,000
Subtotal: Actual/Estimated Revenue	11,560,798	12,045,223	11,813,512	12,063,512	11,863,512
<b>Total Available</b>	<b>\$11,560,798</b>	<b>\$12,045,223</b>	<b>\$11,813,512</b>	<b>\$12,063,512</b>	<b>\$11,863,512</b>
<b>DEDUCTIONS:</b>					
Expended/Budgeted/Requested	(3,468,171)	(3,482,855)	(3,704,905)	(3,695,666)	(3,695,666)
Transfer - Employee Benefits	(766,361)	(854,951)	(867,343)	(900,000)	(900,000)
Art IX Sec. 195 (98-99 GAA) Salary	(98,785)	0	0	0	0
Art IX Sec. 9-11.06 (00-01 GAA)Sal	0	(99,173)	(104,400)	0	0
<b>Total, Deductions</b>	<b>\$(4,333,317)</b>	<b>\$(4,436,979)</b>	<b>\$(4,676,648)</b>	<b>\$(4,595,666)</b>	<b>\$(4,595,666)</b>
<b>Ending Fund/Account Balance</b>	<b>\$7,227,481</b>	<b>\$7,608,244</b>	<b>\$7,136,864</b>	<b>\$7,467,846</b>	<b>\$7,267,846</b>

**REVENUE ASSUMPTIONS:**

**CONTACT PERSON:**

Alan R. Waters/Carla F. Barron

**ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency name: **REAL ESTATE COMMISSION**

DATE: 08/18/2000

TIME: 1:54:36PM

PAGE: 2 OF 5

Agency Code: **329**

<b>FUND/ACCOUNT</b>	<b>Act 1999</b>	<b>Est 2000</b>	<b>Est 2001</b>	<b>Est 2002</b>	<b>Est 2003</b>
<b>666 APPROPRIATED RECEIPTS</b>					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3752 Sale of Publications/Advertising	157,808	179,679	180,000	180,000	180,000
3754 Other Surplus/Salvage Property	1,234	321	0	0	0
Subtotal: Actual/Estimated Revenue	<u>159,042</u>	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>
<b>Total Available</b>	<b><u>\$159,042</u></b>	<b><u>\$180,000</u></b>	<b><u>\$180,000</u></b>	<b><u>\$180,000</u></b>	<b><u>\$180,000</u></b>
<b>DEDUCTIONS:</b>					
Expended/Budgeted/Requested	(159,042)	(180,000)	(180,000)	(180,000)	(180,000)
<b>Total, Deductions</b>	<b><u>\$(159,042)</u></b>	<b><u>\$(180,000)</u></b>	<b><u>\$(180,000)</u></b>	<b><u>\$(180,000)</u></b>	<b><u>\$(180,000)</u></b>
<b>Ending Fund/Account Balance</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**REVENUE ASSUMPTIONS:**

**CONTACT PERSON:**

Alan R. Waters/Carla F. Barron

**ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

Automated Budget and Evaluation System of Texas (ABEST)

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DATE: **08/18/2000**

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<b>FUND/ACCOUNT</b>	<b>Act 1999</b>	<b>Est 2000</b>	<b>Est 2001</b>	<b>Est 2002</b>	<b>Est 2003</b>
<b>969 REAL ESTATE TRUST ACCOUNT</b>					
Beginning Balance (Unencumbered):	\$583,525	\$564,467	\$605,774	\$575,774	\$606,774
Estimated Revenue:					
3175 Professional Fees	2,033,460	2,131,030	2,020,000	2,120,000	2,020,000
Subtotal: Actual/Estimated Revenue	2,033,460	2,131,030	2,020,000	2,120,000	2,020,000
<b>Total Available</b>	<b>\$2,616,985</b>	<b>\$2,695,497</b>	<b>\$2,625,774</b>	<b>\$2,695,774</b>	<b>\$2,626,774</b>
<b>DEDUCTIONS:</b>					
Transfers to R. E. Center	(2,052,518)	(2,089,723)	(2,050,000)	(2,089,000)	(2,050,000)
<b>Total, Deductions</b>	<b>\$(2,052,518)</b>	<b>\$(2,089,723)</b>	<b>\$(2,050,000)</b>	<b>\$(2,089,000)</b>	<b>\$(2,050,000)</b>
<b>Ending Fund/Account Balance</b>	<b>\$564,467</b>	<b>\$605,774</b>	<b>\$575,774</b>	<b>\$606,774</b>	<b>\$576,774</b>

**REVENUE ASSUMPTIONS:**

Revenues are based on historical trends.

**CONTACT PERSON:**

Alan R. Waters/Carla F. Barron

**ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

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<b>FUND/ACCOUNT</b>	<b>Act 1999</b>	<b>Est 2000</b>	<b>Est 2001</b>	<b>Est 2002</b>	<b>Est 2003</b>
<b>971 REAL ESTATE RECOVERY FUND</b>					
Beginning Balance (Unencumbered):	\$291,464	\$406,400	\$603,117	\$278,117	\$152,117
Estimated Revenue:					
3175 Professional Fees	159,490	223,500	200,000	200,000	200,000
3714 Judgments	46,523	22,774	20,000	20,000	20,000
3802 Reimbursements-Third Party	48,521	27,772	25,000	25,000	25,000
3821 Sale of US Gov Obligations-Short	192,100	1,100,000	500,000	400,000	400,000
3822 Sale of US Gov Obligations-Long	100,000	0	0	0	0
3855 Interest on Invest/Obligtn/Security	137,025	135,410	131,000	130,000	129,000
Subtotal: Actual/Estimated Revenue	683,659	1,509,456	876,000	775,000	774,000
<b>Total Available</b>	<b>\$975,123</b>	<b>\$1,915,856</b>	<b>\$1,479,117</b>	<b>\$1,053,117</b>	<b>\$926,117</b>
<b>DEDUCTIONS:</b>					
Expended/Budgeted/Requested	(396)	(1,000)	(1,000)	(1,000)	(1,000)
Payments directed by court order	(568,327)	(509,020)	(500,000)	(500,000)	(500,000)
Purch of US Gov't - Short Term	0	(300,125)	0	0	0
Purch of US Gov't - LongTerm	0	(502,594)	(700,000)	(400,000)	(300,000)
<b>Total, Deductions</b>	<b>\$(568,723)</b>	<b>\$(1,312,739)</b>	<b>\$(1,201,000)</b>	<b>\$(901,000)</b>	<b>\$(801,000)</b>
<b>Ending Fund/Account Balance</b>	<b>\$406,400</b>	<b>\$603,117</b>	<b>\$278,117</b>	<b>\$152,117</b>	<b>\$125,117</b>

**REVENUE ASSUMPTIONS:**

Revenues and deductions are based on historical trends.

**CONTACT PERSON:**

Alan R. Waters/Carla F. Barron

**ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE**

77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1

Automated Budget and Evaluation System of Texas (ABEST)

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<b>FUND/ACCOUNT</b>	<b>Act 1999</b>	<b>Est 2000</b>	<b>Est 2001</b>	<b>Est 2002</b>	<b>Est 2003</b>
<b>988 REAL ESTATE INSPEC TRUST</b>					
Beginning Balance (Unencumbered):	\$625,442	\$646,243	\$607,209	\$636,209	\$636,209
Estimated Revenue:					
3175 Professional Fees	33,800	40,900	40,500	40,500	40,500
3714 Judgments	0	7,500	0	0	0
3802 Reimbursements-Third Party	0	1,652	0	0	0
3851 Interest on St Deposits & Treas Inv	33,082	35,632	35,000	35,000	35,000
Subtotal: Actual/Estimated Revenue	66,882	85,684	75,500	75,500	75,500
<b>Total Available</b>	<b>\$692,324</b>	<b>\$731,927</b>	<b>\$682,709</b>	<b>\$711,709</b>	<b>\$711,709</b>
<b>DEDUCTIONS:</b>					
Expended/Budgeted/Requested	(25)	(500)	(500)	(500)	(500)
Payments directed by court order	(7,500)	(52,500)	(15,000)	(15,000)	(15,000)
Transfers to General Revenue	(38,556)	(71,718)	(31,000)	(60,000)	(60,000)
<b>Total, Deductions</b>	<b>\$(46,081)</b>	<b>\$(124,718)</b>	<b>\$(46,500)</b>	<b>\$(75,500)</b>	<b>\$(75,500)</b>
<b>Ending Fund/Account Balance</b>	<b>\$646,243</b>	<b>\$607,209</b>	<b>\$636,209</b>	<b>\$636,209</b>	<b>\$636,209</b>

**REVENUE ASSUMPTIONS:**

Revenues and deductions are based on historical trends. Fiscal year 2000 had an exceptional amount of payments directed by court order. Fiscal years 2001 thru 2003 show a return to historical payment levels.

**CONTACT PERSON:**

Alan R. Waters/Carla F. Barron

**ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART A**  
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Agency Code: **329** Agency: **REAL ESTATE COMMISSION**

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**REAL ESTATE BROKER-LAWYER COMMITTEE**

Statutory Authorization: Section 16, Article 6573a, V.T.C.S.  
 Number of Members: 12  
 Committee Status: Ongoing  
 Date Created: 08/29/1983  
 Date to Be Abolished: 09/01/2003  
 Strategy (Strategies): 3-1-1 LICENSEE/CONSUMER EDUCATION

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<b>Advisory Committee Costs</b>	<b>Expended 1999</b>	<b>Estimated 2000</b>	<b>Budgeted 2001</b>	<b>Requested 2002</b>	<b>Requested 2003</b>
Committee Members Direct Expenses					
Travel	\$4,525	\$2,500	\$2,500	\$2,500	\$2,500
Other Expenditures in Support of Committee Activities					
Personnel (0.10 FTEs)	4,568	4,985	5,145	5,145	5,145
Other Operating	200	200	200	200	200
<b>Total, Committee Expenditures</b>	<b>\$9,293</b>	<b>\$7,685</b>	<b>\$7,845</b>	<b>\$7,845</b>	<b>\$7,845</b>
Method of Financing					
GENERAL REVENUE FUND	\$9,293	\$7,685	\$7,845	\$7,845	\$7,845
<b>Total, Method of Financing</b>	<b>\$9,293</b>	<b>\$7,685</b>	<b>\$7,845</b>	<b>\$7,845</b>	<b>\$7,845</b>
<b>Meetings Per Fiscal Year</b>	4	4	4	4	4

**ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART A**  
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Agency Code: **329**      Agency: **REAL ESTATE COMMISSION**

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**REAL ESTATE BROKER-LAWYER COMMITTEE**

**Description and Justification for Continuation/Consequences of Abolishing**

The Real Estate Broker-Lawyer Committee (committee) consists of six attorneys appointed by the president of the State Bar of Texas and six persons appointed by the Texas Real Estate Commission (TREC). The committee prepares earnest money contracts and addenda for possible promulgation by TREC. Section 16(e) of Article 6573a, V.T.C.S., generally requires Texas real estate licensees to use the forms prepared by the committee and promulgated by TREC.

The existence of this committee should be continued to discourage the unauthorized practice of law by real estate licensees and to reduce controversies in real estate transactions by providing fair and comprehensive contract forms for use by licensees. Standardization of these forms on a state-wide basis has done much to eliminate confusion and inconsistency in the buying and selling of real estate. As a governmental entity, TREC serves the public, and the forms it develops are intended to balance the interests of consumers, real estate licensees and service providers such as surveyors, lenders and title insurance companies. The committee structure ensures that extensive experience and considerable expertise are available to the Commission and ensures a continuity of service to the public.

**ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART A**  
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**REAL ESTATE INSPECTOR COMMITTEE**

Statutory Authorization: Section 23, Article 6573a, V.T.C.S.  
 Number of Members: 9  
 Committee Status: Ongoing  
 Date Created: 09/01/1991  
 Date to Be Abolished: 09/01/2003  
 Strategy (Strategies): 3-1-1      LICENSEE/CONSUMER EDUCATION

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<b>Advisory Committee Costs</b>	<u><b>Expended 1999</b></u>	<u><b>Estimated 2000</b></u>	<u><b>Budgeted 2001</b></u>	<u><b>Requested 2002</b></u>	<u><b>Requested 2003</b></u>
Committee Members Direct Expenses					
Travel	\$0	\$2,500	\$2,500	\$2,500	\$2,500
Other Expenditures in Support of Committee Activities					
Personnel (0.10 FTEs)	0	4,985	5,145	5,145	5,145
Other Operating	0	200	200	200	200
<b>Total, Committee Expenditures</b>	<b>\$0</b>	<b>\$7,685</b>	<b>\$7,845</b>	<b>\$7,845</b>	<b>\$7,845</b>
Method of Financing					
GENERAL REVENUE FUND	\$0	\$7,685	\$7,845	\$7,845	\$7,845
<b>Total, Method of Financing</b>	<b>\$0</b>	<b>\$7,685</b>	<b>\$7,845</b>	<b>\$7,845</b>	<b>\$7,845</b>
<b>Meetings Per Fiscal Year</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>

**ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART A**  
77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
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Agency Code: **329**      Agency: **REAL ESTATE COMMISSION**

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**REAL ESTATE INSPECTOR COMMITTEE**

**Description and Justification for Continuation/Consequences of Abolishing**

The Texas Real Estate Inspector Committee, nine professional inspectors appointed by the Commission, is charged by statute to recommend to the Commission rules governing inspectors. The Real Estate Inspector Committee is the Commission's primary resource for inspector expertise. The committee must review and revise the inspection standards of practice on an on-going basis. Recent revisions developed by the committee have focused on specifying the conditions which an inspector should report as in need of repair when inspecting a home and clarifying the minimum content required of an inspection report. Eliminating reimbursement of the committee's travel would sharply reduce the number of committee meetings and impact progress on the committee's current project of reviewing the licensing examinations for inspectors. The existence of this committee should be continued to ensure that consumers receive accurate and comprehensive inspection reports in connection with real estate transactions, and that the rules of the Commission set appropriate standards for the licensing and regulation of inspectors. The committee structure ensures that extensive experience and considerable expertise are available to the Commission and ensures a continuity of service to the public.

**HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE**  
 77TH REGULAR SESSION, AGENCY SUBMISSION, VERSION 1  
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COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

**A. Fiscal Year 1998 - 1999 HUB Expenditure Information**

Procurement Category	Statewide Adjusted HUB Goals	Adjusted HUB Expenditures FY 1998		Total Expenditures FY 1998	Adjusted HUB Expenditures FY 1999		Total Expenditures FY 1999
		HUB %	HUB \$		HUB %	HUB \$	
Special Trade Construction	47.0%	0.0%	\$0	\$1,347	0.0%	\$0	\$950
Professional Services	18.1%	0.0%	\$0	\$435	0.0%	\$0	\$1
Other Services	33.0%	13.9%	\$19,445	\$140,251	19.0%	\$30,624	\$161,129
Commodities	11.5%	41.9%	\$54,746	\$130,577	48.3%	\$70,603	\$146,034
<b>Total Expenditures</b>		<b>27.2%</b>	<b>\$74,191</b>	<b>\$272,610</b>	<b>32.9%</b>	<b>\$101,227</b>	<b>\$308,114</b>

**B. Assessment of Fiscal Year 1998 - 1999 Efforts to Meet HUB Procurement Goals**

**Attainment:**

The agency attained or exceeded one of four, or 25%, of the applicable statewide HUB procurement goals in FY 1998.  
 The agency attained or exceeded two of four, or 50%, of the applicable statewide HUB procurement goals in FY 1999.

**Applicability:**

The "Heavy Construction" and "Building Construction" categories are not applicable to agency operations in either fiscal year 1998 or fiscal year 1999 since the agency did not have strategies or programs related to construction.

**Factors Affecting Attainment:**

It should be noted that the overall HUB expenditures for fiscal year 1998 were 27.2% and for fiscal year 1999 were 32.9%.  
 The "Special Trade Construction" and "Professional Services" amounted to .4% and .2% respectively of total HUB expenditures for fiscal year 1998. The expenditures were for one time purchases (ie: remodeling of leased office space using the lessor's vendor).  
 The "Special Trade Construction" and "Professional Services" amounted to .3% and 0% respectively of total HUB expenditures for fiscal year 1999.

**"Good-Faith" Efforts:**

The following is a list of the activities that the Commission has taken and will continue to take in order to meet GSC's adjusted HUB goals:

- a) TREC has and will continue to actively seek certified HUB bidders for these services at the time the current contracts expire.
- b) TREC has and will continue to encourage qualified vendors to seek HUB certification from GSC. The contractor for The DuPont Group has been given information on how to become HUB certified and the HUB certification application form.
- c) TREC has and will continue to encourage non-HUB vendors to sub-contract with HUBs.
- d) TREC has and will continue to employ the Spot Purchases and Delegated Purchase strategies outlined in TREC Action Plan Aimed at increasing HUB Purchases.