LEGISLATIVE APPROPRIATIONS REQUEST

for Fiscal Years 2008 and 2009

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

by

TEXAS REAL ESTATE COMMISSION
and TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

August 11, 2006

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Agency code: **329** Agency name: **Real Estate Commission**

TEXAS REAL ESTATE COMMISSION ADMINISTRATOR'S STATEMENT

The Texas Real Estate Commission (TREC) was created as an independent state agency in 1949. Over the past 57 years it has served the citizens and its licensees well, meeting or exceeding virtually every key performance measure established while providing a record of outstanding customer service. Unfortunately, due to decisions reached in recent years, TREC approaches the 80th Legislature at a point of crisis.

Over the past five years the number of licensees served by TREC has increased from 114,000 to more than 150,000 and the number of applicants continues at a record pace. This has created a heightened demand for application and renewal processing, transcript evaluation, complaint resolution, and requests for information from the public and licensees. During this same five year period, the Legislature has cut both the number of employees and the base appropriations for the agency - making it even more difficult to provide an acceptable level of service. This legislative session a decision must be reached as to the extent to which the Texas Legislature wishes to continue providing an effective and responsible agency for licensing and regulating real estate professionals in this state. Nothing less than drastic action is needed to remedy the current situation.

In Fiscal Year 2005, TREC collected nearly eighteen million dollars in fees and other revenue. Of this amount, less than four million dollars was available for expenditures by the agency - an amount less than available in Fiscal Year 2001. In FY01, TREC was appropriated 78.5% of all fees collected to support the agency. BY FY05, that appropriation had decreased to only 55.4% of all fees collected purportedly to support the agency's operations. Over four years this was an absolute reduction in both actual dollars as well as the percentage of fees appropriated. At the same time, the TREC staff size was cut from 88 to 76 employees - a reduced staff required to provide service to a licensee base which increased by more than 30%. It is imperative that TREC be allowed to spend a greater portion of the fees collected from its licensees and enhance its currently inequitably paid staff.

Competition from the private sector and other state agencies has direct impact on the ability of the Commission to recruit and retain its employees. While admittedly inferior to the pay and benefits available in the private sector, TREC should be able to meet or approximate the remuneration provided by other state agencies. Unfortunately, this has not been the case as TREC employees suffer from an inequity in salaries with state employees working for other Texas licensing and regulatory agencies. The average salary for employees at all 29 Article VIII regulatory agencies (excluding State Office of Administrative Hearings) for FY07 is $40,826 while the average salary for TREC is $37,452 - a gap of $3,374 for each and every TREC employee. Unless this inequity is addressed by the Legislature this session, TREC will continue to lose capable and experienced staff resulting in a diminution of service to its licensees and the public.

It is in such a context that the possibility of a ten percent decrease in appropriations can be viewed only as disastrous to the continued viability of the agency. Frankly, there is no way that an independent agency carrying out its mandated responsibilities could operate at even a minimal level of effectiveness with such limited funding.

The following exceptional items are requested beyond the 90% reduced baseline appropriation:

1. Restore the 10% of FY06-07 appropriations cut in the proposed baseline. Consistent with the requirements imposed by the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning, TREC has identified the actions which would be needed to reach a 90% funding level. Such actions would seriously impede the ability of the agency to function, requiring a commensurate 10% reduction in office staff hours, elimination of the mailing of both licenses and renewal notices, removal of the toll-free telephone lines in communications, and the suspension of Department of Public Safety criminal history checks. Together, these actions would produce the required $414,000 cut in current appropriations. At a minimum, to continue TREC as a viable licensing and regulatory agency, these reductions must be prevented through a restoration of the remaining 10% of the existing appropriations.

2. Provide a greater approximation of equity in state employee salaries. As mentioned above, the limited appropriations allowed to TREC has produced a salary scale

significantly below that provided to employees of other Texas state licensing and regulatory agencies. The average TREC salary is $3,374 below the average for all 29 other Article VIII agencies (excluding State Office of Administrative Hearings). This salary gap is even greater when TREC is compared with four similar agencies - Consumer Credit, Credit Union, Residential Construction, and Savings & Mortgage Lending. The average employee salary at these four agencies is $44,979, compared to $37,452 at TREC - an overall average salary disparity of $7,527.

It would be unrealistic to expect funding to close the gap with these four agencies. However, bringing TREC's average salary up to the FY07 average salary for all 29 Article VIII agencies could be accomplished by allowing the agency to expend an additional $280,000 per year of the fees collected from TREC's licensees.

Moreover, there is no equitable reason why the TREC Administrator (who is also responsible for the Appraiser Licensing and Certification Board) is paid $20,000 per year less than the average for the four similar licensing and regulatory agencies cited above. A modification in the exempt salary for the Administrator to no less than $100,000 is long overdue.

3. Replace the current telephone system. TREC has been operating with an outdated and outmoded telephone system for some time. Manufacturer maintenance support is no longer available. A capital budget appropriation of $ 14,700 is required for FY08 and FY09 to replace the current system. The total cost over five years would be $73,500.

4. Update the TREC Communications operations. A decision must be made on whether or not the public and licensees should be able to communicate with TREC by telephone. Currently, the agency has insufficient telephone lines and personnel to answer and respond to more than a limited percentage of inquiries. A recent survey indicated that 70% of all callers to the TREC toll free lines receive a busy signal. Meanwhile, the Communications department is answering more than 167,000 calls a year - or roughly 21,000 for each of the eight Communications staff. Alleviating this situation even slightly would require three additional telephone lines and three additional staff. An annual appropriation of $125,016 for FY08 and $106,200 for FY09 from the fees paid by TREC licensees would accomplish this goal.

5. Enhance TREC's ability to respond to complaints. With the growth in the licensee count and the entry of many new individuals into the real estate market has come an increase in the number of complaints filed with TREC. There has been no adjustment in enforcement staff size for several years, despite the increase in both the number and complexity of complaints. An appropriation of $105,000 per year and 3 FTE positions would allow TREC to hire one additional attorney, legal assistant and file clerk.

6. Update computerized record-keeping. Information on both real estate inspectors and appraisers is not currently maintained in user-friendly formats. This data needs to be computerized so that both TREC staff and the licensees can obtain the information more readily. Obtaining an additional programmer or contracting out this function would require an appropriation of $60,000 per year and one FTE position.

7. Respond to requests for information and assistance. TREC is one of a few Texas state agencies without a staff person assigned to the task of responding to requests from state government officials, the media and interested groups. Given the requests for constituent services and the demands of the media, it is important that such a position be funded. Therefore, an appropriation of $60,000 and one FTE position is requested to obtain an Intergovernmental Relations Officer and provide the requisite office furnishings and supplies.

8. Conversion of the Texas Real Estate Licensing Information System (TRELIS) to a Windows-based system. TREC has benefitted greatly over the years from having its own licensing system. But time and technological advances have made the TRELIS system somewhat outmoded and difficult to adapt to current needs. Therefore, a request for an appropriation of $275,000 for Fiscal Year 2009 would allow the agency to update its licensing system and move to a Windows-based system.

9. Replace paper files with an imaging system. For several years, TREC has requested appropriations authority to eliminate the approximately 200,000 licensee paper

files at its office and move to an imaging system. Beginning this process would require an appropriation of $78,000 in each year of the biennium.

As stated above, there is no way that TREC can effectively carry out its responsibilities at less than its current appropriations level, nor indeed even at its present level. If TREC is to continue its past record of quality service and outstanding performance, then support must be provided for the above exceptional items. Only with the support of the Texas Legislature can the Texas Real Estate Commission adequately fulfill its commitment to its licensees and the citizens of this state.

Wayne Thorburn, Administrator

Commission Member	Term of Office*	Hometown
John Walton, Broker Member, Chair	2001-2007	Lubbock
Elizabeth Leal, Broker Member, Vice-Chair	2003-2009	El Paso
William H. Flores, Public Member, Secretary	2003-2009	Sugar Land
James Austin, Broker Member	1999-2005	Fort Worth
Mary Frances Burleson, Broker Member	2003-2009	Aubrey
Ramon “Mick” Cantu, Public Member	1999-2005	Houston
Louise Hull, Broker Member	2001-2007	Victoria
Lawrence D. Jokl, Broker Member	1999-2005	Brownsville
Paul Jordan, Public Member	2001-2007	Georgetown

*Commission members continue to serve until a replacement is appointed.

TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD COMMISSIONER’S STATEMENT

The Texas Appraiser Licensing and Certification Board (TALCB) was created in the 1991 regular session of the 72nd Legislature with enactment of HB-270, the Texas Appraiser Licensing and Certification Act. The Board is an independent subdivision of the Texas Real Estate Commission with full rule-making and disciplinary authority.

TALCB operations are impacted also by federal regulations adopted under Title XI, Real Estate Appraisal Reform Amendments, Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Title XI requires the use of state certified or licensed real property appraisers in federally related transactions and mandates guidelines for state certification and licensing. Under Title XI, the Appraisal Subcommittee oversees and monitors the various state appraiser licensing and certification agencies. As mandated by Title XI, the TALCB collects a twenty-five dollar ($25) per year National Registry Fee from each certified and licensed appraiser which is forwarded to the Appraisal Subcommittee on a monthly basis.

TALCB receives essential administrative support from the Texas Real Estate Commission(TREC), including staff services, accounting, purchasing, cashier, mail room, human resources, data processing, computer support and programming. Upon the recommendation of the Governor’s office, the TREC Administrator began serving also as the Commissioner of the TALCB in December 2003. A memorandum of understanding between TALCB and TREC sets forth the services to be provided.

Per directive of the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board, the appropriations baseline for TALCB was reduced by 10% below the appropriations level for FY2006-07. This reduction in baseline occurs after the 7% reduction in appropriations in FY2003 and the legislative-mandated bonus payments to the two highest-paid TALCB employees upon their retirement in September 2003 which eliminated more than $70,000 from the TALCB appropriation for the past biennium. As the number of trainee, licensed and certified appraisers increases, the amount of revenue collected in fees from these individuals also increases but the amount appropriated to the TALCB to service these individuals continues to decrease. Since we do not believe that we can carry out successfully our mission of protecting the public and effectively serving our licensees with an additional appropriations cut, we are recommending six exceptional items:

First, restore the10% baseline reductions. Given the financial constraints under which the TALCB has been operating for the past few years and its financial inability to replace its two highest-paid employees, it should be evident that the Board cannot sustain an additional 10% cut in its appropriations authority - especially at a time when it is producing a substantial amount of excess revenue above expenditures in the form of fees paid by its licensees. Cutting 10% from its current baseline would result in a further negative impact on the resolution of complaint matters - an area where both the Legislature and the Appraisal Subcommittee have expressed serious concern.

Second, provide salary equity for the TALCB staff. The average salary for all Article VIII licensing and regulatory agencies (excluding SOAH) was $40,826 for FY07. The pro-rata salary for TALCB staff was $36,101 for FY07, a gap of $4,725 per employee below average. Appropriation authority to expend $35,000 of the fees already collected from appraisers is required to simply provide salary equity for TALCB staff and prevent their leaving for other better paying Texas regulatory bodies.
We have been unsuccessful in receiving more equitable treatment of our staff in past years. It is now time to act or anticipate significant turnover and the loss of experienced personnel.

Third, improve the complaint process to prevent disastrous Federal action. Since the TALCB comes under Federal oversight, it confronts the possibility of all Texas appraisers being prohibited from conducting appraisals in Federally-related transactions if it does not significantly improve its complaint resolution process. Two years ago we brought this to the state's attention and requested funds to hire an attorney and half-time clerical assistant. We were denied any appropriations assistance. Now we confront another pending audit by the Federal authorities at a time when mortgage fraud has increased both the number and the complexity of the complaints filed against appraisers. An appropriation of $67,000 for each year would allow the hiring of a full-time investigator and converting our part-time attorney to full-time status as well as provide needed equipment and data sources for the investigators.

Fourth, provide for needed educational review of applications. With the Federally-mandated changes in educational qualifications for licensed and certified appraisers effective in November 2007, a much more detailed review of transcripts, course completion documents, and course approvals will be required. Present staff is not able to undertake this detailed task. The process can be achieved by either granting an additional FTE or contracting with an outside vendor to perform these services. In either event, TALCB requests appropriation authority to spend $30,000 per year of funds already collected from our certified and licensed appraisers.

Fifth, computerization of appraiser licensee information. Currently TALCB operates with limited computerization of licensee data. Significant programming is needed to update the present system and to allow licensee access to educational and license status information via the Internet. Additionally, communications could be expedited at a lower cost by developing an email notification list for all licensees. This could be achieved through a payment to cover TREC's programming costs for implementing this update. To bring TALCB's data process into the 21st century would require appropriations authority of $90,000 in FY08 and $60,000 in FY09.

Sixth, contract for imaging of licensee and enforcement files. Nearly all licensee and complaint records are now kept in paper files. TALCB is running out of storage space. Appropriations authority of $30,000 in FY08 and $10,000 in FY09 would allow TALCB to work with TREC to image all existing appraiser files and establish an ongoing imaging system for future records. This project would be contingent on an appropriation to TREC for imaging of its records.

The Texas Appraiser Licensing and Certification Board currently receives and projects into FY2008-09, revenue from fees paid by its licensees an amount considerably

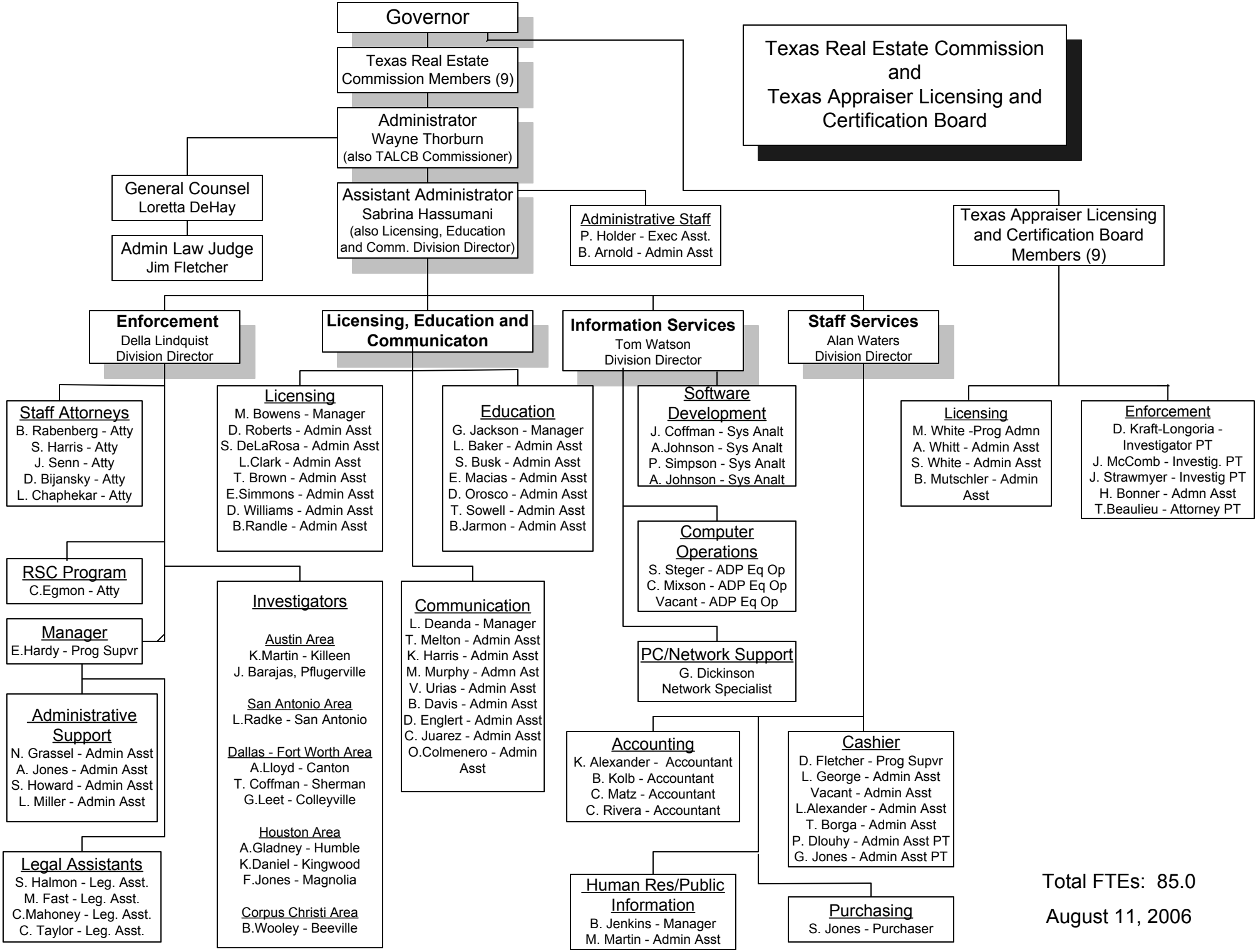
in excess of its current appropriations authority. The increase in appropriations authority to pay for the exceptional items listed above would be covered by licensee fees. Since 1991, in each year of its existence the Texas Appraiser Licensing and Certification Board has collected excess fees above appropriations authority and returned net revenues to the general fund. Even with the additional appropriations authority requested above, a surplus of revenue over expenses would continue to be returned to the general fund.

Wayne Thorburn, Commissioner

Board Member	Term of Office*	Hometown
Shirley Ward, Chair	May 2002-Jan 2006	Alpine
Larry D. Kokel, Vice-Chair	May 2003-Jan 2005	Georgetown
Malcolm J. Deason, Secretary	May 2003-Jan 2005	Diboll
Elroy Carson	Jun 2000-Jan 2006	Lubbock
William A. (Rusty) Faulk, Jr.	Apr 2001-Jan 2005	Brownsville
James B. Ratliff	Apr 2006-Jan 2008	Garland
Clint Sayers	Oct 2004-Jan 2006	Austin
Dona S. Scurry	Dec 2000-Jan 2006	El Paso
Paul E. Moore#	Ex-Officio Member	Austin

*Board members continue to serve until a replacement is appointed.
#Mark McAnally is the designee of Mr. Moore, Acting Executive Secretary of the Texas Veterans Land Board

Texas Real Estate Commission and Texas Appraiser Licensing and Certification Board



Total FTEs: 85.0

August 11, 2006

Agency code: **329** Agency name: **Real Estate Commission**

Goal / *Objective* / STRATEGY	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
1 Determine the Eligibility of TREC Applicants for Licensure					
1 *Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency*					
1 TREC LICENSING	1,171,955	974,753	954,234	834,552	834,552
2 TEXASONLINE	0	350,000	322,000	289,800	289,800
TOTAL, GOAL 1	**$1,171,955**	**$1,324,753**	**$1,276,234**	**$1,124,352**	**$1,124,352**
2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules					
1 *Resolve Complaints and Hold Hearings Expeditiously*					
1 TREC INVESTIGATION	1,314,459	1,322,535	1,335,297	1,265,369	1,265,369
TOTAL, GOAL 2	**$1,314,459**	**$1,322,535**	**$1,335,297**	**$1,265,369**	**$1,265,369**
3 To Communicate Effectively with the Public and Licensees					
1 *Notify All Licensees of Law/Rule Chnges w/in 60 Days; Custmr Survey*					
1 LICENSEE/CONSUMER EDUCATION	556,263	596,911	583,285	522,717	522,717
TOTAL, GOAL 3	**$556,263**	**$596,911**	**$583,285**	**$522,717**	**$522,717**
4 Implement and Enforce TALCB and Standards					
1 *Provide Sufficient Qualified Real Estate Appraisers*					
1 TALCB LICENSING	357,930	331,729	331,417	271,078	271,078
2 *Resolve TALCB Complaints in a Timely Manner*					
1 TALCB ENFORCEMENT	124,735	152,823	157,972	172,433	172,433

Agency code: **329** Agency name: **Real Estate Commission**

Goal / *Objective* / STRATEGY	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
TOTAL, GOAL 4	**$482,665**	**$484,552**	**$489,389**	**$443,511**	**$443,511**
5 Indirect Administration					
1 *Indirect Administration*					
1 INDIRECT ADMINISTRATION	1,173,415	1,264,782	1,314,558	1,226,651	1,226,651
TOTAL, GOAL 5	**$1,173,415**	**$1,264,782**	**$1,314,558**	**$1,226,651**	**$1,226,651**
TOTAL, AGENCY STRATEGY REQUEST	**$4,698,757**	**$4,993,533**	**$4,998,763**	**$4,582,600**	**$4,582,600**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				**$0**	**$0**
GRAND TOTAL, AGENCY REQUEST	**$4,698,757**	**$4,993,533**	**$4,998,763**	**$4,582,600**	**$4,582,600**

Agency code: **329** Agency name: **Real Estate Commission**

Goal / *Objective* / STRATEGY	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
METHOD OF FINANCING:					
General Revenue Funds:					
1 GENERAL REVENUE FUND	4,363,858	4,685,633	4,688,263	4,284,100	4,284,100
SUBTOTAL	**$4,363,858**	**$4,685,633**	**$4,688,263**	**$4,284,100**	**$4,284,100**
General Revenue Dedicated Funds:					
28 APPRAISER REGISTRY ACCT	144,725	120,000	120,000	108,000	108,000
SUBTOTAL	**$144,725**	**$120,000**	**$120,000**	**$108,000**	**$108,000**
Other Funds:					
666 APPROPRIATED RECEIPTS	190,019	186,500	186,500	186,500	186,500
971 REAL ESTATE RECOVERY FUND	155	1,000	3,500	3,500	3,500
988 REAL ESTATE INSPEC TRUST	0	400	500	500	500
SUBTOTAL	**$190,174**	**$187,900**	**$190,500**	**$190,500**	**$190,500**
TOTAL, METHOD OF FINANCING	**$4,698,757**	**$4,993,533**	**$4,998,763**	**$4,582,600**	**$4,582,600**

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

Agency code: **329** Agency name: **Real Estate Commission**

METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
GENERAL REVENUE					
1 General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations	$4,307,246	$4,440,775	$4,421,007	$4,284,100	$4,284,100
RIDER APPROPRIATION					
Art IX, Sec 11.20, Texas Online Occupational Licenses (2004-05 GAA)	$82,178	$0	$0	$0	$0
Art IX, Sec 13.12, Texas Online Occupational Licenses (2006-07 GAA)	$0	$126,000	$98,000	$0	$0
TRANSFERS					
Art IX, Sec 11.04, Reduction of Office Lease Space (2006-07 GAA)	$0	$0	$(51,126)	$0	$0
Art IX, Sec 12.03, Retirement Incentives (2004-05 GAA)	$(15,667)	$0	$0	$0	$0
Art IX, Sec 13.16(d), Longevity Reductions (2006-07 GAA)	$0	$(1,280)	$(1,920)	$0	$0
Art IX, Sec 13.17(a), Salary Increase (2006-07 GAA)	$0	$125,376	$222,302	$0	$0

Agency code: **329** Agency name: **Real Estate Commission**

METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
GENERAL REVENUE					
Art IX, Sec 5.09, Reductions for Commercial Air Travel (2006-07 GAA)	$0	$(5,238)	$0	$0	$0
LAPSED APPROPRIATIONS					
Lapsed Appropriations	$(9,899)	$0	$0	$0	$0
TOTAL, General Revenue Fund	**$4,363,858**	**$4,685,633**	**$4,688,263**	**$4,284,100**	**$4,284,100**
TOTAL, ALL GENERAL REVENUE	**$4,363,858**	**$4,685,633**	**$4,688,263**	**$4,284,100**	**$4,284,100**
GENERAL REVENUE FUND - DEDICATED					
28 GR Dedicated - Appraiser Registry Account No. 028					
REGULAR APPROPRIATIONS					
Appraiser Registry Fees	$120,000	$120,000	$120,000	$108,000	$108,000
RIDER APPROPRIATION					
Art VIII, Rider 3, Appro of Receipts, Natl Registry Fees (2004-05 GAA)	$24,725	$0	$0	$0	$0
TOTAL, GR Dedicated - Appraiser Registry Account No. 028	**$144,725**	**$120,000**	**$120,000**	**$108,000**	**$108,000**
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	**$144,725**	**$120,000**	**$120,000**	**$108,000**	**$108,000**

Agency code: **329** Agency name: **Real Estate Commission**

METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
TOTAL, GR & GR-DEDICATED FUNDS	**$4,508,583**	**$4,805,633**	**$4,808,263**	**$4,392,100**	**$4,392,100**
OTHER FUNDS					
666 Appropriated Receipts					
REGULAR APPROPRIATIONS					
Regular Appropriation	$190,628	$190,500	$190,500	$186,500	$186,500
RIDER APPROPRIATION					
Art IX, Sec 8.03, Reimbursements and Payments (2004-05 GAA)	$3,845	$0	$0	$0	$0
Art IX, Sec 8.03, Reimbursements and Payments (2006-07 GAA)	$0	$(4,000)	$(4,000)	$0	$0
Art VIII, Rider 1, Appropriation of RSC Examination Fees (2004-05 GAA)	$(4,454)	$0	$0	$0	$0
TOTAL, Appropriated Receipts	**$190,019**	**$186,500**	**$186,500**	**$186,500**	**$186,500**
971 Real Estate Recovery Trust Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations	$3,500	$3,500	$3,500	$3,500	$3,500
LAPSED APPROPRIATIONS					

Agency code: **329** Agency name: **Real Estate Commission**

METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
OTHER FUNDS					
Lapsed Appropriations	$(3,345)	$(2,500)	$0	$0	$0
TOTAL, Real Estate Recovery Trust Fund	**$155**	**$1,000**	**$3,500**	**$3,500**	**$3,500**
988 Real Estate Inspection Trust Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations	$500	$500	$500	$500	$500
LAPSED APPROPRIATIONS					
Lapsed Appropriations	$(500)	$(100)	$0	$0	$0
TOTAL, Real Estate Inspection Trust Fund	**$0**	**$400**	**$500**	**$500**	**$500**
TOTAL, ALL OTHER FUNDS	**$190,174**	**$187,900**	**$190,500**	**$190,500**	**$190,500**
GRAND TOTAL	**$4,698,757**	**$4,993,533**	**$4,998,763**	**$4,582,600**	**$4,582,600**

Agency code: **329** Agency name: **Real Estate Commission**

METHOD OF FINANCING	Exp 2005	Est 2006	Bud 2007	Req 2008	Req 2009
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations	83.0	83.0	83.0	84.0	84.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Amount Below Cap - TALCB FY2005	(0.4)	0.0	0.0	0.0	0.0
Amount Below Cap - TREC FY2005	(0.5)	0.0	0.0	0.0	0.0
Amount Over Cap - TREC FY2006-2007	0.0	2.0	2.0	0.0	0.0
TOTAL, ADJUSTED FTES	**82.1**	**85.0**	**85.0**	**84.0**	**84.0**
NUMBER OF 100% FEDERALLY FUNDED FTEs	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

2.C. SUMMARY OF BASE REQUEST BY OBJECT OF EXPENSE
80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/10/2006**
TIME: **2:05:52PM**

Agency code: **329** Agency name: **Real Estate Commission**

OBJECT OF EXPENSE	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
1001 SALARIES AND WAGES	$2,982,496	$3,186,877	$3,407,700	$3,109,788	$3,109,788
1002 OTHER PERSONNEL COSTS	$198,542	$168,617	$165,100	$134,400	$134,400
2001 PROFESSIONAL FEES AND SERVICES	$45,693	$59,963	$47,600	$44,600	$44,600
2003 CONSUMABLE SUPPLIES	$49,764	$58,744	$52,500	$52,500	$52,500
2004 UTILITIES	$36,594	$36,781	$36,000	$36,000	$36,000
2005 TRAVEL	$63,472	$71,880	$71,000	$65,500	$65,500
2006 RENT - BUILDING	$455,554	$456,935	$406,200	$406,200	$406,200
2007 RENT - MACHINE AND OTHER	$27,412	$29,404	$35,600	$35,600	$35,600
2009 OTHER OPERATING EXPENSE	$839,230	$873,737	$723,063	$644,012	$644,012
5000 CAPITAL EXPENDITURES	$0	$50,595	$54,000	$54,000	$54,000
OOE Total (Excluding Riders)	**$4,698,757**	**$4,993,533**	**$4,998,763**	**$4,582,600**	**$4,582,600**
OOE Total (Riders)					
Grand Total	**$4,698,757**	**$4,993,533**	**$4,998,763**	**$4,582,600**	**$4,582,600**

Agency code: **329** Agency name: **Real Estate Commission**

Goal/ *Objective* / **Outcome**	**Exp 2005**	**Est 2006**	**Bud 2007**	**BL 2008**	**BL 2009**
1 Determine the Eligibility of TREC Applicants for Licensure					
Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency					
KEY 1 Percent of Licensees with No Recent Violations					
	99.40%	98.00%	98.00%	90.00%	90.00%
KEY 2 Percent of Licensees Who Renew Online					
	24.20%	25.00%	25.00%	35.00%	35.00%
KEY 3 Percent of New Individual Licenses Issued Online					
	68.10%	45.00%	45.00%	45.00%	45.00%
2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules					
Resolve Complaints and Hold Hearings Expeditiously					
1 Percent of Complaints Resulting in Disciplinary Action					
	8.00%	5.00%	5.00%	3.00%	3.00%
KEY 2 Percent of Documented Complaints Resolved within 6 Months					
	86.20%	70.00%	70.00%	70.00%	70.00%
3 To Communicate Effectively with the Public and Licensees					
Notify All Licensees of Law/Rule Chnges w/in 60 Days; Custmr Survey					
1 % of Electronic Contacts Resulting in a Document					
	100.00%	100.00%	100.00%	100.00%	100.00%

Agency code: **329** Agency name: **Real Estate Commission**

Goal/ *Objective* / **Outcome**	**Exp 2005**	**Est 2006**	**Bud 2007**	**BL 2008**	**BL 2009**
4 Implement and Enforce TALCB and Standards					
Provide Sufficient Qualified Real Estate Appraisers					
KEY 1 Percent of Licensed Appraisers with No Recent Violations					
	98.90%	97.70%	97.70%	97.70%	97.70%
KEY 2 Percent of Licensees Who Renew Online					
	45.10%	47.00%	47.00%	42.00%	42.00%
KEY 3 Percent of New Individual Licenses Issued Online					
	0.00%	0.00%	0.00%	0.00%	0.00%
Resolve TALCB Complaints in a Timely Manner					
1 Percent of Complaints Resulting in Disciplinary Action					
	29.30%	30.00%	50.00%	35.00%	35.00%
2 Recidivism Rate for Those Receiving Disciplinary Action					
	17.70%	2.30%	2.30%	2.30%	2.30%
KEY 3 Percent of Documented Complaints Resolved within 6 Months					
	41.10%	40.00%	40.00%	40.00%	40.00%

2.E. SUMMARY OF EXCEPTIONAL ITEMS REQUEST

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **329** Agency name: **Real Estate Commission**

		2008			2009			Biennium	
Priority	**Item**	**GR and GR/GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**
1	Restore 10% Baseline Reduction TREC	$416,007	$416,007		$416,007	$416,007		$832,014	$832,014
2	Equitable Salary Adjustments TREC	$280,000	$280,000		$280,000	$280,000		$560,000	$560,000
3	Replace Obsolete Telephone System	$14,700	$14,700		$14,700	$14,700		$29,400	$29,400
4	Update TREC Communications	$125,016	$125,016	3.0	$106,200	$106,200	3.0	$231,216	$231,216
5	Enhance Complaint Process	$105,000	$105,000	3.0	$105,000	$105,000	3.0	$210,000	$210,000
6	Update Computerized Record Keeping	$60,000	$60,000	1.0	$60,000	$60,000	1.0	$120,000	$120,000
7	Improve Information Dissemination	$60,000	$60,000	1.0	$60,000	$60,000	1.0	$120,000	$120,000
8	Conversion of TRELIS to Windows	$0	$0		$275,000	$275,000		$275,000	$275,000
9	Imaging System	$108,000	$108,000		$88,000	$88,000		$196,000	$196,000
20	Restore 10% Baseline Reduction TALC	$47,304	$47,304	1.0	$47,304	$47,304	1.0	$94,608	$94,608
21	Equitable Salary Adjustments TALCB	$35,000	$35,000		$35,000	$35,000		$70,000	$70,000
22	Improve Complaint Process TALCB	$67,000	$67,000	1.5	$67,000	$67,000	1.5	$134,000	$134,000
24	Computerize Information TALCB	$90,000	$90,000		$60,000	$60,000		$150,000	$150,000
27	Enhance Education TALCB	$30,000	$30,000	1.0	$30,000	$30,000	1.0	$60,000	$60,000
Total, Exceptional Items Request		**$1,438,027**	**$1,438,027**	**11.5**	**$1,644,211**	**$1,644,211**	**11.5**	**$3,082,238**	**$3,082,238**

Method of Financing								
General Revenue	$1,426,027	$1,426,027		$1,632,211	$1,632,211		$3,058,238	$3,058,238
General Revenue - Dedicated	12,000	12,000		12,000	12,000		24,000	24,000
Federal Funds								
Other Funds								
	$1,438,027	**$1,438,027**		**$1,644,211**	**$1,644,211**		**$3,082,238**	**$3,082,238**

Agency code: **329** Agency name: **Real Estate Commission**

		2008			2009			Biennium	
Priority	**Item**	**GR and GR/GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**
Full Time Equivalent Positions				**11.5**			**11.5**		
Number of 100% Federally Funded FTEs				**0.0**			**0.0**		

Agency code: **329** Agency name: **Real Estate Commission**

Goal/*Objective*/**STRATEGY**	**Base 2008**	**Base 2009**	**Exceptional 2008**	**Exceptional 2009**	**Total Request 2008**	**Total Request 2009**
1 Determine the Eligibility of TREC Applicants for Licensure						
1 *Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency*						
1 TREC LICENSING	$834,552	$834,552	$262,440	$262,440	$1,096,992	$1,096,992
2 TEXASONLINE	289,800	289,800	32,200	32,200	322,000	322,000
TOTAL, GOAL 1	**$1,124,352**	**$1,124,352**	**$294,640**	**$294,640**	**$1,418,992**	**$1,418,992**
2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules						
1 *Resolve Complaints and Hold Hearings Expeditiously*						
1 TREC INVESTIGATION	1,265,369	1,265,369	301,619	301,619	1,566,988	1,566,988
TOTAL, GOAL 2	**$1,265,369**	**$1,265,369**	**$301,619**	**$301,619**	**$1,566,988**	**$1,566,988**
3 To Communicate Effectively with the Public and Licensees						
1 *Notify All Licensees of Law/Rule Chnges w/in 60 Days; Custmr Survey*						
1 LICENSEE/CONSUMER EDUCATION	522,717	522,717	307,272	288,456	829,989	811,173
TOTAL, GOAL 3	**$522,717**	**$522,717**	**$307,272**	**$288,456**	**$829,989**	**$811,173**
4 Implement and Enforce TALCB and Standards						
1 *Provide Sufficient Qualified Real Estate Appraisers*						
1 TALCB LICENSING	271,078	271,078	211,154	161,154	482,232	432,232
2 *Resolve TALCB Complaints in a Timely Manner*						
1 TALCB ENFORCEMENT	172,433	172,433	88,150	88,150	260,583	260,583
TOTAL, GOAL 4	**$443,511**	**$443,511**	**$299,304**	**$249,304**	**$742,815**	**$692,815**
5 Indirect Administration						
1 *Indirect Administration*						
1 INDIRECT ADMINISTRATION	1,226,651	1,226,651	235,192	510,192	1,461,843	1,736,843
TOTAL, GOAL 5	**$1,226,651**	**$1,226,651**	**$235,192**	**$510,192**	**$1,461,843**	**$1,736,843**

Agency code: **329** Agency name: **Real Estate Commission**

Goal/*Objective*/**STRATEGY**	**Base 2008**	**Base 2009**	**Exceptional 2008**	**Exceptional 2009**	**Total Request 2008**	**Total Request 2009**
TOTAL, AGENCY STRATEGY REQUEST	**$4,582,600**	**$4,582,600**	**$1,438,027**	**$1,644,211**	**$6,020,627**	**$6,226,811**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$4,582,600**	**$4,582,600**	**$1,438,027**	**$1,644,211**	**$6,020,627**	**$6,226,811**

Agency code: **329** Agency name: **Real Estate Commission**

Goal/*Objective*/**STRATEGY**	**Base 2008**	**Base 2009**	**Exceptional 2008**	**Exceptional 2009**	**Total Request 2008**	**Total Request 2009**
28 APPRAISER REGISTRY ACCT	$108,000	$108,000	$12,000	$12,000	$120,000	$120,000
	$108,000	**$108,000**	**$12,000**	**$12,000**	**$120,000**	**$120,000**
1 GENERAL REVENUE FUND	4,284,100	4,284,100	1,426,027	1,632,211	$5,710,127	$5,916,311
	$4,284,100	**$4,284,100**	**$1,426,027**	**$1,632,211**	**$5,710,127**	**$5,916,311**
666 APPROPRIATED RECEIPTS	186,500	186,500	0	0	$186,500	$186,500
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
	$190,500	**$190,500**	**$0**	**$0**	**$190,500**	**$190,500**
TOTAL, METHOD OF FINANCING	**$4,582,600**	**$4,582,600**	**$1,438,027**	**$1,644,211**	**$6,020,627**	**$6,226,811**
FULL TIME EQUIVALENT POSITIONS	**84.0**	**84.0**	**11.5**	**11.5**	**95.5**	**95.5**

Agency code: **329** Agency name: **Real Estate Commission**

Goal/ *Objective* / **Outcome**	BL 2008	BL 2009	Excp 2008	Excp 2009	Total Request 2008	Total Request 2009
1 Determine the Eligibility of TREC Applicants for Licensure						
1 *Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency*						
KEY 1 Percent of Licensees with No Recent Violations						
	90.00%	90.00%			90.00%	90.00%
KEY 2 Percent of Licensees Who Renew Online						
	35.00%	35.00%			35.00%	35.00%
KEY 3 Percent of New Individual Licenses Issued Online						
	45.00%	45.00%			45.00%	45.00%
2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules						
1 *Resolve Complaints and Hold Hearings Expeditiously*						
1 Percent of Complaints Resulting in Disciplinary Action						
	3.00%	3.00%			3.00%	3.00%
KEY 2 Percent of Documented Complaints Resolved within 6 Months						
	70.00%	70.00%			70.00%	70.00%
3 To Communicate Effectively with the Public and Licensees						
1 *Notify All Licensees of Law/Rule Chnges w/in 60 Days; Custmr Survey*						
1 % of Electronic Contacts Resulting in a Document						
	100.00%	100.00%			100.00%	100.00%
4 Implement and Enforce TALCB and Standards						
1 *Provide Sufficient Qualified Real Estate Appraisers*						

Agency code: **329** Agency name: **Real Estate Commission**

Goal/ *Objective* / **Outcome**	BL 2008	BL 2009	Excp 2008	Excp 2009	Total Request 2008	Total Request 2009
KEY **1 Percent of Licensed Appraisers with No Recent Violations**						
	97.70%	97.70%			97.70%	97.70%
KEY **2 Percent of Licensees Who Renew Online**						
	42.00%	42.00%			42.00%	42.00%
KEY **3 Percent of New Individual Licenses Issued Online**						
	0.00%	0.00%			0.00%	0.00%
2 *Resolve TALCB Complaints in a Timely Manner*						
1 Percent of Complaints Resulting in Disciplinary Action						
	35.00%	35.00%			35.00%	35.00%
2 Recidivism Rate for Those Receiving Disciplinary Action						
	2.30%	2.30%			2.30%	2.30%
KEY **3 Percent of Documented Complaints Resolved within 6 Months**						
	40.00%	40.00%			40.00%	40.00%

GENERAL REVENUE (GR) & GENERAL REVENUE DEDICATED (GR-D) BASELINE REPORT

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/10/2006**
TIME: **2:18:53PM**

Agency code: **329** Agency name: **Real Estate Commission**

GR Baseline Request Limit = $8,568,201

GR-D Baseline Request Limit = $216,000

Strategy/Strategy Option/Rider	2008 Funds FTEs	2008 Funds Total	2008 Funds GR	2008 Funds Ded	2009 Funds FTEs	2009 Funds Total	2009 Funds GR	2009 Funds Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses**	19.1	834,552	834,552	0	19.1	834,552	834,552	0	1,669,104	0	
Strategy: 1 - 1 - 2 **TexasOnline. Estimated and Nontransferable**	0.0	289,800	289,800	0	0.0	289,800	289,800	0	2,248,704	0	
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**	26.5	1,265,369	1,255,869	0	26.5	1,265,369	1,255,869	0	4,760,442	0	
Strategy: 3 - 1 - 1 **Prepare and Distribute Information Describing TREC Functions**	14.0	522,717	342,717	0	14.0	522,717	342,717	0	5,445,876	0	
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**	3.0	271,078	162,078	108,000	3.0	271,078	162,078	108,000	5,770,032	216,000	
Strategy: 4 - 2 - 1 **Investigate and Resolve Complaints; Impose Penalties as Appropriate**	3.0	172,433	172,433	0	3.0	172,433	172,433	0	6,114,898	216,000	
Strategy: 5 - 1 - 1 **Indirect Administration**	18.4	1,226,651	1,226,651	0	18.4	1,226,651	1,226,651	0	8,568,200	216,000	
	84.0				**84.0**				********GR Baseline Request Limit=$8,568,201********		
Excp Item: 1 **Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning.**	0.0	416,007	416,007	0	0.0	416,007	416,007	0	9,400,214	216,000	

Agency code: **329** Agency name: **Real Estate Commission**

GR Baseline Request Limit = $8,568,201

GR-D Baseline Request Limit = $216,000

Strategy/Strategy Option/Rider	2008 Funds FTEs	2008 Funds Total	2008 Funds GR	2008 Funds Ded	2009 Funds FTEs	2009 Funds Total	2009 Funds GR	2009 Funds Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
Strategy Detail for Excp Item: 1											
Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses**	0.0	130,250	130,250	0	0.0	130,250	130,250	0			
Strategy: 1 - 1 - 2 **TexasOnline. Estimated and Nontransferable**	0.0	32,200	32,200	0	0.0	32,200	32,200	0			
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**	0.0	99,229	99,229	0	0.0	99,229	99,229	0			
Strategy: 3 - 1 - 1 **Prepare and Distribute Information Describing TREC Functions**	0.0	74,706	74,706	0	0.0	74,706	74,706	0			
Strategy: 5 - 1 - 1 **Indirect Administration**	0.0	79,622	79,622	0	0.0	79,622	79,622	0			
Excp Item: 2 **Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agencies.**	0.0	280,000	280,000	0	0.0	280,000	280,000	0	9,960,214	216,000	
Strategy Detail for Excp Item: 2											
Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses**	0.0	54,190	54,190	0	0.0	54,190	54,190	0			
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**	0.0	97,390	97,390	0	0.0	97,390	97,390	0			
Strategy: 3 - 1 - 1 **Prepare and Distribute Information Describing TREC Functions**	0.0	47,550	47,550	0	0.0	47,550	47,550	0			
Strategy: 5 - 1 - 1 **Indirect Administration**	0.0	80,870	80,870	0	0.0	80,870	80,870	0			
Excp Item: 3 **Replace Obsolete Telephone System**	0.0	14,700	14,700	0	0.0	14,700	14,700	0	9,989,614	216,000	
Strategy Detail for Excp Item: 3											
Strategy: 5 - 1 - 1 **Indirect Administration**	0.0	14,700	14,700	0	0.0	14,700	14,700	0			

Agency code: **329** Agency name: **Real Estate Commission**

GR Baseline Request Limit = $8,568,201

GR-D Baseline Request Limit = $216,000

Strategy/Strategy Option/Rider	2008 Funds				2009 Funds				Biennial	Biennial	
	FTEs	Total	GR	Ded	FTEs	Total	GR	Ded	Cumulative GR	Cumulative Ded	Page #
Excp Item: 4 **Update TREC Communications Operations**											
	3.0	125,016	125,016	0	3.0	106,200	106,200	0	10,220,830	216,000	
Strategy Detail for Excp Item: 4											
Strategy: 3 - 1 - 1 **Prepare and Distribute Information Describing TREC Functions**											
	3.0	125,016	125,016	0	3.0	106,200	106,200	0			
Excp Item: 5 **Enhance TREC's ability to respond to complaints.**											
	3.0	105,000	105,000	0	3.0	105,000	105,000	0	10,430,830	216,000	
Strategy Detail for Excp Item: 5											
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**											
	3.0	105,000	105,000	0	3.0	105,000	105,000	0			
Excp Item: 6 **Update Computerized Record Keeping**											
	1.0	60,000	60,000	0	1.0	60,000	60,000	0	10,550,830	216,000	
Strategy Detail for Excp Item: 6											
Strategy: 5 - 1 - 1 **Indirect Administration**											
	1.0	60,000	60,000	0	1.0	60,000	60,000	0			
Excp Item: 7 **Improve response to requests for information and assistance.**											
	1.0	60,000	60,000	0	1.0	60,000	60,000	0	10,670,830	216,000	
Strategy Detail for Excp Item: 7											
Strategy: 3 - 1 - 1 **Prepare and Distribute Information Describing TREC Functions**											
	1.0	60,000	60,000	0	1.0	60,000	60,000	0			
Excp Item: 8 **Conversion of the Texas Real Estate Licensing Information System (TRELIS) to a Windows-based system.**											
	0.0	0	0	0	0.0	275,000	275,000	0	10,945,830	216,000	

Agency code: **329** Agency name: **Real Estate Commission**

GR Baseline Request Limit = $8,568,201

GR-D Baseline Request Limit = $216,000

Strategy/Strategy Option/Rider	2008 Funds FTEs	2008 Funds Total	2008 Funds GR	2008 Funds Ded	2009 Funds FTEs	2009 Funds Total	2009 Funds GR	2009 Funds Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
Strategy Detail for Excp Item: 8											
Strategy: 5 - 1 - 1 **Indirect Administration**	0.0	0	0	0	0.0	275,000	275,000	0			
Excp Item: 9 **Imaging System to image and index all incoming documents and provide a workflow solution that will support internal business process for TREC and TALCB.**	0.0	108,000	108,000	0	0.0	88,000	88,000	0	11,141,830	216,000	
Strategy Detail for Excp Item: 9											
Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses**	0.0	78,000	78,000	0	0.0	78,000	78,000	0			
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**	0.0	30,000	30,000	0	0.0	10,000	10,000	0			
	92.0				**92.0**				********GR-D Baseline Request Limit=$216,000********		
Excp Item: 10 **Restore appropriation baseline for the Texas Appraiser Licensing and Certification Board that was reduced by 10% per directive of the LBB and the Governor's Office of Budget, Policy and Planning.**	1.0	47,304	35,304	12,000	1.0	47,304	35,304	12,000	11,212,438	240,000	
Strategy Detail for Excp Item: 10											
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**	1.0	42,654	30,654	12,000	1.0	42,654	30,654	12,000			
Strategy: 4 - 2 - 1 **Investigate and Resolve Complaints; Impose Penalties as Appropriate**	0.0	4,650	4,650	0	0.0	4,650	4,650	0			
Excp Item: 11 **Equity salary adjustments to close the gap between TALCB employees and employees of other Texas state licensing and regulatory agencies.**	0.0	35,000	35,000	0	0.0	35,000	35,000	0	11,282,438	240,000	

Agency code: **329** Agency name: **Real Estate Commission**

GR Baseline Request Limit = $8,568,201

GR-D Baseline Request Limit = $216,000

Strategy/Strategy Option/Rider	2008 Funds FTEs	2008 Funds Total	2008 Funds GR	2008 Funds Ded	2009 Funds FTEs	2009 Funds Total	2009 Funds GR	2009 Funds Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
Strategy Detail for Excp Item: 11											
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**	0.0	18,500	18,500	0	0.0	18,500	18,500	0			
Strategy: 4 - 2 - 1 **Investigate and Resolve Complaints; Impose Penalties as Appropriate**	0.0	16,500	16,500	0	0.0	16,500	16,500	0			
Excp Item: 12 **Improve the complaint process to prevent disastrous Federal action.**	1.5	67,000	67,000	0	1.5	67,000	67,000	0	11,416,438	240,000	
Strategy Detail for Excp Item: 12											
Strategy: 4 - 2 - 1 **Investigate and Resolve Complaints; Impose Penalties as Appropriate**	1.5	67,000	67,000	0	1.5	67,000	67,000	0			
Excp Item: 14 **Computerize appraiser licensee information.**	0.0	90,000	90,000	0	0.0	60,000	60,000	0	11,566,438	240,000	
Strategy Detail for Excp Item: 14											
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**	0.0	90,000	90,000	0	0.0	60,000	60,000	0			
Excp Item: 13 **Enhance TALCB education staffing to provide for needed educational review of applications.**	1.0	30,000	30,000	0	1.0	30,000	30,000	0	11,626,438	240,000	
Strategy Detail for Excp Item: 13											
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**	1.0	30,000	30,000	0	1.0	30,000	30,000	0			
	95.5	**$6,020,627**	**$5,710,127**	**$120,000**	**95.5**	**$6,226,811**	**$5,916,311**	**120,000**			

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure — Statewide Goal/Benchmark: 7 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 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Individuals Examined	41,666.00	38,000.00	33,000.00	29,000.00	29,000.00
2	Number of New Licenses Issued to Individuals	26,698.00	25,000.00	20,000.00	15,000.00	15,000.00
3	Number of Licenses Renewed (Individuals)	70,134.00	70,000.00	65,000.00	60,000.00	60,000.00
Efficiency Measures:						
1	Average Licensing Cost Per Individual License Issued	12.20	13.00	14.00	14.00	14.00
2	Average Time for Individual License Issuance (Days)	38.70	42.00	42.00	60.00	60.00
3	Average Time for Individual License Renewal	2.50	2.50	2.50	3.50	3.50
4	Percentage New Indiv Licences within 10 Days	96.70 %	96.00 %	95.00 %	85.00 %	85.00 %
5	% Indiv License Renewals within 7 Days	98.90 %	98.00 %	97.00 %	90.00 %	90.00 %
Explanatory/Input Measures:						
1	Pass Rate	49.70 %	49.50 %	50.00 %	70.00 %	70.00 %
2	Total Number of Programs/Schools Licensed	251.00	275.00	275.00	225.00	225.00
3	Total Number of Individuals Licensed	142,585.00	150,000.00	150,000.00	140,000.00	140,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$528,960	$575,807	$610,865	$557,726	$557,726
1002	OTHER PERSONNEL COSTS	$21,834	$32,152	$26,468	$25,442	$25,442
2001	PROFESSIONAL FEES AND SERVICES	$206	$2,701	$319	$319	$319
2003	CONSUMABLE SUPPLIES	$11,209	$15,684	$11,520	$11,520	$11,520
2004	UTILITIES	$2,276	$2,755	$2,594	$2,594	$2,594
2005	TRAVEL	$548	$1,496	$1,380	$1,380	$1,380
2006	RENT - BUILDING	$148,943	$148,943	$132,299	$132,299	$132,299
2007	RENT - MACHINE AND OTHER	$11,886	$11,189	$10,152	$10,152	$10,152
2009	OTHER OPERATING EXPENSE	$446,093	$184,026	$158,637	$93,120	$93,120
5000	CAPITAL EXPENDITURES	$0	$0	$0	$0	$0

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure
OBJECTIVE: 1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency
STRATEGY: 1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses

Statewide Goal/Benchmark: 7 0
Service Categories:
Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
TOTAL, OBJECT OF EXPENSE		**$1,171,955**	**$974,753**	**$954,234**	**$834,552**	**$834,552**
Method of Financing:						
1	GENERAL REVENUE FUND	$1,171,955	$974,753	$954,234	$834,552	$834,552
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,171,955**	**$974,753**	**$954,234**	**$834,552**	**$834,552**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$834,552**	**$834,552**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,171,955**	**$974,753**	**$954,234**	**$834,552**	**$834,552**
FULL TIME EQUIVALENT POSITIONS:		**17.8**	**19.1**	**19.1**	**19.1**	**19.1**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Chapter 1101, Texas Occupations Code (The Real Estate License Act) and Chapter 1102, Texas Occupations Code (Real Estate Inspectors) require 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.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure — Statewide Goal/Benchmark: 7 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 2005	Est 2006	Bud 2007	BL 2008	BL 2009

Funding for this strategy reflects decreases in expenditures as a result of the ten (10) percent reduction in funding directed by the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board in a letter dated June 2, 2006. The reduction of funding would have a detrimental affect on the strategy workload and would cause a negative impact on the performance measures. Restoration of funding for this strategy will be requested as an exceptional item. TREC is requesting a level of funding that would permit the commission to provide a level of service that the licensees are paying for and that the public and licensees deserve.
The Education and Licensing 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.
Salary adjustments are necessary to reduce turnover caused by TREC employees relocating to other state agencies where salary levels are higher for the same type of work. (Agency Strategic Plan for the 2007-2011 Period for TREC, Page 21).

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure
OBJECTIVE: 1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency
STRATEGY: 2 TexasOnline. Estimated and Nontransferable

Statewide Goal/Benchmark: 8 0
Service Categories:
Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	$0	$350,000	$322,000	$289,800	$289,800
TOTAL, OBJECT OF EXPENSE		**$0**	**$350,000**	**$322,000**	**$289,800**	**$289,800**
Method of Financing:						
1	GENERAL REVENUE FUND	$0	$350,000	$322,000	$289,800	$289,800
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$0**	**$350,000**	**$322,000**	**$289,800**	**$289,800**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$289,800**	**$289,800**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$0**	**$350,000**	**$322,000**	**$289,800**	**$289,800**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

Legislation mandates the collection of TexasOnline fees.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Legislation mandates the collection of TexasOnline fees.

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules — Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Resolve Complaints and Hold Hearings Expeditiously — Service Categories:

STRATEGY: 1 Investigate and Resolve Valid Complaint Cases — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Complaints Resolved	3,627.00	3,000.00	3,000.00	2,700.00	2,700.00
2	Number of Orders Issued by Hearings Officer	330.00	295.00	285.00	260.00	260.00
Efficiency Measures:						
1	Average Time for Complaint Resolution (Days)	110.00	115.00	115.00	140.00	140.00
2	Average Cost Per Complaint Resolved	337.40	325.00	325.00	325.00	325.00
Explanatory/Input Measures:						
1	Jurisdictional Complaints Received	3,762.00	3,300.00	3,300.00	3,100.00	3,100.00
Objects of Expense:						
1001	SALARIES AND WAGES	$985,554	$1,023,257	$1,099,882	$1,004,204	$1,004,204
1002	OTHER PERSONNEL COSTS	$111,772	$50,863	$31,544	$31,299	$31,299
2001	PROFESSIONAL FEES AND SERVICES	$10,117	$19,754	$18,742	$18,742	$18,742
2003	CONSUMABLE SUPPLIES	$10,232	$10,633	$10,560	$10,560	$10,560
2004	UTILITIES	$12,666	$13,325	$13,417	$13,417	$13,417
2005	TRAVEL	$27,810	$38,138	$37,400	$37,400	$37,400
2006	RENT - BUILDING	$100,421	$100,421	$89,003	$89,003	$89,003
2007	RENT - MACHINE AND OTHER	$346	$253	$6,000	$6,000	$6,000
2009	OTHER OPERATING EXPENSE	$55,541	$65,891	$28,749	$54,744	$54,744
5000	CAPITAL EXPENDITURES	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$1,314,459**	**$1,322,535**	**$1,335,297**	**$1,265,369**	**$1,265,369**
Method of Financing:						
1	GENERAL REVENUE FUND	$1,313,258	$1,315,635	$1,325,797	$1,255,869	$1,255,869
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,313,258**	**$1,315,635**	**$1,325,797**	**$1,255,869**	**$1,255,869**

Method of Financing:

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules — Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Resolve Complaints and Hold Hearings Expeditiously — Service Categories:

STRATEGY: 1 Investigate and Resolve Valid Complaint Cases — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
666	APPROPRIATED RECEIPTS	$1,046	$5,500	$5,500	$5,500	$5,500
971	REAL ESTATE RECOVERY FUND	$155	$1,000	$3,500	$3,500	$3,500
988	REAL ESTATE INSPEC TRUST	$0	$400	$500	$500	$500
SUBTOTAL, MOF (OTHER FUNDS)		**$1,201**	**$6,900**	**$9,500**	**$9,500**	**$9,500**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$1,265,369**	**$1,265,369**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,314,459**	**$1,322,535**	**$1,335,297**	**$1,265,369**	**$1,265,369**
FULL TIME EQUIVALENT POSITIONS:		**26.8**	**26.5**	**26.5**	**26.5**	**26.5**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Chapter 1101, Texas Occupations Code (The Real Estate License Act) 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, assigned to an investigator. An investigator interviews and obtains documentation from the complainant, licensee, and potential witnesses and submits a written report. 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:

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules
Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Resolve Complaints and Hold Hearings Expeditiously
Service Categories:

STRATEGY: 1 Investigate and Resolve Valid Complaint Cases
Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009

Restoration of funding for this strategy will be requested as an exceptional item. TREC is requesting a level of funding that would permit the commission to provide a level of service that the licensees are paying for and that the public and licensees deserve.

Consumer protection and satisfaction depends on the regulated industry's and the public's perception that violators will be disciplined in a timely and fair manner. Disciplinary actions for violations of Chapter 1101, Texas Occupations Code (The Real Estate License Act) and Chapter 1102, Texas Occupations Code (Real Estate Inspectors) should be fair, swift and sure, serving both as a deterrent to licensees and as a satisfactory resolution to complaints.
The reduction of salary levels will have a negative effect on workloads and performance measures. The projected decreases for some measures incorporate concerns that, due to the turnover rate and difficulty in hiring and retaining competent personnel, there may be a negative impact on TREC's ability to offer quality customer service. TREC is exploring additional ways to streamline work processes wherever possible. A factor that will impact TREC's ability to reach some measure targets is the number of complaints the Commission receives yearly.
Salary adjustments are an integral component to retaining employees and reducing turnover caused by employees relocating to other state agencies where salary levels are higher for the same type of work. (Agency Strategic Plan for the 2007-2011 Period for TREC, Page 21).

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 3 To Communicate Effectively with the Public and Licensees
Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Notify All Licensees of Law/Rule Chnges w/in 60 Days; Custmr Survey
Service Categories:

STRATEGY: 1 Prepare and Distribute Information Describing TREC Functions
Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Calls Received	463,003.00	470,000.00	450,000.00	420,000.00	420,000.00
2	Number of Electronic Contacts Received	21,572,824.00	25,000,000.00	25,000,000.00	25,000,000.00	25,000,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$490,651	$529,104	$528,423	$482,456	$482,456
1002	OTHER PERSONNEL COSTS	$10,924	$18,597	$18,895	$18,738	$18,738
2001	PROFESSIONAL FEES AND SERVICES	$134	$149	$233	$233	$233
2003	CONSUMABLE SUPPLIES	$362	$697	$480	$480	$480
2004	UTILITIES	$4,436	$3,641	$2,661	$2,661	$2,661
2005	TRAVEL	$0	$0	$0	$0	$0
2006	RENT - BUILDING	$12,236	$12,236	$10,709	$10,709	$10,709
2007	RENT - MACHINE AND OTHER	$0	$0	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$37,520	$32,487	$21,884	$7,440	$7,440
5000	CAPITAL EXPENDITURES	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$556,263**	**$596,911**	**$583,285**	**$522,717**	**$522,717**
Method of Financing:						
1	GENERAL REVENUE FUND	$368,803	$416,911	$403,285	$342,717	$342,717
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$368,803**	**$416,911**	**$403,285**	**$342,717**	**$342,717**
Method of Financing:						
666	APPROPRIATED RECEIPTS	$187,460	$180,000	$180,000	$180,000	$180,000
SUBTOTAL, MOF (OTHER FUNDS)		**$187,460**	**$180,000**	**$180,000**	**$180,000**	**$180,000**

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 3 To Communicate Effectively with the Public and Licensees
Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Notify All Licensees of Law/Rule Chnges w/in 60 Days; Custmr Survey
Service Categories:

STRATEGY: 1 Prepare and Distribute Information Describing TREC Functions
Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$522,717**	**$522,717**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$556,263**	**$596,911**	**$583,285**	**$522,717**	**$522,717**
FULL TIME EQUIVALENT POSITIONS:		**13.9**	**14.0**	**14.0**	**14.0**	**14.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Chapter 1101, Texas Occupations Code (The Real Estate License Act) requires the Commission to communicate effectively and efficiently with the public to fulfill its mission. As part of TREC's Compact with Texans, the agency provides for public response by making available a customer service survey. The brief questionnaire is available at the agency's customer service window and is accessible from TREC's website. 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, and a bi-monthly newsletter. Information and advisory opinions are also provided in response to telephonic, electronic and written requests. The Communications section answers 5 toll free and 3 local lines for TREC and 1 toll free line for TALCB. This has proven to be an effective means of addressing the wide range and increasing number of telephone calls received annually. TREC customers appreciate the ability to contact the agency via toll free lines and to receive prompt and correct answers to their questions. In addition to answering phones, TREC Communications' staff respond to e-mail and customer survey questions within 48 hours.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Funding for this strategy reflects decreases in expenditures as a result of the ten (10) percent reduction in funding directed by the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board in a letter dated June 2, 2006. The reduction of funding will have a detrimental affect on the strategy workload and would cause a negative impact on the performance measures. Restoration of funding for this strategy will be requested as an exceptional item. TREC is requesting a level of funding that would permit the commission to provide a level of service that the licensees are paying for and that the public and licensees deserve.

A continuation of current salary levels will result in the loss of experienced staff to other state agencies. This would negatively impact TREC's ability to deliver excellent customer service. Salary adjustments are necessary to reduce turnover caused by TREC employees relocating to other state agencies where salary levels are higher for the same type of work. (Agency Strategic Plan for the 2007-2011 Period for TREC, H. Self Evalulation and Opportunities for Improvement, Prioritization of Strategic Planning Initiatives, Human Resources, Page 21).

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 4 Implement and Enforce TALCB and Standards
OBJECTIVE: 1 Provide Sufficient Qualified Real Estate Appraisers
STRATEGY: 1 Process Applications and License Applicants

Statewide Goal/Benchmark: 7 0
Service Categories:
Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of New Licenses and Certifications Issued to Individuals	509.00	500.00	400.00	200.00	200.00
2	Number of Licenses and Certifications Renewed (Individuals)	2,339.00	2,200.00	2,200.00	1,900.00	1,900.00
3	Number of Individuals Examined	959.00	900.00	750.00	600.00	600.00
Efficiency Measures:						
1	Average Cost Per Exam Administered	2.51	1.60	1.50	1.50	2.00
2	Average Cost Per Individual License and Certification Issued	33.44	30.00	30.00	30.00	30.00
3	Percentage New Indiv Licences within 10 Days	86.80 %	86.00 %	80.00 %	70.00 %	70.00 %
4	% Indiv License Renewals within 7 Days	98.30 %	95.00 %	95.00 %	90.00 %	90.00 %
Explanatory/Input Measures:						
1	Total Number of Individuals Licensed	4,784.00	4,500.00	4,500.00	4,500.00	4,500.00
2	Pass Rate	47.60 %	41.00 %	40.00 %	40.00 %	40.00 %
3	Number of Examination Sessions Conducted	558.00	600.00	650.00	650.00	650.00
Objects of Expense:						
1001	SALARIES AND WAGES	$108,022	$132,970	$136,746	$111,442	$111,442
1002	OTHER PERSONNEL COSTS	$5,996	$5,460	$7,500	$6,600	$6,600
2001	PROFESSIONAL FEES AND SERVICES	$4,192	$150	$150	$150	$150
2003	CONSUMABLE SUPPLIES	$2,397	$3,553	$2,475	$2,475	$2,475
2004	UTILITIES	$1,645	$1,721	$1,680	$924	$924
2005	TRAVEL	$6,794	$5,216	$6,480	$4,500	$4,500
2006	RENT - BUILDING	$32,303	$32,303	$28,700	$18,942	$18,942
2007	RENT - MACHINE AND OTHER	$5,954	$6,262	$6,600	$3,630	$3,630

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 4 Implement and Enforce TALCB and Standards
OBJECTIVE: 1 Provide Sufficient Qualified Real Estate Appraisers
STRATEGY: 1 Process Applications and License Applicants

Statewide Goal/Benchmark: 7 0
Service Categories:
Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
2009	OTHER OPERATING EXPENSE	$190,627	$144,094	$141,086	$122,415	$122,415
5000	CAPITAL EXPENDITURES	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$357,930**	**$331,729**	**$331,417**	**$271,078**	**$271,078**
Method of Financing:						
1	GENERAL REVENUE FUND	$211,692	$210,729	$210,417	$162,078	$162,078
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$211,692**	**$210,729**	**$210,417**	**$162,078**	**$162,078**
Method of Financing:						
28	APPRAISER REGISTRY ACCT	$144,725	$120,000	$120,000	$108,000	$108,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		**$144,725**	**$120,000**	**$120,000**	**$108,000**	**$108,000**
Method of Financing:						
666	APPROPRIATED RECEIPTS	$1,513	$1,000	$1,000	$1,000	$1,000
SUBTOTAL, MOF (OTHER FUNDS)		**$1,513**	**$1,000**	**$1,000**	**$1,000**	**$1,000**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$271,078**	**$271,078**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$357,930**	**$331,729**	**$331,417**	**$271,078**	**$271,078**
FULL TIME EQUIVALENT POSITIONS:		**3.7**	**4.0**	**4.0**	**3.0**	**3.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 4 Implement and Enforce TALCB and Standards — Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Provide Sufficient Qualified Real Estate Appraisers — Service Categories:

STRATEGY: 1 Process Applications and License Applicants — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009

The Texas Appraiser Licensing and Certification Act provides for the certification and licensing of real estate appraisers in compliance with federal requirements. Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act mandates that the various states certify and license real estate appraisers for federally related transactions in a manner consistent with federal law, regulations, policies and interpretations. Federal oversight of these activities is vested in the Appraisal Subcommittee (ASC). Title XI also provides for the promulgation of the educational, experience, and examination qualifications and requirements by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation, a quasi-governmental organization. The TALCB's first strategy includes the processing of applications, examination of applicants, evaluation of transcripts and educational offerings, as well as the renewal of authorizations, certifications, and licenses. Adequate staffing and financial support are required to carry out this basic and essential function of licensing and regulation.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The changing requirements of the federal entities which oversee the appraisal profession will significantly impact the qualifications to become a trainee or a licensed or certified appraiser in Texas, increasing the educational requirements and also changing the nature of the license and certification examinations. While these are anticipated to improve the level of preparation for those entering the profession, they may also decrease the number of individuals seeking to become trainee, licensed, or certified appraisers. The additional educational requirements will necessitate more intensive review of courses and transcripts by the TALCB staff. Currently, the number of trainee, licensed and certified appraisers is at an historic high, producing additional service demands on TALCB's limited staff.

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 4 Implement and Enforce TALCB and Standards — Statewide Goal/Benchmark: 7 0

OBJECTIVE: 2 Resolve TALCB Complaints in a Timely Manner — Service Categories:

STRATEGY: 1 Investigate and Resolve Complaints; Impose Penalties as Appropriate — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Complaints Resolved	101.00	130.00	160.00	150.00	150.00
Explanatory/Input Measures:						
1	Jurisdictional Complaints Received	135.00	200.00	200.00	200.00	200.00
Objects of Expense:						
1001	SALARIES AND WAGES	$109,016	$128,548	$137,154	$137,154	$137,154
1002	OTHER PERSONNEL COSTS	$1,380	$975	$1,600	$1,000	$1,000
2001	PROFESSIONAL FEES AND SERVICES	$8,450	$15,450	$12,450	$9,450	$9,450
2003	CONSUMABLE SUPPLIES	$489	$529	$2,025	$2,025	$2,025
2004	UTILITIES	$0	$191	$0	$756	$756
2005	TRAVEL	$2,131	$1,991	$2,520	$3,000	$3,000
2006	RENT - BUILDING	$0	$0	$0	$9,758	$9,758
2007	RENT - MACHINE AND OTHER	$0	$0	$0	$2,970	$2,970
2009	OTHER OPERATING EXPENSE	$3,269	$5,139	$2,223	$6,320	$6,320
5000	CAPITAL EXPENDITURES	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$124,735**	**$152,823**	**$157,972**	**$172,433**	**$172,433**
Method of Financing:						
1	GENERAL REVENUE FUND	$124,735	$152,823	$157,972	$172,433	$172,433
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$124,735**	**$152,823**	**$157,972**	**$172,433**	**$172,433**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$172,433**	**$172,433**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$124,735**	**$152,823**	**$157,972**	**$172,433**	**$172,433**
FULL TIME EQUIVALENT POSITIONS:		**2.9**	**3.0**	**3.0**	**3.0**	**3.0**

Agency code: **329** Agency name: **Real Estate Commission**

GOAL: 4 Implement and Enforce TALCB and Standards — Statewide Goal/Benchmark: 7 0

OBJECTIVE: 2 Resolve TALCB Complaints in a Timely Manner — Service Categories:

STRATEGY: 1 Investigate and Resolve Complaints; Impose Penalties as Appropriate — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009

STRATEGY DESCRIPTION AND JUSTIFICATION:

Title XI of the federal Financial Institutions, Reform, Recovery and Enforcement Act (FIRREA) mandates that states license and certify real estate appraisers in compliance with federal law and also adopt and enforce standards and regulations. The Texas Appraiser Licensing and Certification Act provides the TALCB with authority to adopt standards, investigate complaints and to initiate actions which could result in the imposition of sanctions, including revocation of a license or certificate for violations of the Act or the Rules of the TALCB. The Board considers written complaints that are notarized, investigates complaint matters and refers all decisions to an Enforcement Committee on which appraiser members of the Board sit. The committee directs the staff on the action to be taken on a complaint matter which may include an informal conference with the subject of the complaint, an offer of an agreed order, dismissal of the complaint, or referral to the TALCB attorney for proceeding to a hearing before the TREC Administrative Law Judge. Outside expert witnesses may be required in some hearings.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The number of complaints accepted by the Board continues to increase as well as the complexity of the matters in dispute. In March 2004, TALCB added a third part-time appraiser/investigator to process complaints and make recommendations to the Enforcement Committee. The current policies and procedures do not allow for an expedited determination of complaint matters to the detriment of the complainant, the licensed or certified appraiser, and the public in general. The Board is recommending changes in the Act and an exceptional item to streamline and expedite the current complaint process. Only with significant changes in procedures can complaint matters be concluded in a timely fashion.

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 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Objects of Expense:						
1001	SALARIES AND WAGES	$760,293	$797,191	$894,630	$816,806	$816,806
1002	OTHER PERSONNEL COSTS	$46,636	$60,570	$79,093	$51,321	$51,321
2001	PROFESSIONAL FEES AND SERVICES	$22,594	$21,759	$15,706	$15,706	$15,706
2003	CONSUMABLE SUPPLIES	$25,075	$27,648	$25,440	$25,440	$25,440
2004	UTILITIES	$15,571	$15,148	$15,648	$15,648	$15,648
2005	TRAVEL	$26,189	$25,039	$23,220	$19,220	$19,220
2006	RENT - BUILDING	$161,651	$163,032	$145,489	$145,489	$145,489
2007	RENT - MACHINE AND OTHER	$9,226	$11,700	$12,848	$12,848	$12,848
2009	OTHER OPERATING EXPENSE	$106,180	$92,100	$48,484	$70,173	$70,173
5000	CAPITAL EXPENDITURES	$0	$50,595	$54,000	$54,000	$54,000
TOTAL, OBJECT OF EXPENSE		**$1,173,415**	**$1,264,782**	**$1,314,558**	**$1,226,651**	**$1,226,651**
Method of Financing:						
1	GENERAL REVENUE FUND	$1,173,415	$1,264,782	$1,314,558	$1,226,651	$1,226,651
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,173,415**	**$1,264,782**	**$1,314,558**	**$1,226,651**	**$1,226,651**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$1,226,651**	**$1,226,651**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,173,415**	**$1,264,782**	**$1,314,558**	**$1,226,651**	**$1,226,651**
FULL TIME EQUIVALENT POSITIONS:		**17.0**	**18.4**	**18.4**	**18.4**	**18.4**

STRATEGY DESCRIPTION AND JUSTIFICATION:

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 2005	Est 2006	Bud 2007	BL 2008	BL 2009

Indirect Administrative costs are reflected in this strategy which is dictated by Chapter 1101, Texas Occupations Code (The Real Estate License Act) and Chapter 1102, Texas Occupations Code (Real Estate Inspectors). 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 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, on-line renewals and original applications, and E-mail system.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The agency could not operate without funding for this strategy. A continuation of current salary levels will result in the loss of experienced staff to other state agencies. This would negatively impact TREC's ability to deliver excellent customer service. Salary adjustments are necessary to reduce turnover caused by TREC employees relocating to other state agencies where salary levels are higher for the same type of work. (Agency Strategic Plan for the 2007-2011 Period for TREC, H. Self Evalulation and Opportunities for Improvement, Prioritization of Strategic Planning Initiatives, Human Resources, Page 21).

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$4,698,757**	**$4,993,533**	**$4,998,763**	**$4,582,600**	**$4,582,600**
METHODS OF FINANCE (INCLUDING RIDERS):				**$4,582,600**	**$4,582,600**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$4,698,757**	**$4,993,533**	**$4,998,763**	**$4,582,600**	**$4,582,600**
FULL TIME EQUIVALENT POSITIONS:	**82.1**	**85.0**	**85.0**	**84.0**	**84.0**

3.B. Rider Revisions and Additions Request

Agency Code:	Agency Name:	Prepared By: Alan R. Waters	Date: 08/07/06	Request Level: Base

Current Rider Number	Page Number in 2006–07 GAA	Proposed Rider Language
701	VIII	**Capital Budget.** 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 Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas. **Out of the General Revenue Fund** — 2008 / 2009 **b. Acquisition of Information Resource Technologies** **(2) Telephone System Replacement (MLPP)** — $ 14,700 / $ 14,700 **(3) Conversion of TRELIS to Windows** — 275,000 **(4) Imaging System** — 108,000 / 88,000 **(5) Computerization of Appraiser Licensee Information** — 90,000 / 60,000 **Total Capital Budget** — $ 212,700 / $ 437,700 *This rider is needed in the event funding is granted for the exceptional items requested that correspond to the above items.*
702	VIII	**Appropriation of Examination Fees.** Five dollars received by the commission for each examination fee paid by applicants to the commission's examination testing service is hereby appropriated to the commission for the purpose of funding the costs associated with the commission's communication initiative (The Advisor). *This rider is needed for the Texas Real Estate Commission (TREC) to provide the agency newsletter (The Advisor) to the licensees and public free of charge. Currently a subscription fee is charged for The Advisor and the receipts are reappropriated. This funding would replace the current method and not increase the baseline funding for the commission. An exceptional item request is not being submitted because the baseline would remain the same.*

703	**VIII**	**Reimbursement of Advisory Committees.** Pursuant to V.T.C.A., Government Code § 21.10.004 and out of 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 inspector members of the Real Estate Inspector Committee. *This rider is necessary for the Texas Real Estate Commission (TREC) to ensure the continuation of essential services provided by members of these committees. This rider was present in the fiscal year 2002-2003 appropriations bill but was removed from the current appropriations bill. There are no additional funds being requested for this rider. This issue is addressed in the Texas Real Estate Commission's Strategic Plan 2007-2011 on pages 12 and 13.* ***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 1101.155, Texas Occupations Code, generally requires Texas real estate licensees to use the forms prepared by the committee and promulgated by TREC.* *The rider allowing reimbursement of expenses for this committee should be reinstated 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.* ***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.* *The rider allowing reimbursement of expenses for this committee should be reinstated 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.*

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning.		
	Item Priority: 1		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
	01-01-02 TexasOnline. Estimated and Nontransferable		
	02-01-01 Investigate and Resolve Valid Complaint Cases		
	03-01-01 Prepare and Distribute Information Describing TREC Functions		
	05-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	272,607	272,607
1002	OTHER PERSONNEL COSTS	1,200	1,200
2005	TRAVEL	4,000	4,000
2009	OTHER OPERATING EXPENSE	138,200	138,200
	TOTAL, OBJECT OF EXPENSE	**$416,007**	**$416,007**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	416,007	416,007
	TOTAL, METHOD OF FINANCING	**$416,007**	**$416,007**

DESCRIPTION / JUSTIFICATION:

Consistent with the requirements imposed by the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning, TREC has identified the actions which would be needed to reach a 90% funding level. Such actions would seriously impede the ability of the agency to function, requiring a commensurate 10% reduction in office staff hours, elimination of the mailing of both licenses and renewal notices, removal of the toll-free telephone lines in communications, and the suspension of Department of Public Safety criminal history checks. Together, these actions would produce the required $416,000 cut in current appropriations. At a minimum, to continue TREC as a viable licensing and regulatory agency, these reductions must be prevented through a restoration of the remaining 10% of the existing appropriations.

EXTERNAL/INTERNAL FACTORS:

As stated above, at a minimum, to continue TREC as a viable licensing and regulatory agency, these reductions must be prevented through a restoration of the remaining 10% of the existing appropriations.

Commission revenues exceed all commission expenditures (direct and indirect) by well over two million dollars a year. The commission is 100% self-supporting, therefore it would seem prudent for the legislature to provide a level of funding that would permit the commission to offer a level of service that the licensees are paying for and that the public and licensees deserve.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agencies.		
	Item Priority: 2		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
	02-01-01 Investigate and Resolve Valid Complaint Cases		
	03-01-01 Prepare and Distribute Information Describing TREC Functions		
	05-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	280,000	280,000
	TOTAL, OBJECT OF EXPENSE	**$280,000**	**$280,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	280,000	280,000
	TOTAL, METHOD OF FINANCING	**$280,000**	**$280,000**

DESCRIPTION / JUSTIFICATION:

Limited appropriations allowed to TREC has produced a salary scale significantly below that provided to employees of other Texas state licensing and regulatory agencies. The average TREC salary is $3,374 below the average for all 29 other Article VIII agencies (excluding State Office of Administrative Hearings). This salary gap is even greater when TREC is compared with four similar agencies - Consumer Credit, Credit Union, Residential Construction, and Savings & Mortgage Lending. The average employee salary at these four agencies is $44,979, compared to $37,452 at TREC - an overall average salary disparity of $7,527.

It would be unrealistic to expect funding to close the gap with these four agencies. However, bringing TREC's average salary up to the FY07 average salary for all 29 Article VIII agencies could be accomplished by allowing the agency to expend an additional $280,000 per year of the fees collected from TREC's licensees.

Moreover, there is no equitable reason why the TREC Administrator (who is also responsible for the Appraiser Licensing and Certification Board) is paid $20,000 per year less than the average for the four similar licensing and regulatory agencies cited above. A modification in the exempt salary for the Administrator to no less than $100,000 is long overdue.

EXTERNAL/INTERNAL FACTORS:

Recruitment and retention of staff is a primary concern to TREC and having an equitable salary adjustment would reduce turnover and allow TREC employees to be paid similarily to their counterparts in other Texas state licensing and regulatory agencies.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Replace Obsolete Telephone System		
	Item Priority: 3		
	Includes Funding for the Following Strategy or Strategies: 05-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	14,700	14,700
	TOTAL, OBJECT OF EXPENSE	**$14,700**	**$14,700**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	14,700	14,700
	TOTAL, METHOD OF FINANCING	**$14,700**	**$14,700**

DESCRIPTION / JUSTIFICATION:

The project is needed by the Texas Real Estate Commission (TREC) to upgrade the current obsolete telephone system (Nortel Meridian Option 51 with Meridian Mail, software and hardware, purchased in August 1993) to re-establish manufacturer support. TREC's telephone system (PBX) is a central item of the agency's communications infrastructure. The project represents an upgrade of the current telephone system (hardware and software) that is currently not supported by the manufacturer. The current telephone instruments and wiring would not need replacement. TREC's telephone upgrade is addressed in the Agency Strategic Plan for the 2007-2011 Period for the Texas Real Estate Commission, Section H., Specific Strategic Plan Suggestions, Technology, Page 25, Item 4.(a).

EXTERNAL/INTERNAL FACTORS:

TREC was informed in April 2005 that its current PBX was at the end of its life cycle and would no longer be supported by the manufacturer. The maintenance contract for the system with Southwestern Bell was terminated in February 2006 by Southwestern Bell due to the manufacturer no longer supporting the system. An interim maintenance contract was obtained from another vendor but a specific exclusion concerning lack of manufacturer support was required by the new maintenance vendor (a serious system failure could result in an large expenditure to return the telephone system to operational status). Future maintenance contracts may not be obtainable due to the discontinuance of manufacturer support of TREC's current telephone system.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Update TREC Communications Operations		
	Item Priority: 4		
	Includes Funding for the Following Strategy or Strategies: 03-01-01 Prepare and Distribute Information Describing TREC Functions		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	90,000	90,000
2004	UTILITIES	1,650	0
2009	OTHER OPERATING EXPENSE	33,366	16,200
	TOTAL, OBJECT OF EXPENSE	**$125,016**	**$106,200**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	125,016	106,200
	TOTAL, METHOD OF FINANCING	**$125,016**	**$106,200**
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.00	3.00

DESCRIPTION / JUSTIFICATION:

A decision must be made on whether or not the public and licensees should be able to communicate with TREC by telephone. Currently, the agency has insufficient telephone lines and personnel to answer and respond to more than a limited percentage of inquiries. A recent survey indicated that 70% of all callers to the TREC toll free lines receive a busy signal. Meanwhile, the Communications department is answering more than 167,000 calls a year - or roughly 21,000 for each of the eight Communications staff. Alleviating this situation even slightly would require three additional telephone lines and three additional staff. An annual appropriation of $125,016 for FY08 and $106,200 for FY09 from the fees paid by TREC licensees would accomplish this goal.

EXTERNAL/INTERNAL FACTORS:

Seventy percent of licensees and the public are unable to reach TREC on the toll free telephone lines and the funding for this exceptional item would help alleviate this problem.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Enhance TREC's ability to respond to complaints.		
	Item Priority: 5		
	Includes Funding for the Following Strategy or Strategies: 02-01-01 Investigate and Resolve Valid Complaint Cases		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	99,000	105,000
2004	UTILITIES	900	0
2009	OTHER OPERATING EXPENSE	5,100	0
	TOTAL, OBJECT OF EXPENSE	**$105,000**	**$105,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	105,000	105,000
	TOTAL, METHOD OF FINANCING	**$105,000**	**$105,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.00	3.00

DESCRIPTION / JUSTIFICATION:

With the growth in the licensee count and the entry of many new individuals into the real estate market has come an increase in the number of complaints filed with TREC. There has been no adjustment in enforcement staff size for several years, despite the increase in both the number and complexity of complaints. An appropriation of $105,000 per year and 3 FTE positions would allow TREC to hire one additional attorney, legal assistant and file clerk.

EXTERNAL/INTERNAL FACTORS:

The public deserves the prompt and proper resolution of complaints.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Update Computerized Record Keeping		
	Item Priority: 6		
	Includes Funding for the Following Strategy or Strategies: 05-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	60,000	60,000
	TOTAL, OBJECT OF EXPENSE	**$60,000**	**$60,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	60,000	60,000
	TOTAL, METHOD OF FINANCING	**$60,000**	**$60,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.00	1.00

DESCRIPTION / JUSTIFICATION:

Information on both real estate inspectors and appraisers is not currently maintained in user-friendly formats. This data needs to be computerized so that both TREC staff and the licensees can obtain the information more readily. Obtaining an additional programmer or contracting out this function would require an appropriation of $60,000 per year and one FTE position.

EXTERNAL/INTERNAL FACTORS:

Service to licensees would be improved with the availability of computerized records.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Improve response to requests for information and assistance.		
	Item Priority: 7		
	Includes Funding for the Following Strategy or Strategies: 03-01-01 Prepare and Distribute Information Describing TREC Functions		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	50,600	50,600
2004	UTILITIES	300	0
2009	OTHER OPERATING EXPENSE	9,100	9,400
	TOTAL, OBJECT OF EXPENSE	**$60,000**	**$60,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	60,000	60,000
	TOTAL, METHOD OF FINANCING	**$60,000**	**$60,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.00	1.00

DESCRIPTION / JUSTIFICATION:

TREC is one of a few Texas state agencies without a staff person assigned to the task of responding to requests from state government officials, the media and interested groups. Given the requests for constituent services and the demands of the media, it is important that such a position be funded. Therefore, an appropriation of $60,000 and one FTE position is requested to obtain an Intergovernmental Relations Officer and provide the requisite office furnishings and supplies.

EXTERNAL/INTERNAL FACTORS:

The public and licensees would be better served along with state government officials, the media and interested groups.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009

Item Name: Conversion of the Texas Real Estate Licensing Information System (TRELIS) to a Windows-based system.
Item Priority: 8
Includes Funding for the Following Strategy or Strategies: 05-01-01 Indirect Administration

OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	0	275,000
	TOTAL, OBJECT OF EXPENSE	**$0**	**$275,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	0	275,000
	TOTAL, METHOD OF FINANCING	**$0**	**$275,000**

DESCRIPTION / JUSTIFICATION:
Convert the core application that supports all agency programs into an environment that can reduce technical risk due to a lack of programming resources. Software is currently written utilizing the proprietary Unisys's enterprise application development toolset and database. This project will migrate the application into an industry standard development environment and database allowing the agency the ability to hire skilled resources.

The project conversion will reduce the technical risk requiring proprietary skills in the maintenance and enhancement to the agency core application. In addition, this conversion will reduce ongoing maintenance costs by $15,000 per year starting in 2011 and eleminate an upgrade to our software and hardware licensing of $250,000 in 2011.

EXTERNAL/INTERNAL FACTORS:

The Unisys Enterprise Application Development toolset and database are proprietary and require specific skill sets to manage. These skills are required to continue providing enhancements, modification and application support for the agency core application. However, full time resources with these skills are very difficult to find. As a result, turnover in the software development team will expose the agency to significant risk. Additionally, costs associated with software licenses, hardware and maintenance are significantly higher versus the more common technologies. A shift in development framework and database supporting the core application to an environment that is more widely used will reduce the technology risk and costs to the agency.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009

Item Name: Imaging System to image and index all incoming documents and provide a workflow solution that will support internal business process for TREC and TALCB.

Item Priority: 9

Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses
04-01-01 Process Applications and License Applicants

OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	108,000	88,000
	TOTAL, OBJECT OF EXPENSE	**$108,000**	**$88,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	108,000	88,000
	TOTAL, METHOD OF FINANCING	**$108,000**	**$88,000**

DESCRIPTION / JUSTIFICATION:

Implement a system that will image and index all incoming documents and provide a workflow solution that will support the internal business process. Imaging of documents and workflow component will support the Real Estate Commission and Appraiser Licensing and Certification Board. Total funding for the project is $196,000 dollars of which Real Estate Commission will fund $156,000 ($78,000 in each year of the biennium) and the Appraiser Licensing and Certification Board will fund $40,000 ($30,000 in FY 2008 and $10,000 in FY 2009). Imaging of existing licensee documents is not within the scope of this project.

EXTERNAL/INTERNAL FACTORS:

Significant storage space is required to retain paper documentation. Our licensee population continues to grow faster than the retirement of old accounts thus increasing the amount of space to support paper files. The imaging system will eliminate the increase in demand for office space while increasing productivity for all employees. Additionally, an electronic image of documents offers increased protection for business continuity.

Files need to remain onsite for easy retrieval and information must be retained per existing retention policy. Destroying of paper per retention policy is currently being done and a significant reduction of space is not anticipated as a result of this method. Additionally, archiving of documents to microfiche was considered but deemed inefficient in comparison with today's imaging technology.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Restore appropriation baseline for the Texas Appraiser Licensing and Certification Board that was reduced by 10% per directive of the LBB and the Governor's Office of Budget, Policy and Planning.		
	Item Priority: 20		
	Includes Funding for the Following Strategy or Strategies: 04-01-01 Process Applications and License Applicants		
	04-02-01 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	25,304	25,304
1002	OTHER PERSONNEL COSTS	1,500	1,500
2001	PROFESSIONAL FEES AND SERVICES	3,000	3,000
2005	TRAVEL	1,500	1,500
2009	OTHER OPERATING EXPENSE	16,000	16,000
	TOTAL, OBJECT OF EXPENSE	**$47,304**	**$47,304**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	35,304	35,304
28	APPRAISER REGISTRY ACCT	12,000	12,000
	TOTAL, METHOD OF FINANCING	**$47,304**	**$47,304**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.00	1.00

DESCRIPTION / JUSTIFICATION:

Given the financial constraints under which the TALCB has been operating for the past few years and its financial inability to replace its two highest-paid employees, it should be evident that the Board cannot sustain an additional 10% cut in its appropriations authority - especially at a time when it is producing a substantial amount of excess revenue above expenditures in the form of fees paid by its licensees.

EXTERNAL/INTERNAL FACTORS:

Cutting 10% from its current baseline would result in a further negative impact on the resolution of complaint matters - an area where both the Legislature and the Appraisal Subcommittee have expressed serious concern.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Equity salary adjustments to close the gap between TALCB employees and employees of other Texas state licensing and regulatory agencies.		
	Item Priority: 21		
	Includes Funding for the Following Strategy or Strategies: 04-01-01 Process Applications and License Applicants		
	04-02-01 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	35,000	35,000
	TOTAL, OBJECT OF EXPENSE	**$35,000**	**$35,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	35,000	35,000
	TOTAL, METHOD OF FINANCING	**$35,000**	**$35,000**

DESCRIPTION / JUSTIFICATION:

The average salary for all Article VIII licensing and regulatory agencies (excluding SOAH) was $40,826 for FY07. The pro-rata salary for TALCB staff was $36,101 for FY07, a gap of $4,725 per employee below average. Appropriation authority to expend $35,000 of the fees already collected from appraisers is required to simply provide salary equity for TALCB staff and prevent their leaving for other better paying Texas regulatory bodies.

EXTERNAL/INTERNAL FACTORS:

Recruitment and retention of staff is a primary concern to TALCB and having an equitable salary adjustment would reduce turnover and allow TREC employees to be paid similarily to their counterparts in other Texas state licensing and regulatory agencies.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Improve the complaint process to prevent disastrous Federal action.		
	Item Priority: 22		
	Includes Funding for the Following Strategy or Strategies: 04-02-01 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	52,600	61,000
2004	UTILITIES	300	0
2009	OTHER OPERATING EXPENSE	14,100	6,000
	TOTAL, OBJECT OF EXPENSE	**$67,000**	**$67,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	67,000	67,000
	TOTAL, METHOD OF FINANCING	**$67,000**	**$67,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.50	1.50

DESCRIPTION / JUSTIFICATION:

Since the TALCB comes under Federal oversight, it confronts the possibility of all Texas appraisers being prohibited from conducting appraisals in Federally-related transactions if it does not significantly improve its complaint resolution process. Two years ago TALCB brought this to the state's attention and requested funds to hire an attorney and half-time clerical assistant. TALCB was denied any appropriations assistance. Now TALCB confronts another pending audit by the Federal authorities at a time when mortgage fraud has increased both the number and the complexity of the complaints filed against appraisers. An appropriation of $67,000 for each year would allow the hiring of a full-time investigator and converting a part-time attorney to full-time status as well as provide needed equipment and data sources for the investigators.

EXTERNAL/INTERNAL FACTORS:

A pending audit by Federal authorities may result in Texas appraisers being prohibited from conducting appraisals in Federally-related transactions.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Enhance TALCB education staffing to provide for needed educational review of applications.		
	Item Priority: 27		
	Includes Funding for the Following Strategy or Strategies: 04-01-01 Process Applications and License Applicants		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	30,000	30,000
	TOTAL, OBJECT OF EXPENSE	**$30,000**	**$30,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	30,000	30,000
	TOTAL, METHOD OF FINANCING	**$30,000**	**$30,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.00	1.00

DESCRIPTION / JUSTIFICATION:

With the Federally-mandated changes in educational qualifications for licensed and certified appraisers effective in November 2007, a much more detailed review of transcripts, course completion documents, and course approvals will be required. Present staff is not able to undertake this detailed task. The process can be achieved by either granting an additional FTE or contracting with an outside vendor to perform these services. In either event, TALCB requests appropriation authority to spend $30,000 per year of funds already collected from our certified and licensed appraisers.

EXTERNAL/INTERNAL FACTORS:

As stated above, with the Federally-mandated changes in educational qualifications for licensed and certified appraisers effective in November 2007, a much more detailed review of transcripts, course completion documents, and course approvals will be required.

Agency code: **329** Agency name: **Real Estate Commission**

CODE	DESCRIPTION	Excp 2008	Excp 2009
	Item Name: Computerize appraiser licensee information.		
	Item Priority: 24		
	Includes Funding for the Following Strategy or Strategies: 04-01-01 Process Applications and License Applicants		
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	90,000	60,000
	TOTAL, OBJECT OF EXPENSE	**$90,000**	**$60,000**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	90,000	60,000

DESCRIPTION / JUSTIFICATION:

Currently TALCB operates with limited computerization of licensee data. Significant programming is needed to update the present system and to allow licensee access to educational and license status information via the Internet. Additionally, communications could be expedited at a lower cost by developing an email notification list for all licensees. This could be achieved through a payment to cover TREC's programming costs for implementing this update. To bring TALCB's data process into the 21st century would require appropriations authority of $90,000 in FY08 and $60,000 in FY09.

EXTERNAL/INTERNAL FACTORS:

Service to licensees would be improved with the availability of computerized records.

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative I		
Allocation to Strategy: 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
OUTPUT MEASURES:		
1 Number of Individuals Examined	4,000.00	4,000.00
2 Number of New Licenses Issued to Individuals	5,000.00	5,000.00
3 Number of Licenses Renewed (Individuals)	5,000.00	5,000.00
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	51,250	51,250
2009 OTHER OPERATING EXPENSE	79,000	79,000
TOTAL, OBJECT OF EXPENSE	**$130,250**	**$130,250**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	130,250	130,250
TOTAL, METHOD OF FINANCING	**$130,250**	**$130,250**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative I		
Allocation to Strategy: 1-1-2 TexasOnline. Estimated and Nontransferable		
OBJECTS OF EXPENSE:		
2009 OTHER OPERATING EXPENSE	32,200	32,200
TOTAL, OBJECT OF EXPENSE	**$32,200**	**$32,200**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	32,200	32,200
TOTAL, METHOD OF FINANCING	**$32,200**	**$32,200**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative I		
Allocation to Strategy: 2-1-1 Investigate and Resolve Valid Complaint Cases		
STRATEGY IMPACT ON OUTCOME MEASURES:		
1 Percent of Complaints Resulting in Disciplinary Action	3.00%	3.00%
2 Percent of Documented Complaints Resolved within 6 Months	60.00%	60.00%
OUTPUT MEASURES:		
1 Number of Complaints Resolved	300.00	300.00
2 Number of Orders Issued by Hearings Officer	15.00	15.00
EFFICIENCY MEASURES:		
1 Average Time for Complaint Resolution (Days)	115.00	115.00
EXPLANATORY/INPUT MEASURES:		
1 Jurisdictional Complaints Received	200.00	200.00
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	99,229	99,229
TOTAL, OBJECT OF EXPENSE	**$99,229**	**$99,229**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	99,229	99,229
TOTAL, METHOD OF FINANCING	**$99,229**	**$99,229**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative I		
Allocation to Strategy: 3-1-1 Prepare and Distribute Information Describing TREC Functions		
OUTPUT MEASURES:		
1 Number of Calls Received	30,000.00	30,000.00
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	47,706	47,706
2009 OTHER OPERATING EXPENSE	27,000	27,000
TOTAL, OBJECT OF EXPENSE	**$74,706**	**$74,706**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	74,706	74,706
TOTAL, METHOD OF FINANCING	**$74,706**	**$74,706**

Agency code: **329** Agency name: **Real Estate Commission**

		Excp 2008	Excp 2009
Item Name:	Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative I		
Allocation to Strategy:	5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	74,422	74,422
1002	OTHER PERSONNEL COSTS	1,200	1,200
2005	TRAVEL	4,000	4,000
TOTAL, OBJECT OF EXPENSE		**$79,622**	**$79,622**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	79,622	79,622
TOTAL, METHOD OF FINANCING		**$79,622**	**$79,622**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agei		
Allocation to Strategy: 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	54,190	54,190
TOTAL, OBJECT OF EXPENSE	**$54,190**	**$54,190**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	54,190	54,190
TOTAL, METHOD OF FINANCING	**$54,190**	**$54,190**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agei		
Allocation to Strategy: 2-1-1 Investigate and Resolve Valid Complaint Cases		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	97,390	97,390
TOTAL, OBJECT OF EXPENSE	**$97,390**	**$97,390**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	97,390	97,390
TOTAL, METHOD OF FINANCING	**$97,390**	**$97,390**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agei		
Allocation to Strategy: 3-1-1 Prepare and Distribute Information Describing TREC Functions		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	47,550	47,550
TOTAL, OBJECT OF EXPENSE	**$47,550**	**$47,550**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	47,550	47,550
TOTAL, METHOD OF FINANCING	**$47,550**	**$47,550**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agei		
Allocation to Strategy: 5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	80,870	80,870
TOTAL, OBJECT OF EXPENSE	**$80,870**	**$80,870**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	80,870	80,870
TOTAL, METHOD OF FINANCING	**$80,870**	**$80,870**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Replace Obsolete Telephone System		
Allocation to Strategy: 5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:		
5000 CAPITAL EXPENDITURES	14,700	14,700
TOTAL, OBJECT OF EXPENSE	**$14,700**	**$14,700**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	14,700	14,700
TOTAL, METHOD OF FINANCING	**$14,700**	**$14,700**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Update TREC Communications Operations		
Allocation to Strategy: 3-1-1 Prepare and Distribute Information Describing TREC Functions		
OUTPUT MEASURES:		
1 Number of Calls Received	63,000.00	63,000.00
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	90,000	90,000
2004 UTILITIES	1,650	0
2009 OTHER OPERATING EXPENSE	33,366	16,200
TOTAL, OBJECT OF EXPENSE	**$125,016**	**$106,200**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	125,016	106,200
TOTAL, METHOD OF FINANCING	**$125,016**	**$106,200**
FULL-TIME EQUIVALENT POSITIONS (FTE):	3.0	3.0

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Enhance TREC's ability to respond to complaints.		
Allocation to Strategy: 2-1-1 Investigate and Resolve Valid Complaint Cases		
OUTPUT MEASURES:		
1 Number of Complaints Resolved	400.00	400.00
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	99,000	105,000
2004 UTILITIES	900	0
2009 OTHER OPERATING EXPENSE	5,100	0
TOTAL, OBJECT OF EXPENSE	**$105,000**	**$105,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	105,000	105,000
TOTAL, METHOD OF FINANCING	**$105,000**	**$105,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):	3.0	3.0

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Update Computerized Record Keeping		
Allocation to Strategy: 5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	60,000	60,000
TOTAL, OBJECT OF EXPENSE	**$60,000**	**$60,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	60,000	60,000
TOTAL, METHOD OF FINANCING	**$60,000**	**$60,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):	1.0	1.0

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Improve response to requests for information and assistance.		
Allocation to Strategy: 3-1-1 Prepare and Distribute Information Describing TREC Functions		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	50,600	50,600
2004 UTILITIES	300	0
2009 OTHER OPERATING EXPENSE	9,100	9,400
TOTAL, OBJECT OF EXPENSE	**$60,000**	**$60,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	60,000	60,000
TOTAL, METHOD OF FINANCING	**$60,000**	**$60,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):	1.0	1.0

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Conversion of the Texas Real Estate Licensing Information System (TRELIS) to a Windows-based system.		
Allocation to Strategy: 5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:		
5000 CAPITAL EXPENDITURES	0	275,000
TOTAL, OBJECT OF EXPENSE	**$0**	**$275,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	0	275,000
TOTAL, METHOD OF FINANCING	**$0**	**$275,000**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Imaging System to image and index all incoming documents and provide a workflow solution that will support internal business proce		
Allocation to Strategy: 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
OBJECTS OF EXPENSE:		
5000 CAPITAL EXPENDITURES	78,000	78,000
TOTAL, OBJECT OF EXPENSE	**$78,000**	**$78,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	78,000	78,000
TOTAL, METHOD OF FINANCING	**$78,000**	**$78,000**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Imaging System to image and index all incoming documents and provide a workflow solution that will support internal business proce		
Allocation to Strategy: 4-1-1 Process Applications and License Applicants		
OBJECTS OF EXPENSE:		
5000 CAPITAL EXPENDITURES	30,000	10,000
TOTAL, OBJECT OF EXPENSE	**$30,000**	**$10,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	30,000	10,000
TOTAL, METHOD OF FINANCING	**$30,000**	**$10,000**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Restore appropriation baseline for the Texas Appraiser Licensing and Certification Board that was reduced by 10% per directive of the		
Allocation to Strategy: 4-1-1 Process Applications and License Applicants		
OUTPUT MEASURES:		
1 Number of New Licenses and Certifications Issued to Individuals	200.00	200.00
2 Number of Licenses and Certifications Renewed (Individuals)	300.00	300.00
3 Number of Individuals Examined	150.00	150.00
EFFICIENCY MEASURES:		
3 Percentage New Indiv Licences within 10 Days	80.00%	80.00%
4 % Indiv License Renewals within 7 Days	95.00%	95.00%
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	25,304	25,304
1002 OTHER PERSONNEL COSTS	900	900
2005 TRAVEL	900	900
2009 OTHER OPERATING EXPENSE	15,550	15,550
TOTAL, OBJECT OF EXPENSE	**$42,654**	**$42,654**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	30,654	30,654
28 APPRAISER REGISTRY ACCT	12,000	12,000
TOTAL, METHOD OF FINANCING	**$42,654**	**$42,654**
FULL-TIME EQUIVALENT POSITIONS (FTE):	1.0	1.0

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Restore appropriation baseline for the Texas Appraiser Licensing and Certification Board that was reduced by 10% per directive of the		
Allocation to Strategy: 4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OUTPUT MEASURES:		
1 Number of Complaints Resolved	10.00	10.00
OBJECTS OF EXPENSE:		
1002 OTHER PERSONNEL COSTS	600	600
2001 PROFESSIONAL FEES AND SERVICES	3,000	3,000
2005 TRAVEL	600	600
2009 OTHER OPERATING EXPENSE	450	450
TOTAL, OBJECT OF EXPENSE	**$4,650**	**$4,650**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	4,650	4,650
TOTAL, METHOD OF FINANCING	**$4,650**	**$4,650**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Equity salary adjustments to close the gap between TALCB employees and employees of other Texas state licensing and regulatory ag		
Allocation to Strategy: 4-1-1 Process Applications and License Applicants		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	18,500	18,500
TOTAL, OBJECT OF EXPENSE	**$18,500**	**$18,500**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	18,500	18,500
TOTAL, METHOD OF FINANCING	**$18,500**	**$18,500**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Equity salary adjustments to close the gap between TALCB employees and employees of other Texas state licensing and regulatory ag		
Allocation to Strategy: 4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	16,500	16,500
TOTAL, OBJECT OF EXPENSE	**$16,500**	**$16,500**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	16,500	16,500
TOTAL, METHOD OF FINANCING	**$16,500**	**$16,500**

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Improve the complaint process to prevent disastrous Federal action.		
Allocation to Strategy: 4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OUTPUT MEASURES:		
1 Number of Complaints Resolved	75.00	75.00
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	52,600	61,000
2004 UTILITIES	300	0
2009 OTHER OPERATING EXPENSE	14,100	6,000
TOTAL, OBJECT OF EXPENSE	**$67,000**	**$67,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	67,000	67,000
TOTAL, METHOD OF FINANCING	**$67,000**	**$67,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):	1.5	1.5

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Enhance TALCB education staffing to provide for needed educational review of applications.		
Allocation to Strategy: 4-1-1 Process Applications and License Applicants		
EFFICIENCY MEASURES:		
3 Percentage New Indiv Licences within 10 Days	85.00%	85.00%
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	30,000	30,000
TOTAL, OBJECT OF EXPENSE	**$30,000**	**$30,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	30,000	30,000
TOTAL, METHOD OF FINANCING	**$30,000**	**$30,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):	1.0	1.0

Agency code: **329** Agency name: **Real Estate Commission**

	Excp 2008	Excp 2009
Item Name: Computerize appraiser licensee information.		
Allocation to Strategy: 4-1-1 Process Applications and License Applicants		
OBJECTS OF EXPENSE:		
2001 PROFESSIONAL FEES AND SERVICES	90,000	60,000
TOTAL, OBJECT OF EXPENSE	**$90,000**	**$60,000**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	90,000	60,000
TOTAL, METHOD OF FINANCING	**$90,000**	**$60,000**

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure — Statewide Goal/Benchmark: 7 - 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	Excp 2008	Excp 2009
OUTPUT MEASURES:			
1	Number of Individuals Examined	4,000.00	4,000.00
2	Number of New Licenses Issued to Individuals	5,000.00	5,000.00
3	Number of Licenses Renewed (Individuals)	5,000.00	5,000.00
EFFICIENCY MEASURES:			
1	Average Licensing Cost Per Individual License Issued	15.00	15.00
2	Average Time for Individual License Issuance (Days)	42.00	42.00
3	Average Time for Individual License Renewal	2.50	2.50
4	Percentage New Indiv Licences within 10 Days	95.00 %	95.00 %
5	% Indiv License Renewals within 7 Days	97.00 %	97.00 %
EXPLANATORY/INPUT MEASURES:			
1	Pass Rate	70.00 %	70.00 %
2	Total Number of Programs/Schools Licensed	35.00	35.00
3	Total Number of Individuals Licensed	10,000.00	10,000.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	105,440	105,440
2009	OTHER OPERATING EXPENSE	79,000	79,000
5000	CAPITAL EXPENDITURES	78,000	78,000
	Total, Objects of Expense	**$262,440**	**$262,440**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	262,440	262,440
	Total, Method of Finance	**$262,440**	**$262,440**

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL:	1	Determine the Eligibility of TREC Applicants for Licensure	Statewide Goal/Benchmark:	7 - 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	Excp 2008	Excp 2009

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning.

Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agencies.

Imaging System to image and index all incoming documents and provide a workflow solution that will support internal business process for TREC and TALCB.

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure — Statewide Goal/Benchmark: 8 - 0

OBJECTIVE: 1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency — Service Categories:

STRATEGY: 2 TexasOnline. Estimated and Nontransferable — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2008	Excp 2009
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	32,200	32,200
	Total, Objects of Expense	**$32,200**	**$32,200**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	32,200	32,200
	Total, Method of Finance	**$32,200**	**$32,200**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning.

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules — Statewide Goal/Benchmark: 7 - 0

OBJECTIVE: 1 Resolve Complaints and Hold Hearings Expeditiously — Service Categories:

STRATEGY: 1 Investigate and Resolve Valid Complaint Cases — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2008	Excp 2009
OUTPUT MEASURES:			
1	Number of Complaints Resolved	800.00	800.00
2	Number of Orders Issued by Hearings Officer	25.00	25.00
EFFICIENCY MEASURES:			
1	Average Time for Complaint Resolution (Days)	105.00	105.00
2	Average Cost Per Complaint Resolved	325.00	325.00
EXPLANATORY/INPUT MEASURES:			
1	Jurisdictional Complaints Received	200.00	200.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	295,619	301,619
2004	UTILITIES	900	0
2009	OTHER OPERATING EXPENSE	5,100	0
	Total, Objects of Expense	**$301,619**	**$301,619**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	301,619	301,619
	Total, Method of Finance	**$301,619**	**$301,619**
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.0	3.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning.

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules — Statewide Goal/Benchmark: 7 - 0

OBJECTIVE: 1 Resolve Complaints and Hold Hearings Expeditiously — Service Categories:

STRATEGY: 1 Investigate and Resolve Valid Complaint Cases — Service: 16 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2008	Excp 2009
Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agencies.		
Enhance TREC's ability to respond to complaints.		

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL: 3 To Communicate Effectively with the Public and Licensees — Statewide Goal/Benchmark: 7 - 0

OBJECTIVE: 1 Notify All Licensees of Law/Rule Chnges w/in 60 Days; Custmr Survey — Service Categories:

STRATEGY: 1 Prepare and Distribute Information Describing TREC Functions — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2008	Excp 2009
OUTPUT MEASURES:			
1	Number of Calls Received	93,000.00	93,000.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	235,856	235,856
2004	UTILITIES	1,950	0
2009	OTHER OPERATING EXPENSE	69,466	52,600
	Total, Objects of Expense	**$307,272**	**$288,456**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	307,272	288,456
	Total, Method of Finance	**$307,272**	**$288,456**
FULL-TIME EQUIVALENT POSITIONS (FTE):		4.0	4.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning.

Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agencies.

Update TREC Communications Operations

Improve response to requests for information and assistance.

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL: 4 Implement and Enforce TALCB and Standards — Statewide Goal/Benchmark: 7 - 0
OBJECTIVE: 1 Provide Sufficient Qualified Real Estate Appraisers — Service Categories:
STRATEGY: 1 Process Applications and License Applicants — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2008	Excp 2009
OUTPUT MEASURES:			
1	Number of New Licenses and Certifications Issued to Individuals	200.00	200.00
2	Number of Licenses and Certifications Renewed (Individuals)	300.00	300.00
3	Number of Individuals Examined	150.00	150.00
EFFICIENCY MEASURES:			
1	Average Cost Per Exam Administered	1.50	2.00
2	Average Cost Per Individual License and Certification Issued	30.00	30.00
3	Percentage New Indiv Licences within 10 Days	80.00 %	80.00 %
4	% Indiv License Renewals within 7 Days	95.00 %	95.00 %
EXPLANATORY/INPUT MEASURES:			
1	Total Number of Individuals Licensed	5,000.00	5,000.00
2	Pass Rate	40.00 %	40.00 %
3	Number of Examination Sessions Conducted	650.00	650.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	73,804	73,804
1002	OTHER PERSONNEL COSTS	900	900
2001	PROFESSIONAL FEES AND SERVICES	90,000	60,000
2005	TRAVEL	900	900
2009	OTHER OPERATING EXPENSE	15,550	15,550
5000	CAPITAL EXPENDITURES	30,000	10,000
	Total, Objects of Expense	**$211,154**	**$161,154**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	199,154	149,154

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL: 4 Implement and Enforce TALCB and Standards — Statewide Goal/Benchmark: 7 - 0

OBJECTIVE: 1 Provide Sufficient Qualified Real Estate Appraisers — Service Categories:

STRATEGY: 1 Process Applications and License Applicants — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2008	Excp 2009
28	APPRAISER REGISTRY ACCT	12,000	12,000
	Total, Method of Finance	**$211,154**	**$161,154**
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Imaging System to image and index all incoming documents and provide a workflow solution that will support internal business process for TREC and TALCB.

Restore appropriation baseline for the Texas Appraiser Licensing and Certification Board that was reduced by 10% per directive of the LBB and the Governor's Office of Budget, Policy and Planning.

Equity salary adjustments to close the gap between TALCB employees and employees of other Texas state licensing and regulatory agencies.

Enhance TALCB education staffing to provide for needed educational review of applications.

Computerize appraiser licensee information.

Agency Code: **329** Agency name: **Real Estate Commission**

GOAL: 4 Implement and Enforce TALCB and Standards — Statewide Goal/Benchmark: 7 - 0

OBJECTIVE: 2 Resolve TALCB Complaints in a Timely Manner — Service Categories:

STRATEGY: 1 Investigate and Resolve Complaints; Impose Penalties as Appropriate — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2008	Excp 2009
OUTPUT MEASURES:			
1	Number of Complaints Resolved	75.00	75.00
EXPLANATORY/INPUT MEASURES:			
1	Jurisdictional Complaints Received	200.00	200.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	69,100	77,500
1002	OTHER PERSONNEL COSTS	600	600
2001	PROFESSIONAL FEES AND SERVICES	3,000	3,000
2004	UTILITIES	300	0
2005	TRAVEL	600	600
2009	OTHER OPERATING EXPENSE	14,550	6,450
	Total, Objects of Expense	**$88,150**	**$88,150**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	88,150	88,150
	Total, Method of Finance	**$88,150**	**$88,150**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.5	1.5

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restore appropriation baseline for the Texas Appraiser Licensing and Certification Board that was reduced by 10% per directive of the LBB and the Governor's Office of Budget, Policy and Planning.

Equity salary adjustments to close the gap between TALCB employees and employees of other Texas state licensing and regulatory agencies.

Improve the complaint process to prevent disastrous Federal action.

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	Excp 2008	Excp 2009
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	215,292	215,292
1002	OTHER PERSONNEL COSTS	1,200	1,200
2005	TRAVEL	4,000	4,000
5000	CAPITAL EXPENDITURES	14,700	289,700
	Total, Objects of Expense	**$235,192**	**$510,192**
METHOD OF FINANCING:			
1	GENERAL REVENUE FUND	235,192	510,192
	Total, Method of Finance	**$235,192**	**$510,192**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of appropriation baseline for the Texas Real Estate Commission that was reduced by 10% per directive of the Legislative Budget Board and the Governor's Office of Budget, Policy and Planning.

Equity salary adjustments to close the gap between TREC employees and employees of other Texas state licensing and regulatory agencies.

Replace Obsolete Telephone System

Update Computerized Record Keeping

Conversion of the Texas Real Estate Licensing Information System (TRELIS) to a Windows-based system.

Agency code: **329** Agency name: **Real Estate Commission**

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2006	Bud 2007	BL 2008	BL 2009
5005 Acquisition of Information Resource Technologies				
1/1 Acquisition of Information Resource Technologies				
OBJECTS OF EXPENSE				
Capital				
5000 CAPITAL EXPENDITURES	$50,595	$54,000	$54,000	$54,000
Capital Subtotal OOE, Project 1	$50,595	$54,000	$54,000	$54,000
Subtotal OOE, Project 1	**$50,595**	**$54,000**	**$54,000**	**$54,000**
TYPE OF FINANCING				
Capital				
ML 1 GENERAL REVENUE FUND	$50,595	$54,000	$54,000	$54,000
Capital Subtotal TOF, Project 1	$50,595	$54,000	$54,000	$54,000
Subtotal TOF, Project 1	**$50,595**	**$54,000**	**$54,000**	**$54,000**
2/2 Upgrade Obsolete Telephone System				
OBJECTS OF EXPENSE				
Capital				
5000 CAPITAL EXPENDITURES	$0	$0	$0	$0
Capital Subtotal OOE, Project 2	$0	$0	$0	$0
Subtotal OOE, Project 2	**$0**	**$0**	**$0**	**$0**
TYPE OF FINANCING				
Capital				
ML 1 GENERAL REVENUE FUND	$0	$0	$0	$0
Capital Subtotal TOF, Project 2	$0	$0	$0	$0
Subtotal TOF, Project 2	**$0**	**$0**	**$0**	**$0**
3/3 Core Application Conversion				

Agency code: **329** Agency name: **Real Estate Commission**

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2006	Bud 2007	BL 2008	BL 2009
OBJECTS OF EXPENSE				
Capital				
5000 CAPITAL EXPENDITURES	$0	$0	$0	$0
Capital Subtotal OOE, Project 3	$0	$0	$0	$0
Subtotal OOE, Project 3	**$0**	**$0**	**$0**	**$0**
TYPE OF FINANCING				
Capital				
CA 1 GENERAL REVENUE FUND	$0	$0	$0	$0
Capital Subtotal TOF, Project 3	$0	$0	$0	$0
Subtotal TOF, Project 3	**$0**	**$0**	**$0**	**$0**
4/4 Image System Implementation				
OBJECTS OF EXPENSE				
Capital				
5000 CAPITAL EXPENDITURES	$0	$0	$0	$0
Capital Subtotal OOE, Project 4	$0	$0	$0	$0
Subtotal OOE, Project 4	**$0**	**$0**	**$0**	**$0**
TYPE OF FINANCING				
Capital				
CA 1 GENERAL REVENUE FUND	$0	$0	$0	$0
Capital Subtotal TOF, Project 4	$0	$0	$0	$0
Subtotal TOF, Project 4	**$0**	**$0**	**$0**	**$0**
5/5 TALCB Licensee automation				
OBJECTS OF EXPENSE				
Capital				
2001 PROFESSIONAL FEES AND SERVICES	$0	$0	$0	$0

Agency code: **329** Agency name: **Real Estate Commission**

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2006	Bud 2007	BL 2008	BL 2009
Capital Subtotal OOE, Project 5	$0	$0	$0	$0
Subtotal OOE, Project 5	**$0**	**$0**	**$0**	**$0**
TYPE OF FINANCING				
Capital				
CA 1 GENERAL REVENUE FUND	$0	$0	$0	$0
Capital Subtotal TOF, Project 5	$0	$0	$0	$0
Subtotal TOF, Project 5	**$0**	**$0**	**$0**	**$0**
Capital Subtotal, Category 5005	$50,595	$54,000	$54,000	$54,000
Informational Subtotal, Category 5005				
Total, Category 5005	**$50,595**	**$54,000**	**$54,000**	**$54,000**
AGENCY TOTAL -CAPITAL	**$50,595**	**$54,000**	**$54,000**	**$54,000**
AGENCY TOTAL -INFORMATIONAL				
AGENCY TOTAL	**$50,595**	**$54,000**	**$54,000**	**$54,000**
METHOD OF FINANCING:				
Capital				
1 GENERAL REVENUE FUND	$50,595	$54,000	$54,000	$54,000
Total, Method of Financing-Capital	$50,595	$54,000	$54,000	$54,000
Total, Method of Financing	**$50,595**	**$54,000**	**$54,000**	**$54,000**

Agency code: **329** Agency name: **Real Estate Commission**

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2006	Bud 2007	BL 2008	BL 2009
TYPE OF FINANCING:				
Capital				
CA CURRENT APPROPRIATIONS	$0	$0	$0	$0
ML MASTER LEASE PURCHASE PRG	$50,595	$54,000	$54,000	$54,000
Total, Type of Financing-Capital	$50,595	$54,000	$54,000	$54,000
Total,Type of Financing	**$50,595**	**$54,000**	**$54,000**	**$54,000**

Agency Code:	**329**	Agency name:	**Real Estate Commission**
Category Number:	**5005**	Category Name:	**ACQUISITN INFO RES TECH.**
Project number:	**1**	Project Name:	**Enterprise Server Acquisition**

PROJECT DESCRIPTION

General Information

Ongoing project.

Number of Units / Average Unit Cost

Estimated Completion Date 08/31/10

Additional Capital Expenditure Amounts Required	**2010**	**2011**
	54,000	0

Type of Financing ML MASTER LEASE PURCHASE PRG

Projected Useful Life 5 years

Estimated/Actual Project Cost $ 275,400

Length of Financing/ Lease Period 5 years

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2008	**2009**	**2010**	**2011**	**Total over project life**
54,000	54,000	54,000	0	5

REVENUE GENERATION / COST SAVINGS

REVENUE COST FLAG	**MOF CODE**	**AVERAGE AMOUNT**
C	1	70,302.00

Explanation: Enterprise server hosting Texas Real Estate Licensing Information System (TRELIS)

Project Location: 1101 Camino LaCosta, Austin, Texas 78752

Beneficiaries: Real estate licensees and the public

Frequency of Use and External Factors Affecting Use:

Daily

Agency Code:	**329**	Agency name:	**Real Estate Commission**
Category Number:	**5005**	Category Name:	**ACQUISITN INFO RES TECH.**
Project number:	**2**	Project Name:	**Upgrade Obsolete Telephone System**

PROJECT DESCRIPTION

General Information

Replacement of PBX due to manufacturer maintenance support not being available.

Number of Units / Average Unit Cost	0		
Estimated Completion Date	08/31/2012		
Additional Capital Expenditure Amounts Required		**2010**	**2011**
		14,700	14,700
Type of Financing	ML MASTER LEASE PURCHASE PRG		
Projected Useful Life	5 Years		
Estimated/Actual Project Cost	$ 73,500		
Length of Financing/ Lease Period	5 Years		

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2008	**2009**	**2010**	**2011**	**Total over project life**
14,700	14,700	14,700	14,700	73,500

REVENUE GENERATION / COST SAVINGS

REVENUE COST FLAG	**MOF CODE**	**AVERAGE AMOUNT**

Explanation: PBX replacement

Project Location: 1101 Camino LaCosta, Austin, Texas 78752

Beneficiaries: Texas real estate licensees and the public.

Frequency of Use and External Factors Affecting Use:

Daily

Agency Code:	**329**	Agency name:	**Real Estate Commission**
Category Number:	**5005**	Category Name:	**ACQUISITN INFO RES TECH.**
Project number:	**3**	Project Name:	**Core Application Conversion**

PROJECT DESCRIPTION

General Information

Conversion of Texas Real Estate Licensing Information System (TRELIS) to a Windows based system.

Number of Units / Average Unit Cost	0		
Estimated Completion Date	08/31/09		
Additional Capital Expenditure Amounts Required		**2010**	**2011**
		0	0
Type of Financing	CA CURRENT APPROPRIATIONS		
Projected Useful Life	10 Years		
Estimated/Actual Project Cost	$ 275,000		
Length of Financing/ Lease Period	N/A		

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2008	**2009**	**2010**	**2011**	**Total over project life**
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

REVENUE COST FLAG	**MOF CODE**	**AVERAGE AMOUNT**
C	1	500,000.00

Explanation: Conversion of Texas Real Estate Licensing Information System (TRELIS) to a Windows based system.

Project Location: 1101 Camino LaCosta, Austin, Texas 78752

Beneficiaries: Texas real estate licensees and the public

Frequency of Use and External Factors Affecting Use:

Daily

Agency Code:	**329**	Agency name:	**Real Estate Commission**
Category Number:	**5005**	Category Name:	**ACQUISITN INFO RES TECH.**
Project number:	**4**	Project Name:	**Image System Implementation**

PROJECT DESCRIPTION

General Information

Implementation of document imaging and workflow system.

Number of Units / Average Unit Cost	0		
Estimated Completion Date	08/31/09		
Additional Capital Expenditure Amounts Required		**2010**	**2011**
		0	0
Type of Financing	CA CURRENT APPROPRIATIONS		
Projected Useful Life	10 Years		
Estimated/Actual Project Cost	$ 196,000		
Length of Financing/ Lease Period	N/A		

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2008	**2009**	**2010**	**2011**	**Total over project life**
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

REVENUE COST FLAG	**MOF CODE**	**AVERAGE AMOUNT**

Explanation: Implementation of electronic document storage system.

Project Location: 1101 Camino LaCosta, Austin, Texas 78752

Beneficiaries: Real estate licensees and the public.

Frequency of Use and External Factors Affecting Use:

Daily

Agency Code:	**329**	Agency name:	**Real Estate Commission**
Category Number:	**5005**	Category Name:	**ACQUISITN INFO RES TECH.**
Project number:	**5**	Project Name:	**TALCB Licensee automation**

PROJECT DESCRIPTION

General Information

Development of automated licensing system for TALCB.

Number of Units / Average Unit Cost	0		
Estimated Completion Date	08/31/09		
Additional Capital Expenditure Amounts Required		**2010**	**2011**
		0	0
Type of Financing	CA CURRENT APPROPRIATIONS		
Projected Useful Life	10 Years		
Estimated/Actual Project Cost	$ 150,000		
Length of Financing/ Lease Period	N/A		

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2008	**2009**	**2010**	**2011**	**Total over project life**
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

REVENUE COST FLAG	**MOF CODE**	**AVERAGE AMOUNT**

Explanation: Automate licensing processes to improve productivity.

Project Location: 1101 Camino LaCosta, Austin, Texas 78752

Beneficiaries: Real estate appraisers and the public.

Frequency of Use and External Factors Affecting Use:

Daily

Agency code: **329** Agency name: **Real Estate Commission**

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2006	Bud 2007	BL 2008	BL 2009
5005 Acquisition of Information Resource Technologies						
1/1	*Enterprise Server Acquisition*					
Capital	5-1-1	INDIRECT ADMINISTRATION	50,595	54,000	$54,000	$54,000
		TOTAL, PROJECT	$50,595	$54,000	$54,000	$54,000
2/2	*Upgrade Obsolete Telephone System*					
Capital	5-1-1	INDIRECT ADMINISTRATION	0	0	0	0
		TOTAL, PROJECT	$0	$0	$0	$0
3/3	*Core Application Conversion*					
Capital	5-1-1	INDIRECT ADMINISTRATION	0	0	0	0
		TOTAL, PROJECT	$0	$0	$0	$0
4/4	*Image System Implementation*					
Capital	1-1-1	TREC LICENSING	0	0	0	0
Capital	4-1-1	TALCB LICENSING	0	0	0	0
		TOTAL, PROJECT	$0	$0	$0	$0
5/5	*TALCB Licensee automation*					
Capital	4-1-1	TALCB LICENSING	0	0	0	0

Agency code: **329** Agency name: **Real Estate Commission**

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2006	Bud 2007	BL 2008	BL 2009
	TOTAL, PROJECT	$0	$0	$0	$0
	TOTAL CAPITAL, ALL PROJECTS	**$50,595**	**$54,000**	**$54,000**	**$54,000**
	TOTAL INFORMATIONAL, ALL PROJECTS				
	TOTAL, ALL PROJECTS	**$50,595**	**$54,000**	**$54,000**	**$54,000**

Agency code: **329** Agency name: **Real Estate Commission**

Category Code / Category Name *Project Number / Name* OOE / TOF / MOF CODE	Excp 2008	Excp 2009
5005 Acquisition of Information Resource Technologies		
2 Upgrade Obsolete Telephone System		
Objects of Expense		
5000 CAPITAL EXPENDITURES	14,700	14,700
Subtotal OOE, Project 2	**14,700**	**14,700**
Type of Financing		
ML 1 GENERAL REVENUE FUND	14,700	14,700
Subtotal TOF, Project 2	**14,700**	**14,700**
3 Core Application Conversion		
Objects of Expense		
5000 CAPITAL EXPENDITURES	0	275,000
Subtotal OOE, Project 3	**0**	**275,000**
Type of Financing		
CA 1 GENERAL REVENUE FUND	0	275,000
Subtotal TOF, Project 3	**0**	**275,000**
4 Image System Implementation		
Objects of Expense		
5000 CAPITAL EXPENDITURES	108,000	88,000
Subtotal OOE, Project 4	**108,000**	**88,000**
Type of Financing		
CA 1 GENERAL REVENUE FUND	108,000	88,000
Subtotal TOF, Project 4	**108,000**	**88,000**
5 TALCB Licensee automation		
Objects of Expense		
2001 PROFESSIONAL FEES AND SERVICES	90,000	60,000
Subtotal OOE, Project 5	**90,000**	**60,000**

Agency code: **329** Agency name: **Real Estate Commission**

Category Code / Category Name *Project Number / Name* OOE / TOF / MOF CODE	Excp 2008	Excp 2009
Type of Financing		
CA 1 GENERAL REVENUE FUND	90,000	60,000
Subtotal TOF, Project 5	**90,000**	**60,000**
Subtotal Category 5005	**212,700**	**437,700**
AGENCY TOTAL	**212,700**	**437,700**
METHOD OF FINANCING:		
1 GENERAL REVENUE FUND	212,700	437,700
Total, Method of Financing	**212,700**	**437,700**
TYPE OF FINANCING:		
CA CURRENT APPROPRIATIONS	198,000	423,000
ML MASTER LEASE PURCHASE PRG	14,700	14,700
Total,Type of Financing	**212,700**	**437,700**

Agency code: **329** Agency name: **Real Estate Commission**

Category Code/Name

Project Number/Name

Goal/Obj/Str	Strategy Name	Excp 2008	Excp 2009
5005 Acquisition of Information Resource Technologies			
2	Upgrade Obsolete Telephone System		
5 1 1	INDIRECT ADMINISTRATION	14,700	14,700
	TOTAL, PROJECT	14,700	14,700
3	Core Application Conversion		
5 1 1	INDIRECT ADMINISTRATION	0	275,000
	TOTAL, PROJECT	0	275,000
4	Image System Implementation		
1 1 1	TREC LICENSING	78,000	78,000
4 1 1	TALCB LICENSING	30,000	10,000
	TOTAL, PROJECT	108,000	88,000
5	TALCB Licensee automation		
4 1 1	TALCB LICENSING	90,000	60,000
	TOTAL, PROJECT	90,000	60,000
	TOTAL, ALL PROJECTS	**212,700**	**437,700**

Agency Code: **329** Agency: **Real Estate Commission**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2004 - 2005 HUB Expenditure Information

Procurement Category	Statewide Adjusted HUB Goals	Adjusted HUB Expenditures FY 2004		Total Expenditures FY 2004	Adjusted HUB Expenditures FY 2005		Total Expenditures FY 2005
		HUB %	HUB $		HUB %	HUB $	
Professional Services	18.1%	96.7%	$17,345	$17,937	98.9%	$33,796	$34,171
Other Services	33.0%	9.4%	$7,821	$83,117	4.6%	$4,678	$102,577
Commodities	11.5%	32.2%	$21,566	$67,009	48.5%	$35,115	$72,382
Total Expenditures		**27.8%**	**$46,732**	**$168,063**	**35.2%**	**$73,589**	**$209,130**

B. Assessment of Fiscal Year 2004 - 2005 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded two of three, or 67%, of the applicable statewide HUB procurement goals in FY 2004.
The agency attained or exceeded two of three, or 67%, of the applicable statewide HUB procurement goals in FY 2005.

Applicability:

The "Heavy Construction", "Building Construction" and "Special Trade Construction" categories are not applicable to agency operations in either fiscal year 2004 or fiscal year 2005 since the agency did not have strategies or programs related to construction.

Factors Affecting Attainment:

It should be noted that the total HUB expenditures (adjusted HUB and other HUB) for fiscal year 2004 were 38.8% and for fiscal year 2005 were 43.4%. The "Other Services" category had a sole source (proprietary) expenditure to UNISYS for hardware and software maintenance of $28,230.69 for fiscal year 2004 and fiscal year 2005. The HUB goals for "Other Services" were exceeded if you remove the sole source payments to UNISYS.

"Good-Faith" Efforts:

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

a) TREC has and will continue to actively seek certified HUB bidders for these services at the time current contracts expire.

b) TREC has and will continue to encourage qualified vendors to seek HUB certification from TBPC.

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.

Agency Code: **329** Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
1 GENERAL REVENUE FUND					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3103 Limited Sales & Use Tax-State	1,918	675	675	675	675
3105 Discounts for Sales Tax-State	13	4	4	4	4
3171 Prof-Fees-HB11, GR Increase	7,050,000	6,804,600	6,580,000	6,580,000	6,580,000
3175 Professional Fees	8,179,609	8,775,577	8,032,325	7,550,125	7,550,125
3752 Sale of Publications/Advertising	59,051	0	0	0	0
3775 Returned Check Fees	8,350	8,575	7,500	7,500	7,500
3777 Default Fund - Warrant Voided	485	350	0	0	0
3795 Other Misc Government Revenue	12,163	13,100	12,500	12,500	12,500
Subtotal: Actual/Estimated Revenue	15,311,589	15,602,881	14,633,004	14,150,804	14,150,804
Total Available	**$15,311,589**	**$15,602,881**	**$14,633,004**	**$14,150,804**	**$14,150,804**
DEDUCTIONS:					
Expended/Budgeted/Requested	(4,363,858)	(4,553,739)	(4,412,915)	(4,284,100)	(4,284,100)
Art IX, Sec 13.17 Salary Inc 06-07	0	(125,376)	(222,302)	0	0
Art IX, Sec 5.09 Travel Red 06-07	0	(5,238)	0	0	0
Art IX, Sec 13.16(d) Long Red 06-07	0	0	(51,126)	0	0
Art IX, Sec 11.04 Red Off Lease	0	(1,280)	(1,920)	0	0
Transfer - Employee Benefits	(836,452)	(865,241)	(925,131)	(880,776)	(880,776)
Total, Deductions	**$(5,200,310)**	**$(5,550,874)**	**$(5,613,394)**	**$(5,164,876)**	**$(5,164,876)**
Ending Fund/Account Balance	**$10,111,279**	**$10,052,007**	**$9,019,610**	**$8,985,928**	**$8,985,928**

REVENUE ASSUMPTIONS:

Revenue Code 3175 (Professional Fees) will be reduced by $450,000 for each fiscal year of the 2008-2009 biennium due to the discontinuance of TREC charging $20 for sponsorship and address changes.

Revenue for TexasOnline is set at 90% funding level, all deductions from GR are at 90% funding level.

Agency Code: **329** Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009

CONTACT PERSON:
Alan R. Waters/Karen Alexander

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/10/2006
TIME: 2:45:50PM

Agency Code: **329** Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
28 APPRAISER REGISTRY ACCT					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3175 Professional Fees	144,725	120,000	120,000	108,000	108,000
Subtotal: Actual/Estimated Revenue	144,725	120,000	120,000	108,000	108,000
Total Available	**$144,725**	**$120,000**	**$120,000**	**$108,000**	**$108,000**
DEDUCTIONS:					
Expended/Budgeted	(144,725)	(120,000)	(120,000)	(108,000)	(108,000)
Total, Deductions	**$(144,725)**	**$(120,000)**	**$(120,000)**	**$(108,000)**	**$(108,000)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:
Revenue and deductions from GR Dedicated are at 90% funding level.

CONTACT PERSON:
Alan R. Waters/Karen Alexander

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/10/2006
TIME: 2:45:50PM

80th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **329** Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
666 APPROPRIATED RECEIPTS					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3175 Professional Fees	1,046	5,500	5,500	5,500	5,500
3752 Sale of Publications/Advertising	188,956	181,000	181,000	181,000	181,000
3754 Other Surplus/Salvage Property	0	0	0	0	0
3802 Reimbursements-Third Party	17	0	0	0	0
Subtotal: Actual/Estimated Revenue	190,019	186,500	186,500	186,500	186,500
Total Available	**$190,019**	**$186,500**	**$186,500**	**$186,500**	**$186,500**
DEDUCTIONS:					
Expended/Budgeted	(190,019)	(186,500)	(186,500)	(186,500)	(186,500)
Total, Deductions	**$(190,019)**	**$(186,500)**	**$(186,500)**	**$(186,500)**	**$(186,500)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:

CONTACT PERSON:
Alan R. Waters/Karen Alexander

Agency Code: **329** Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
969 REAL ESTATE TRUST ACCOUNT					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3175 Professional Fees	2,638,935	2,829,435	2,600,000	2,600,000	2,600,000
Subtotal: Actual/Estimated Revenue	2,638,935	2,829,435	2,600,000	2,600,000	2,600,000
Total Available	**$2,638,935**	**$2,829,435**	**$2,600,000**	**$2,600,000**	**$2,600,000**
DEDUCTIONS:					
7972 Operating Transfer Out	(2,638,935)	(2,829,435)	(2,600,000)	(2,600,000)	(2,600,000)
Total, Deductions	**$(2,638,935)**	**$(2,829,435)**	**$(2,600,000)**	**$(2,600,000)**	**$(2,600,000)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:

CONTACT PERSON:
Alan R. Waters/Karen Alexander

Agency Code: **329** Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
971 REAL ESTATE RECOVERY FUND					
Beginning Balance (Unencumbered):	$333,221	$399,120	$346,201	$298,726	$328,726
Estimated Revenue:					
3175 Professional Fees	307,260	326,280	300,000	300,000	300,000
3714 Judgments	18,995	17,552	2,468	0	0
3802 Reimbursements-Third Party	8,615	2,374	57	0	0
3821 Sale of US Gov Obligations-Short	100,000	0	0	0	0
3822 Sale of US Gov Obligations-Long	300,000	400,000	700,000	280,000	500,000
3855 Interest on Invest/Obligtn/Security	106,714	97,764	100,000	100,000	100,000
Subtotal: Actual/Estimated Revenue	841,584	843,970	1,102,525	680,000	900,000
Total Available	**$1,174,805**	**$1,243,090**	**$1,448,726**	**$978,726**	**$1,228,726**
DEDUCTIONS:					
7237 Payments Directed by Court Ord	(236,013)	(503,139)	(450,000)	(450,000)	(450,000)
7723 Purchase US Govt - Short Term	0	0	0	0	0
7724 Purchase US Govt - Long Term	(539,672)	(393,750)	(700,000)	(200,000)	(500,000)
7972 Other Cash Tranfers Bet Funds	0	0	0	0	0
Total, Deductions	**$(775,685)**	**$(896,889)**	**$(1,150,000)**	**$(650,000)**	**$(950,000)**
Ending Fund/Account Balance	**$399,120**	**$346,201**	**$298,726**	**$328,726**	**$278,726**

REVENUE ASSUMPTIONS:

In recent years court ordered payments from the fund have varied as follows: FY 2001 ($189,405); FY 2002 ($561,111); FY 2003 ($228,925); FY 2004 ($227,795); FY 2005 ($236,013); and FY 2006 ($503,139). The amount of court ordered payments has a direct affect on the fund balance at year end.

CONTACT PERSON:

Alan R. Waters/Karen Alexander

Agency Code: **329** Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2005	Exp 2006	Exp 2007	Bud 2008	Est 2009
988 REAL ESTATE INSPEC TRUST					
Beginning Balance (Unencumbered):	$648,119	$662,018	$649,202	$628,202	$607,202
Estimated Revenue:					
3175 Professional Fees	123,850	51,000	51,000	51,000	51,000
3714 Judgments	0	7,500	0	0	0
3802 Reimbursements-Third Party	0	639	0	0	0
3851 Interest on St Deposits & Treas Inv	15,908	27,064	27,000	27,000	27,000
3972 Other Cash Transfers Between Funds	0	0	0	0	0
Subtotal: Actual/Estimated Revenue	139,758	86,203	78,000	78,000	78,000
Total Available	**$787,877**	**$748,221**	**$727,202**	**$706,202**	**$685,202**
DEDUCTIONS:					
7237 Payments Directed by Court Ord	(28,567)	(24,837)	(25,000)	(25,000)	(25,000)
7972 Transfers to General Revenue	(97,292)	(74,182)	(74,000)	(74,000)	(74,000)
Total, Deductions	**$(125,859)**	**$(99,019)**	**$(99,000)**	**$(99,000)**	**$(99,000)**
Ending Fund/Account Balance	**$662,018**	**$649,202**	**$628,202**	**$607,202**	**$586,202**

REVENUE ASSUMPTIONS:

In recent years court ordered payments from the fund have varied as follows: FY 2001 ($0); FY 2002 ($15,000); FY 2003 ($7,500); FY 2004 ($32,524); FY 2005 ($28,567); and FY 2006 ($24,837). The amount of court ordered payments has a direct affect on the fund balance at year end.
By statute, any amounts in the funding exceeding $600,000 as of December 31 of any year are to be transferred to the General Revenue Fund.

CONTACT PERSON:

Alan R. Waters/Karen Alexander

Agency Code: **329** Agency: **Real Estate Commission**

REAL ESTATE BROKER-LAWYER COMMITTEE

Statutory Authorization: Sec 1101.251-254, Tex Occupations Code
Number of Members: 12
Committee Status: Ongoing
Date Created: 08/29/1983
Date to Be Abolished: N/A

Strategy (Strategies): 3-1-1 LICENSEE/CONSUMER EDUCATION

Advisory Committee Costs	**Expended 2005**	**Estimated 2006**	**Budgeted 2007**	**Requested 2008**	**Requested 2009**
Committee Members Direct Expenses					
Travel	$0	$0	$0	$2,500	$2,500
Other Expenditures in Support of Committee Activities					
Personnel (0.10 FTEs)	5,810	5,934	6,112	6,112	6,112
Consumable Supplies	200	200	200	200	200
Total, Committee Expenditures	**$6,010**	**$6,134**	**$6,312**	**$8,812**	**$8,812**
Method of Financing					
GENERAL REVENUE FUND	$6,010	$6,134	$6,312	$8,812	$8,812
Total, Method of Financing	**$6,010**	**$6,134**	**$6,312**	**$8,812**	**$8,812**
Meetings Per Fiscal Year	5	5	5	5	5

Agency Code: **329** Agency: **Real Estate Commission**

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 1101.155, Texas Occupations Code, generally requires Texas real estate licensees to use the forms prepared by the committee and promulgated by TREC.

The rider that was included in TREC's portion of the 2002-2003 General Appropriations Act (page VIII-71) allowing reimbursement of expenses for this committee should be reinstated 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.

Agency Code: **329** Agency: **Real Estate Commission**

REAL ESTATE INSPECTOR COMMITTEE

Statutory Authorization: Sec 1102.051-062, Tex Occupations Code
Number of Members: 9
Committee Status: Ongoing
Date Created: 09/01/1991
Date to Be Abolished: N/A

Strategy (Strategies): 3-1-1 LICENSEE/CONSUMER EDUCATION

Advisory Committee Costs	**Expended 2005**	**Estimated 2006**	**Budgeted 2007**	**Requested 2008**	**Requested 2009**
Committee Members Direct Expenses					
Travel	$0	$0	$0	$2,500	$2,500
Other Expenditures in Support of Committee Activities					
Personnel (.15 FTEs)	7,533	7,974	8,212	8,212	8,212
Consumable Supplies	200	200	200	200	200
Total, Committee Expenditures	**$7,733**	**$8,174**	**$8,412**	**$10,912**	**$10,912**
Method of Financing					
GENERAL REVENUE FUND	$7,733	$8,174	$8,412	$10,912	$10,912
Total, Method of Financing	**$7,733**	**$8,174**	**$8,412**	**$10,912**	**$10,912**
Meetings Per Fiscal Year	10	7	8	8	8

Agency Code: **329** Agency: **Real Estate Commission**

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.

The rider that was included in TREC's portion of the 2002-2003 General Appropriations Act (page VIII-71) allowing reimbursement of expenses for this committee should be reinstated 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.

6.I. Allocation of the Biennial Ten Percent Reduction to Strategies Schedule

Agency Code: 329		Agency Name: Texas Real Estate Commission									
Strategies		Biennial Application of 10 Percent Reduction					FTE Reductions (FY 2008-09 Base Request Compared to Budgeted 2007)		Revenue Impact? Y/N	Requesting Restoration? Y/N	Exceptional Item(s)
Code	Name	GR	GR-Dedicated	Federal	Other	All Funds	FY 08	FY 09			
01-01-01	TREC Licensing	$ 132,139					0.0	0.0	N	Y	1
01-01-02	TexasOnline	$ 32,200					0.0	0.0	Y	Y	1
02-01-01	TREC Investigation	$ 95,678					0.0	0.0	N	Y	1
03/01/01	Licensee/Consumer Education	$ 72,967					0.0	0.0	N	Y	1
04-01-01	TALCB Licensing	$ 30,054	$ 12,000				(1.0)	(1.0)	Y	Y	20
04-02-01	TALCB Enforcement	$ 5,250					0.0	0.0	N	Y	20
05-01-01	Indirect Administration	$ 83,023					0.0	0.0	N	Y	1
Agency Biennial Total		**$ 451,311**	**$ 12,000**	**$ -**	**$ -**	**$ -**	**(1.0)**	**(1.0)**			
Agency Biennial Total (GR + GR-D)			**$ 463,311**								

Strategy Code / Name
Explanation of Impact to Programs and Revenue Collections

01-01-01 TREC Licensing

The 10% reduction in the TREC Licensing strategy would result in a 10% reduction of staff hours, elimination of mailing renewal notices and licenses, and suspension of criminal history checks through the Department of Public Safety. This would result in longer processing times to obtain a new license or renew a license and a drop in the number of licenses being renewed timely. Suspension of the DPS checks would create an inherent risk of licensing individuals with criminal backgrounds.

01-01-02 TexasOnline

The 10% reduction would result in a 10% reduction of Texas Online revenue and fees.

02-01-01 TREC Investigation

The 10% reduction in the TREC Investigation strategy would result in a 10% reduction of staff hours, Fewer complaints would be resolved and the average time to resolve a complaint would be increased.

03/01/01 Licensee/Consumer Education

The 10% reduction in the TREC Licensee/Consumer Education strategy would result in a 10% reduction of staff hours and elimination of the 1/800 lines. Fewer telephone calls would be received to answer licensee as well as consumer questions.

04-01-01 TALCB Licensing

The 10% reduction in the TALCB Licensing strategy would result in the elimination of 1 FTE, reduction in the compensatory per diem and travel reimbursement paid to board members, and reduction in employee training Renewal notices could no longer be mailed. The 1/800 line would be eliminated, resulting in fewer telephone calls from licensees as well as consumers. Fewer applications could be processed, so fewer Federal Appraiser Registry fees could be collected and remitted to the Federal Appraiser Subcommittee..

Strategy Code/Name
Explanation of Impact to Programs and Revenue Collections

04-02-01 TALCB Enforcement

The 10% reduction in the TALCB Enforcement strategy would result in reduction in the compensatory per diem and travel reimbursement paid to board members, as well as reduction in employee training. The 1/800 line would be eliminated, resulting in fewer telephone calls from licensees as well as consumers. More importantly, fewer funds will be available for expert witness fees for hearings. This would result in fewer cases being closed, as well as increasing the average time for complaint resolution. Moreover, this could jeopardize the board's status with the Federal Appraiser Subcommittee.

05-01-01 Indirect Administration

The 10% reduction in the TREC Indirect Administration strategy would result in a 10% reduction of staff hours. This would result in a lack of resources to meet crucial deadlines. Two commission meetings per year would be eliminated, creating a reduction in expenditures for compensatory per diem and travel reimbursements to commissioners. Fewer commission meetings would impede the rule making process, delay rehearings and motions for rehearings, as well as delaying payment of judgments again the recovery funds,

Agency code: **329** Agency name: **Real Estate Commission**

Strategy		Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
1-1-1	**Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 207,883	$ 228,624	$ 256,568	$ 234,249	$ 234,249
1002	OTHER PERSONNEL COSTS	12,751	17,371	22,683	14,718	14,718
2001	PROFESSIONAL FEES AND SERVICES	6,179	6,240	4,504	4,504	4,504
2003	CONSUMABLE SUPPLIES	6,856	7,929	7,296	7,296	7,296
2004	UTILITIES	4,257	4,344	4,488	4,488	4,488
2005	TRAVEL	7,161	7,181	6,659	5,512	5,512
2006	RENT - BUILDING	44,199	46,755	41,724	41,724	41,724
2007	RENT - MACHINE AND OTHER	2,523	3,355	3,685	3,685	3,685
2009	OTHER OPERATING EXPENSE	29,032	26,413	13,905	20,125	20,125
5000	CAPITAL EXPENDITURES	0	14,510	15,486	15,486	15,486
	Total, Objects of Expense	**$ 320,841**	**$ 362,722**	**$ 376,998**	**$ 351,787**	**$ 351,787**
METHOD OF FINANCING:						
1	GENERAL REVENUE FUND	320,841	362,722	376,998	351,787	351,787
	Total, Method of Financing	**$ 320,841**	**$ 362,722**	**$ 376,998**	**$ 351,787**	**$ 351,787**
FULL TIME EQUIVALENT POSITIONS		**4.6**	**5.3**	**5.3**	**5.3**	**5.3**

Method of Allocation

Generally indirect administrative and support costs are allocated proportionally among all strategies on the basis of Full-Time Equivalent Employees (FTEs) for each fiscal year. This method was selected because the Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board are labor-intensive and the administrative demands are closely related to the number of FTEs.

Agency code: **329** Agency name: **Real Estate Commission**

Strategy		Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
1-1-2	**TexasOnline. Estimated and Nontransferable**					

Method of Allocation

Indirect Administration and Support Costs are not allocated to this strategy.

Agency code: **329** Agency name: **Real Estate Commission**

Strategy		Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
2-1-1	**Investigate and Resolve Valid Complaint Cases**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 312,993	$ 317,500	$ 355,971	$ 325,006	$ 325,006
1002	OTHER PERSONNEL COSTS	19,199	24,123	31,471	20,421	20,421
2001	PROFESSIONAL FEES AND SERVICES	9,301	8,666	6,250	6,250	6,250
2003	CONSUMABLE SUPPLIES	10,323	11,011	10,122	10,122	10,122
2004	UTILITIES	6,410	6,033	6,226	6,226	6,226
2005	TRAVEL	10,781	9,972	9,239	7,648	7,648
2006	RENT - BUILDING	66,548	64,931	57,890	57,890	57,890
2007	RENT - MACHINE AND OTHER	3,798	4,660	5,111	5,111	5,111
2009	OTHER OPERATING EXPENSE	43,712	36,680	19,292	27,921	27,921
5000	CAPITAL EXPENDITURES	0	20,150	21,488	21,488	21,488
	Total, Objects of Expense	**$ 483,065**	**$ 503,726**	**$ 523,060**	**$ 488,083**	**$ 488,083**
METHOD OF FINANCING:						
1	GENERAL REVENUE FUND	483,065	503,726	523,060	488,083	488,083
	Total, Method of Financing	**$ 483,065**	**$ 503,726**	**$ 523,060**	**$ 488,083**	**$ 488,083**
FULL TIME EQUIVALENT POSITIONS		**7.0**	**7.3**	**7.3**	**7.3**	**7.3**

Method of Allocation

Generally indirect administrative and support costs are allocated proportionally among all strategies on the basis of Full-Time Equivalent Employees (FTEs) for each fiscal year. This method was selected because the Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board are labor-intensive and the administrative demands are closely related to the number of FTEs.

Agency code: **329** Agency name: **Real Estate Commission**

Strategy		Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
3-1-1	**Prepare and Distribute Information Describing TREC Functions**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 162,336	$ 167,278	$ 188,060	$ 171,701	$ 171,701
1002	OTHER PERSONNEL COSTS	9,958	12,710	16,626	10,788	10,788
2001	PROFESSIONAL FEES AND SERVICES	4,824	4,566	3,302	3,302	3,302
2003	CONSUMABLE SUPPLIES	5,354	5,802	5,348	5,348	5,348
2004	UTILITIES	3,325	3,179	3,289	3,289	3,289
2005	TRAVEL	5,592	5,254	4,881	4,040	4,040
2006	RENT - BUILDING	34,515	34,210	30,583	30,583	30,583
2007	RENT - MACHINE AND OTHER	1,970	2,455	2,701	2,701	2,701
2009	OTHER OPERATING EXPENSE	22,671	19,326	10,191	14,751	14,751
5000	CAPITAL EXPENDITURES	0	10,617	11,351	11,351	11,351
	Total, Objects of Expense	**$ 250,545**	**$ 265,397**	**$ 276,332**	**$ 257,854**	**$ 257,854**
METHOD OF FINANCING:						
1	GENERAL REVENUE FUND	250,545	265,397	276,332	257,854	257,854
	Total, Method of Financing	**$ 250,545**	**$ 265,397**	**$ 276,332**	**$ 257,854**	**$ 257,854**
FULL TIME EQUIVALENT POSITIONS		**3.6**	**3.9**	**3.9**	**3.9**	**3.9**

Method of Allocation

Generally indirect administrative and support costs are allocated proportionally among all strategies on the basis of Full-Time Equivalent Employees (FTEs) for each fiscal year. This method was selected because the Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board are labor-intensive and the administrative demands are closely related to the number of FTEs.

Agency code: **329** Agency name: **Real Estate Commission**

Strategy		Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
4-1-1	**Process Applications and License Applicants**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 43,212	$ 47,879	$ 53,732	$ 49,057	$ 49,057
1002	OTHER PERSONNEL COSTS	2,651	3,638	4,750	3,082	3,082
2001	PROFESSIONAL FEES AND SERVICES	1,284	1,307	943	943	943
2003	CONSUMABLE SUPPLIES	1,425	1,661	1,528	1,528	1,528
2004	UTILITIES	885	910	940	940	940
2005	TRAVEL	1,488	1,504	1,395	1,154	1,154
2006	RENT - BUILDING	9,188	9,792	8,738	8,738	8,738
2007	RENT - MACHINE AND OTHER	524	703	772	772	772
2009	OTHER OPERATING EXPENSE	6,035	5,532	2,912	4,215	4,215
5000	CAPITAL EXPENDITURES	0	3,039	3,243	3,243	3,243
	Total, Objects of Expense	**$ 66,692**	**$ 75,965**	**$ 78,953**	**$ 73,672**	**$ 73,672**
METHOD OF FINANCING:						
1	GENERAL REVENUE FUND	66,692	75,965	78,953	73,672	73,672
	Total, Method of Financing	**$ 66,692**	**$ 75,965**	**$ 78,953**	**$ 73,672**	**$ 73,672**
FULL TIME EQUIVALENT POSITIONS		**1.0**	**1.1**	**1.1**	**1.1**	**1.1**

Method of Allocation

Generally indirect administrative and support costs are allocated proportionally among all strategies on the basis of Full-Time Equivalent Employees (FTEs) for each fiscal year. This method was selected because the Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board are labor-intensive and the administrative demands are closely related to the number of FTEs.

Agency code: **329** Agency name: **Real Estate Commission**

Strategy		Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
4-2-1	**Investigate and Resolve Complaints; Impose Penalties as Appropriate**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 33,869	$ 35,910	$ 40,299	$ 36,793	$ 36,793
1002	OTHER PERSONNEL COSTS	2,077	2,728	3,563	2,312	2,312
2001	PROFESSIONAL FEES AND SERVICES	1,006	980	707	707	707
2003	CONSUMABLE SUPPLIES	1,117	1,245	1,146	1,146	1,146
2004	UTILITIES	694	682	705	705	705
2005	TRAVEL	1,167	1,128	1,046	866	866
2006	RENT - BUILDING	7,201	7,344	6,554	6,554	6,554
2007	RENT - MACHINE AND OTHER	411	527	579	579	579
2009	OTHER OPERATING EXPENSE	4,730	4,149	2,184	3,161	3,161
5000	CAPITAL EXPENDITURES	0	2,279	2,432	2,432	2,432
	Total, Objects of Expense	**$ 52,272**	**$ 56,972**	**$ 59,215**	**$ 55,255**	**$ 55,255**
METHOD OF FINANCING:						
1	GENERAL REVENUE FUND	52,272	56,972	59,215	55,255	55,255
	Total, Method of Financing	**$ 52,272**	**$ 56,972**	**$ 59,215**	**$ 55,255**	**$ 55,255**
FULL TIME EQUIVALENT POSITIONS		**0.8**	**0.8**	**0.8**	**0.8**	**0.8**

Method of Allocation

Generally indirect administrative and support costs are allocated proportionally among all strategies on the basis of Full-Time Equivalent Employees (FTEs) for each fiscal year. This method was selected because the Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board are labor-intensive and the administrative demands are closely related to the number of FTEs.

Agency code: **329** Agency name: **Real Estate Commission**

	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	$760,293	$797,191	$894,630	$816,806	$816,806
1002 OTHER PERSONNEL COSTS	$46,636	$60,570	$79,093	$51,321	$51,321
2001 PROFESSIONAL FEES AND SERVICES	$22,594	$21,759	$15,706	$15,706	$15,706
2003 CONSUMABLE SUPPLIES	$25,075	$27,648	$25,440	$25,440	$25,440
2004 UTILITIES	$15,571	$15,148	$15,648	$15,648	$15,648
2005 TRAVEL	$26,189	$25,039	$23,220	$19,220	$19,220
2006 RENT - BUILDING	$161,651	$163,032	$145,489	$145,489	$145,489
2007 RENT - MACHINE AND OTHER	$9,226	$11,700	$12,848	$12,848	$12,848
2009 OTHER OPERATING EXPENSE	$106,180	$92,100	$48,484	$70,173	$70,173
5000 CAPITAL EXPENDITURES	$0	$50,595	$54,000	$54,000	$54,000
Total, Objects of Expense	**$1,173,415**	**$1,264,782**	**$1,314,558**	**$1,226,651**	**$1,226,651**
Method of Financing					
1 GENERAL REVENUE FUND	$1,173,415	$1,264,782	$1,314,558	$1,226,651	$1,226,651
Total, Method of Financing	**$1,173,415**	**$1,264,782**	**$1,314,558**	**$1,226,651**	**$1,226,651**
Full-Time-Equivalent Positions (FTE)	**17.0**	**18.4**	**18.4**	**18.4**	**18.4**