

LEGISLATIVE APPROPRIATIONS REQUEST

**for
Fiscal Years 2010 and 2011**

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

by

**TEXAS REAL ESTATE COMMISSION
&
TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

August 20, 2008

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ADMINISTRATOR'S STATEMENT
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
TIME: **8:55:10PM**
PAGE: **1 of 3**

Agency code: **329**

Agency name: **Real Estate Commission**

In the course of FY 2008 the Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing and Certification Board (TALCB), an independent subdivision of TREC, have addressed extensive, stressful, and hopefully unusual changes and challenges . TREC's long-time Administrator and its Assistant Administrator left to pursue other opportunities in June 2007. A new Administrator began on September 1, 2007. The General Counsel took on additional duties as Assistant Administrator. TREC successfully implemented new statutory fingerprinting and FBI background check requirements for new and renewing real estate licensees . Implementing these and other changes has highlighted the limitations of TREC's outdated and inflexible core licensing management system . TREC addressed a wide range of changes based on Sunset Commission findings and recommendations, including a broad-based reorganization of the complaint handling process while still having to work a backlog of over 600 complaints over one year old. TREC has successfully implemented major revisions to the requirements for obtaining Professional Inspector licenses . TREC's Communications section now handles TALCB phone calls as well as TREC phone calls . TALCB calls take an average of 10 minutes longer to resolve than comparable real estate licensee calls. These new requirements contributed to a surge in telephone activity, leading to a significant increase in the length of time to resolve calls. A large number of people were unable to contact TREC successfully without making repeated attempts .

The Licensing Management system, on which TREC and TALCB rely for their day-to-day operations and oversight of approximately 160,000 licensees, is antiquated. By the end of 2011, it will be at the outer edge of the normal refresh cycle . TREC has begun the process to identify and select solutions . It is anticipated that implementation of these necessary technology solutions will begin in FY 2009 and be completed over the course of the FY 2010/2011 biennium.

A major Sunset Commission recommendation, to integrate TALCB with TREC to the fullest extent possible while preserving TALCB as a separate regulatory authority, has enhanced operating efficiency, especially in the areas of licensing, education oversight, and communications. However, the relationship between TREC and TALCB continues to impose significant additional administrative support responsibilities on TREC staff and additional layers of complexity. TALCB enforcement, which is separate from TREC enforcement, has been focused on addressing a significant backlog of aged complaints. This has been an ongoing effort in response to recurring audits by the Appraisal Subcommittee (ASC) in which TALCB was told that it needed to make significant improvements to its complaint resolution processes, resolving cases within one year (with limited well-documented exceptions) in order to comply with the federal policy statements. TALCB implemented sweeping federal changes in the requirements for appraiser licenses and certifications, including the implementation of new education and experience standards and new federal examinations. Also in response to an ASC requirement, TALCB has increased its audits of appraisers' claimed experience from 5% to 100% of applications for certification. TREC and TALCB underwent a performance measures reporting audit by the State Auditors Office in the fall of 2007. The audit showed a need for a wholesale revisiting of the reporting of those measures and the development of new documented methodologies for calculating them. TREC and TALCB have been actively engaged in the implementation of major legislation to address mortgage fraud, the timeliness of which has been borne out by a significant, steady increase in incidents of suspected mortgage fraud and requests from prosecutors and other agencies to assist with mortgage fraud cases and prosecution.

TREC'S requests for exceptional items are as follows:

- 1) Perform newly mandated federal criminal background checks: TREC requests an exceptional item relating to obtaining criminal background checks. It will require \$838,823 in FY2010 and \$1,298,998 in FY2011. TREC will collect revenue to offset those amounts.
- 2) Begin the achievement of salary equity with comparable agencies: TREC salaries, including TALCB salaries, are generally below the levels at peer state agencies based on FY 2009 salary appropriations. Article VIII agencies had, on average, a per employee salary of \$44,678, and TREC's average, including TALCB, based on the object of expense schedule for Article VIII agencies, was \$39,307. 56% of TREC's current employees are at salaries within the first quartile of the salary structure, and only 7 employees have salaries in excess of the midpoint. In recent years the level of salaries at TREC has made it very difficult to fill positions on a timely basis and approved appropriations has prevented any budgeting for permanent merit increases. The ability to retain employees once they are hired and trained is a serious challenge and as staff with greater experience and longevity are effectively capped, they may feel compelled to seek other state government employment as the only viable way to increase

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their base salary. These salary issues impact TREC (and TALCB) at all levels, and for that reason TREC, including TALCB, is requesting, as an exceptional item, additional funds for salary equity adjustments and an increase in the statutorily established salary for the Administrator to \$125,000. TREC requests \$184,600 in FY 2010 and \$184,600 in FY 2011 to address salary equity matters. This would be sufficient to reduce by approximately one-third the gap between TREC average salaries and average salaries of other Article VIII agencies as reflected in the General Appropriations Act for the 2008/2009 biennium.

3) Transition to imaged documents to eliminate vulnerabilities, reduce leased space, promote improved efficiencies, and better serve Texans: TREC and TALCB are heavily reliant on hard copy records and on checks and money orders as payment of fees for many services. Although, in connection with the selection and implementation of a new licensing management system TREC will develop an imaging system, the transition from hard copy records to digitally stored and managed records will require funds beyond TREC's appropriations. TREC currently maintains paper files on nearly 160,000 licensees (including TALCB), which will need to be scanned. Doing so will eventually enable TREC to reduce its leased space and reduce many of the inefficiencies inherent in work flows involving so many paper records kept in different locations at the TREC headquarters. Accordingly, TREC is requesting as an exceptional item of \$300,000 in FY 2011 to scan the contents of approximately 156,000 licensing files.

4) Assure the continuing security of TREC systems: TREC requests \$16,000 in FY 2010 and \$16,000 in FY2011 to perform a DIR controlled penetration test.

5) Enhance TREC's ability to resolve complaints promptly and assist in combating mortgage fraud: Although TREC's Enforcement Division is continuing to significantly reduce the number of cases that are a year or more old, TREC is requesting as an exceptional item approval to hire one additional enforcement attorney. This will help TREC to resolve substantive complaints filed by consumers which continue to grow more complex and thus require more time for review. Additionally, the new law requiring administrative hearings to be held at the State Office of Administrative Hearings (SOAH) has caused staff attorneys to spend more time on contested matters, as there is a more formal motion practice and liberal discovery as a part of these proceedings. The agency also now has a statutory duty to review complaints for suspected mortgage fraud and to assist prosecutors and other agencies in the investigation and prosecution of mortgage fraud. This exceptional item request is for \$53,114 in FY 2010 and \$44,254 in FY2011.

TALCB's exceptional item requests are as follows:

1) Begin the achievement of salary equity with comparable agencies : TALCB staff, as noted in TREC's exceptional item number 2, is not compensated competitively with other state agencies. The disparities are especially noticeable in the area of the appraiser investigators. TALCB requests as an exceptional item \$38,000 in FY 2010 and \$38,000 in FY 2011 to address salary equity matters. In addition, TALCB is also requesting its pro rata share (\$5,000) of the salary increase for the TREC Administrator/TALCB Commissioner.

2) Improve ability to respond to calls: Despite adding three telephone lines and three communications specialists, TREC continues to be unable to handle its telephone call volume. Between September 2007 and January 2008, when new fingerprinting requirements, new appraiser education and testing requirements, and other changes took effect, TREC and TALCB experienced an immense surge in calls. Volume on the toll-free line alone went from over 42,000 calls per month to over 118,000 calls per month and as of June 2008 had still not subsided to normal levels. Additional staff approved for FY 2008 has been added, but TREC's ability to handle its call volume is still far short of the desired level of service. It is believed that some of this extreme level of telephone activity will subside as the cycle of renewing licenses under the new fingerprinting requirements is completed over the course of the current biennium. However, it is clear that even with such improvement, TREC needs additional resources in this area. TREC's Communications Section now handles TALCB calls as well as TREC calls, and TALCB calls are generally much lengthier and more complex than TREC calls. Therefore, TALCB requests an exceptional item to add another Communications Specialist. This request is for \$36,200 in FY 2010 and \$29,146 in FY 2011.

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3) Transition to imaged documents to eliminate vulnerabilities, reduce leased space, promote improved efficiencies, and better serve Texans: TALCB requests as an exceptional item of \$50,000 in FY 2011 for the scanning of documents.

4) Ensure the adequacy of enforcement staff to comply with federal mandates imposed on federally approved appraiser programs: TALCB continues to experience a high and rising level of appraiser complaints and to receive a high and rising number of requests from prosecutors and other agencies for assistance with the investigation and prosecution of suspected mortgage fraud. In order to be able to address the demands of compliance with ASC Policy Statement 10, requiring TALCB to resolve complaints within a year (with limited, documented exceptions) and in order to be able to provide requested assistance on suspected mortgage fraud matters, TALCB is requesting additional enforcement staff as an exceptional item. This would include one additional enforcement attorney, one law enforcement investigator, two appraisers, and one administrative assistant. This request is for \$176,190 in FY2010 and \$140,750 in FY 2011.

TREC and TALCB continue, as in the past, to project that they will collect revenues in excess of their appropriations and costs of operation, including each and all of these requested exceptional items.

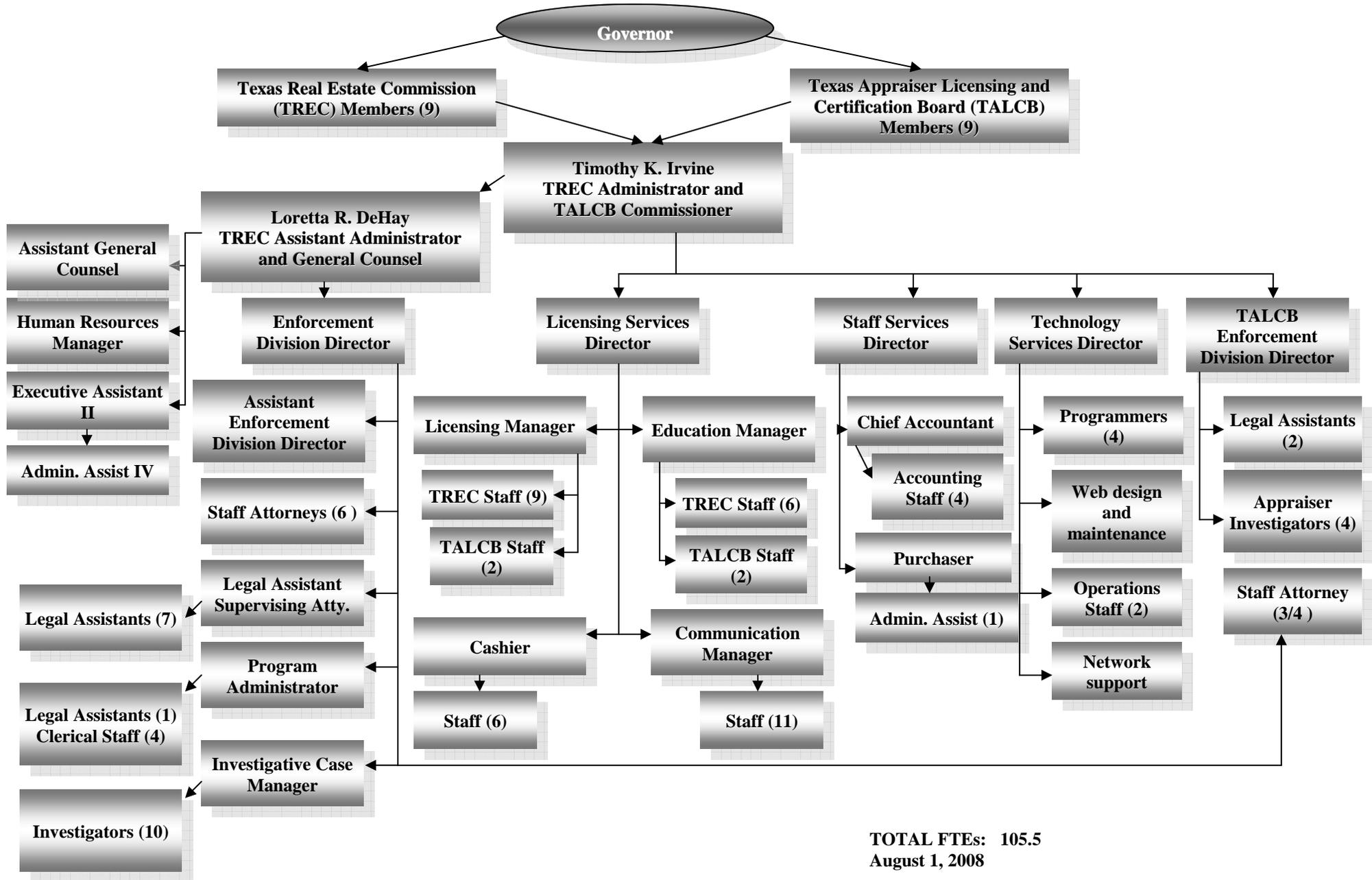
TREC Commission Member	Term of Office/Hometown
John D. Eckstrum, Broker Member, Chair	2005-2011 Conroe
Adrian A. Arriaga, Broker Member, Vice-Chair	2007-2013 McAllen
Tom C. Mesa, Public Member, Secretary	2005-2011 Houston
Troy C. Alley, Jr., Broker Member	2005-2011 Arlington
Mary Frances Burleson, Broker Member	2003-2009 Sasche
Robert C. (Chris) Day, Public Member	2007-2013 Jacksonville
William H. Flores, Public Member	2003-2009 Bryan
Elizabeth Leal, Broker Member	2003-2009 El Paso
Avis G. Wukasch, Broker Member	2007-2013 Round Rock

TALCB Board Member	Term of Office/Hometown
Clinton P. Sayers, Appraiser Member, Chair	2004-2006 Austin
James B. Ratliff, Appraiser Member, Vice-Chair	2006-2008 Garland
Paul E. Moore, Ex-Officio Member	Austin
Shirley Ward, Appraiser Member	2002-2006 Alpine
Larry D. Kokel, Appraiser Member	2003-2005 Georgetown
Malcolm J. Deason, Public Member	2003-2005 Diboll
William A. (Rusty) Faulk, Jr., Public Member	2001-2005 Brownsville
Dona S. Scurry, Public Member	2000-2006 El Paso

*Mark A. McAnally, Secretary, is the designee of Mr. Moore (Austin)

**Members continue to serve until they are replaced.

Texas Real Estate Commission and Texas Appraiser Licensing and Certification Board



TOTAL FTEs: 105.5
August 1, 2008

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **10:37:35AM**

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

Goal / Objective / STRATEGY	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
1 Determine the Eligibility of TREC Applicants for Licensure					
1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency					
1 TREC LICENSING	976,702	1,284,961	1,627,677	1,497,574	1,358,283
2 TEXASONLINE	357,779	322,000	322,000	322,000	322,000
TOTAL, GOAL 1	\$1,334,481	\$1,606,961	\$1,949,677	\$1,819,574	\$1,680,283
2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules					
1 Resolve Complaints and Hold Hearings Expeditiously					
1 TREC INVESTIGATION	1,375,251	1,727,323	1,660,314	1,691,466	1,695,366
TOTAL, GOAL 2	\$1,375,251	\$1,727,323	\$1,660,314	\$1,691,466	\$1,695,366
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	602,451	718,126	784,542	791,990	823,161
TOTAL, GOAL 3	\$602,451	\$718,126	\$784,542	\$791,990	\$823,161
4 Implement and Enforce TALCB and Standards					
1 Provide Sufficient Qualified Real Estate Appraisers					
1 TALCB LICENSING	361,703	344,523	502,462	485,396	295,272
2 Resolve TALCB Complaints in a Timely Manner					
1 TALCB ENFORCEMENT	172,448	393,052	410,721	440,087	440,211

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
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Agency code: **329** Agency name: **Real Estate Commission**

Goal / Objective / STRATEGY	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
TOTAL, GOAL 4	\$534,151	\$737,575	\$913,183	\$925,483	\$735,483
5 Indirect Administration					
1 Indirect Administration					
1 INDIRECT ADMINISTRATION	1,203,695	1,436,031	1,708,758	1,713,634	1,460,037
TOTAL, GOAL 5	\$1,203,695	\$1,436,031	\$1,708,758	\$1,713,634	\$1,460,037
TOTAL, AGENCY STRATEGY REQUEST	\$5,050,029	\$6,226,016	\$7,016,474	\$6,942,147	\$6,394,330
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$5,050,029	\$6,226,016	\$7,016,474	\$6,942,147	\$6,394,330

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
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Agency code: **329**

Agency name: **Real Estate Commission**

Goal / Objective / STRATEGY	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	4,692,721	5,918,916	6,705,974	6,631,647	6,083,830
SUBTOTAL	\$4,692,721	\$5,918,916	\$6,705,974	\$6,631,647	\$6,083,830
General Revenue Dedicated Funds:					
28 Appraiser Registry Acct	160,775	120,000	120,000	120,000	120,000
SUBTOTAL	\$160,775	\$120,000	\$120,000	\$120,000	\$120,000
Other Funds:					
666 Appropriated Receipts	195,897	186,500	186,500	186,500	186,500
971 Real Estate Recovery Fund	569	500	3,500	3,500	3,500
988 Real Estate Inspec Trust	67	100	500	500	500
SUBTOTAL	\$196,533	\$187,100	\$190,500	\$190,500	\$190,500
TOTAL, METHOD OF FINANCING	\$5,050,029	\$6,226,016	\$7,016,474	\$6,942,147	\$6,394,330

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

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/14/2008**
 TIME: **7:27:43AM**

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

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table					
	\$4,421,007	\$5,477,327	\$5,652,911	\$6,631,647	\$6,083,830
<i>RIDER APPROPRIATION</i>					
Art IX, Sec 13.12, Texas Online Occupational Licenses (2006-07 GAA)					
	\$133,779	\$0	\$0	\$0	\$0
Art IX, Sec 14.03(j), Capital Budget UB (2008-09 GAA)					
	\$0	\$(198,000)	\$198,000	\$0	\$0
Art IX, Sec 19.10, Contingency for HB 716 (2008-09 GAA)					
	\$0	\$249,275	\$214,670	\$0	\$0
Art IX, Sec 19.13, Contingency for HB 1530					
	\$0	\$157,642	\$78,280	\$0	\$0
Art IX, Sec 19.38, Contingency for SB 914					
	\$0	\$154,617	\$98,946	\$0	\$0
Art VIII, Sec 6, Cont Appn Criminal History Record Info (2008-09 GAA)					
	\$0	\$3,465	\$297,990	\$0	\$0
<i>TRANSFERS</i>					

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/14/2008**
 TIME: **7:27:58AM**

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

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>GENERAL REVENUE</u>					
Art IX, Sec 11.04, Reduction of Office Lease Expense (FY2006-07 GAA)	\$(51,126)	\$0	\$0	\$0	\$0
Art IX, Sec 13.17(a), Salary Increase (2006-07 GAA)	\$206,147	\$0	\$0	\$0	\$0
Art IX, Sec 19.62(a), Salary Increase (2008-09 GAA)	\$0	\$74,590	\$165,177	\$0	\$0
<i>SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS</i>					
Governor's Emergency/Deficiency Grant	\$7,000	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Lapsed Appropriations	\$(24,086)	\$0	\$0	\$0	\$0
TOTAL, General Revenue Fund	\$4,692,721	\$5,918,916	\$6,705,974	\$6,631,647	\$6,083,830
TOTAL, ALL GENERAL REVENUE	\$4,692,721	\$5,918,916	\$6,705,974	\$6,631,647	\$6,083,830

GENERAL REVENUE FUND - DEDICATED

28 GR Dedicated - Appraiser Registry Account No. 028
REGULAR APPROPRIATIONS

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/14/2008**
 TIME: **7:27:58AM**

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

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>GENERAL REVENUE FUND - DEDICATED</u>					
Regular Appropriations from MOF Table	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
<i>RIDER APPROPRIATION</i>					
Art VIII, Rider 5, Appn of Receipts, Natl Registry Fees (2008-09 GAA)	\$40,775	\$0	\$0	\$0	\$0
TOTAL, GR Dedicated - Appraiser Registry Account No. 028	\$160,775	\$120,000	\$120,000	\$120,000	\$120,000
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$160,775	\$120,000	\$120,000	\$120,000	\$120,000
TOTAL, GR & GR-DEDICATED FUNDS	\$4,853,496	\$6,038,916	\$6,825,974	\$6,751,647	\$6,203,830
<u>OTHER FUNDS</u>					
666 Appropriated Receipts					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table	\$190,500	\$186,500	\$186,500	\$181,000	\$181,000
<i>RIDER APPROPRIATION</i>					
Art IX, Sec 8.03, Reimbursements and Payments (2006-07 GAA)	\$8,008	\$0	\$0	\$0	\$0
Art VIII, Rider 3-Appn of Residential Svc Co Exam Fees (2006-07 GAA)	\$(2,611)	\$0	\$0	\$5,500	\$5,500

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
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DATE: **8/14/2008**
 TIME: **7:27:58AM**

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

METHOD OF FINANCING		Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>OTHER FUNDS</u>						
TOTAL,	Appropriated Receipts	\$195,897	\$186,500	\$186,500	\$186,500	\$186,500
<u>971</u>	Real Estate Recovery Trust Fund					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
	<i>LAPSED APPROPRIATIONS</i>					
	Lapsed Appropriations	\$(2,931)	\$(3,000)	\$0	\$0	\$0
TOTAL,	Real Estate Recovery Trust Fund	\$569	\$500	\$3,500	\$3,500	\$3,500
<u>988</u>	Real Estate Inspection Trust Fund					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table	\$500	\$500	\$500	\$500	\$500
	<i>LAPSED APPROPRIATIONS</i>					
	Lapsed Appropriations	\$(433)	\$(400)	\$0	\$0	\$0
TOTAL,	Real Estate Inspection Trust Fund	\$67	\$100	\$500	\$500	\$500

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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DATE: **8/14/2008**
 TIME: **7:27:58AM**

Agency code: 329	Agency name: Real Estate Commission				
METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
TOTAL, ALL OTHER FUNDS	\$196,533	\$187,100	\$190,500	\$190,500	\$190,500
GRAND TOTAL	\$5,050,029	\$6,226,016	\$7,016,474	\$6,942,147	\$6,394,330

FULL-TIME-EQUIVALENT POSITIONS

REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table	83.0	97.5	97.5	105.5	105.5
RIDER APPROPRIATION					
Art IX, Sec 19.10, Contingency for HB 716 (2008-09 GAA)	0.0	5.0	5.0	0.0	0.0
Art IX, Sec 19.13, Contingency for HB 1530 (2008-09 GAA)	0.0	2.0	2.0	0.0	0.0
Art IX, Sec 19.38, Contingency for SB 914 (2008-09 GAA)	0.0	1.0	1.0	0.0	0.0
LAPSED APPROPRIATIONS					
Unauthorized Amount Over Cap/(Amount Below Cap)	(2.5)	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	80.5	105.5	105.5	105.5	105.5
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
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **10:41:37AM**

OBJECT OF EXPENSE	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Agency code: 329	Agency name: Real Estate Commission				
1001 SALARIES AND WAGES	\$3,191,788	\$3,938,032	\$4,372,800	\$4,372,800	\$4,372,800
1002 OTHER PERSONNEL COSTS	\$187,845	\$234,557	\$129,500	\$141,600	\$155,000
2001 PROFESSIONAL FEES AND SERVICES	\$45,900	\$96,865	\$68,600	\$68,900	\$69,100
2003 CONSUMABLE SUPPLIES	\$57,587	\$74,906	\$75,000	\$75,000	\$75,000
2004 UTILITIES	\$40,728	\$63,815	\$44,900	\$44,900	\$44,900
2005 TRAVEL	\$88,274	\$84,738	\$94,000	\$94,000	\$94,000
2006 RENT - BUILDING	\$406,141	\$444,925	\$459,500	\$468,800	\$468,800
2007 RENT - MACHINE AND OTHER	\$29,459	\$40,162	\$41,700	\$41,700	\$41,700
2009 OTHER OPERATING EXPENSE	\$950,086	\$1,169,250	\$1,040,774	\$944,747	\$1,058,330
5000 CAPITAL EXPENDITURES	\$52,221	\$78,766	\$689,700	\$689,700	\$14,700
OOE Total (Excluding Riders)	\$5,050,029	\$6,226,016	\$7,016,474	\$6,942,147	\$6,394,330
OOE Total (Riders)					
Grand Total	\$5,050,029	\$6,226,016	\$7,016,474	\$6,942,147	\$6,394,330

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/12/2008
Time: 10:42:43AM

Agency code: 329

Agency name: Real Estate Commission

Goal/ Objective / Outcome	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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					
	99.50%	99.00%	99.00%	99.00%	99.00%
KEY 2 Percent of Licensees Who Renew Online					
	87.20%	86.00%	80.00%	82.00%	82.00%
KEY 3 Percent of New Licenses Issued Online					
	77.90%	79.00%	70.00%	73.00%	73.00%
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					
	24.00%	30.00%	10.00%	30.00%	30.00%
KEY 2 Percent of Documented Complaints Resolved within 6 Months					
	68.90%	70.00%	85.00%	80.00%	80.00%

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/12/2008

Time: 10:42:50AM

Agency code: 329

Agency name: **Real Estate Commission**

Goal/ Objective / Outcome	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
4 Implement and Enforce TALCB and Standards					
1 Provide Sufficient Qualified Real Estate Appraisers					
KEY 1 Percent of Licensed Appraisers with No Recent Violations	98.76%	99.00%	99.00%	99.00%	99.00%
KEY 2 Percent of Licensees Who Renew Online	60.04%	72.00%	55.00%	65.00%	65.00%
3 Percent of New Licenses Issued Online	0.00%	0.00%	0.00%	0.00%	0.00%
2 Resolve TALCB Complaints in a Timely Manner					
1 Percent of Complaints Resulting in Disciplinary Action	37.12%	34.00%	35.00%	36.00%	37.00%
2 Recidivism Rate for Those Receiving Disciplinary Action	25.88%	28.00%	23.00%	25.00%	26.00%
KEY 3 Percent of Documented Complaints Resolved within 6 Months	32.03%	25.00%	60.00%	50.00%	55.00%

2.E. SUMMARY OF EXCEPTIONAL ITEMS REQUEST

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/16/2008
 TIME : 9:09:53PM

Agency code: 329

Agency name: Real Estate Commission

Priority	Item	2010			2011			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Criminal History Background Checks	\$938,800	\$938,800		\$1,298,800	\$1,298,800		\$2,237,600	\$2,237,600
2	Salary Equity	\$184,600	\$184,600		\$184,600	\$184,600		\$369,200	\$369,200
3	Document Scanning	\$0	\$0		\$300,000	\$300,000		\$300,000	\$300,000
4	DIR Controlled Penetration Testing	\$16,000	\$16,000		\$16,000	\$16,000		\$32,000	\$32,000
5	Resolve Complaints Promptly	\$53,114	\$53,114	1.0	\$44,254	\$44,254	1.0	\$97,368	\$97,368
20	Salary Equity - TALCB	\$38,000	\$38,000		\$38,000	\$38,000		\$76,000	\$76,000
21	Improve Ability to Respond to Calls	\$36,200	\$36,200	1.0	\$29,146	\$29,146	1.0	\$65,346	\$65,346
22	Document Scanning - TALCB	\$0	\$0		\$50,000	\$50,000		\$50,000	\$50,000
23	Ensure Adequate Enforcement Staff	\$176,190	\$176,190	4.0	\$140,750	\$140,750	4.0	\$316,940	\$316,940
Total, Exceptional Items Request		\$1,442,904	\$1,442,904	6.0	\$2,101,550	\$2,101,550	6.0	\$3,544,454	\$3,544,454

Method of Financing

General Revenue	\$1,442,904	\$1,442,904		\$2,101,550	\$2,101,550		\$3,544,454	\$3,544,454
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	\$1,442,904	\$1,442,904		\$2,101,550	\$2,101,550		\$3,544,454	\$3,544,454

Full Time Equivalent Positions

6.0

6.0

Number of 100% Federally Funded FTEs

0.0

0.0

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/16/2008
 TIME : 9:11:45PM

Agency code: 329 Agency name: Real Estate Commission

Goal/Objective/STRATEGY	Base 2010	Base 2011	Exceptional 2010	Exceptional 2011	Total Request 2010	Total Request 2011
1 Determine the Eligibility of TREC Applicants for Licensure						
1 Evaluate Applicants for Honesty/Integrity/Trustworthiness/Compete						
1 TREC LICENSING	\$1,497,574	\$1,358,283	\$982,279	\$1,642,279	\$2,479,853	\$3,000,562
2 TEXASONLINE	322,000	322,000	0	0	322,000	322,000
TOTAL, GOAL 1	\$1,819,574	\$1,680,283	\$982,279	\$1,642,279	\$2,801,853	\$3,322,562
2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules						
1 Resolve Complaints and Hold Hearings Expediently						
1 TREC INVESTIGATION	1,691,466	1,695,366	113,876	105,016	1,805,342	1,800,382
TOTAL, GOAL 2	\$1,691,466	\$1,695,366	\$113,876	\$105,016	\$1,805,342	\$1,800,382
3 To Communicate Effectively with the Public and Licensees						
1 Notify All Licensees of Law/Rule Chnges w/in 60 Days; Custmr Surve						
1 LICENSEE/CONSUMER EDUCATION	791,990	823,161	36,616	36,616	828,606	859,777
TOTAL, GOAL 3	\$791,990	\$823,161	\$36,616	\$36,616	\$828,606	\$859,777
4 Implement and Enforce TALCB and Standards						
1 Provide Sufficient Qualified Real Estate Appraisers						
1 TALCB LICENSING	485,396	295,272	50,651	93,597	536,047	388,869
2 Resolve TALCB Complaints in a Timely Manner						
1 TALCB ENFORCEMENT	440,087	440,211	199,739	164,299	639,826	604,510
TOTAL, GOAL 4	\$925,483	\$735,483	\$250,390	\$257,896	\$1,175,873	\$993,379
5 Indirect Administration						
1 Indirect Administration						
1 INDIRECT ADMINISTRATION	1,713,634	1,460,037	59,743	59,743	1,773,377	1,519,780
TOTAL, GOAL 5	\$1,713,634	\$1,460,037	\$59,743	\$59,743	\$1,773,377	\$1,519,780

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/16/2008
 TIME : 9:12:47PM

Agency code: 329 Agency name: Real Estate Commission

Goal/Objective/STRATEGY	Base 2010	Base 2011	Exceptional 2010	Exceptional 2011	Total Request 2010	Total Request 2011
TOTAL, AGENCY STRATEGY REQUEST	\$6,942,147	\$6,394,330	\$1,442,904	\$2,101,550	\$8,385,051	\$8,495,880
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$6,942,147	\$6,394,330	\$1,442,904	\$2,101,550	\$8,385,051	\$8,495,880

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/16/2008
 TIME : 9:12:47PM

Agency code: 329 Agency name: Real Estate Commission

<i>Goal/Objective/STRATEGY</i>	Base 2010	Base 2011	Exceptional 2010	Exceptional 2011	Total Request 2010	Total Request 2011
General Revenue Funds:						
1 General Revenue Fund	\$6,631,647	\$6,083,830	\$1,442,904	\$2,101,550	\$8,074,551	\$8,185,380
	\$6,631,647	\$6,083,830	\$1,442,904	\$2,101,550	\$8,074,551	\$8,185,380
General Revenue Dedicated Funds:						
28 Appraiser Registry Acct	120,000	120,000	0	0	\$120,000	\$120,000
	\$120,000	\$120,000	\$0	\$0	\$120,000	\$120,000
Other Funds:						
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	\$6,942,147	\$6,394,330	\$1,442,904	\$2,101,550	\$8,385,051	\$8,495,880
FULL TIME EQUIVALENT POSITIONS	105.5	105.5	6.0	6.0	111.5	111.5

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/12/2008

Time: 10:51:41AM

Agency code: 329

Agency name: Real Estate Commission

Goal/ Objective / Outcome

		BL 2010	BL 2011	Excp 2010	Excp 2011	Total Request 2010	Total Request 2011
1	Determine the Eligibility of TREC Applicants for Licensure						
1	<i>Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency</i>						
KEY	1 Percent of Licensees with No Recent Violations						
		99.00%	99.00%			99.00%	99.00%
KEY	2 Percent of Licensees Who Renew Online						
		82.00%	82.00%			82.00%	82.00%
KEY	3 Percent of New Licenses Issued Online						
		73.00%	73.00%			73.00%	73.00%
2	Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules						
1	<i>Resolve Complaints and Hold Hearings Expeditiously</i>						
	1 Percent of Complaints Resulting in Disciplinary Action						
		30.00%	30.00%			30.00%	30.00%
KEY	2 Percent of Documented Complaints Resolved within 6 Months						
		80.00%	80.00%	85.00%	85.00%	85.00%	85.00%
4	Implement and Enforce TALCB and Standards						
1	<i>Provide Sufficient Qualified Real Estate Appraisers</i>						
KEY	1 Percent of Licensed Appraisers with No Recent Violations						
		99.00%	99.00%			99.00%	99.00%
KEY	2 Percent of Licensees Who Renew Online						
		65.00%	65.00%			65.00%	65.00%

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/12/2008
Time: 10:51:48AM

Agency code: 329

Agency name: Real Estate Commission

Goal/ Objective / Outcome

	BL 2010	BL 2011	Excp 2010	Excp 2011	Total Request 2010	Total Request 2011
3 Percent of New Licenses Issued Online	0.00%	0.00%			0.00%	0.00%
2 <i>Resolve TALCB Complaints in a Timely Manner</i>						
1 Percent of Complaints Resulting in Disciplinary Action	36.00%	37.00%			36.00%	37.00%
2 Recidivism Rate for Those Receiving Disciplinary Action	25.00%	26.00%			25.00%	26.00%
KEY 3 Percent of Documented Complaints Resolved within 6 Months	50.00%	55.00%	60.00%	65.00%	60.00%	65.00%

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

DATE: 8/12/2008
TIME: 10:52:56AM

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

GR Baseline Request Limit = \$12,715,477

GR-D Baseline Request Limit = \$240,000

Strategy/Strategy Option/Rider								Biennial	Biennial		
2010 Funds				2011 Funds				Cumulative GR	Cumulative Ded	Page #	
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded				
Strategy: 1 - 1 - 1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses											
23.3	1,497,574	1,497,574	0	23.3	1,358,283	1,358,283	0	2,855,857	0	_____	
Strategy: 1 - 1 - 2 TexasOnline. Estimated and Nontransferable											
0.0	322,000	322,000	0	0.0	322,000	322,000	0	3,499,857	0	_____	
Strategy: 2 - 1 - 1 Investigate and Resolve Valid Complaint Cases											
33.0	1,691,466	1,681,966	0	33.0	1,695,366	1,685,866	0	6,867,689	0	_____	
Strategy: 3 - 1 - 1 Prepare and Distribute Information Describing TREC Functions											
17.4	791,990	611,990	0	17.4	823,161	643,161	0	8,122,840	0	_____	
Strategy: 4 - 1 - 1 Process Applications and License Applicants											
4.4	485,396	364,396	120,000	4.4	295,272	174,272	120,000	8,661,508	240,000	_____	
Strategy: 4 - 2 - 1 Investigate and Resolve Complaints; Impose Penalties as Appropriate											
8.1	440,087	440,087	0	8.1	440,211	440,211	0	9,541,806	240,000	_____	
Strategy: 5 - 1 - 1 Indirect Administration											
19.3	1,713,634	1,713,634	0	19.3	1,460,037	1,460,037	0	12,715,477	240,000	_____	
105.5				105.5				*****GR Baseline Request Limit=\$12,715,477*****			
Excp Item: 1 Criminial History Background Checks											
0.0	938,800	938,800	0	0.0	1,298,800	1,298,800	0	14,953,077	240,000	_____	
Strategy Detail for Excp Item: 1											
Strategy: 1 - 1 - 1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses											
0.0	938,800	938,800	0	0.0	1,298,800	1,298,800	0				
Excp Item: 2 Begin the Achievement of Salary Equity with Comparable Agencies											
0.0	184,600	184,600	0	0.0	184,600	184,600	0	15,322,277	240,000	_____	

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

DATE: 8/12/2008
TIME: 10:53:04AM

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

GR Baseline Request Limit = \$12,715,477

GR-D Baseline Request Limit = \$240,000

Strategy/Strategy Option/Rider				2010 Funds				2011 Funds				Biennial	Biennial	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded	Cumulative GR	Cumulative Ded					
Strategy Detail for Excp Item: 2														
Strategy: 1 - 1 - 1	Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses													
0.0	44,138	44,138	0	0.0	44,138	44,138	0							
Strategy: 2 - 1 - 1	Investigate and Resolve Valid Complaint Cases													
0.0	60,762	60,762	0	0.0	60,762	60,762	0							
Strategy: 3 - 1 - 1	Prepare and Distribute Information Describing TREC Functions													
0.0	36,286	36,286	0	0.0	36,286	36,286	0							
Strategy: 5 - 1 - 1	Indirect Administration													
0.0	43,414	43,414	0	0.0	43,414	43,414	0							
Excp Item: 3	Transition to Imaged Documented to Eliminate Vulnerabilities, Reduce Leased Space, Promote Improved Efficiencies, and Better Serve Texans													
0.0	0	0	0	0.0	300,000	300,000	0	15,622,277	240,000					
Strategy Detail for Excp Item: 3														
Strategy: 1 - 1 - 1	Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses													
0.0	0	0	0	0.0	300,000	300,000	0							
Excp Item: 4	DIR Controlled Penetration Testing													
0.0	16,000	16,000	0	0.0	16,000	16,000	0	15,654,277	240,000					
Strategy Detail for Excp Item: 4														
Strategy: 5 - 1 - 1	Indirect Administration													
0.0	16,000	16,000	0	0.0	16,000	16,000	0							
Excp Item: 5	Enhance TREC's Ability to Resolve Complaints Promptly and Assist in Combating Mortgage Fraud													
1.0	53,114	53,114	0	1.0	44,254	44,254	0	15,751,645	240,000					
Strategy Detail for Excp Item: 5														
Strategy: 2 - 1 - 1	Investigate and Resolve Valid Complaint Cases													
1.0	53,114	53,114	0	1.0	44,254	44,254	0							

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

DATE: 8/12/2008
TIME: 10:53:04AM

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

GR Baseline Request Limit = \$12,715,477

GR-D Baseline Request Limit = \$240,000

Strategy/Strategy Option/Rider				2010 Funds				2011 Funds				Biennial Cumulative GR	Biennial Cumulative Ded	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded							
Excp Item: 6 Begin the Achievement of Salary Equity with Comparable Agencies - TALCB														
0.0	27,000	27,000	0	0.0	27,000	27,000	0	15,805,645	240,000					
Strategy Detail for Excp Item: 6														
Strategy: 4 - 1 - 1 Process Applications and License Applicants														
0.0	10,634	10,634	0	0.0	10,634	10,634	0							
Strategy: 4 - 2 - 1 Investigate and Resolve Complaints; Impose Penalties as Appropriate														
0.0	16,366	16,366	0	0.0	16,366	16,366	0							
Excp Item: 7 Improve Ability to Respond to Calls														
1.0	36,200	36,200	0	1.0	29,146	29,146	0	15,870,991	240,000					
Strategy Detail for Excp Item: 7														
Strategy: 4 - 1 - 1 Process Applications and License Applicants														
1.0	36,200	36,200	0	1.0	29,146	29,146	0							
Excp Item: 8 Transition to Imaged Documents to Eliminate Vulnerabilities, Reduce Leased Space, promote Improved Efficiencies, and Better Serve Texans														
0.0	0	0	0	0.0	50,000	50,000	0	15,920,991	240,000					
Strategy Detail for Excp Item: 8														
Strategy: 4 - 1 - 1 Process Applications and License Applicants														
0.0	0	0	0	0.0	50,000	50,000	0							
Excp Item: 9 Ensure the Adequacy of Enforcement Staff to Comply with Federal Mandates Imposed on Federally Approved Appraiser Programs														
4.0	176,190	176,190	0	4.0	140,750	140,750	0	16,237,931	240,000					
Strategy Detail for Excp Item: 9														
Strategy: 4 - 2 - 1 Investigate and Resolve Complaints; Impose Penalties as Appropriate														
4.0	176,190	176,190	0	4.0	140,750	140,750	0							

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

DATE: 8/12/2008

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

TIME: 10:53:04AM

Agency code:

Agency name: **Real Estate Commission**

GR Baseline Request Limit = \$12,715,477

GR-D Baseline Request Limit = \$240,000

Strategy/Strategy Option/Rider

2010 Funds

2011 Funds

Biennial

Biennial

FTEs	Total	GR	Ded	FTEs	Total	GR	Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
111.5	\$8,374,051	\$8,063,551	\$120,000	111.5	\$8,484,880	\$8,174,380	120,000			

3.A. STRATEGY REQUEST

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME: 10:54:38AM

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

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure Statewide Goal/Benchmark: 7 4
 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 2007	Est 2008	Bud 2009	BL 2010	BL 2011
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$976,702	\$1,284,961	\$1,627,677	\$1,497,574	\$1,358,283
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,497,574	\$1,358,283
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$976,702	\$1,284,961	\$1,627,677	\$1,497,574	\$1,358,283
FULL TIME EQUIVALENT POSITIONS:		18.3	23.7	23.7	23.3	23.3

STRATEGY DESCRIPTION AND JUSTIFICATION:

Chapter 1101, Texas Occupations Code (The Real Estate License Act) and Chapter 1102, Texas Occupations Code (Real Estate Inspectors) require that persons providing real estate brokerage and inspection services or acting as easement or right-of-way agents be licensed or approved. Proprietary real estate pre-license education and mandatory continuing education providers for such licensees must be approved by the Commission. Applicants for real estate or inspector licenses are required to demonstrate competency by passing an examination. The Commission assesses the honesty, trustworthiness, and integrity of applicants for licensees, and submits the names of license applicants to the Texas Department of Public Safety (DPS) for criminal history checks. Any person applying for or renewing a broker or salesperson license must also be fingerprinted for an FBI criminal history check. Once fingerprints are on file a licensee does not need to be fingerprinted for subsequent renewals. The processing of each application is an integrated function that requires the participation of each of the agency's operating divisions. This comprehensive process is designed to ensure 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:

The Licensing Services Division processes and evaluates the application and education information and ensures payment and timely deposit of the statutorily required fees. The Technology Services Division provides the licensing management system infrastructure to facilitate and document licensing functions, including electronic interfaces with Texas Guaranteed Student Loan Corporation (TG) and DPS. The Enforcement Division reviews TG and DPS information to address certain issues relating to an applicant's fitness to be licensed. The Administration Division provides policy development and oversight of agency procedures. Broad economic factors will generally impact the number of new and renewing licensees. The ability of the Commission to retain qualified personnel to perform the necessary functions is affected by the competitiveness of the salary structure, especially as compared with other state agencies. The ability of TREC to maintain a fully operational licensing management system impacts TREC's ability to process license applications and renewals and to report on its performance.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 10:54:38AM

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

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules
 OBJECTIVE: 1 Resolve Complaints and Hold Hearings Expediently
 STRATEGY: 1 Investigate and Resolve Valid Complaint Cases

Statewide Goal/Benchmark: 7 5
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Output Measures:						
KEY 1	Number of Complaints Resolved	2,448.00	3,000.00	3,520.00	2,000.00	2,000.00
2	Number of Orders Issued by the Commission	0.00	0.00	0.00	200.00	200.00
Efficiency Measures:						
KEY 1	Average Time for Complaint Resolution (Days)	200.00	200.00	115.00	140.00	140.00
Explanatory/Input Measures:						
1	Jurisdictional Complaints Received	2,729.00	3,000.00	3,300.00	2,000.00	2,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,107,864	\$1,309,053	\$1,391,784	\$1,395,381	\$1,395,381
1002	OTHER PERSONNEL COSTS	\$34,492	\$76,153	\$37,674	\$41,862	\$45,762
2001	PROFESSIONAL FEES AND SERVICES	\$12,100	\$17,504	\$15,576	\$15,576	\$15,576
2003	CONSUMABLE SUPPLIES	\$13,186	\$17,119	\$17,010	\$17,010	\$17,010
2004	UTILITIES	\$15,022	\$15,535	\$12,242	\$12,242	\$12,242
2005	TRAVEL	\$40,936	\$39,956	\$48,700	\$48,700	\$48,700
2006	RENT - BUILDING	\$89,003	\$97,406	\$100,429	\$102,492	\$102,492
2007	RENT - MACHINE AND OTHER	\$191	\$6,234	\$6,842	\$6,842	\$6,842
2009	OTHER OPERATING EXPENSE	\$62,457	\$148,363	\$30,057	\$51,361	\$51,361
TOTAL, OBJECT OF EXPENSE		\$1,375,251	\$1,727,323	\$1,660,314	\$1,691,466	\$1,695,366
Method of Financing:						
1	General Revenue Fund	\$1,371,726	\$1,721,223	\$1,650,814	\$1,681,966	\$1,685,866
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,371,726	\$1,721,223	\$1,650,814	\$1,681,966	\$1,685,866
Method of Financing:						
666	Appropriated Receipts	\$2,889	\$5,500	\$5,500	\$5,500	\$5,500

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 10:54:38AM

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

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules
 OBJECTIVE: 1 Resolve Complaints and Hold Hearings Expediently
 STRATEGY: 1 Investigate and Resolve Valid Complaint Cases

Statewide Goal/Benchmark: 7 5
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
971	Real Estate Recovery Fund	\$569	\$500	\$3,500	\$3,500	\$3,500
988	Real Estate Inspec Trust	\$67	\$100	\$500	\$500	\$500
SUBTOTAL, MOF (OTHER FUNDS)		\$3,525	\$6,100	\$9,500	\$9,500	\$9,500
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,691,466	\$1,695,366
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,375,251	\$1,727,323	\$1,660,314	\$1,691,466	\$1,695,366
FULL TIME EQUIVALENT POSITIONS:		27.2	33.0	33.0	33.0	33.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Chapter 1101, Texas Occupations Code (The Real Estate License Act) requires a signed written complaint, Commission authorization, or filing of a complaint by the Director of Enforcement (based on credible evidence of a violation of the Real Estate License Act (the License Act) or Commission Rule) 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, opened for investigation. As appropriate, 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 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 held before an Administrative Law Judge at the State Office of Administrative Hearings (SOAH) in Austin, Texas. The Commission may subpoena witnesses and compel the production of documents. 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:

There are several factors which impact the ability of the Enforcement Division to accomplish this strategy. They include the volume and complexity of complaints, the internal resources devoted to administrative type cases rather than more substantive ones, the ability to hire and retain qualified staff, the quality of technical equipment such as computers, email and licensing management system, the new requirement to work with prosecutors and other designated agencies to address mortgage fraud, and the requirement for fingerprinting and criminal background checks on each licensee upon each renewal.

Each of the above items will impact the Enforcement Division's ability to review and resolve cases and are also significant factors in meeting its key measures.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 10:54:38AM

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

GOAL: 3 To Communicate Effectively with the Public and Licensees Statewide Goal/Benchmark: 0 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 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Output Measures:						
KEY 1	Number of Calls Received	502,778.00	440,000.00	573,000.00	500,000.00	500,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$520,901	\$595,277	\$672,805	\$678,628	\$678,628
1002	OTHER PERSONNEL COSTS	\$26,008	\$28,612	\$14,504	\$15,831	\$17,271
2001	PROFESSIONAL FEES AND SERVICES	\$151	\$596	\$208	\$208	\$208
2003	CONSUMABLE SUPPLIES	\$688	\$1,033	\$1,008	\$1,008	\$1,008
2004	UTILITIES	\$5,350	\$9,622	\$7,073	\$7,073	\$7,073
2005	TRAVEL	\$467	\$2,818	\$5,300	\$5,300	\$5,300
2006	RENT - BUILDING	\$10,709	\$32,155	\$34,888	\$35,601	\$35,601
2007	RENT - MACHINE AND OTHER	\$161	\$1,883	\$1,790	\$1,790	\$1,790
2009	OTHER OPERATING EXPENSE	\$38,016	\$46,130	\$46,966	\$46,551	\$76,282
TOTAL, OBJECT OF EXPENSE		\$602,451	\$718,126	\$784,542	\$791,990	\$823,161
Method of Financing:						
1	General Revenue Fund	\$412,489	\$538,126	\$604,542	\$611,990	\$643,161
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$412,489	\$538,126	\$604,542	\$611,990	\$643,161
Method of Financing:						
666	Appropriated Receipts	\$189,962	\$180,000	\$180,000	\$180,000	\$180,000
SUBTOTAL, MOF (OTHER FUNDS)		\$189,962	\$180,000	\$180,000	\$180,000	\$180,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$791,990	\$823,161
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$602,451	\$823,161
FULL TIME EQUIVALENT POSITIONS:		13.3	17.2	17.2	17.4	17.4

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 10:54:38AM

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 4
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Output Measures:						
KEY 1	Number New Licenses/Certifications/Registrations Issued to Individuals	1,512.00	1,000.00	750.00	825.00	850.00
KEY 2	Number of Licenses and Certifications Renewed (Individuals)	3,261.00	2,800.00	3,100.00	2,750.00	3,100.00
Efficiency Measures:						
1	Percentage New Indiv Licences within 10 Days	92.30 %	96.00 %	80.00 %	95.00 %	95.00 %
2	% Indiv License Renewals within 7 Days	97.70 %	96.00 %	90.00 %	95.00 %	95.00 %
Explanatory/Input Measures:						
1	Total Number of Individuals Licensed	6,957.00	7,000.00	7,100.00	7,200.00	7,300.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$118,737	\$125,017	\$145,029	\$145,029	\$145,029
1002	OTHER PERSONNEL COSTS	\$7,441	\$7,260	\$4,567	\$3,037	\$3,557
2001	PROFESSIONAL FEES AND SERVICES	\$5,950	\$135	\$85	\$85	\$85
2003	CONSUMABLE SUPPLIES	\$4,731	\$2,936	\$4,293	\$4,293	\$4,293
2004	UTILITIES	\$1,515	\$1,632	\$1,470	\$1,470	\$1,470
2005	TRAVEL	\$6,410	\$7,764	\$6,400	\$2,400	\$2,400
2006	RENT - BUILDING	\$28,667	\$25,480	\$25,818	\$6,558	\$6,558
2007	RENT - MACHINE AND OTHER	\$6,542	\$3,190	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$181,710	\$171,109	\$124,800	\$132,524	\$131,880
5000	CAPITAL EXPENDITURES	\$0	\$0	\$190,000	\$190,000	\$0
TOTAL, OBJECT OF EXPENSE		\$361,703	\$344,523	\$502,462	\$485,396	\$295,272
Method of Financing:						
1	General Revenue Fund	\$197,882	\$223,523	\$381,462	\$364,396	\$174,272

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
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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 4
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$197,882	\$223,523	\$381,462	\$364,396	\$174,272
Method of Financing:						
28	Appraiser Registry Acct	\$160,775	\$120,000	\$120,000	\$120,000	\$120,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$160,775	\$120,000	\$120,000	\$120,000	\$120,000
Method of Financing:						
666	Appropriated Receipts	\$3,046	\$1,000	\$1,000	\$1,000	\$1,000
SUBTOTAL, MOF (OTHER FUNDS)		\$3,046	\$1,000	\$1,000	\$1,000	\$1,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$485,396	\$295,272
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$361,703	\$344,523	\$502,462	\$485,396	\$295,272
FULL TIME EQUIVALENT POSITIONS:		3.3	4.4	4.4	4.4	4.4

STRATEGY DESCRIPTION AND JUSTIFICATION:

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 ((Title XI) provides that in order for the state to have appraisers that may continue to appraise in connection with federally related transactions, a state must have a licensing and certification program consistent with federal law, regulations, policies and interpretations. Federal oversight of these activities is vested in the Appraisal Subcommittee. Title XI also provides for the promulgation of the educational, experience, and examination qualifications and requirements by the Appraiser Qualifications Board of the Appraisal Foundation. 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:

3.A. STRATEGY REQUEST

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME: 10:54:38AM

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

GOAL: 4 Implement and Enforce TALCB and Standards

Statewide Goal/Benchmark: 7 4

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 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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The changing federal requirements regarding oversight of the appraisal profession have impacted and will continue to 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 and knowledge 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. Also the experience of 100% of applicants for certification must now be audited to meet federal requirements . Currently, the number of trainees and licensed and certified appraisers is near an historic high , producing additional service demands on TALCB’s limited staff. The TALCB is requesting as an exceptional item the addition of one more person to assist in answering telephone calls and emails relating to licensing and education issues .

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 10:54:38AM

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

GOAL: 4 Implement and Enforce TALCB and Standards Statewide Goal/Benchmark: 7 5
 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 2007	Est 2008	Bud 2009	BL 2010	BL 2011
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$440,087	\$440,211
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$172,448	\$393,052	\$410,721	\$440,087	\$440,211
FULL TIME EQUIVALENT POSITIONS:		3.5	8.1	8.1	8.1	8.1

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 TALCB staff considers written complaints within its jurisdiction. All orders are submitted to TALCB's Board for approval. If an order is sought and resolution cannot be agreed upon, the matter proceeds with a contested case and a hearing before the State office of Administrative Hearings. TALCB is represented by its staff attorney at any such hearings.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The number of complaints accepted by the Board continues to increase significantly. The complexity of the matters in dispute has also increased. The enforcement staff has been assigned significant additional responsibilities in the area of investigating and assisting in the prosecution of suspected mortgage fraud. In FY 2008 the appraiser investigators went from one full time and two part time appraiser investigators to four full time appraiser investigators and a director enforcement who is also an appraiser investigator. The Board is recommending changes in the Act to streamline and enhance its enforcement activities and an exceptional item to add enforcement staff. One of the changes that is being sought is statutory permission to use the Office of the Attorney General to represent the Board in contested cases, providing necessary capability over and above the current enforcement attorney.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 10:54:38AM

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

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

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

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Objects of Expense:						
1001	SALARIES AND WAGES	\$702,846	\$888,970	\$983,134	\$996,767	\$996,767
1002	OTHER PERSONNEL COSTS	\$75,502	\$60,942	\$34,244	\$37,245	\$40,065
2001	PROFESSIONAL FEES AND SERVICES	\$22,539	\$30,504	\$35,912	\$36,212	\$36,412
2003	CONSUMABLE SUPPLIES	\$22,269	\$21,759	\$21,672	\$21,672	\$21,672
2004	UTILITIES	\$15,314	\$22,559	\$18,447	\$18,447	\$18,447
2005	TRAVEL	\$36,714	\$29,047	\$27,500	\$27,500	\$27,500
2006	RENT - BUILDING	\$145,463	\$145,299	\$149,312	\$128,061	\$128,061
2007	RENT - MACHINE AND OTHER	\$14,973	\$12,875	\$16,698	\$16,698	\$16,698
2009	OTHER OPERATING EXPENSE	\$115,854	\$145,310	\$78,139	\$87,332	\$159,715
5000	CAPITAL EXPENDITURES	\$52,221	\$78,766	\$343,700	\$343,700	\$14,700
TOTAL, OBJECT OF EXPENSE		\$1,203,695	\$1,436,031	\$1,708,758	\$1,713,634	\$1,460,037
Method of Financing:						
1	General Revenue Fund	\$1,203,695	\$1,436,031	\$1,708,758	\$1,713,634	\$1,460,037
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,203,695	\$1,436,031	\$1,708,758	\$1,713,634	\$1,460,037
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,713,634	\$1,460,037
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,203,695	\$1,436,031	\$1,708,758	\$1,713,634	\$1,460,037
FULL TIME EQUIVALENT POSITIONS:		14.9	19.1	19.1	19.3	19.3

STRATEGY DESCRIPTION AND JUSTIFICATION:

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 10:54:38AM

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

GOAL:	5	Indirect Administration	Statewide Goal/Benchmark:	0	0
OBJECTIVE:	1	Indirect Administration	Service Categories:		
STRATEGY:	1	Indirect Administration	Service:	09	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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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 human resources , 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, budgeting, purchasing, facilities management, and other support to the agency. The Technology 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 TG , 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 provide 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 .

3.A. STRATEGY REQUEST
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME: 10:54:38AM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$5,050,029	\$6,226,016	\$7,016,474	\$6,942,147	\$6,394,330
METHODS OF FINANCE (INCLUDING RIDERS):				\$6,942,147	\$6,394,330
METHODS OF FINANCE (EXCLUDING RIDERS):	\$5,050,029	\$6,226,016	\$7,016,474	\$6,942,147	\$6,394,330
FULL TIME EQUIVALENT POSITIONS:	80.5	105.5	105.5	105.5	105.5

3.B. Rider Revisions and Additions Request

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/20/08	Request Level: Base																											
Current Rider Number	Page Number in 2008–09 GAA	Proposed Rider Language																													
2.	VIII-66	<p>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.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">2010</th> <th style="width: 20%; text-align: center;">2011</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><u>Out of the General Revenue Fund</u></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">b. Acquisition of Information Resource Technologies</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">(1) Lease Payments for (MLPP) for Enterprise Server Acquisition</td> <td style="text-align: right;">\$ 54,000</td> <td style="text-align: right;">\$ - 0 -</td> </tr> <tr> <td style="text-align: center;">(2) Upgrade Obsolete Telephone System (MLPP)</td> <td style="text-align: right;">14,700</td> <td style="text-align: right;">14,700</td> </tr> <tr> <td style="text-align: center;">(3) Core Application Conversion</td> <td style="text-align: right;"><u>275,000</u></td> <td></td> </tr> <tr> <td style="text-align: center;">(4) Image System Implementation</td> <td style="text-align: right;"><u>196,000</u></td> <td></td> </tr> <tr> <td style="text-align: center;">(5) TALCB Licensee Automation</td> <td style="text-align: right;"><u>150,000</u></td> <td></td> </tr> <tr> <td style="text-align: center;">Total, Capital Budget</td> <td style="text-align: right;">\$ <u>689,700</u></td> <td style="text-align: right;">\$ <u>14,700</u></td> </tr> </tbody> </table> <p style="margin-top: 10px;"><i>This rider is needed in the event funding is continued in the baseline for the capital projects listed above.</i></p>				2010	2011	<u>Out of the General Revenue Fund</u>			b. Acquisition of Information Resource Technologies			(1) Lease Payments for (MLPP) for Enterprise Server Acquisition	\$ 54,000	\$ - 0 -	(2) Upgrade Obsolete Telephone System (MLPP)	14,700	14,700	(3) Core Application Conversion	<u>275,000</u>		(4) Image System Implementation	<u>196,000</u>		(5) TALCB Licensee Automation	<u>150,000</u>		Total, Capital Budget	\$ <u>689,700</u>	\$ <u>14,700</u>
	2010	2011																													
<u>Out of the General Revenue Fund</u>																															
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(2) Upgrade Obsolete Telephone System (MLPP)	14,700	14,700																													
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(4) Image System Implementation	<u>196,000</u>																														
(5) TALCB Licensee Automation	<u>150,000</u>																														
Total, Capital Budget	\$ <u>689,700</u>	\$ <u>14,700</u>																													
3.	VIII-68	<p>Appropriation of Residential Service Company Examination Fees. In addition to the funds appropriated above (\$5,500 each year of the biennium), all monies collected pursuant to § 1303.052 (c), Occupations Code, are hereby appropriated to the Texas Real Estate Commission for the purposes of conducting examinations and related activities included within Strategy B.1.1, TREC Investigation.</p> <p style="margin-top: 10px;"><i>Request continuation of this rider with no changes.</i></p>																													

**3.B. Rider Revisions and Additions Request
(continued)**

Agency Code: 329		Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/20/08	Request Level: Base
Current Rider Number	Page Number in 2008–09 GAA	Proposed Rider Language			
4.	VIII-68	<p>Reporting Requirement. In its annual report, the Real Estate Commission shall provide a schedule showing a breakdown of the number of broker and salesman license renewals and the amount of funds transferred to the Real Estate Research Center.</p> <p><i>Request deletion of this rider. A hard copy of the Annual Financial Report is no longer required. TREC will continue reporting this information directly to the Real Estate Research Center.</i></p>			
5.	VIII-68	<p>Appropriation of Receipts: National Registry Fees. Fee revenue deposited to the Appraiser Registry Account No. 028, in the General Revenue Fund pursuant to § 1103.156, Occupations Code, including the estimated amounts appropriated above, \$120,000 in fiscal year 2008 and \$120,000 in fiscal year 2009, is hereby appropriated to the Texas Appraiser Licensing and Certification Board, as an independent subdivision of the Texas Real Estate Commission. The appropriation made herein shall be expended only for the purpose specified in § 1103.156, Occupations Code, relating to revenue transmitted to the federal Appraisal Subcommittee.</p> <p><i>Request continuation of this rider with no changes.</i></p>			
6.	VIII-68	<p>Real Estate Recovery Fund and Inspection Recovery Fund. The amounts appropriated above include an estimated total of \$4,000 per year from the Real Estate Recovery Trust Fund and the Real Estate Inspection Trust Fund to recover travel and related expenses incurred for collection of court judgments affecting the funds.</p> <p><i>Request continuation of this rider with no changes.</i></p>			
7.	VIII-68	<p>Sunset Contingency. Funds appropriated above for fiscal year 2009 for the Real Estate Commission are made contingent on the continuation of the Real Estate Commission by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof may be necessary to be used to provide for the phase-out of the agency operations.</p> <p><i>Request deletion of this rider.</i></p>			
8.	VIII-68	<p>Reimbursement of Advisory Committee Members. Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of amounts appropriated above, is limited to the following advisory committees: Texas Real Estate Broker-Lawyer Committee and the Texas Real Estate Inspector Committee.</p> <p><i>Request continuation of this rider with no changes.</i></p>			

**3.B. Rider Revisions and Additions Request
(continued)**

Agency Code: 329		Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/20/08	Request Level: Base						
Current Rider Number	Page Number in 2008–09 GAA	Proposed Rider Language									
4.	VIII-88	<p>Sec. 4. TexasOnline Authority Appropriation.</p> <p>a. Each Article VIII licensing agency participating in the TexasOnline Authority is authorized in accordance with §2054.2 Code to increase the occupational license, permit, and registration fees imposed on the licensees by an amount sufficient to cover the subscription fee charged by the TexasOnline Authority.</p> <p>b. The following is an informational listing for each Article VIII licensing agency participating in TexasOnline of appropriated fee revenue for the purpose of paying TexasOnline Authority subscription fees.</p> <table border="0" style="margin-left: 40px;"> <tr> <td></td> <td align="center"><u>2008</u></td> <td align="center"><u>2009</u></td> </tr> <tr> <td>Real Estate Commission</td> <td align="center">322,000</td> <td align="center">322,000</td> </tr> </table> <p>c. In the event that actual and/or projected revenue collections from fee increases to cover the cost of TexasOnline subscription fees are insufficient to offset the costs identified above, the Comptroller is hereby directed to reduce the appropriation authority provided by this Act to agencies participating in TexasOnline to be within the amount of fee revenue expected to be available.</p> <p>d. For new licensing applications, the Article VIII licensing agencies participating in TexasOnline are hereby appropriated the additional revenue generated from occupational license, permit, or registration fees in excess of the Comptroller's biennial revenue estimate 2008-09 for the sole purpose of payment to the TexasOnline Authority contractor of subscription fees for implementing and maintaining electronic services for the licensing agencies. Each agency, upon completion of necessary actions to access or increase fees, shall furnish copies of board meeting minutes, an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller. If the Comptroller finds the information sufficient to support the projection of increased revenues, a notification letter will be issued and the contingent appropriation made available for the intended purposes.</p> <p>e. Each Article VIII licensing agency participating in TexasOnline shall notify the Legislative Budget Board and the Comptroller of Public Accounts in writing upon receiving an exemption from participating in TexasOnline. Within 45 days of receiving an exemption, an agency shall provide the Legislative Budget Board and the Comptroller with a report of the effective date, the reason for exemption, and all estimated expenditures for TexasOnline costs in the fiscal year in which the exemption is made.</p> <p><i>Request continuation of this rider with no changes.</i></p>					<u>2008</u>	<u>2009</u>	Real Estate Commission	322,000	322,000
	<u>2008</u>	<u>2009</u>									
Real Estate Commission	322,000	322,000									

**3.B. Rider Revisions and Additions Request
(continued)**

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/20/08	Request Level: Base
Current Rider Number	Page Number in 2008–09 GAA	Proposed Rider Language		
6.	VIII-89	<p>Sec. 6. Contingency Appropriation for Criminal History Record Information.</p> <p>a. For each Article VIII licensing agency conducting criminal history background checks that is authorized in accordance with the Government Code to increase the occupational license, permit, and/or registration fee imposed on the licensees by an amount sufficient to cover the cost of the fee charged by the Department of Public Safety (DPS), Federal Bureau of Investigation (FBI), and/or any other entity authorized to conduct criminal history background checks, in the event that actual and/or projected revenue collections from fee increases to cover the cost of criminal history background checks are insufficient to offset the costs included in the agency's appropriations that is budgeted for criminal history background checks, the Comptroller is hereby directed to reduce the appropriation authority provided by this Act to agencies conducting criminal history background checks to be within the amount of revenue expected to be available.</p> <p>b. Each Article VIII licensing agency conducting criminal history background checks is hereby appropriated the additional revenue generated from occupational license, permit, and/or registration fees in excess of the Comptroller's biennial revenue estimate for 2008-09 for the sole purpose of conducting criminal history background checks. Each agency, upon completion of necessary actions to assess or increase fees, shall furnish copies of board meeting minutes, an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller. If the Comptroller finds the information sufficient to support the projection of increased revenues, a notification letter will be issued and the contingent appropriation made available for the intended purpose.</p> <p><i>This rider is needed to grant TREC appropriation authority to expend the additional revenue generated beyond the amount in the baseline appropriation for the purpose of conducting criminal history background checks.</i></p>		

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:04:56PM**

Agency code: **329**

Agency name:
Real Estate Commission

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2010</u>	<u>Excp 2011</u>
	Item Name: Criminal History Background Checks		
	Item Priority: 1		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	938,800	1,298,800
	TOTAL, OBJECT OF EXPENSE	\$938,800	\$1,298,800
METHOD OF FINANCING:			
1	General Revenue Fund	938,800	1,298,800
	TOTAL, METHOD OF FINANCING	\$938,800	\$1,298,800

DESCRIPTION / JUSTIFICATION:

TREC is required to perform newly mandated federal criminal background checks on applicants for original licensure and applicants for renewal of broker and salesperson licenses. This requirement was mandated by HB 1530, 80th Legislative Session. Through the original cycle, applicants for original licensure and renewal licenses have obtained fingerprinting and criminal history background checks through DPS. Applicants for original licensure will continue to do that. Applicants for renewal of subsequent licenses will pay TREC, and the fee will be remitted to DPS.

EXTERNAL/INTERNAL FACTORS:

DPS administers the contract with a vendor to provide fingerprinting services.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:06:26PM**

Agency code: **329**

Agency name:

Real Estate Commission

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Begin the Achievement of Salary Equity with Comparable 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	184,600	184,600
	TOTAL, OBJECT OF EXPENSE	\$184,600	\$184,600

METHOD OF FINANCING:

1	General Revenue Fund	184,600	184,600
	TOTAL, METHOD OF FINANCING	\$184,600	\$184,600

DESCRIPTION / JUSTIFICATION:

TREC salaries are generally below the levels at peer state agencies based on FY 2009 salary appropriations. Article VIII agencies had, on average, a per employee salary of \$44,678, and TREC's average, including TALCB, is at \$39,307. 56% of TREC's current employees are at salaries within the first quartile of the salary structure, and only 7 employees have salaries in excess of the midpoint. These salary issues impact TREC at all levels, and for that reason TREC is requesting additional funds for salary equity adjustments. TREC is also requesting a pro rata share (\$20,000) increase in the statutorily established salary for the Administrator to \$125,000. TREC aspires to reduce by approximately one-third the gap between TREC average salaries and average salaries of other Article VIII agencies as reflected in the General Appropriations Act for the 2008/2009 biennium.

EXTERNAL/INTERNAL FACTORS:

In recent years the level of salaries at TREC has made it very difficult to fill positions on a timely basis and approved appropriations have not been sufficient for TREC to budget for permanent merit increases. The ability to retain employees once they are hired and trained is a serious challenge, and as staff with greater experience and longevity are effectively capped, they may feel compelled to seek other state government employment as the only viable way to increase their base salary.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:06:26PM**

Agency code: **329**

Agency name:

Real Estate Commission

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2010</u>	<u>Excp 2011</u>
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Item Name: Transition to Imaged Documented to Eliminate Vulnerabilities, Reduce Leased Space, Promote Improved Efficiencies, and Better Serve Texans

Item Priority: 3

Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses

OBJECTS OF EXPENSE:

2009	OTHER OPERATING EXPENSE	0	300,000
TOTAL, OBJECT OF EXPENSE		\$0	\$300,000

METHOD OF FINANCING:

1	General Revenue Fund	0	300,000
TOTAL, METHOD OF FINANCING		\$0	\$300,000

DESCRIPTION / JUSTIFICATION:

TREC has an immense volume of paper files on its approximately 156,000 licensees which need to be scanned. Doing so will eventually enable TREC to reduce its leased space and reduce many of the inefficiencies inherent in work flows involving so many paper records kept in different locations at the TREC headquarters. Accordingly, TREC is requesting an exceptional item of \$300,000 in FY 2011 to scan the contents of approximately 156,000 licensing files.

EXTERNAL/INTERNAL FACTORS:

Reducing storage for licensee files will enable TREC to reduce lease space. Use of imaged files will streamline many of TREC's work flows.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:06:26PM**

Agency code: **329**

Agency name:
Real Estate Commission

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: DIR Controlled Penetration Testing

Item Priority: 4

Includes Funding for the Following Strategy or Strategies: 05-01-01 Indirect Administration

OBJECTS OF EXPENSE:

2001	PROFESSIONAL FEES AND SERVICES	16,000	16,000
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TOTAL, OBJECT OF EXPENSE	16,000	16,000
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METHOD OF FINANCING:

1	General Revenue Fund	16,000	16,000
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TOTAL, METHOD OF FINANCING	16,000	16,000
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DESCRIPTION / JUSTIFICATION:

Each agency must perform a security risk analysis of information resources to meet state security standards per 1 TAC Part 202.

EXTERNAL/INTERNAL FACTORS:

The continuing threats against system security validate the need for funding for this test.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:06:26PM**

Agency code: **329**

Agency name:

Real Estate Commission

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: Enhance TREC's Ability to Resolve Complaints Promptly and Assist in Combating Mortgage Fraud

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	44,254	44,254
2004	UTILITIES	600	0
2009	OTHER OPERATING EXPENSE	8,260	0
TOTAL, OBJECT OF EXPENSE		\$53,114	\$44,254

METHOD OF FINANCING:

1	General Revenue Fund	53,114	44,254
TOTAL, METHOD OF FINANCING		\$53,114	\$44,254

FULL-TIME EQUIVALENT POSITIONS (FTE):

	1.00	1.00
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DESCRIPTION / JUSTIFICATION:

Two major factors warrant the FTE for an additional staff attorney: 1) the complexity of the consumer complaints received and 2) the additional time it takes to prosecute a contested case at the State Office of Administrative Hearings, including more formal motion practice, discovery, as well as the additional required steps-- and length of time it takes-- before the Commission Members can enter a final order. All of this impacts the length of time a case remains open, which is a significant factor in meeting certain key measures.

EXTERNAL/INTERNAL FACTORS:

The agency now has a statutory duty to review complaints for suspected mortgage fraud and to assist prosecutors and other agencies in the investigation and prosecution of mortgage fraud.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:06:26PM**

Agency code: **329**

Agency name:

Real Estate Commission

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: Begin the Achievement of Salary Equity with Comparable Agencies - TALCB

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	38,000	38,000
TOTAL, OBJECT OF EXPENSE		\$38,000	\$38,000

METHOD OF FINANCING:

1	General Revenue Fund	38,000	38,000
TOTAL, METHOD OF FINANCING		\$38,000	\$38,000

DESCRIPTION / JUSTIFICATION:

TALCB salaries are generally below the levels at peer state agencies based on FY 2009 salary appropriations. These salary issues impact and TALCB at all levels, and for that reason TALCB is requesting as an exceptional item additional funds for salary equity adjustments. The \$33,000 requested for classified employee salary increases would be sufficient to reduce by approximately one-half the gap between TREC average salaries and average salaries of other Article VIII agencies as reflected in the General Appropriations Act for the 2008/2009 biennium. TALCB is also requesting its pro rata share (\$5,000) of the salary increase for the TREC Administrator/TALCB Commissioner.

EXTERNAL/INTERNAL FACTORS:

The ability to retain employees once they are hired and trained is a serious challenge. As staff with greater experience and longevity are effectively capped, they may feel compelled to seek other state government employment as the only viable way to increase their base salary.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:06:26PM**

Agency code: **329**

Agency name:

Real Estate Commission

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: Improve Ability to Respond to Calls

Item Priority: 21

Includes Funding for the Following Strategy or Strategies: 04-01-01 Process Applications and License Applicants

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	29,146	29,146
2004	UTILITIES	750	0
2009	OTHER OPERATING EXPENSE	6,304	0
TOTAL, OBJECT OF EXPENSE		\$36,200	\$29,146

METHOD OF FINANCING:

1	General Revenue Fund	36,200	29,146
TOTAL, METHOD OF FINANCING		\$36,200	\$29,146

FULL-TIME EQUIVALENT POSITIONS (FTE):

1.00		1.00
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DESCRIPTION / JUSTIFICATION:

The TALCB toll-free line is currently answered by TREC Communication staff. Currently, TREC has insufficient telephone personnel to answer and respond to more than a limited percentage of inquiries. A recent survey indicated that 80% of all callers to the TREC toll free lines receive a busy signal. An additional staff person will help alleviate this situation.

EXTERNAL/INTERNAL FACTORS:

Over 80% of incoming calls are unable to reach TREC Communications, which now also handles calls for TALCB. The funding for this exceptional item would help alleviate this problem. Because this is a function in which TREC and TALCB operations have been integrated, this will impact TREC's performance measure by increasing calls handled. (Number of Calls Received in the Communications strategy 03-01-01)

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:06:26PM**

Agency code: **329**

Agency name:
Real Estate Commission

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: Transition to Imaged Documents to Eliminate Vulnerabilities, Reduce Leased Space, promote Improved Efficiencies, and Better Serve Texans

Item Priority: 22

Includes Funding for the Following Strategy or Strategies: 04-01-01 Process Applications and License Applicants

OBJECTS OF EXPENSE:

2009	OTHER OPERATING EXPENSE	0	50,000
TOTAL, OBJECT OF EXPENSE		\$0	\$50,000

METHOD OF FINANCING:

1	General Revenue Fund	0	50,000
TOTAL, METHOD OF FINANCING		\$0	\$50,000

DESCRIPTION / JUSTIFICATION:

TALCB has a large volume of paper files on its licensees which need to be scanned. Doing so will eventually enable TALCB to reduce many of the inefficiencies inherent in work flows involving paper records. Accordingly, TALCB is requesting \$50,000 in FY 2011 to scan licensing files.

EXTERNAL/INTERNAL FACTORS:

TALCB will be included in the document scanning project with TREC. Imaged files will require less storage space and enhance work flow.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/16/2008**
 TIME: **9:06:26PM**

Agency code: **329**

Agency name:
Real Estate Commission

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Ensure the Adequacy of Enforcement Staff to Comply with Federal Mandates Imposed on Federally Approved Appraiser Programs		
	Item Priority: 23		
	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	138,750	138,750
2004	UTILITIES	2,400	0
2005	TRAVEL	2,000	2,000
2009	OTHER OPERATING EXPENSE	33,040	0
	TOTAL, OBJECT OF EXPENSE	\$176,190	\$140,750

METHOD OF FINANCING:

1	General Revenue Fund	176,190	140,750
	TOTAL, METHOD OF FINANCING	\$176,190	\$140,750

FULL-TIME EQUIVALENT POSITIONS (FTE):

	4.00	4.00
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DESCRIPTION / JUSTIFICATION:

TALCB continues to experience a high and rising level of appraiser complaints and to receive a high and rising number of requests from prosecutors and other agencies for assistance with the investigation and prosecution of suspected mortgage fraud. In order to be able to address the demands of compliance with ASC Policy Statement 10, requiring TALCB to resolve complaints within a year (with limited, documented exceptions) and in order to be able to provide requested assistance on suspected mortgage fraud matters, TALCB is requesting additional enforcement staff as an exceptional item. This would include one additional enforcement attorney, one law enforcement investigator, two appraisers, and one administrative assistant.

EXTERNAL/INTERNAL FACTORS:

Federal Appraiser Subcommittee Policy Statement 10 requires TALCB to resolve complaints within a year.

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Criminal History Background Checks			
Allocation to Strategy: 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	938,800	1,298,800
TOTAL, OBJECT OF EXPENSE		\$938,800	\$1,298,800
METHOD OF FINANCING:			
1	General Revenue Fund	938,800	1,298,800
TOTAL, METHOD OF FINANCING		\$938,800	\$1,298,800

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
 TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Begin the Achievement of Salary Equity with Comparable Agencies			
Allocation to Strategy: 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	43,479	43,479
TOTAL, OBJECT OF EXPENSE		\$43,479	\$43,479
METHOD OF FINANCING:			
1	General Revenue Fund	43,479	43,479
TOTAL, METHOD OF FINANCING		\$43,479	\$43,479

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Begin the Achievement of Salary Equity with Comparable Agencies			
Allocation to Strategy: 2-1-1 Investigate and Resolve Valid Complaint Cases			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	60,762	60,762
TOTAL, OBJECT OF EXPENSE		\$60,762	\$60,762
METHOD OF FINANCING:			
1	General Revenue Fund	60,762	60,762
TOTAL, METHOD OF FINANCING		\$60,762	\$60,762

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
 TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Begin the Achievement of Salary Equity with Comparable Agencies			
Allocation to Strategy: 3-1-1 Prepare and Distribute Information Describing TREC Functions			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	36,616	36,616
TOTAL, OBJECT OF EXPENSE		\$36,616	\$36,616
METHOD OF FINANCING:			
1	General Revenue Fund	36,616	36,616
TOTAL, METHOD OF FINANCING		\$36,616	\$36,616

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name:		Begin the Achievement of Salary Equity with Comparable Agencies	
Allocation to Strategy:		5-1-1	Indirect Administration
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	43,743	43,743
TOTAL, OBJECT OF EXPENSE		\$43,743	\$43,743
METHOD OF FINANCING:			
1	General Revenue Fund	43,743	43,743
TOTAL, METHOD OF FINANCING		\$43,743	\$43,743

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
 TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Transition to Imaged Documented to Eliminate Vulnerabilities, Reduce Leased Space, Promote Improved Efficiencies, and Better Serve Texans			
Allocation to Strategy: 1-1-1 Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	0	300,000
TOTAL, OBJECT OF EXPENSE		\$0	\$300,000
METHOD OF FINANCING:			
1	General Revenue Fund	0	300,000
TOTAL, METHOD OF FINANCING		\$0	\$300,000

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
 TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name:	DIR Controlled Penetration Testing		
Allocation to Strategy:	5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	16,000	16,000
TOTAL, OBJECT OF EXPENSE		\$16,000	\$16,000
METHOD OF FINANCING:			
1	General Revenue Fund	16,000	16,000
TOTAL, METHOD OF FINANCING		\$16,000	\$16,000

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name:		Enhance TREC's Ability to Resolve Complaints Promptly and Assist in Combating Mortgage Fraud	
Allocation to Strategy:		2-1-1 Investigate and Resolve Valid Complaint Cases	
STRATEGY IMPACT ON OUTCOME MEASURES:			
	<u>2</u> Percent of Documented Complaints Resolved within 6 Months	85.00%	85.00%
OUTPUT MEASURES:			
	<u>1</u> Number of Complaints Resolved	240.00	240.00
EFFICIENCY MEASURES:			
	<u>1</u> Average Time for Complaint Resolution (Days)	135.00	135.00
OBJECTS OF EXPENSE:			
	1001 SALARIES AND WAGES	44,254	44,254
	2004 UTILITIES	600	0
	2009 OTHER OPERATING EXPENSE	8,260	0
TOTAL, OBJECT OF EXPENSE		\$53,114	\$44,254
METHOD OF FINANCING:			
	1 General Revenue Fund	53,114	44,254
TOTAL, METHOD OF FINANCING		\$53,114	\$44,254
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
 TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Begin the Achievement of Salary Equity with Comparable Agencies - TALCB			
Allocation to Strategy: 4-1-1 Process Applications and License Applicants			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	14,451	14,451
TOTAL, OBJECT OF EXPENSE		\$14,451	\$14,451
METHOD OF FINANCING:			
1	General Revenue Fund	14,451	14,451
TOTAL, METHOD OF FINANCING		\$14,451	\$14,451

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
 TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Begin the Achievement of Salary Equity with Comparable Agencies - TALCB			
Allocation to Strategy: 4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	23,549	23,549
TOTAL, OBJECT OF EXPENSE		\$23,549	\$23,549
METHOD OF FINANCING:			
1	General Revenue Fund	23,549	23,549
TOTAL, METHOD OF FINANCING		\$23,549	\$23,549

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Improve Ability to Respond to Calls			
Allocation to Strategy: 4-1-1 Process Applications and License Applicants			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	29,146	29,146
2004	UTILITIES	750	0
2009	OTHER OPERATING EXPENSE	6,304	0
TOTAL, OBJECT OF EXPENSE		\$36,200	\$29,146
METHOD OF FINANCING:			
1	General Revenue Fund	36,200	29,146
TOTAL, METHOD OF FINANCING		\$36,200	\$29,146
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
 TIME: **11:56:07AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Transition to Imaged Documents to Eliminate Vulnerabilities, Reduce Leased Space, promote Improved Efficiencies, and Better Serve Texans			
Allocation to Strategy: 4-1-1 Process Applications and License Applicants			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	0	50,000
TOTAL, OBJECT OF EXPENSE		\$0	\$50,000
METHOD OF FINANCING:			
1	General Revenue Fund	0	50,000
TOTAL, METHOD OF FINANCING		\$0	\$50,000

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/17/2008**
TIME: **11:55:43AM**

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

Code	Description	Excp 2010	Excp 2011
Item Name: Ensure the Adequacy of Enforcement Staff to Comply with Federal Mandates Imposed on Federally Approved Appraiser Programs			
Allocation to Strategy: 4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate			
STRATEGY IMPACT ON OUTCOME MEASURES:			
	3 Percent of Documented Complaints Resolved within 6 Months	60.00%	65.00%
OUTPUT MEASURES:			
	1 Number of Complaints Resolved	300.00	330.00
EFFICIENCY MEASURES:			
	1 Average Time for Complaint Resolution (Days)	300.00	240.00
OBJECTS OF EXPENSE:			
	1001 SALARIES AND WAGES	138,750	138,750
	2004 UTILITIES	2,400	0
	2005 TRAVEL	2,000	2,000
	2009 OTHER OPERATING EXPENSE	33,040	0
TOTAL, OBJECT OF EXPENSE		\$176,190	\$140,750
METHOD OF FINANCING:			
	1 General Revenue Fund	176,190	140,750
TOTAL, METHOD OF FINANCING		\$176,190	\$140,750
FULL-TIME EQUIVALENT POSITIONS (FTE):		4.0	4.0

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/16/2008
TIME: 9:08:07PM

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

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure Statewide Goal/Benchmark: 7 - 4
 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 2010	Excp 2011
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	43,479	43,479
2009 OTHER OPERATING EXPENSE	938,800	1,598,800
Total, Objects of Expense	\$982,279	\$1,642,279

METHOD OF FINANCING:

1 General Revenue Fund	982,279	1,642,279
Total, Method of Finance	\$982,279	\$1,642,279

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Criminal History Background Checks

Begin the Achievement of Salary Equity with Comparable Agencies

Transition to Imaged Documented to Eliminate Vulnerabilities, Reduce Leased Space, Promote Improved Efficiencies, and Better Serve Texans

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/16/2008
TIME: 9:08:15PM

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

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules Statewide Goal/Benchmark: 7 - 5
 OBJECTIVE: 1 Resolve Complaints and Hold Hearings Exeditiously Service Categories:
 STRATEGY: 1 Investigate and Resolve Valid Complaint Cases Service: 16 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2010	Excp 2011
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STRATEGY IMPACT ON OUTCOME MEASURES:

<u>2</u> Percent of Documented Complaints Resolved within 6 Months	85.00 %	85.00 %
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OUTPUT MEASURES:

<u>1</u> Number of Complaints Resolved	240.00	240.00
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EFFICIENCY MEASURES:

<u>1</u> Average Time for Complaint Resolution (Days)	135.00	135.00
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	105,016	105,016
2004 UTILITIES	600	0
2009 OTHER OPERATING EXPENSE	8,260	0
Total, Objects of Expense	\$113,876	\$105,016

METHOD OF FINANCING:

1 General Revenue Fund	113,876	105,016
Total, Method of Finance	\$113,876	\$105,016

FULL-TIME EQUIVALENT POSITIONS (FTE):

	1.0	1.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Begin the Achievement of Salary Equity with Comparable Agencies
 Enhance TREC's Ability to Resolve Complaints Promptly and Assist in Combating Mortgage Fraud

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/16/2008
TIME: 9:08:15PM

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 2010	Excp 2011
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OUTPUT MEASURES:

<u>1</u> Number of Calls Received	20,000.00	20,000.00
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	36,616	36,616
Total, Objects of Expense	\$36,616	\$36,616

METHOD OF FINANCING:

1 General Revenue Fund	36,616	36,616
Total, Method of Finance	\$36,616	\$36,616

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Begin the Achievement of Salary Equity with Comparable Agencies

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/16/2008
TIME: 9:08:15PM

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

GOAL: 4 Implement and Enforce TALCB and Standards Statewide Goal/Benchmark: 7 - 4
 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 2010	Excp 2011
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	43,597	43,597
2004 UTILITIES	750	0
2009 OTHER OPERATING EXPENSE	6,304	50,000
Total, Objects of Expense	\$50,651	\$93,597

METHOD OF FINANCING:

1 General Revenue Fund	50,651	93,597
Total, Method of Finance	\$50,651	\$93,597

FULL-TIME EQUIVALENT POSITIONS (FTE):

1.0	1.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Begin the Achievement of Salary Equity with Comparable Agencies - TALCB

Improve Ability to Respond to Calls

Transition to Imaged Documents to Eliminate Vulnerabilities, Reduce Leased Space, promote Improved Efficiencies, and Better Serve Texans

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/16/2008
TIME: 9:08:15PM

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

GOAL: 4 Implement and Enforce TALCB and Standards Statewide Goal/Benchmark: 7 - 5
 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 2010	Excp 2011
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STRATEGY IMPACT ON OUTCOME MEASURES:

3 Percent of Documented Complaints Resolved within 6 Months	60.00 %	65.00 %
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OUTPUT MEASURES:

1 Number of Complaints Resolved	300.00	330.00
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EFFICIENCY MEASURES:

1 Average Time for Complaint Resolution (Days)	300.00	240.00
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	162,299	162,299
2004 UTILITIES	2,400	0
2005 TRAVEL	2,000	2,000
2009 OTHER OPERATING EXPENSE	33,040	0
Total, Objects of Expense	\$199,739	\$164,299

METHOD OF FINANCING:

1 General Revenue Fund	199,739	164,299
Total, Method of Finance	\$199,739	\$164,299

FULL-TIME EQUIVALENT POSITIONS (FTE):

	4.0	4.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Begin the Achievement of Salary Equity with Comparable Agencies - TALCB

Ensure the Adequacy of Enforcement Staff to Comply with Federal Mandates Imposed on Federally Approved Appraiser Programs

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/16/2008
TIME: 9:08:15PM

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 2010	Excp 2011
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	43,743	43,743
2001 PROFESSIONAL FEES AND SERVICES	16,000	16,000
Total, Objects of Expense	\$59,743	\$59,743

METHOD OF FINANCING:

1 General Revenue Fund	59,743	59,743
Total, Method of Finance	\$59,743	\$59,743

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Begin the Achievement of Salary Equity with Comparable Agencies
 DIR Controlled Penetration Testing

Agency code: 329

Agency name: Real Estate Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2008	Bud 2009	BL 2010	BL 2011
5005 Acquisition of Information Resource Technologies					
<i>3/3 Core Application Conversion</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
5000 CAPITAL EXPENDITURES		\$0	\$275,000	\$275,000	\$0
Capital Subtotal OOE, Project	3	\$0	\$275,000	\$275,000	\$0
Subtotal OOE, Project	3	\$0	\$275,000	\$275,000	\$0
TYPE OF FINANCING					
<u>Capital</u>					
CA 1 General Revenue Fund		\$0	\$275,000	\$275,000	\$0
Capital Subtotal TOF, Project	3	\$0	\$275,000	\$275,000	\$0
Subtotal TOF, Project	3	\$0	\$275,000	\$275,000	\$0
<i>4/4 Image System Implementation</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
5000 CAPITAL EXPENDITURES		\$0	\$196,000	\$196,000	\$0
Capital Subtotal OOE, Project	4	\$0	\$196,000	\$196,000	\$0
Subtotal OOE, Project	4	\$0	\$196,000	\$196,000	\$0
TYPE OF FINANCING					
<u>Capital</u>					
CA 1 General Revenue Fund		\$0	\$196,000	\$196,000	\$0
Capital Subtotal TOF, Project	4	\$0	\$196,000	\$196,000	\$0
Subtotal TOF, Project	4	\$0	\$196,000	\$196,000	\$0

5/5 TALCB Licensee automation

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 11:02:58AM

Agency code: 329

Agency name: Real Estate Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE	Est 2008	Bud 2009	BL 2010	BL 2011
OBJECTS OF EXPENSE				
<u>Capital</u>				
5000 CAPITAL EXPENDITURES	\$0	\$150,000	\$150,000	\$0
Capital Subtotal OOE, Project 5	\$0	\$150,000	\$150,000	\$0
Subtotal OOE, Project 5	\$0	\$150,000	\$150,000	\$0
TYPE OF FINANCING				
<u>Capital</u>				
CA 1 General Revenue Fund	\$0	\$150,000	\$150,000	\$0
Capital Subtotal TOF, Project 5	\$0	\$150,000	\$150,000	\$0
Subtotal TOF, Project 5	\$0	\$150,000	\$150,000	\$0
Capital Subtotal, Category 5005	\$0	\$621,000	\$621,000	\$0
Informational Subtotal, Category 5005				
Total, Category 5005	\$0	\$621,000	\$621,000	\$0

5008 Other Lease Payments to the Master Lease Purchase Program (MLPP)

*1/1 Lease Payments for (MLPP) for Enterprise Server
 Acqui*

OBJECTS OF EXPENSE

Capital

5000 CAPITAL EXPENDITURES	\$54,000	\$54,000	\$54,000	\$0
Capital Subtotal OOE, Project 1	\$54,000	\$54,000	\$54,000	\$0
Subtotal OOE, Project 1	\$54,000	\$54,000	\$54,000	\$0

TYPE OF FINANCING

Capital

ML 1 General Revenue Fund	\$54,000	\$54,000	\$54,000	\$0
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5.A. CAPITAL BUDGET PROJECT SCHEDULE
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME : 11:02:58AM

Agency code: 329

Agency name: Real Estate Commission

Category Code / Category Name

<i>Project Sequence/Project Id/ Name</i>		Est 2008	Bud 2009	BL 2010	BL 2011
OOE / TOF / MOF CODE					
Capital Subtotal TOF, Project	1	\$54,000	\$54,000	\$54,000	\$0
Subtotal TOF, Project	1	\$54,000	\$54,000	\$54,000	\$0
<i>2/2 Upgrade Obsolete Telephone System</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
5000 CAPITAL EXPENDITURES		\$14,700	\$14,700	\$14,700	\$14,700
Capital Subtotal OOE, Project	2	\$14,700	\$14,700	\$14,700	\$14,700
Subtotal OOE, Project	2	\$14,700	\$14,700	\$14,700	\$14,700
TYPE OF FINANCING					
<u>Capital</u>					
ML	1 General Revenue Fund	\$14,700	\$14,700	\$14,700	\$14,700
Capital Subtotal TOF, Project	2	\$14,700	\$14,700	\$14,700	\$14,700
Subtotal TOF, Project	2	\$14,700	\$14,700	\$14,700	\$14,700
Capital Subtotal, Category	5008	\$68,700	\$68,700	\$68,700	\$14,700
Informational Subtotal, Category	5008				
Total, Category	5008	\$68,700	\$68,700	\$68,700	\$14,700
AGENCY TOTAL -CAPITAL		\$68,700	\$689,700	\$689,700	\$14,700
AGENCY TOTAL -INFORMATIONAL					
AGENCY TOTAL		\$68,700	\$689,700	\$689,700	\$14,700

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 11:02:58AM

Agency code: 329

Agency name: Real Estate Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE	Est 2008	Bud 2009	BL 2010	BL 2011
METHOD OF FINANCING:				
<u>Capital</u>				
1 General Revenue Fund	\$68,700	\$689,700	\$689,700	\$14,700
Total, Method of Financing-Capital	\$68,700	\$689,700	\$689,700	\$14,700
Total, Method of Financing	\$68,700	\$689,700	\$689,700	\$14,700
TYPE OF FINANCING:				
<u>Capital</u>				
CA CURRENT APPROPRIATIONS	\$0	\$621,000	\$621,000	\$0
ML MASTER LEASE PURCHASE PRG	\$68,700	\$68,700	\$68,700	\$14,700
Total, Type of Financing-Capital	\$68,700	\$689,700	\$689,700	\$14,700
Total,Type of Financing	\$68,700	\$689,700	\$689,700	\$14,700

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/14/2008
 TIME: 7:35:36AM

Agency Code:	329	Agency name:	Real Estate Commission
Category Number:	5008	Category Name:	LEASE PAYMENT/MST LSE PRG
Project number:	1	Project Name:	Enterprise Server Acquisition

PROJECT DESCRIPTION

General Information

Ongoing project.

Number of Units / Average Unit Cost 0
Estimated Completion Date 8/31/2010

Additional Capital Expenditure Amounts Required	2012	2013
	0	0

Type of Financing ML MASTER LEASE PURCHASE PRG
Projected Useful Life 5 years
Estimated/Actual Project Cost \$ 270,000
Length of Financing/ Lease Period 5 years

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2010	2011	2012	2013	Total over project life
	54,000	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE_AMOUNT</u>
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Explanation: Enterprise server hosting Texas Real Estate Licensing Information System (TRELIS)

Project Location: 1101 Camino La Costa, Austin Texas 78752

Beneficiaries: Real estate licensees and the public

Frequency of Use and External Factors Affecting Use:

Daily

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/14/2008
 TIME: 7:35:36AM

Agency Code:	329	Agency name:	Real Estate Commission
Category Number:	5008	Category Name:	LEASE PAYMENT/MST LSE PRG
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 8/31/2012

Additional Capital Expenditure Amounts Required	2012	2013
	0	0

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

	2010	2011	2012	2013	Total over project life
	14,700	14,700	14,700	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>
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Explanation: PBX Replacement
Project Location: 1101 Camino La Costa, Austin Texas 78752
Beneficiaries: Texas real estate licensees and the public
Frequency of Use and External Factors Affecting Use:
 Daily

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/14/2008**
 TIME: **7:35:36AM**

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

Convert the Agency Licensing Management Systems into a platform which reduces the significant technical risk and to provide the ability to timely respond to industry and law changes. Replacement of system will support improved process changes allowing for increased efficiency in administrating licensing and enforcement activities. The implementation of a new licensing management system will replace an existing 20 year old obsolete product.

Number of Units / Average Unit Cost	0		
Estimated Completion Date	8/31/2011		
Additional Capital Expenditure Amounts Required		2012	2013
		0	0
Type of Financing	CA	CURRENT APPROPRIATIONS	
Projected Useful Life	10 years		
Estimated/Actual Project Cost	\$ 550,000		
Length of Financing/ Lease Period			

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2010	2011	2012	2013	Total over project life
	0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE</u>	<u>COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation: Convert the Agency Licensing Management Systems into a platform which reduces the significant technical risk and to provide the ability to timely respond to industry law changes.

Project Location: 1101 Camino La Costa, Austin Texas 78752

Beneficiaries: Texas real estate licensees and the public

Frequency of Use and External Factors Affecting Use:

Daily

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/14/2008
 TIME: 7:35:36AM

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

Implement a system that will image and index all incoming documents and provide a workflow solution that will support internal business process. Imaging of documents and workflow component will support the Real Estate Commission and Appraiser Licensing Certification Board. Total funding for project is \$196,000 of which Real Estate Commission will fund \$156,000 and the Appraiser Licensing Certification Board will fund \$40,000.

Number of Units / Average Unit Cost	0		
Estimated Completion Date	8/31/2011		
Additional Capital Expenditure Amounts Required		2012	2013
		0	0
Type of Financing	CA	CURRENT APPROPRIATIONS	
Projected Useful Life	10 years		
Estimated/Actual Project Cost	\$ 392,000		
Length of Financing/ Lease Period			

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2010	2011	2012	2013	Total over project life
	0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE</u>	<u>COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation: Significant storage space is required to retain the paper documentation that supports a licensee account. Our licensee population continues to grow faster than the re of old accounts, increasing the amount of space to support paper files. The imaging system will eliminate the increased demand for office space while increasing pro for employees as they access the electronic licensee accounts. An electronic image of documents offers increased protection for business continuity.

Project Location: 1101 Camino La Costa, Austin Texas 78752

Beneficiaries: Texas real estate licensees and the public

Frequency of Use and External Factors Affecting Use:

Daily

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/14/2008
 TIME: 7:35:36AM

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

Expand automation of Appraiser licensee information to include the ability to track education and present education and licensee information to the internet.

Number of Units / Average Unit Cost	0			
Estimated Completion Date	8/31/2011			
Additional Capital Expenditure Amounts Required		2012		2013
		0		0
Type of Financing	CA	CURRENT APPROPRIATIONS		
Projected Useful Life	10 years			
Estimated/Actual Project Cost	\$ 300,000			
Length of Financing/ Lease Period				
<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>				Total over project life
	2010	2011	2012	2013
	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE</u>	<u>COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>
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Explanation: The project conversion will provide efficiencies into the agency when processing, reviewing and managing educational records. The automation will eliminate a number of business processes and improve on the quality of the management of licenses.

Project Location: 1101 Camino La Costa, Austin Texas 78752

Beneficiaries: Texas real estate licensees and the public.

Frequency of Use and External Factors Affecting Use:

Daily

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **11:20:24AM**

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

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2008	Bud 2009	BL 2010	BL 2011
5005 Acquisition of Information Resource Technologies						
	<i>3/3</i>	<i>Core Application Conversion</i>				
Capital	5-1-1	INDIRECT ADMINISTRATION	0	275,000	\$275,000	\$0
		TOTAL, PROJECT	\$0	\$275,000	\$275,000	\$0
	<i>4/4</i>	<i>Image System Implementation</i>				
Capital	1-1-1	TREC LICENSING	0	156,000	156,000	0
Capital	4-1-1	TALCB LICENSING	0	40,000	40,000	0
		TOTAL, PROJECT	\$0	\$196,000	\$196,000	\$0
	<i>5/5</i>	<i>TALCB Licensee automation</i>				
Capital	4-1-1	TALCB LICENSING	0	150,000	150,000	0
		TOTAL, PROJECT	\$0	\$150,000	\$150,000	\$0
5008 Other Lease Payments to the Master Lease Purchase Program (MLPP)						
	<i>1/1</i>	<i>Enterprise Server Acquisition</i>				
Capital	5-1-1	INDIRECT ADMINISTRATION	54,000	54,000	54,000	0
		TOTAL, PROJECT	\$54,000	\$54,000	\$54,000	\$0
	<i>2/2</i>	<i>Upgrade Obsolete Telephone System</i>				

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **11:20:34AM**

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

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2008	Bud 2009	BL 2010	BL 2011
Capital	5-1-1	INDIRECT ADMINISTRATION	14,700	14,700	\$14,700	\$14,700
		TOTAL, PROJECT	\$14,700	\$14,700	\$14,700	\$14,700
		TOTAL CAPITAL, ALL PROJECTS	\$68,700	\$689,700	\$689,700	\$14,700
		TOTAL INFORMATIONAL, ALL PROJECTS				
		TOTAL, ALL PROJECTS	\$68,700	\$689,700	\$689,700	\$14,700

6.A. HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/12/2008
Time: 11:24:05AM

Agency Code: 329 Agency: Real Estate Commission

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2006 - 2007 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	HUB Expenditures FY 2006			Total Expenditures FY 2006	HUB Expenditures FY 2007			Total Expenditures FY 2007
		% Goal	% Actual	Actual \$		% Goal	% Actual	Actual \$	
20.0%	Professional Services	20.0 %	100.0%	\$42,705	\$42,705	20.0 %	100.0%	\$10,875	\$10,875
33.0%	Other Services	33.0 %	13.1%	\$10,958	\$83,778	33.0 %	30.9%	\$30,285	\$97,907
12.6%	Commodities	12.6 %	95.7%	\$298,786	\$312,178	12.6 %	84.9%	\$33,503	\$39,444
	Total Expenditures		80.3%	\$352,449	\$438,661		50.4%	\$74,663	\$148,226

B. Assessment of Fiscal Year 2006 - 2007 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 2006.

The agency attained or exceeded two of three, or 67% of the applicable statewide HUB procurement goals in FY2007.

Applicability:

The "Heavy Construction," "Building Construction," and "Special Trade Construction" categories are not applicable to agency operations in either fiscal year 2006 or fiscal year 2007 since the agency did not have strategies or programs related to construction.

Factors Affecting Attainment:

The "Other Services" category had a sole source (proprietary) expenditure to UNISYS for hardware and software maintenance of \$20,116 for fiscal year 2006 and fiscal year 2007.

"Good-Faith" Efforts:

The following is a list of activities that TREC has taken and will continue to take in order to meet the statewide 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 the state.
- 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."
- e) TREC participated as an exhibitor in the 2008 Procurement Connection HUB Expo.

6.B. Current Biennium One-time Expenditure Schedule

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Barbara Kolb and Karen Alexander		Date: 8/8/2008
Item	2008-2009		2010-2011	
	Amount	MOF	Amount	MOF
Implementation of SB 914				
A.1.1. Applications, Criminal Checks, Issue Licenses	\$67,159	001	\$56,900	001
Implementation of HB 716				
B.2.1. Investigate and Resolve Valid Complaint Cases	\$15,511	001	\$0	001
Implementation of HB 1530				
A.1.1. Applications, Criminal Checks, Issue Licenses	\$30,996	001	\$18,900	001
B.2.1. Investigate and Resolve Valid Complaint Cases	\$8,129	001	\$0	001

6.B. Current Biennium One-time Expenditure Schedule

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander & Barbara Kolb	Date: 08/20/08		
PROJECT ITEM: SB 914, Implement Sunset Provisions					
ALLOCATION TO STRATEGY: A.1.1. Review Applications, Perform Criminal Checks, Administer Exams, Issue Licenses					
Code	Strategy Allocation	Estimated 2008	Budgeted 2009	Requested 2010	Requested 2011
	Objects of Expense:				
2001	Professional Fees & Services	\$12,411	\$3,150	\$3,150	\$3,150
2004	Utilities	\$2,605			\$2,600
2009	Other Operating Expense	\$48,993			\$48,000
	Total, Objects of Expense	\$64,009	\$3,150	\$3,150	\$53,750
	Method of Financing:				
001	General Revenue Fund	\$64,009	\$3,150	\$3,150	\$53,750
	Total, Method of Financing	\$64,009	\$3,150	\$3,150	\$53,750

Description of Item for 2008-09

Computer programmer to modify computer system for change in late renewals and inspector insurance; install telecommunication and data lines, leasehold improvements to integrate TALCB into TREC operations and accommodate new employee. Long-range plan includes reduction of lease space to be accomplished by FY2012 in conjunction with the imaging project. In that case, construction is planned for FY2011 to accommodate those changes.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander & Barbara Kolb	Date: 08/20/08		
PROJECT ITEM: HB 716 - Mortgage Fraud, Provide Penalties					
ALLOCATION TO STRATEGY: B.2.1. Investigate and Resolve Valid Complaint Cases					
Code	Strategy Allocation	Estimated 2008	Budgeted 2009	Requested 2010	Requested 2011
2004	Objects of Expense: Utilities	\$730			
2009	Other Operating Expenses	\$14,781			
Total, Objects of Expense		\$15,511	\$0	\$0	\$0
001	Method of Financing: General Revenue Fund	\$15,511			
Total, Method of Financing		\$15,511	\$0	\$0	\$0

Description of Item for 2008-09

Installation of telecommunications and data lines for new employees, furniture purchased for new employees, other miscellaneous expenses.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander & Barbara Kolb	Date 08/08/08		
PROJECT ITEM: HB 1530, Regulation of Real Estate Contract Sales					
ALLOCATION TO STRATEGY: A.1.1. Review Applications, Perform Criminal Checks, Administer Exams, Issue Licenses					
Code	Strategy Allocation	Estimated 2008	Budgeted 2009	Requested 2010	Requested 2011
2001	Objects of Expense: Professional Fees & Services	\$21,546	\$9,450	\$9,450	\$9,450
	Total, Objects of Expense	\$21,546	\$9,450	\$9,450	\$9,450
001	Method of Financing: General Revenue Fund	\$21,546	\$9,450	\$9,450	\$9,450
	Total, Method of Financing	\$21,546	\$9,450	\$9,450	\$9,450

Description of Item for 2008-09

Computer programmer to modify licensing system for fingerprinting provisions required in HB 1530. It is anticipated that ongoing programming support will be required.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander & Barbara Kolb	Date 08/20/08		
PROJECT ITEM: HB 1530, Regulation of Real Estate Contract Sales					
ALLOCATION TO STRATEGY: B.2.1. Investigate and Resolve Valid Complaint Cases					
Code	Strategy Allocation	Estimated 2008	Budgeted 2009	Requested 2010	Requested 2011
	Objects of Expense:				
2004	Utilities	\$511			
2009	Other Operating Expenses	\$7,618			
	Total, Objects of Expense	\$8,129	\$0	\$0	\$0
	Method of Financing:				
001	General Revenue Fund	\$8,129			
	Total, Method of Financing	\$8,129	\$0	\$0	\$0

Description of Item for 2008-09

Install phone lines, purchase furniture for new employees, and other miscellaneous expenses.

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/12/2008
TIME: 11:25:15AM

81st 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 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
1 General Revenue Fund					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3103 Limited Sales & Use Tax-State	673	275	300	300	300
3105 Discounts for Sales Tax-State	4	2	2	2	2
3171 Prof-Fees-HB11, GR Increase	7,088,400	7,000,000	6,790,000	6,790,000	6,790,000
3175 Professional Fees	9,049,207	9,153,200	8,703,000	8,703,000	8,163,000
3752 Sale of Publications/Advertising	55,894	0	0	0	0
3775 Returned Check Fees	7,300	7,100	7,100	7,100	7,100
3777 Default Fund - Warrant Voided	268	250	250	250	250
3795 Other Misc Government Revenue	12,211	12,200	12,200	12,200	12,200
Subtotal: Actual/Estimated Revenue	16,213,957	16,173,027	15,512,852	15,512,852	14,972,852
Total Available	\$16,213,957	\$16,173,027	\$15,512,852	\$15,512,852	\$14,972,852
DEDUCTIONS:					
Expended/Budgeted/Requested	(4,435,448)	(5,844,326)	(6,540,797)	(6,631,647)	(6,083,830)
Art IX Sec 13.17 Salary Inc (06-07)	(206,147)	0	0	0	0
Art IX Sec 19.62 Salary Inc (08-09)	0	(74,590)	(165,177)	0	0
Art IX Sec 11.04 Red Ofc Lease	(51,126)	0	0	0	0
Employee Benefits	(861,833)	(999,209)	(1,055,538)	(1,055,538)	(1,055,538)
Total, Deductions	\$(5,554,554)	\$(6,918,125)	\$(7,761,512)	\$(7,687,185)	\$(7,139,368)
Ending Fund/Account Balance	\$10,659,403	\$9,254,902	\$7,751,340	\$7,825,667	\$7,833,484

REVENUE ASSUMPTIONS:

Revenue projections are based on current level (baseline) funding.

Revenue for Professional Fees (object code 3175) was decreased in FY 2011 by \$540,000 to reflect the discontinuance of TREC charging \$20 for sponsorship and address changes.

Due to a rule change, beginning in FY 2009, administrative penalties of approximately \$40,000 which were deposited to the Real Estate Recovery Trust Account (Fund 0971) will instead be treated as late fees and deposited to GR.

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/12/2008
TIME: 11:25:23AM

81st 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 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
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CONTACT PERSON:

Karen Alexander

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/12/2008
TIME: 11:25:23AM

81st 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 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
28 Appraiser Registry Acct					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3175 Professional Fees	160,675	120,000	120,000	120,000	120,000
Subtotal: Actual/Estimated Revenue	160,675	120,000	120,000	120,000	120,000
Total Available	\$160,675	\$120,000	\$120,000	\$120,000	\$120,000
DEDUCTIONS:					
Expended/Budgeted	(160,675)	(120,000)	(120,000)	(120,000)	(120,000)
Total, Deductions	\$(160,675)	\$(120,000)	\$(120,000)	\$(120,000)	\$(120,000)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

Revenue projections are based on current level (baseline) funding.

CONTACT PERSON:

Karen Alexander

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 11:25:23AM

Agency Code: **329**

Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
666 Appropriated Receipts					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3175 Professional Fees	2,889	7,411	5,500	5,500	5,500
3752 Sale of Publications/Advertising	192,566	181,000	181,000	181,000	181,000
3802 Reimbursements-Third Party	442	0	0	0	0
Subtotal: Actual/Estimated Revenue	195,897	188,411	186,500	186,500	186,500
Total Available	\$195,897	\$188,411	\$186,500	\$186,500	\$186,500
DEDUCTIONS:					
Expended/Budgeted	(195,897)	(188,411)	(186,500)	(186,500)	(186,500)
Total, Deductions	\$(195,897)	\$(188,411)	\$(186,500)	\$(186,500)	\$(186,500)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

CONTACT PERSON:

Karen Alexander

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/12/2008
TIME: 11:25:23AM

81st 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 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
969 Real Estate Trust Account					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3175 Professional Fees	2,857,850	2,900,000	2,726,000	2,726,000	2,726,000
Subtotal: Actual/Estimated Revenue	2,857,850	2,900,000	2,726,000	2,726,000	2,726,000
Total Available	\$2,857,850	\$2,900,000	\$2,726,000	\$2,726,000	\$2,726,000
DEDUCTIONS:					
Expended/Budgeted	(2,857,850)	(2,900,000)	(2,726,000)	(2,726,000)	(2,726,000)
Total, Deductions	\$(2,857,850)	\$(2,900,000)	\$(2,726,000)	\$(2,726,000)	\$(2,726,000)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

Projected revenue is reduced by 6% beginning in FY 2009.

CONTACT PERSON:

Karen Alexander

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME: 11:25:23AM

Agency Code: **329**

Agency name: **Real Estate Commission**

FUND/ACCOUNT	Act 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
971 Real Estate Recovery Fund					
Beginning Balance (Unencumbered):	\$319,033	\$384,614	\$280,389	\$177,889	\$175,389
Estimated Revenue:					
3175 Professional Fees	343,000	311,990	242,000	242,000	242,000
3714 Judgments	36,058	6,148	6,000	6,000	6,000
3802 Reimbursements-Third Party	9,855	8,035	8,000	8,000	8,000
3822 Sale of US Gov Obligations-Long	500,000	380,000	500,000	600,000	400,000
3855 Interest on Invest/Obligtn/Security	93,032	92,418	95,000	95,000	95,000
Subtotal: Actual/Estimated Revenue	981,945	798,591	851,000	951,000	751,000
Total Available	\$1,300,978	\$1,183,205	\$1,131,389	\$1,128,889	\$926,389
DEDUCTIONS:					
Expended/Budgeted	(569)	(500)	(3,500)	(3,500)	(3,500)
Payments Directed by Court Order	(512,775)	(392,378)	(450,000)	(450,000)	(450,000)
Purchase of US Govt - Long Term	(403,020)	(509,938)	(500,000)	(500,000)	(400,000)
Total, Deductions	\$(916,364)	\$(902,816)	\$(953,500)	\$(953,500)	\$(853,500)
Ending Fund/Account Balance	\$384,614	\$280,389	\$177,889	\$175,389	\$72,889

REVENUE ASSUMPTIONS:

In recent years, court ordered payments from the fund have varied as follows: FY 2003 (\$228,925) ; FY 2004 (\$227,795) ; FY 2005 (\$236,013) ; FY 2006 (\$537,357) ; FY 2007 (\$512,775) ; and FY 2008 projected (\$392,378) . The amount of court ordered payments has a direct affect on the fund balance at year end.

Due to a rule change, beginning in FY 2009, administrative penalties of approximately \$40,000 which were deposited to the Real Estate Recovery Trust Account (Fund 0971) will instead be treated as late fees and deposited to GR.

CONTACT PERSON:

Karen Alexander

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/12/2008
TIME: 11:25:23AM

81st 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 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
988 Real Estate Inspec Trust					
Beginning Balance (Unencumbered):	\$637,706	\$669,713	\$624,209	\$592,309	\$560,409
Estimated Revenue:					
3175 Professional Fees	48,625	30,000	29,100	29,100	29,100
3714 Judgments	22,185	0	0	0	0
3802 Reimbursements-Third Party	764	0	0	0	0
3851 Interest on St Deposits & Treas Inv	32,917	28,252	27,000	27,000	27,000
Subtotal: Actual/Estimated Revenue	104,491	58,252	56,100	56,100	56,100
Total Available	\$742,197	\$727,965	\$680,309	\$648,409	\$616,509
DEDUCTIONS:					
Expended/Budgeted	(67)	(100)	(500)	(500)	(500)
Payments Directed by Court Order	(12,500)	(12,500)	(12,500)	(12,500)	(12,500)
Transfers to GR	(59,917)	(91,156)	(75,000)	(75,000)	(75,000)
Total, Deductions	\$(72,484)	\$(103,756)	\$(88,000)	\$(88,000)	\$(88,000)
Ending Fund/Account Balance	\$669,713	\$624,209	\$592,309	\$560,409	\$528,509

REVENUE ASSUMPTIONS:

In recent years, court ordered payments from the fund have varied as follows: FY 2003 (\$7,500) ; FY 2004 (\$32,524) ; FY 2005 (\$28,567) ; FY 2006 (\$49,837) ; FY 2007 (\$12,500) ; and FY 2008 projected (\$12,500) . The amount of court ordered payments has a direct affect on the fund balance at year end.

CONTACT PERSON:

Karen Alexander

6.F.a. ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART A
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/12/2008
 Time: 11:26:36AM

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 2007	Estimated 2008	Budgeted 2009	Requested 2010	Requested 2011
Committee Members Direct Expenses					
Travel	\$0	\$2,083	\$2,083	\$2,083	\$2,083
Other Expenditures in Support of Committee Activities					
Personnel (0.15 FTEs)	6,603	8,240	9,874	9,874	9,874
Consumable Supplies	200	200	200	200	200
Total, Committee Expenditures	\$6,803	\$10,523	\$12,157	\$12,157	\$12,157
Method of Financing					
General Revenue Fund	\$6,803	\$10,523	\$12,157	\$12,157	\$12,157
Total, Method of Financing	\$6,803	\$10,523	\$12,157	\$12,157	\$12,157
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, six persons appointed by the Texas Real Estate Commission (TREC), and a public member appointed by the Governor. The committee prepares real estate 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 2008-2009 General Appropriations Act (page VIII-68) allowing reimbursement of expenses for this committee should be continued to discourage the unauthorized practice of law by real estate licensees and to reduce controversies in real estate transactions by providing fair and comprehensive contract forms for use by licensees. Standardization of these forms on a state-wide basis has done much to eliminate confusion and inconsistency in the buying and selling of real estate. As a governmental entity, TREC serves the public, and the forms it develops are intended to balance the interests of consumers, real estate licensees and service providers such as surveyors, lenders and title insurance companies. The committee structure ensures that extensive experience, considerable expertise, and public input are available to the Commission and ensures a continuity of service to the public.

6.F.a. ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART A
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/12/2008
 Time: 11:26:50AM

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 2007	Estimated 2008	Budgeted 2009	Requested 2010	Requested 2011
Committee Members Direct Expenses					
Travel	\$0	\$3,186	\$3,186	\$3,186	\$3,186
Other Expenditures in Support of Committee Activities					
Personnel (.25 FTEs)	9,350	10,180	10,720	10,720	10,720
Consumable Supplies	200	200	200	200	200
Total, Committee Expenditures	\$9,550	\$13,566	\$14,106	\$14,106	\$14,106
Method of Financing					
General Revenue Fund	\$9,550	\$13,566	\$14,106	\$14,106	\$14,106
Total, Method of Financing	\$9,550	\$13,566	\$14,106	\$14,106	\$14,106
Meetings Per Fiscal Year	8	5	6	6	6

Agency Code: 329 Agency: Real Estate Commission

Description and Justification for Continuation/Consequences of Abolishing

The Texas Real Estate Inspector Committee, six professional inspectors and three public members 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 that an inspector should report as in need of repair when inspecting a home ; clarifying the minimum standards of practice to be followed when conducting a home inspection for a buyer or seller of real property; and revising the TREC-promulgated standard inspection report form.

The rider that was included in TREC's portion of the 2008-2009 General Appropriations Act (page VIII-68) allowing reimbursement of expenses for this committee should be continued to ensure that consumers receive accurate and comprehensive inspection reports in connection with real estate transactions , and that the rules of the Commission set appropriate standards for the licensing and regulation of inspectors. The committee structure ensures that extensive experience, considerable expertise, and public input are available to the Commission and ensures a continuity of service to the public.

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$1,262,512

Approved Base here refers to approved 2008-09 base AFTER policy letter exceptions have been excluded.

Agency Code: 329			Agency Name: Texas Real Estate Commission and Texas Appraiser Licensing and Certification Board								
Rank	Reduction Item		Biennial Application of 10% Percent Reduction					FTE Reductions (FY 2010-11 Base Request Compared to Budgeted 2009)		Revenue Impact? Y/N	Cumulative GR-related reduction as a % of Approved Base
	Strat	Name	GR	GR-Dedicated	Federal	Other	All Funds	FY 08	FY 09		
1	3-1-1	Eliminate toll-free lines - TREC	86,400				\$ 86,400				0.7%
2	4-1-1	Eliminate toll-free line - TALCB	3,600				\$ 3,600				0.7%
3	1-1-1	E-mail renewal notices to licensees	50,000				\$ 50,000				1.1%
4	1-1-1	Remote print of licenses by licensee	50,000				\$ 50,000				1.5%
5	5-1-1	Eliminate two Commission meetings annually (from 6 to 4)	9,100				\$ 9,100				1.6%
6	5-1-1	Eliminate contract programmer	37,800				\$ 37,800				1.9%
7	5-1-1	Reduce PC Refresh	14,000				\$ 14,000				2.0%
8	5-1-1	Eliminate Technology Services Training	6,000				\$ 6,000				2.0%
9	2-1-1	Reduce frequency of complaint update letters (from 4 to 2)	9,120				\$ 9,120				2.1%
10	2-1-1	Reduce investigator travel	10,000				\$ 10,000				2.2%
11	5-1-1	Staff reduction - Administration	270,470				\$ 270,470	3.0	3.0		4.3%
12	2-1-1	Staff reduction - TREC Enforcement	281,460				\$ 281,460	4.0	4.0		6.6%
13	4-1-1	Staff reduction - TALCB Licensing	52,360				\$ 52,360	1.0	1.0		7.0%
14	1-1-1	Staff reduction - TREC Licensing	223,834				\$ 223,834	3.0	3.0		8.7%
15	4-2-1	Staff reduction - TALCB Enforcement	82,008				\$ 82,008	1.0	1.0		9.4%
16	3-1-1	Staff reduction - Communications	52,360				\$ 52,360	1.0	1.0		9.8%
17	4-1-1	Federal Appraiser Registry Fees	0	24,000			\$ 24,000	0.0	0.0	Y	10.0%
Agency Biennial Total			\$ 1,238,512	\$ 24,000	\$ -	\$ -	\$ 1,262,512	13.0	13.0		10.0%
Agency Biennial Total (GR + GR-D)			\$ 1,262,512								

Rank / Name
Explanation of Impact to Programs and Revenue Collections

1 Eliminate toll-free lines - TREC
It is not anticipated that this will have a significant adverse effect since the principal callers to TREC are licensees who can call on cell phones at no difference in cost to them. For those who are limited to traditional telephones, there would be a small cost impact to each caller. This would have no impact on revenue.

2 Eliminate toll-free line - TALCB
It is not anticipated that this will have a significant adverse effect as the principal callers to TALCB are licensees and lenders who can call on cell phones as no difference in cost to them. For those who are limited to traditional telephones, there would be a small cost impact to each caller. This would have no impact on revenue.

3 E-mail renewal notices to licensees
This would require a change in the way that licensees manage communications with TREC. Many do not provide or maintain a current email addresses with TREC. Postcards would need to continue for those which have limited online access or choose not to have an e-mail address, thus reducing the potential savings. For many licensees who already rely on email as a primary business tool, the impact could be minimal. It would not impact collection of revenues by TREC, however agency may experience an increase in late renewals as a result non delivery of e-mail due to spam blockers, full mailboxes and other undeliverable issues.

Rank / Name

4 Remote print of licenses by licensee

TREC licenses are currently printed on special stock. This change would affect the look and feel of the actual license. On the other hand it would enable licensees to get their licenses more quickly, thereby enabling them to begin licensed practice sooner. Licenses would continue to be printed and mailed for those that do not renew or apply online, thus reducing the potential savings. This would have no impact on revenue.

5 Eliminate two Commission meetings annually (from 6 to 4)

Although this would save costs and have no impact on the collection of revenue, it would cause certain commission actions to be delayed, including the approval of recovery fund payments and the issuance of final enforcement action orders. It would also prolong certain processes, such as the development and adoption of rules. It would reduce significant administrative support demands on staff. This would have no impact on revenue.

6 Eliminate contract programmer

TREC is currently dependent on an outmoded licensing management system and relies extensively on unique skills of a contract programmer. Agency ability to react to business changes will be more difficult which will impact current operations, such as the changes occasioned by law changes or the changes necessary to address performance measure tracking and reporting correctly. This would have no impact on revenue.

7 Reduce PC Refresh

As much of TREC's hardware is nearing the end of its projected useable life, a reduction in PC refresh elevates TREC's vulnerability to equipment failure. During FY 2008 TREC experienced several significant equipment failures leading to loss of functionality, loss of communications by email, and loss of data. Carefully managed a reduction, not elimination, of PC refresh funds could be managed for a limited time. However, by the next biennium it would be necessary to restore those funds to their full current level. This would have no impact on revenue.

8 Eliminate Technology Services Training

This would adversely impact TREC's ability to use technology as efficiently and effectively as possible and place it in more of a maintenance mode. This would have no impact on revenue.

9 Reduce frequency of complaint update letters (from 4 to 2)

This would adversely impact TREC's ability to timely notify complainants of the status of complaints filed with TREC. With fewer notices, complainants may end up calling TREC more often to check on the status of a complaint thereby causing the number of calls to increase in Communications. This would have no impact on revenue.

10 Reduce investigator travel

Reducing investigator travel would adversely impact the TREC Enforcement Division strategies including the number of complaints resolved and timeliness of complaints. Reducing investigator travel may cause the number of disciplinary actions to decrease if investigators are unable limited in the ways in which they can interview witnesses and collect or review documentation related to a complaint. This could reduce the administrative penalties which are deposited to the Real Estate Recovery Trust Account.

11 Staff reduction - Administration

Reducing Administration staff would adversely affect all TREC and TALCB strategies. Eliminating support positions would affect all strategies as administrative personnel provide a variety of functions (fiscal support, technology services, etc. for every division. Without adequate support all strategies may suffer across the board. Reduction of technology support may have an impact on revenue collection. This would have no impact on revenue.

12 Staff reduction - TREC Enforcement

Reducing the TREC Enforcement Division would adversely affect the division's ability to timely and adequately process, investigate, and prosecute complaints filed with the agency. As a result, complaints would stay open longer, the number of complaints closed per year would decrease, and the overall productivity of the division would be adversely affected. This could reduce the administrative penalties which are deposited to the Real Estate Recovery Trust Account.

13 Staff reduction - TALCB Licensing

In the TALCB Licensing strategy, any reductions would lead to greater delays in acting on new license applications, renewals, and other related matters. This would have no impact on revenue.

14 Staff reduction - TREC Licensing

Reducing the TREC Licensing Services Division would adversely affect the division's ability to timely and adequately process licenses, education providers, and education programs. This would have an impact on revenue collection.

Rank / Name

15 Staff reduction - TALCB Enforcement

Reducing the TALCB Enforcement Division would jeopardize the ability of TALCB to meet federal mandates under Appraisal Policy Statement No. 10, generally requiring state licensing and certification programs to resolve complaints within one year. It would also adversely affect the division's ability to timely and adequately investigate complaints filed with the board. As a result, complaints would stay open longer, the number of complaints closed per year would decrease, and the overall productivity of the division would be adversely affected. This would not have an impact on revenue collection.

16 Staff reduction - Communications

Reducing the Communications staff would impact the section's ability to deal with the large volume of telephone calls that the section is currently unable to timely respond. As a result of the reduction in the Licensing Services Division, telephone calls will go up and the reduced staff, much less the existing staff, will be unable to deal with the higher volume of calls. This would have no impact on revenue.

17 Federal Appraiser Registry Fees

Reducing the Federal Appraiser Registry by 10% would affect TALCB's ability to keep federal certification of the Texas Appraiser licensing and certification program. Without federal certification, no federally related appraisals could be conducted in the State of Texas thereby seriously affecting the real estate industry in the State. In effect, this fee is a "pass-through" in that TALCB only expends fees collected from the applicants and applicants for renewal (revenue neutral).

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 11:29:17AM

Agency code: 329

Agency name: Real Estate Commission

Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
1-1-1	Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 195,391	\$ 243,849	\$ 269,379	\$ 269,428	273,419
1002 OTHER PERSONNEL COSTS	20,990	16,717	9,383	10,067	10,990
2001 PROFESSIONAL FEES AND SERVICES	6,266	8,367	9,840	9,788	9,988
2003 CONSUMABLE SUPPLIES	6,191	5,969	5,938	5,858	5,945
2004 UTILITIES	4,257	6,188	5,054	4,986	5,060
2005 TRAVEL	10,206	7,968	7,535	7,433	7,543
2006 RENT - BUILDING	40,439	39,856	40,911	34,615	35,128
2007 RENT - MACHINE AND OTHER	4,162	3,532	4,575	4,513	4,581
2009 OTHER OPERATING EXPENSE	32,208	39,859	21,411	23,606	43,811
5000 CAPITAL EXPENDITURES	14,517	21,606	94,174	92,904	4,032
Total, Objects of Expense	\$ 334,627	\$ 393,911	\$ 468,200	\$ 463,198	400,497
METHOD OF FINANCING:					
1 General Revenue Fund	334,627	393,911	468,200	463,198	400,497
Total, Method of Financing	\$ 334,627	\$ 393,911	\$ 468,200	\$ 463,198	400,497
FULL TIME EQUIVALENT POSITIONS	4.1	5.2	5.2	5.3	5.3

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 11:29:24AM

Agency code: 329

Agency name: Real Estate Commission

Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
2-1-1	Investigate and Resolve Valid Complaint Cases				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 291,681	\$ 339,537	\$ 375,557	\$ 381,593	\$ 380,710
1002 OTHER PERSONNEL COSTS	31,333	23,276	13,081	14,259	15,303
2001 PROFESSIONAL FEES AND SERVICES	9,354	11,651	13,718	13,863	13,907
2003 CONSUMABLE SUPPLIES	9,242	8,310	8,279	8,297	8,278
2004 UTILITIES	6,355	8,616	7,048	7,062	7,047
2005 TRAVEL	15,236	11,094	10,505	10,528	10,503
2006 RENT - BUILDING	60,367	55,497	57,037	49,025	48,911
2007 RENT - MACHINE AND OTHER	6,214	4,917	6,379	6,393	6,378
2009 OTHER OPERATING EXPENSE	48,079	55,500	29,849	33,433	61,002
5000 CAPITAL EXPENDITURES	21,672	30,085	131,293	131,578	5,615
Total, Objects of Expense	\$ 499,533	\$ 548,483	\$ 652,746	\$ 656,031	\$ 557,654
METHOD OF FINANCING:					
1 General Revenue Fund	499,533	548,483	652,746	656,031	557,654
Total, Method of Financing	\$ 499,533	\$ 548,483	\$ 652,746	\$ 656,031	\$ 557,654
FULL TIME EQUIVALENT POSITIONS	6.2	7.3	7.3	7.4	7.4

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency code: 329

Agency name: Real Estate Commission

Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
3-1-1 Prepare and Distribute Information Describing TREC Functions					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 142,678	\$ 176,971	\$ 195,643	\$ 201,203	\$ 198,430
1002 OTHER PERSONNEL COSTS	15,327	12,132	6,815	7,518	7,976
2001 PROFESSIONAL FEES AND SERVICES	4,575	6,073	7,146	7,310	7,249
2003 CONSUMABLE SUPPLIES	4,521	4,332	4,313	4,375	4,313
2004 UTILITIES	3,109	4,491	3,670	3,724	3,672
2005 TRAVEL	7,453	5,783	5,473	5,551	5,476
2006 RENT - BUILDING	29,529	28,925	29,713	25,850	25,494
2007 RENT - MACHINE AND OTHER	3,039	2,563	3,323	3,371	3,324
2009 OTHER OPERATING EXPENSE	23,518	28,928	15,550	17,629	31,795
5000 CAPITAL EXPENDITURES	10,601	15,680	68,396	69,377	2,926
Total, Objects of Expense	\$ 244,350	\$ 285,878	\$ 340,042	\$ 345,908	\$ 290,655
METHOD OF FINANCING:					
1 General Revenue Fund	244,350	285,878	340,042	345,908	290,655
Total, Method of Financing	\$ 244,350	\$ 285,878	\$ 340,042	\$ 345,908	\$ 290,655
FULL TIME EQUIVALENT POSITIONS	3.1	3.8	3.8	3.8	3.8

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency code: 329

Agency name: Real Estate Commission

Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
4-1-1 Process Applications and License Applicants					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 35,142	\$ 45,272	\$ 50,140	\$ 50,879	\$ 50,761
1002 OTHER PERSONNEL COSTS	3,775	3,104	1,746	1,901	2,040
2001 PROFESSIONAL FEES AND SERVICES	1,127	1,553	1,832	1,848	1,854
2003 CONSUMABLE SUPPLIES	1,113	1,108	1,105	1,106	1,104
2004 UTILITIES	766	1,149	941	942	939
2005 TRAVEL	1,836	1,479	1,402	1,404	1,400
2006 RENT - BUILDING	7,273	7,399	7,615	6,537	6,522
2007 RENT - MACHINE AND OTHER	749	656	852	852	850
2009 OTHER OPERATING EXPENSE	5,793	7,400	3,985	4,458	8,134
5000 CAPITAL EXPENDITURES	2,611	4,011	17,529	17,544	749
Total, Objects of Expense	\$ 60,185	\$ 73,131	\$ 87,147	\$ 87,471	\$ 74,353
METHOD OF FINANCING:					
1 General Revenue Fund	60,185	73,131	87,147	87,471	74,353
Total, Method of Financing	\$ 60,185	\$ 73,131	\$ 87,147	\$ 87,471	\$ 74,353
FULL TIME EQUIVALENT POSITIONS	0.7	1.0	1.0	1.0	1.0

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency name: Real Estate Commission

Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
4-2-1	Investigate and Resolve Complaints; Impose Penalties as Appropriate				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 37,954	\$ 83,341	\$ 92,415	\$ 93,664	\$ 93,447
1002 OTHER PERSONNEL COSTS	4,077	5,713	3,219	3,500	3,756
2001 PROFESSIONAL FEES AND SERVICES	1,217	2,860	3,376	3,403	3,414
2003 CONSUMABLE SUPPLIES	1,202	2,040	2,037	2,036	2,032
2004 UTILITIES	827	2,115	1,734	1,733	1,729
2005 TRAVEL	1,983	2,723	2,585	2,584	2,578
2006 RENT - BUILDING	7,855	13,622	14,036	12,034	12,006
2007 RENT - MACHINE AND OTHER	809	1,207	1,569	1,569	1,565
2009 OTHER OPERATING EXPENSE	6,256	13,623	7,344	8,206	14,973
5000 CAPITAL EXPENDITURES	2,820	7,384	32,308	32,297	1,378
Total, Objects of Expense	\$ 65,000	\$ 134,628	\$ 160,623	\$ 161,026	\$ 136,878
METHOD OF FINANCING:					
1 General Revenue Fund	65,000	134,628	160,623	161,026	136,878
Total, Method of Financing	\$ 65,000	\$ 134,628	\$ 160,623	\$ 161,026	\$ 136,878
FULL TIME EQUIVALENT POSITIONS	0.8	1.8	1.8	1.8	1.8

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
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Agency name: Real Estate Commission

	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$702,846	\$888,970	\$983,134	\$996,767	\$996,767
1002 OTHER PERSONNEL COSTS	\$75,502	\$60,942	\$34,244	\$37,245	\$40,065
2001 PROFESSIONAL FEES AND SERVICES	\$22,539	\$30,504	\$35,912	\$36,212	\$36,412
2003 CONSUMABLE SUPPLIES	\$22,269	\$21,759	\$21,672	\$21,672	\$21,672
2004 UTILITIES	\$15,314	\$22,559	\$18,447	\$18,447	\$18,447
2005 TRAVEL	\$36,714	\$29,047	\$27,500	\$27,500	\$27,500
2006 RENT - BUILDING	\$145,463	\$145,299	\$149,312	\$128,061	\$128,061
2007 RENT - MACHINE AND OTHER	\$14,973	\$12,875	\$16,698	\$16,698	\$16,698
2009 OTHER OPERATING EXPENSE	\$115,854	\$145,310	\$78,139	\$87,332	\$159,715
5000 CAPITAL EXPENDITURES	\$52,221	\$78,766	\$343,700	\$343,700	\$14,700
Total, Objects of Expense	\$1,203,695	\$1,436,031	\$1,708,758	\$1,713,634	\$1,460,037
Method of Financing					
1 General Revenue Fund	\$1,203,695	\$1,436,031	\$1,708,758	\$1,713,634	\$1,460,037
Total, Method of Financing	\$1,203,695	\$1,436,031	\$1,708,758	\$1,713,634	\$1,460,037
Full-Time-Equivalent Positions (FTE)	14.9	19.1	19.1	19.3	19.3