LEGISLATIVE APPROPRIATIONS REQUEST
for
Fiscal Years 2012 - 2013

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 23, 2010

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

Over the course of FY 2010 the Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing and Certification Board (TALCB), an independent subdivision of TREC, have managed an intense period of internal and external scrutiny, often stressful, and clearly involving deeper and broader changes than would normally challenge an agency. TREC's Administrator left to pursue other opportunities in January 2009, and the General Counsel took on additional duties as Acting Administrator. The process of finding a replacement was delayed by the 2009 Legislative session and a new Administrator began on September 1, 2009.

In FY 2010 TREC began the process of preparing for conversion to a customized licensing database product to replace TREC's outdated and inflexible core licensing management system. Work also began in earnest on imaging the over 6 million pages of information in the agency's "master" files, containing a comprehensive license history for each license holder. The agency announced 2010 as a year in which a "comprehensive rule review" would be accomplished to meet statutory requirements. FY 2010 was also the year the biennial update to the agency's 5 year strategic plan was due by July 2, 2010. All of these projects have been, or are being, pursued as planned, but unplanned developments have caused significant concern as to their timely accomplishment.

First, in February 2010, state leadership required each agency to identify a 5% reduction in 2010-2011 budgeted expenditures. This requirement did not take into account the categories of fixed and "pass-through" funds over which the agency has no discretion - reductions in these categories are legally prohibited - yet the agency was not granted an exemption for such funds. This category includes such items as FBI background check fees, Appraisal Subcommittee (ASC) Registry fees, and rents. In the case of this agency, that represents almost 35% of the agency appropriation. Therefore, actual operating expenses were required to be reduced by approximately 7.5% to meet the 5% target.

In addition to significant efficiency improvements resulting from the agency focus on replacing major paper transactions with electronic transactions, a one-year delay in the massive imaging project was determined to be the major source of expense reduction in order to have the least impact on service delivery to license holders and to the public. However, in early March, the agency received notice that it had the opportunity to relocate to the Stephen F. Austin state office building in the capitol complex in June 2011, a welcome development after almost 30 years in problematic substandard office space. However, it was deemed to be an extremely inefficient and inadvisable use of valuable state office space to plan for a 6,000+ square foot file storage room in the new location, so the agency revisited its initial budget reduction plan, requested exemption for all "pass-through" expense categories, and resubmitted a revised 5% budget reduction plan that reflected the need to image document files to achieve planned cost savings and not incur additional storage charges at the new office space. The agency's request for an exemption on "pass-through" funds was denied, despite other agencies receiving similar exemptions, making necessary a layoff of 7 FTEs to meet the 5% (7.5%) target. These same positions had been targeted for upgrade from "clerical" to "professional" grades to meet planned improvements in agency services. In addition, the agency was compelled to discontinue its toll-free phone lines to meet the requested cuts. Based on the cuts, the agency has begun to see early signs of inefficiency in longer wait times for incoming callers, as well as longer overall resolution times for complaint cases. These are both significant measures of overall agency effectiveness.

Now the agency is facing the additional requirement to identify another 10% in expense reductions for the FY2012-2013 period, below the 95% baseline set by the initial 5% cut. Performance measures will be further negatively impacted if the agency is asked to absorb and additional 10% (really 15%) in expense reductions in the coming fiscal years. This request comes at a sensitive period in the agency's development and transition.

The agency has successfully implemented major revisions to its organization and business practices seeking major improvements in both efficiency and effectiveness. The Reception & Communication Services division now handles both TREC & TALCB phone calls as well as all general email inquiries for both entities. The Licensing & Education Services division handles all license applications for both entities, as well as approving schools, programs, courses and instructors, and monitoring education requirements for the 150,000+ license holders. The antiquated Licensing Management system, on which TREC and TALCB rely for their day-to-day operations and oversight of license holders, is on the verge of being replaced by a more capable product, but this system required significant customization to meet the agency's needs.

To limit additional customization expense, where possible and advisable, the agency's policies and rules were simplified. By the end of FY 2011, the majority of this work will be completed and the capabilities of the new system are planned to be robustly implemented. This will necessarily require an in-depth review and update of the agency's venerable website, which to date has led the agency to new levels of service and efficiency. And at that time, an employee's standard desk computer will be at the far edge of the normal refresh cycle.

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, and communications. The relationship between TREC and TALCB continues to impose significant administrative support responsibilities on agency staff and additional layers of complexity. TALCB enforcement, which is separate from TREC enforcement, has been focused largely on addressing a significant backlog of aged complaints. This has been an ongoing effort in response to recurring audits by the 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. In its most recent audit in May 2010, the ASC noted the significant progress made by the agency in improving its complaint resolution performance while also dealing with a rapidly increasing volume of complaints. Also in response to an ASC requirement, TALCB has increased its audits of appraisers' claimed experience from 5% to 100% of applications for certification. The agency underwent a performance measures reporting audit by the State Auditors Office in the fall of 2007, revealing the need for a wholesale revisiting of the reporting of those measures and the development of new documented methodologies for calculating them. Most of the enhancements to this system have awaited the transition to the replacement database system in FY 2011. 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.

The uncertainties associated with the final composition of the agency's baseline legislative appropriation request have led to overly cautious requests in other funding areas and raised the potential for confusion and anxiety among agency license holders and their professional associations. Even agency staff members are strongly impacted, as the risk of future reductions raises the motivation to seek potential alternative job opportunities. Morale is negatively affected and staff retention is further threatened. Prudence requires the development of alternative strategies to combat these risks.

The agency's supplemental funding request is one such alternative. After absorbing a 5% budget cut, the agency has no funds available to fund the expenses of the move to new office space in the Stephen F. Austin state office building – a move which will result in a savings of over $450,000 each year in rents. The move and associated equipment needs for the new space total approximately $200,000. The configuration of the new space requires the timely completion of the agency's initial baseline document imaging project, at an estimated cost of $300,000. If the agency's request for consideration of reasonable alternatives is not granted, it will have no choice but to seek supplemental funding to meet these needs.

Exceptional Item Requests:

Description/Justification:

Given the agency's current priorities and goals, of which the capacity to provide timely and effective service to the citizens of Texas and licensees is paramount, a number of exceptional items are being requested to better deliver basic services. The agency is asking for funds for software customization, upgrades and training, conversion of historic paper files to electronic (mandatory in order to move the agency downtown to the Stephen F. Austin Building in June 2011- which will save the State of Texas significant money in rents), salary equity funds to combat continued retention deficiencies, overdue software and computer equipment refresh, funds to upgrade key

positions and hire more professional staff, and mandatory Department of Information Resources (DIR) security tests. All of these items are vitally necessary in order to meet the Governor's clear and simple philosophy that each state agency is to be "highly effective in performing the tasks it undertakes."

External/Internal Factors Analysis:

The real estate market is unquestionably complex and constantly evolving and changing. In order to protect the public, the agency needs to ensure the availability of qualified and educated real estate professionals in the field. This can not be done satisfactorily if the agency is not involved more effectively in consumer outreach and education, as the rapid pace of change is daunting even for most professionals to accommodate. Consumer education and protection are key components of the agency's mission, and adding a position focused primarily on consumer education and outreach will enhance the agency's fulfillment of this important and valuable goal.

Educational curriculum development is another key area, as technology has enabled the proliferation of distance-learning courses and delivery methods that have added to the burden of a largely clerical staff at the agency to manage. Laws change, rules change, business models and opportunities change and Texas consumers are at risk if they are not being counseled by informed, professional license holders. Shifting the agency's focus to front-end course development guidelines rather than large scale course review methods is one key to bringing both efficiency and effectiveness to this critical function.

Technology innovation and evolution is understandably expected by the public, and furthermore is driving business practice changes in the professions licensed by the agency. The present and the future will be characterized by customer maintained data, rapid and reliable electronic communications and service delivery. The agency is not keeping pace with license holder demand for online services. Addition of a web application developer will facilitate the delivery of agency services to license holders and produce increased efficiency at the agency, resulting in long-term cost savings. The need for continued software and hardware upgrades is crucial as the agency's technology has continued to age with insufficient funds for replacement and enhanced security protocols.

The recent emphasis on increased use of alternative dispute resolution techniques, like the use of an ombudsman and of mediation, has shown significant initial promise for an overall reduction in disciplinary enforcement cases, lessening the time necessary to resolve the average case and even reducing the resources needed to deal with the volume of complaints. Adding an attorney/mediator and a supporting administrative assistant should accelerate these trends and enhance both effectiveness and efficiency.

The agency's complex accounting and reporting requirements has resulted in its small staff putting in significant overtime to simply meet basic accounting and budgeting requirements. Addition of a budget analyst is needed to remedy this inequitable result.

Experienced staff, their institutional knowledge and irreplaceable experience are being lured away by agencies with more available salary dollars. It is necessary, to ensure uninterrupted service and fewer resources devoted to recruitment and training, that the agency be allowed salary equity funds to stem this loss of experienced personnel.

New Federal Requirements Expected:

New federal law directs states to implement a registration and regulation system for Appraisal Management Companies (AMCs) not later than July 2013. The agency expects one or more bills to be filed this next session to implement this federal requirement and this agency will be the most likely location for this requirement to be assigned. The agency anticipates a fiscal impact for this program to include the addition of an enforcement attorney and a minimum of two other supporting staff. This

fiscal impact should be fully offset by registration fees collected from the new license holders.

Summary:

The challenge of greatly reduced resources for the agency, especially in this crucial period of transition to massive new technology implementation, more effective new office space and significant opportunities for long -term cost savings, is placing all of these gains at potential risk at a most critical time in the agency's transition. Innovative strategies for meeting and managing these challenges are available if flexibility and equity are introduced into the equation, and long-term efficiencies are pursued over short term cost reductions. The agency can absorb certain modified cost reductions and still meet its goals of technology integration, staff upgrades in skills and reduction in numbers, enhanced services to license holders and to the consumers of the state of Texas.

Roadmap for Excellence:

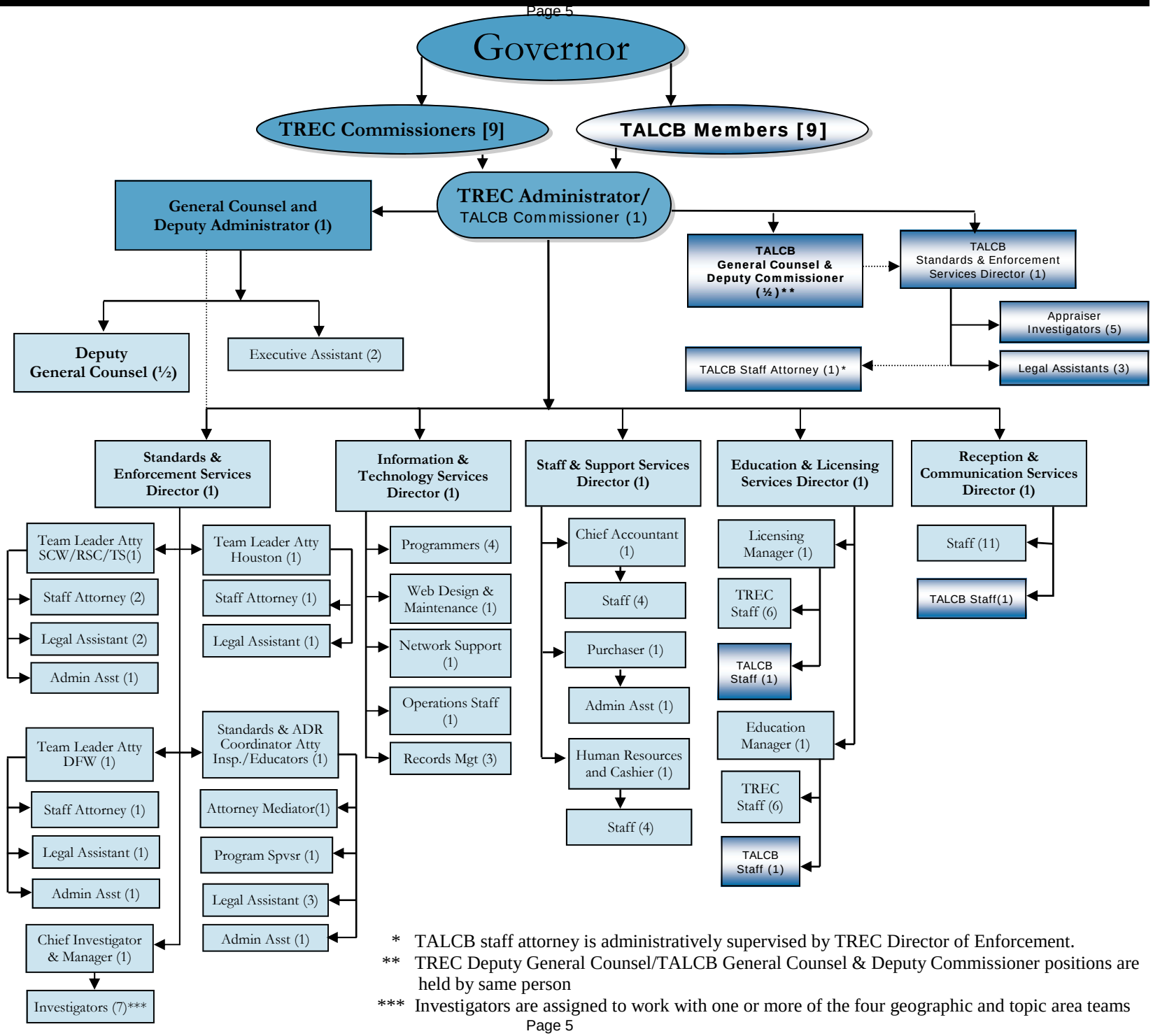
The agency is requesting consideration of an alternative calculation of budget reduction targets. The agency has always been a net revenue producer, costing less to operate than the revenue it collects for the General Revenue Fund. Only minor modifications are needed to see the agency through this crucial period to a state of increased efficiency:

1. Grant the agency the expense exemptions it requested for FY 2010 & 2011, and carry these forward to FY 2012 & 2013. The revised cost reduction targets will allow the agency to fully absorb all of the requested budget reductions while retaining sufficient funds to manage its transition to new technology, to new office space, and to new staff skills.

2. Approve the exceptional item requests and allow the agency to raise revenue sufficient to offset these requests.

3. The expenses associated with any new legislative requirements imposed on the agency should be fully offset by allowing the collection of fees needed to raise sufficient matching revenues.

Texas Real Estate Commission/Texas Appraiser Licensing and Certification Board Organization Chart



* TALCB staff attorney is administratively supervised by TREC Director of Enforcement.

** TREC Deputy General Counsel/TALCB General Counsel & Deputy Commissioner positions are held by same person

*** Investigators are assigned to work with one or more of the four geographic and topic area teams

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

Goal / *Objective* / STRATEGY	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
1 Determine the Eligibility of TREC Applicants for Licensure					
1 *Evaluate Applicants for Honesty/Integrity/Trustworthiness/Competency*					
1 TREC LICENSING	1,460,453	2,239,143	2,323,611	2,408,744	2,189,007
2 TEXASONLINE	324,344	322,000	322,000	322,000	322,000
TOTAL, GOAL 1	**$1,784,797**	**$2,561,143**	**$2,645,611**	**$2,730,744**	**$2,511,007**
2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules					
1 *Resolve Complaints and Hold Hearings Expeditiously*					
1 TREC INVESTIGATION	1,673,748	1,704,858	1,702,976	1,592,478	1,592,478
TOTAL, GOAL 2	**$1,673,748**	**$1,704,858**	**$1,702,976**	**$1,592,478**	**$1,592,478**
3 To Communicate Effectively with the Public and Licensees					
1 *To Communicate Effectively with Licensees and Consumers*					
1 LICENSEE/CONSUMER OUTREACH	772,356	824,825	803,209	763,660	763,660
TOTAL, GOAL 3	**$772,356**	**$824,825**	**$803,209**	**$763,660**	**$763,660**
4 Implement and Enforce TALCB Standards					
1 *Provide Qualified Real Estate Appraisers*					
1 TALCB LICENSING	537,382	495,128	277,707	299,878	275,943
2 *Resolve Complaints in a Timely Manner*					
1 TALCB ENFORCEMENT	405,832	582,090	630,786	646,610	646,610

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Goal / *Objective* / STRATEGY	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
TOTAL, GOAL 4	**$943,214**	**$1,077,218**	**$908,493**	**$946,488**	**$922,553**
5 Indirect Administration					
1 *Indirect Administration*					
1 INDIRECT ADMINISTRATION	1,710,361	1,787,022	1,447,996	1,367,992	1,357,602
TOTAL, GOAL 5	**$1,710,361**	**$1,787,022**	**$1,447,996**	**$1,367,992**	**$1,357,602**
TOTAL, AGENCY STRATEGY REQUEST	**$6,884,476**	**$7,955,066**	**$7,508,285**	**$7,401,362**	**$7,147,300**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				**$0**	**$0**
GRAND TOTAL, AGENCY REQUEST	**$6,884,476**	**$7,955,066**	**$7,508,285**	**$7,401,362**	**$7,147,300**

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

Goal / *Objective* / STRATEGY	**Exp 2009**	**Est 2010**	**Bud 2011**	**Req 2012**	**Req 2013**
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	6,535,785	7,645,266	7,198,485	7,091,562	6,837,500
SUBTOTAL	**$6,535,785**	**$7,645,266**	**$7,198,485**	**$7,091,562**	**$6,837,500**
General Revenue Dedicated Funds:					
28 Appraiser Registry Acct	146,150	120,000	120,000	120,000	120,000
SUBTOTAL	**$146,150**	**$120,000**	**$120,000**	**$120,000**	**$120,000**
Other Funds:					
666 Appropriated Receipts	200,364	185,800	185,800	185,800	185,800
971 Real Estate Recovery Fund	2,177	3,500	3,500	3,500	3,500
988 Real Estate Inspec Trust	0	500	500	500	500
SUBTOTAL	**$202,541**	**$189,800**	**$189,800**	**$189,800**	**$189,800**
TOTAL, METHOD OF FINANCING	**$6,884,476**	**$7,955,066**	**$7,508,285**	**$7,401,362**	**$7,147,300**

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

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
GENERAL REVENUE					
1 General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2008-09 GAA)	$5,652,911	$0	$0	$0	$0
Regular Appropriations from MOF Table (2010-11 GAA)	$0	$8,013,351	$8,131,234	$0	$0
Regular Appropriations from MOF Table (2012-13 GAA)	$0	$0	$0	$7,548,906	$7,294,844
RIDER APPROPRIATION					
Art IX, Sec 19.10, Contingency Appropriation for HB 716	$214,670	$0	$0	$0	$0
Art IX, Sec 19.13, Contingency Appropriation for HB 1530	$78,280	$0	$0	$0	$0
Art IX, Sec 19.38, Contingency Appropriation for SB 914	$98,946	$0	$0	$0	$0
Art IX, Sec 9.05, TexasOnline: Occupational Licenses (2008-09 GAA)	$2,344	$0	$0	$0	$0
Art VIII Sec 6 Contingency Appn for Criminal History Record (2008-09)	$297,990	$0	$0	$0	$0

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
GENERAL REVENUE					
TRANSFERS					
Art IX, Sec 11.04, State Owned and Leased Space (2010-11 GAA)	$0	$0	$0	$(457,344)	$(457,344)
Art IX, Sec 19.62(a), Salary Increase (2008-09 GAA)	$163,953	$0	$0	$0	$0
HB 4586, Sec 89, Retention Payments	$79,800	$0	$0	$0	$0
LAPSED APPROPRIATIONS					
Art IX, Sec 19.10, Contingency Appropriation for HB 716	$(2,076)	$0	$0	$0	$0
Art IX, Sec 19.13, Contingency Appropriation for HB 1530	$(2,520)	$0	$0	$0	$0
Art IX, Sec 19.38, Contingency Appropriation for SB 914	$(5,507)	$0	$0	$0	$0
Art VIII Sec 6 Contingency Appn for Criminal History Record (2008-09)	$(193,251)	$0	$0	$0	$0
Five Percent Reduction (2010-11 Biennium)	$0	$(156,835)	$(658,224)	$0	$0

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
GENERAL REVENUE					
Regular Appropriations from MOF Table (2008-09 GAA)	$(47,755)	$0	$0	$0	$0
Rider Appr Art VIII Sec 6 Contingency Appn for Criminal History	$0	$(211,250)	$(274,525)	$0	$0
UNEXPENDED BALANCES AUTHORITY					
Art IX, Sec 14.03(j), Capital Budget UB (2008-09 GAA)	$198,000	$0	$0	$0	$0
Art IX, Sec 14.03(j), Capital Budget UB (2010-11 GAA)	$0	$0	$0	$0	$0
TOTAL, General Revenue Fund	**$6,535,785**	**$7,645,266**	**$7,198,485**	**$7,091,562**	**$6,837,500**
TOTAL, ALL GENERAL REVENUE	**$6,535,785**	**$7,645,266**	**$7,198,485**	**$7,091,562**	**$6,837,500**
GENERAL REVENUE FUND - DEDICATED					
28 GR Dedicated - Appraiser Registry Account No. 028					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2008-09 GAA)	$120,000	$0	$0	$0	$0
Regular Appropriations from MOF Table (2010-11 GAA)	$0	$120,000	$120,000	$0	$0

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
GENERAL REVENUE FUND - DEDICATED					
Regular Appropriations from MOF Table (2012-13 GAA)	$0	$0	$0	$120,000	$120,000
RIDER APPROPRIATION					
Art VIII, Rider 5, Appn of Receipts, Nat'l Registry Fees (2008-09 GAA)	$26,150	$0	$0	$0	$0
TOTAL, GR Dedicated - Appraiser Registry Account No. 028	**$146,150**	**$120,000**	**$120,000**	**$120,000**	**$120,000**
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	**$146,150**	**$120,000**	**$120,000**	**$120,000**	**$120,000**
TOTAL, GR & GR-DEDICATED FUNDS	**$6,681,935**	**$7,765,266**	**$7,318,485**	**$7,211,562**	**$6,957,500**
OTHER FUNDS					
666 Appropriated Receipts					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table	$0	$0	$0	$185,800	$185,800
Regular Appropriations from MOF Table (2008-09 GAA)	$186,500	$0	$0	$0	$0
Regular Appropriations from MOF Table (2010-11 GAA)	$0	$186,500	$186,500	$0	$0

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
OTHER FUNDS					
RIDER APPROPRIATION					
Art IX, Sec 8.03, Reimbursements and Payments (2008-09 GAA)	$13,186	$0	$0	$0	$0
Art VIII, Rider 3-Appn of Residential Svc Co Exam Fees (2008-09 GAA)	$678	$0	$0	$0	$0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2010-11 GAA)	$0	$(700)	$(700)	$0	$0
TOTAL, Appropriated Receipts	**$200,364**	**$185,800**	**$185,800**	**$185,800**	**$185,800**
971 Real Estate Recovery Trust Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table	$0	$0	$0	$3,500	$3,500
Regular Appropriations from MOF Table (2008-09 GAA)	$3,500	$0	$0	$0	$0
Regular Appropriations from MOF Table (2010-11 GAA)	$0	$3,500	$3,500	$0	$0
LAPSED APPROPRIATIONS					

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
OTHER FUNDS					
Regular Appropriations from MOF Table (2008-09 GAA)	$(1,323)	$0	$0	$0	$0
TOTAL, Real Estate Recovery Trust Fund	**$2,177**	**$3,500**	**$3,500**	**$3,500**	**$3,500**
988 Real Estate Inspection Trust Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table	$0	$0	$0	$500	$500
Regular Appropriations from MOF Table (2008-09 GAA)	$500	$0	$0	$0	$0
Regular Appropriations from MOF Table (2010-11 GAA)	$0	$500	$500	$0	$0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2008-09 GAA)	$(500)	$0	$0	$0	$0
TOTAL, Real Estate Inspection Trust Fund	**$0**	**$500**	**$500**	**$500**	**$500**
TOTAL, ALL OTHER FUNDS	**$202,541**	**$189,800**	**$189,800**	**$189,800**	**$189,800**

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
GRAND TOTAL	**$6,884,476**	**$7,955,066**	**$7,508,285**	**$7,401,362**	**$7,147,300**
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2008-09 GAA)	97.5	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2010-11 GAA)	0.0	110.5	110.5	0.0	0.0
Regular Appropriations from MOF Table (2012-13 GAA)	0.0	0.0	0.0	99.0	99.0
RIDER APPROPRIATION					
Art IX, Sec 19.10, Contingency for HB 716 (2008-09 GAA)	5.0	0.0	0.0	0.0	0.0
Art IX, Sec 19.13, Contingency for HB 1530 (2008-09 GAA)	2.0	0.0	0.0	0.0	0.0
Art IX, Sec 19.38, Contingency for SB 914 (2008-09 GAA)	1.0	0.0	0.0	0.0	0.0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2008-09 GAA)	(3.2)	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2010-11 GAA)	0.0	(4.5)	(4.5)	0.0	0.0
Five Percent Reduction (2010-11 Biennium)	0.0	(1.4)	(7.0)	0.0	0.0
TOTAL, ADJUSTED FTES	**102.3**	**104.6**	**99.0**	**99.0**	**99.0**

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
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
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/25/2010**
TIME: **3:02:30PM**

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

OBJECT OF EXPENSE	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1001 SALARIES AND WAGES	$4,363,157	$4,592,227	$4,556,579	$4,581,815	$4,581,815
1002 OTHER PERSONNEL COSTS	$243,755	$213,893	$182,321	$158,961	$158,961
2001 PROFESSIONAL FEES AND SERVICES	$59,512	$158,827	$103,880	$106,591	$106,591
2003 CONSUMABLE SUPPLIES	$62,129	$61,792	$66,600	$66,600	$66,600
2004 UTILITIES	$47,644	$49,521	$44,600	$9,900	$9,900
2005 TRAVEL	$60,303	$79,321	$74,700	$74,700	$74,700
2006 RENT - BUILDING	$461,627	$462,388	$461,955	$4,600	$4,600
2007 RENT - MACHINE AND OTHER	$40,069	$38,728	$39,500	$39,500	$39,500
2009 OTHER OPERATING EXPENSE	$966,373	$1,881,395	$1,963,450	$2,343,995	$2,104,633
4000 GRANTS	$0	$0	$0	$0	$0
5000 CAPITAL EXPENDITURES	$579,907	$416,974	$14,700	$14,700	$0
OOE Total (Excluding Riders)	**$6,884,476**	**$7,955,066**	**$7,508,285**	**$7,401,362**	**$7,147,300**
OOE Total (Riders)					
Grand Total	**$6,884,476**	**$7,955,066**	**$7,508,285**	**$7,401,362**	**$7,147,300**

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

Goal/ *Objective* / **Outcome**	**Exp 2009**	**Est 2010**	**Bud 2011**	**BL 2012**	**BL 2013**
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					
	99.54%	99.50%	99.00%	99.00%	99.00%
KEY 2 Percent of Licensees Who Renew Online					
	86.50%	82.00%	82.00%	83.00%	85.00%
KEY 3 Percent of New Licenses Issued Online					
	79.80%	73.00%	73.00%	75.00%	77.00%
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					
	33.82%	31.00%	30.00%	30.00%	30.00%
KEY 2 Percent of Documented Complaints Resolved within 6 Months					
	54.38%	59.00%	70.00%	80.00%	85.00%

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

Goal/ *Objective* / **Outcome**	**Exp 2009**	**Est 2010**	**Bud 2011**	**BL 2012**	**BL 2013**
4 Implement and Enforce TALCB Standards					
1 Provide Qualified Real Estate Appraisers					
KEY 1 Percent of Licensed Appraisers with No Recent Violations					
	97.74%	99.00%	99.00%	99.00%	99.00%
KEY 2 Percent of Licensees Who Renew Online					
	72.50%	65.00%	65.00%	70.00%	75.00%
3 Percent of New Licenses Issued Online					
	0.00%	0.00%	10.00%	25.00%	50.00%
2 Resolve Complaints in a Timely Manner					
1 Percent of Complaints Resulting in Disciplinary Action					
	49.59%	36.00%	37.00%	40.00%	40.00%
2 Recidivism Rate for Those Receiving Disciplinary Action					
	29.30%	25.00%	25.00%	26.00%	28.00%
KEY 3 Percent of Documented Complaints Resolved within 6 Months					
	22.54%	60.00%	35.00%	35.00%	40.00%

2.E. SUMMARY OF EXCEPTIONAL ITEMS REQUEST

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

		2012			2013			Biennium	
Priority	**Item**	**GR and GR/GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**
1	Professional Staff & Training	$401,280	$401,280	6.0	$350,650	$350,650	6.0	$751,930	$751,930
2	Software Upgrades & Training	$55,020	$55,020		$0	$0		$55,020	$55,020
3	Salary Equity	$147,700	$147,700		$147,700	$147,700		$295,400	$295,400
4	PC Refresh	$16,400	$16,400		$20,200	$20,200		$36,600	$36,600
5	Mandatory Security Test	$16,000	$16,000		$16,000	$16,000		$32,000	$32,000
21	Software Upgrades & Training	$7,330	$7,330		$0	$0		$7,330	$7,330
22	Salary Equity	$27,300	$27,300		$27,300	$27,300		$54,600	$54,600
23	PC Refresh	$1,600	$1,600		$1,600	$1,600		$3,200	$3,200
Total, Exceptional Items Request		**$672,630**	**$672,630**	**6.0**	**$563,450**	**$563,450**	**6.0**	**$1,236,080**	**$1,236,080**
Method of Financing									
General Revenue		$672,630	$672,630		$563,450	$563,450		$1,236,080	$1,236,080
General Revenue - Dedicated									
Federal Funds									
Other Funds									
		$672,630	**$672,630**		**$563,450**	**$563,450**		**$1,236,080**	**$1,236,080**
Full Time Equivalent Positions				**6.0**			**6.0**		
Number of 100% Federally Funded FTEs				**0.0**			**0.0**		

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

Goal/*Objective*/**STRATEGY**	**Base 2012**	**Base 2013**	**Exceptional 2012**	**Exceptional 2013**	**Total Request 2012**	**Total Request 2013**
1 Determine the Eligibility of TREC Applicants for Licensure						
1 *Evaluate Applicants for Honesty/Integrity/Trustworthiness/Compete*						
1 TREC LICENSING	$2,408,744	$2,189,007	$81,631	$69,251	$2,490,375	$2,258,258
2 TEXASONLINE	322,000	322,000	0	0	322,000	322,000
TOTAL, GOAL 1	**$2,730,744**	**$2,511,007**	**$81,631**	**$69,251**	**$2,812,375**	**$2,580,258**
2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules						
1 *Resolve Complaints and Hold Hearings Expeditiously*						
1 TREC INVESTIGATION	1,592,478	1,592,478	211,860	175,445	1,804,338	1,767,923
TOTAL, GOAL 2	**$1,592,478**	**$1,592,478**	**$211,860**	**$175,445**	**$1,804,338**	**$1,767,923**
3 To Communicate Effectively with the Public and Licensees						
1 *To Communicate Effectively with Licensees and Consumers*						
1 LICENSEE/CONSUMER OUTREACH	763,660	763,660	132,666	118,716	896,326	882,376
TOTAL, GOAL 3	**$763,660**	**$763,660**	**$132,666**	**$118,716**	**$896,326**	**$882,376**
4 Implement and Enforce TALCB Standards						
1 *Provide Qualified Real Estate Appraisers*						
1 TALCB LICENSING	299,878	275,943	8,663	7,153	308,541	283,096
2 *Resolve Complaints in a Timely Manner*						
1 TALCB ENFORCEMENT	646,610	646,610	27,567	21,747	674,177	668,357
TOTAL, GOAL 4	**$946,488**	**$922,553**	**$36,230**	**$28,900**	**$982,718**	**$951,453**
5 Indirect Administration						
1 *Indirect Administration*						
1 INDIRECT ADMINISTRATION	1,367,992	1,357,602	210,243	171,138	1,578,235	1,528,740
TOTAL, GOAL 5	**$1,367,992**	**$1,357,602**	**$210,243**	**$171,138**	**$1,578,235**	**$1,528,740**

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

Goal/*Objective*/**STRATEGY**	**Base 2012**	**Base 2013**	**Exceptional 2012**	**Exceptional 2013**	**Total Request 2012**	**Total Request 2013**
TOTAL, AGENCY STRATEGY REQUEST	**$7,401,362**	**$7,147,300**	**$672,630**	**$563,450**	**$8,073,992**	**$7,710,750**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$7,401,362**	**$7,147,300**	**$672,630**	**$563,450**	**$8,073,992**	**$7,710,750**

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

Goal/*Objective*/**STRATEGY**	**Base 2012**	**Base 2013**	**Exceptional 2012**	**Exceptional 2013**	**Total Request 2012**	**Total Request 2013**
General Revenue Funds:						
1 General Revenue Fund	$7,091,562	$6,837,500	$672,630	$563,450	$7,764,192	$7,400,950
	$7,091,562	**$6,837,500**	**$672,630**	**$563,450**	**$7,764,192**	**$7,400,950**
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	185,800	185,800	0	0	185,800	185,800
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
	$189,800	**$189,800**	**$0**	**$0**	**$189,800**	**$189,800**
TOTAL, METHOD OF FINANCING	**$7,401,362**	**$7,147,300**	**$672,630**	**$563,450**	**$8,073,992**	**$7,710,750**
FULL TIME EQUIVALENT POSITIONS	**99.0**	**99.0**	**6.0**	**6.0**	**105.0**	**105.0**

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

Goal/ *Objective* / **Outcome**	BL 2012	BL 2013	Excp 2012	Excp 2013	Total Request 2012	Total Request 2013
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						
	99.00%	99.00%			99.00%	99.00%
KEY 2 Percent of Licensees Who Renew Online						
	83.00%	85.00%			83.00%	85.00%
KEY 3 Percent of New Licenses Issued Online						
	75.00%	77.00%			75.00%	77.00%
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						
	30.00%	30.00%			30.00%	30.00%
KEY 2 Percent of Documented Complaints Resolved within 6 Months						
	80.00%	85.00%			80.00%	85.00%
4 Implement and Enforce TALCB Standards						
1 *Provide Qualified Real Estate Appraisers*						
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						
	70.00%	75.00%			70.00%	75.00

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

Goal/ *Objective* / **Outcome**	BL 2012	BL 2013	Excp 2012	Excp 2013	Total Request 2012	Total Request 2013
3 Percent of New Licenses Issued Online						
	25.00%	50.00%			25.00%	50.00%
2 *Resolve Complaints in a Timely Manner*						
1 Percent of Complaints Resulting in Disciplinary Action						
	40.00%	40.00%			40.00%	40.00%
2 Recidivism Rate for Those Receiving Disciplinary Action						
	26.00%	28.00%			26.00%	28.00%
KEY **3 Percent of Documented Complaints Resolved within 6 Months**						
	35.00%	40.00%			35.00%	40.00%

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

DATE: **8/25/2010**

82nd Regular Session, Agency Submission, Version 1

TIME: **3:09:13PM**

Automated Budget and Evaluation System of Texas (ABEST)

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

GR Baseline Request Limit = $14,843,751

GR-D Baseline Request Limit = $240,000

Strategy/Strategy Option/Rider	2012 Funds			2013 Funds				Biennial	Biennial	
	FTEs	Total	GR	Ded	FTEs	Total	GR	Ded	Cumulative GR	Cumulative Ded	Page #
Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses**											
	20.6	2,408,744	2,408,744	0	20.6	2,189,007	2,189,007	0	4,597,751	0	_____
Strategy: 1 - 1 - 2 **TexasOnline. Estimated and Nontransferable**											
	0.0	322,000	322,000	0	0.0	322,000	322,000	0	5,241,751	0	_____
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**											
	29.8	1,592,478	1,582,978	0	29.8	1,592,478	1,582,978	0	8,407,707	0	_____
Strategy: 3 - 1 - 1 **Licensee/Consumer Outreach**											
	17.1	763,660	583,660	0	17.1	763,660	583,660	0	9,575,027	0	_____
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**											
	3.3	299,878	179,578	120,000	3.3	275,943	155,643	120,000	9,910,248	240,000	_____
Strategy: 4 - 2 - 1 **Investigate and Resolve Complaints; Impose Penalties as Appropriate**											
	10.3	646,610	646,610	0	10.3	646,610	646,610	0	11,203,468	240,000	_____
Strategy: 5 - 1 - 1 **Indirect Administration**											
	17.9	1,367,992	1,367,992	0	17.9	1,357,602	1,357,602	0	13,929,062	240,000	_____
Excp Item: 1 **Professional Staff & Training (6 FTEs) - TREC**											
	6.0	401,280	401,280	0	6.0	350,650	350,650	0	14,680,992	240,000	_____

Strategy Detail for Excp Item: 1

Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses**							
1.0	49,065	49,065	0	1.0	41,450	41,450	0
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**							
2.0	120,515	120,515	0	2.0	104,050	104,050	0
Strategy: 3 - 1 - 1 **Licensee/Consumer Outreach**							
1.0	88,100	88,100	0	1.0	79,250	79,250	0
Strategy: 5 - 1 - 1 **Indirect Administration**							
2.0	143,600	143,600	0	2.0	125,900	125,900	0

Excp Item: 2 **Software Upgrades & Training - TREC**

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

GR Baseline Request Limit = $14,843,751

GR-D Baseline Request Limit = $240,000

Strategy/Strategy Option/Rider	2012 Funds FTEs	2012 Funds Total	2012 Funds GR	2012 Funds Ded	2013 Funds FTEs	2013 Funds Total	2013 Funds GR	2013 Funds Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
	0.0	55,020	55,020	0	0.0	0	0	0	14,736,012	240,000	
Strategy Detail for Excp Item: 2											
Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses**	0.0	6,365	6,365	0	0.0	0	0	0			
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**	0.0	12,750	12,750	0	0.0	0	0	0			
Strategy: 3 - 1 - 1 **Licensee/Consumer Outreach**	0.0	5,100	5,100	0	0.0	0	0	0			
Strategy: 5 - 1 - 1 **Indirect Administration**	0.0	30,805	30,805	0	0.0	0	0	0			
	105.0				**105.0**				********GR Baseline Request Limit=$14,843,751********		
Excp Item: 3 **Salary Equity - TREC**	0.0	147,700	147,700	0	0.0	147,700	147,700	0	15,031,412	240,000	
Strategy Detail for Excp Item: 3											
Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses**	0.0	25,401	25,401	0	0.0	25,401	25,401	0			
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**	0.0	71,395	71,395	0	0.0	71,395	71,395	0			
Strategy: 3 - 1 - 1 **Licensee/Consumer Outreach**	0.0	39,466	39,466	0	0.0	39,466	39,466	0			
Strategy: 5 - 1 - 1 **Indirect Administration**	0.0	11,438	11,438	0	0.0	11,438	11,438	0			
Excp Item: 4 **PC Refresh - TREC**	0.0	16,400	16,400	0	0.0	20,200	20,200	0	15,068,012	240,000	

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

GR Baseline Request Limit = $14,843,751

GR-D Baseline Request Limit = $240,000

Strategy/Strategy Option/Rider	2012 Funds FTEs	2012 Funds Total	2012 Funds GR	2012 Funds Ded	2013 Funds FTEs	2013 Funds Total	2013 Funds GR	2013 Funds Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
Strategy Detail for Excp Item: 4											
Strategy: 1 - 1 - 1 **Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses**	0.0	800	800	0	0.0	2,400	2,400	0			
Strategy: 2 - 1 - 1 **Investigate and Resolve Valid Complaint Cases**	0.0	7,200	7,200	0	0.0	0	0	0			
Strategy: 5 - 1 - 1 **Indirect Administration**	0.0	8,400	8,400	0	0.0	17,800	17,800	0			
Excp Item: 5 **Mandatory Security Test & Remediation - TREC**	0.0	16,000	16,000	0	0.0	16,000	16,000	0	15,100,012	240,000	
Strategy Detail for Excp Item: 5											
Strategy: 5 - 1 - 1 **Indirect Administration**	0.0	16,000	16,000	0	0.0	16,000	16,000	0			
Excp Item: 6 **Software Upgrades & Training - TALCB**	0.0	7,330	7,330	0	0.0	0	0	0	15,107,342	240,000	
Strategy Detail for Excp Item: 6											
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**	0.0	1,510	1,510	0	0.0	0	0	0			
Strategy: 4 - 2 - 1 **Investigate and Resolve Complaints; Impose Penalties as Appropriate**	0.0	5,820	5,820	0	0.0	0	0	0			
Excp Item: 7 **Salary Equity - TALCB**	0.0	27,300	27,300	0	0.0	27,300	27,300	0	15,161,942	240,000	

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

GR Baseline Request Limit = $14,843,751

GR-D Baseline Request Limit = $240,000

Strategy/Strategy Option/Rider	2012 Funds FTEs	2012 Funds Total	2012 Funds GR	2012 Funds Ded	2013 Funds FTEs	2013 Funds Total	2013 Funds GR	2013 Funds Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
Strategy Detail for Excp Item: 7											
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**											
	0.0	6,353	6,353	0	0.0	6,353	6,353	0			
Strategy: 4 - 2 - 1 **Investigate and Resolve Complaints; Impose Penalties as Appropriate**											
	0.0	20,947	20,947	0	0.0	20,947	20,947	0			
Excp Item: 8 **PC Refresh - TALCB**											
	0.0	1,600	1,600	0	0.0	1,600	1,600	0	15,165,142	240,000	
Strategy Detail for Excp Item: 8											
Strategy: 4 - 1 - 1 **Process Applications and License Applicants**											
	0.0	800	800	0	0.0	800	800	0			
Strategy: 4 - 2 - 1 **Investigate and Resolve Complaints; Impose Penalties as Appropriate**											
	0.0	800	800	0	0.0	800	800	0			
	105.0	**$8,073,992**	**$7,764,192**	**$120,000**	**105.0**	**$7,710,750**	**$7,400,950**	**120,000**			

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

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure — Statewide Goal/Benchmark: 7 2

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

STRATEGY: 1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
KEY 1	Number of New Licenses Issued to Individuals	21,169.00	20,000.00	20,000.00	20,000.00	20,000.00
KEY 2	Number of Licenses Renewed (Individuals)	65,705.00	60,000.00	60,000.00	60,000.00	60,000.00
Efficiency Measures:						
KEY 1	Average Time for Individual License Issuance (Days)	36.41	35.00	40.00	40.00	40.00
2	Average Time for Individual License Renewal	1.70	1.50	2.00	2.00	2.00
KEY 3	Percentage New Indiv Licences within 10 Days	89.45 %	95.00 %	95.00 %	95.00 %	90.00 %
KEY 4	% Indiv License Renewals within 7 Days	94.21 %	95.00 %	95.00 %	95.00 %	95.00 %
Explanatory/Input Measures:						
1	Total Number of Licenses, Certifications, or Registrations	149,684.00	150,000.00	152,500.00	155,000.00	155,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$866,828	$819,680	$782,123	$782,123	$782,123
1002	OTHER PERSONNEL COSTS	$58,454	$34,515	$38,008	$29,238	$29,238
2001	PROFESSIONAL FEES AND SERVICES	$438	$305	$319	$319	$319
2003	CONSUMABLE SUPPLIES	$23,026	$19,512	$19,746	$19,746	$19,746
2004	UTILITIES	$2,926	$5,593	$2,818	$600	$600
2005	TRAVEL	$109	$39	$0	$0	$0
2006	RENT - BUILDING	$140,897	$165,498	$165,147	$0	$0
2007	RENT - MACHINE AND OTHER	$16,406	$14,512	$14,800	$14,800	$14,800
2009	OTHER OPERATING EXPENSE	$269,199	$1,179,489	$1,300,650	$1,561,918	$1,342,181
5000	CAPITAL EXPENDITURES	$82,170	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$1,460,453**	**$2,239,143**	**$2,323,611**	**$2,408,744**	**$2,189,007**
Method of Financing:						
1	General Revenue Fund	$1,460,453	$2,239,143	$2,323,611	$2,408,744	$2,189,007

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

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure — Statewide Goal/Benchmark: 7 2

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

STRATEGY: 1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
	SUBTOTAL, MOF (GENERAL REVENUE FUNDS)	**$1,460,453**	**$2,239,143**	**$2,323,611**	**$2,408,744**	**$2,189,007**
	TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)				**$2,408,744**	**$2,189,007**
	TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)	**$1,460,453**	**$2,239,143**	**$2,323,611**	**$2,408,744**	**$2,189,007**
	FULL TIME EQUIVALENT POSITIONS:	**23.1**	**21.8**	**20.6**	**20.6**	**20.6**

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. To assure that such licensees meet applicable statutory requirements the Commission reviews transcripts and coursework. 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 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. 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 to enhance these goals.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The Education & Licensing Services Division processes and evaluates the application and education information and ensures payment and timely deposit of the statutorily required fees. The Information & Technology Services Division provides the licensing management system infrastructure to facilitate and document licensing functions, including electronic interfaces with Texas Guaranteed Student Loan Corporation (TGSLC) and DPS. The Standards & Enforcement Services Division reviews TG and DPS information to address certain issues relating to an applicant’s fitness to be licensed. The Administration & Management Services 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 agency 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 the agency to maintain a fully operational licensing management information system impacts the agency’s ability to process license applications and renewals and to report on its performance.

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

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

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	$324,344	$322,000	$322,000	$322,000	$322,000
TOTAL, OBJECT OF EXPENSE		**$324,344**	**$322,000**	**$322,000**	**$322,000**	**$322,000**
Method of Financing:						
1	General Revenue Fund	$324,344	$322,000	$322,000	$322,000	$322,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$324,344**	**$322,000**	**$322,000**	**$322,000**	**$322,000**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$322,000**	**$322,000**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$324,344**	**$322,000**	**$322,000**	**$322,000**	**$322,000**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

Legislation mandates the collection of TexasOnline fees.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Legislation mandates the collection of TexasOnline fees.

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

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules — Statewide Goal/Benchmark: 7 4

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

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
KEY 1	Number of Complaints Resolved	2,138.00	1,950.00	2,240.00	2,240.00	2,240.00
2	Number of Orders Issued by the Commission	0.00	200.00	200.00	200.00	200.00
Efficiency Measures:						
KEY 1	Average Time for Complaint Resolution (Days)	324.00	275.00	230.00	195.00	165.00
Explanatory/Input Measures:						
1	Jurisdictional Complaints Received	1,579.00	1,750.00	1,820.00	2,000.00	2,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$1,373,883	$1,416,603	$1,403,016	$1,403,016	$1,403,016
1002	OTHER PERSONNEL COSTS	$76,603	$63,336	$51,983	$40,929	$40,929
2001	PROFESSIONAL FEES AND SERVICES	$17,236	$18,845	$17,373	$17,373	$17,373
2003	CONSUMABLE SUPPLIES	$11,897	$12,595	$15,066	$15,066	$15,066
2004	UTILITIES	$12,258	$10,874	$11,258	$9,300	$9,300
2005	TRAVEL	$25,443	$26,172	$25,000	$25,000	$25,000
2006	RENT - BUILDING	$100,949	$100,911	$100,810	$0	$0
2007	RENT - MACHINE AND OTHER	$7,862	$7,795	$8,200	$8,200	$8,200
2009	OTHER OPERATING EXPENSE	$47,617	$47,727	$70,270	$73,594	$73,594
4000	GRANTS	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$1,673,748**	**$1,704,858**	**$1,702,976**	**$1,592,478**	**$1,592,478**
Method of Financing:						
1	General Revenue Fund	$1,665,393	$1,695,358	$1,693,476	$1,582,978	$1,582,978
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,665,393**	**$1,695,358**	**$1,693,476**	**$1,582,978**	**$1,582,978**

Method of Financing:

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

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules — Statewide Goal/Benchmark: 7 4

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

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
666	Appropriated Receipts	$6,178	$5,500	$5,500	$5,500	$5,500
971	Real Estate Recovery Fund	$2,177	$3,500	$3,500	$3,500	$3,500
988	Real Estate Inspec Trust	$0	$500	$500	$500	$500
SUBTOTAL, MOF (OTHER FUNDS)		**$8,355**	**$9,500**	**$9,500**	**$9,500**	**$9,500**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$1,592,478**	**$1,592,478**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,673,748**	**$1,704,858**	**$1,702,976**	**$1,592,478**	**$1,592,478**
FULL TIME EQUIVALENT POSITIONS:		**31.6**	**31.6**	**29.8**	**29.8**	**29.8**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Chapter 1101, Texas Occupations Code (The Real Estate License Act) requires a signed written complaint to initiate an investigation and potential disciplinary action. The Real Estate License Act does not authorize covert investigations. 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 informal dispute resolution or 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 Standards & Enforcement Services 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 information system, and the requirement for fingerprinting and criminal background checks on each licensee upon each license renewal.

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

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

GOAL: 3 To Communicate Effectively with the Public and Licensees
OBJECTIVE: 1 To Communicate Effectively with Licensees and Consumers
STRATEGY: 1 Licensee/Consumer Outreach

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
KEY 1	Number of Calls Received	402,102.00	348,000.00	325,000.00	325,000.00	325,000.00
2	Number of Inquiries Answered Via E-mail	9,555.00	13,500.00	20,000.00	20,000.00	20,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$654,132	$728,491	$723,232	$723,232	$723,232
1002	OTHER PERSONNEL COSTS	$39,630	$27,494	$20,067	$19,428	$19,428
2001	PROFESSIONAL FEES AND SERVICES	$202	$225	$295	$295	$295
2003	CONSUMABLE SUPPLIES	$854	$1,882	$893	$893	$893
2004	UTILITIES	$10,639	$7,636	$7,246	$0	$0
2005	TRAVEL	$621	$4,645	$3,269	$3,269	$3,269
2006	RENT - BUILDING	$35,208	$34,380	$34,380	$0	$0
2007	RENT - MACHINE AND OTHER	$1,897	$1,880	$1,975	$1,975	$1,975
2009	OTHER OPERATING EXPENSE	$29,173	$18,192	$11,852	$14,568	$14,568
5000	CAPITAL EXPENDITURES	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$772,356**	**$824,825**	**$803,209**	**$763,660**	**$763,660**
Method of Financing:						
1	General Revenue Fund	$578,514	$644,825	$623,209	$583,660	$583,660
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$578,514**	**$644,825**	**$623,209**	**$583,660**	**$583,660**
Method of Financing:						
666	Appropriated Receipts	$193,842	$180,000	$180,000	$180,000	$180,000
SUBTOTAL, MOF (OTHER FUNDS)		**$193,842**	**$180,000**	**$180,000**	**$180,000**	**$180,000**

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

GOAL: 3 To Communicate Effectively with the Public and Licensees
OBJECTIVE: 1 To Communicate Effectively with Licensees and Consumers
STRATEGY: 1 Licensee/Consumer Outreach

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$763,660**	**$763,660**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$772,356**	**$824,825**	**$803,209**	**$763,660**	**$763,660**
FULL TIME EQUIVALENT POSITIONS:		**16.5**	**18.0**	**17.1**	**17.1**	**17.1**

STRATEGY DESCRIPTION AND JUSTIFICATION:

State agencies are required to communicate effectively and efficiently with the public to fulfill the state ’s mission. This agency gauges its responsiveness to Texans through a customer service survey. The brief questionnaire is available at the agency’s customer service window and is accessible online. The agency employs technology to enhance and expand its communication with the providers and consumers of real estate services. Licensees and the public are educated about statutes and rules via public speaking engagements, personal contacts, email, press releases, websites, and an electronic newsletter that is published 8 times per year. The Reception & Communication Services Division answers 14 telephone lines – 12 for the Texas Real Estate Commission (TREC) and 2 for the Texas Appraiser Licensing & Certification Board (TALCB). The Reception & Communication Services Division is able to address a full range of issues that licensees and consumers have questions about. The level of inquiries has been increasing dramatically. In addition to answering telephones, this division also responds within 24 hours to emails received by the agency with questions.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Email has become a major information delivery mechanism expanding the public's access to the agency. On average, the agency receives 475 general inquiry emails a week. As the use of email has become more prevalent, there has been a corresponding decrease in the number of telephone calls received. The Reception & Communications Services Division also receives and assists visitors to the agency. The agency has received 6,820 visitors year to date (September, 2009 through July, 2010). The agency is scheduled to move to the Capitol Complex in June 2011. It is anticipated that with the move, walk in visitors may decrease because of public parking limitations.

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

GOAL: 4 Implement and Enforce TALCB Standards — Statewide Goal/Benchmark: 7 2

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

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
KEY 1	Number New Licenses/Certifications/Registrations Issued to Individuals	704.00	650.00	600.00	650.00	650.00
KEY 2	Number of Licenses and Certifications Renewed (Individuals)	3,293.00	3,000.00	2,500.00	3,000.00	3,000.00
Efficiency Measures:						
1	Percentage New Indiv Licences within 10 Days	82.60 %	95.00 %	95.00 %	95.00 %	95.00 %
2	% Indiv License Renewals within 7 Days	96.30 %	95.00 %	95.00 %	95.00 %	95.00 %
Explanatory/Input Measures:						
1	Total Number of Individuals Licensed	6,415.00	6,500.00	7,000.00	7,000.00	7,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$149,045	$128,413	$109,496	$109,496	$109,496
1002	OTHER PERSONNEL COSTS	$5,260	$10,308	$3,480	$3,480	$3,480
2001	PROFESSIONAL FEES AND SERVICES	$70	$29,018	$83	$4,871	$4,871
2003	CONSUMABLE SUPPLIES	$2,393	$1,349	$2,612	$2,612	$2,612
2004	UTILITIES	$1,249	$1,539	$1,354	$0	$0
2005	TRAVEL	$8,229	$4,297	$3,600	$3,600	$3,600
2006	RENT - BUILDING	$25,896	$5,662	$22,162	$0	$0
2007	RENT - MACHINE AND OTHER	$1,275	$1,411	$1,250	$1,250	$1,250
2009	OTHER OPERATING EXPENSE	$174,452	$189,985	$133,670	$174,569	$150,634
5000	CAPITAL EXPENDITURES	$169,513	$123,146	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$537,382**	**$495,128**	**$277,707**	**$299,878**	**$275,943**
Method of Financing:						
1	General Revenue Fund	$390,888	$374,828	$157,407	$179,578	$155,643

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

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

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$390,888**	**$374,828**	**$157,407**	**$179,578**	**$155,643**
Method of Financing:						
28	Appraiser Registry Acct	$146,150	$120,000	$120,000	$120,000	$120,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		**$146,150**	**$120,000**	**$120,000**	**$120,000**	**$120,000**
Method of Financing:						
666	Appropriated Receipts	$344	$300	$300	$300	$300
SUBTOTAL, MOF (OTHER FUNDS)		**$344**	**$300**	**$300**	**$300**	**$300**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$299,878**	**$275,943**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$537,382**	**$495,128**	**$277,707**	**$299,878**	**$275,943**
FULL TIME EQUIVALENT POSITIONS:		**4.4**	**3.9**	**3.3**	**3.3**	**3.3**

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:

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

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

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013

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 trainees and licensed or certified appraisers. The additional educational requirements will necessitate more intensive review of courses and transcripts by staff. Further, the experience of all applicants for certification must now be audited to meet federal requirements.

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

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

OBJECTIVE: 2 Resolve 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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
KEY 1	Number of Complaints Resolved	244.00	300.00	330.00	350.00	360.00
2	Number of Requests for Assistance Completed	7.00	10.00	15.00	20.00	25.00
Efficiency Measures:						
KEY 1	Average Time for Complaint Resolution (Days)	497.37	300.00	300.00	275.00	250.00
Explanatory/Input Measures:						
1	Jurisdictional Complaints Received	308.00	375.00	375.00	400.00	425.00
Objects of Expense:						
1001	SALARIES AND WAGES	$352,592	$457,038	$529,538	$554,774	$554,774
1002	OTHER PERSONNEL COSTS	$8,395	$22,615	$28,421	$28,421	$28,421
2001	PROFESSIONAL FEES AND SERVICES	$6,650	$18,005	$18,017	$20,228	$20,228
2003	CONSUMABLE SUPPLIES	$6,144	$8,942	$9,088	$9,088	$9,088
2004	UTILITIES	$1,990	$2,913	$2,446	$0	$0
2005	TRAVEL	$3,320	$13,777	$12,400	$12,400	$12,400
2006	RENT - BUILDING	$10,008	$29,448	$12,948	$0	$0
2007	RENT - MACHINE AND OTHER	$4,218	$4,405	$4,350	$4,350	$4,350
2009	OTHER OPERATING EXPENSE	$12,515	$24,947	$13,578	$17,349	$17,349
5000	CAPITAL EXPENDITURES	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$405,832**	**$582,090**	**$630,786**	**$646,610**	**$646,610**
Method of Financing:						
1	General Revenue Fund	$405,832	$582,090	$630,786	$646,610	$646,610
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$405,832**	**$582,090**	**$630,786**	**$646,610**	**$646,610**

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

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

OBJECTIVE: 2 Resolve 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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$646,610**	**$646,610**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$405,832**	**$582,090**	**$630,786**	**$646,610**	**$646,610**
FULL TIME EQUIVALENT POSITIONS:		**7.7**	**10.3**	**10.3**	**10.3**	**10.3**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Title XI of the Federal Financial Institutions, Reform, Recovery and Enforcement Act (Title XI) 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 (the Act) provides the TALCB Standards & Enforcement Services Division with authority to adopt standards, investigate complaints and initiate actions that could result in the imposition of sanctions, including revocation of a license or certificate for violations of the Act or the agency rules. The Standards & Enforcement Services Division 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. In addition, staff regularly fulfill the requirement to work with prosecutors and other designated agencies to address mortgage fraud, which has risen considerably.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The number of complaints received by the Standards & Enforcement Services Division continues to increase significantly. The complexity of the matters in dispute has also increased. Economic factors, especially those affecting mortgage markets and affecting the level of mortgage loan defaults, contribute to more appraiser complaints. The enforcement staff has been assigned significant additional responsibilities in the area of investigating and assisting in the prosecution of suspected mortgage fraud. The Standards & Enforcement Services Division must address compliance with Appraisal Subcommittee (ASC) Policy Statement Number 10, requiring all complaints to be resolved within one year after they were filed. However, increasing complaint volume and a significant caseload backlog have made it difficult to meet this requirement. Additional resources are necessary to ensure that the Board is able to comply with the ASC. The ability to attract and retain qualified and experienced staff is adversely affected by a salary structure that is not competitive with other state agencies.

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: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	$966,677	$1,042,002	$1,009,174	$1,009,174	$1,009,174
1002	OTHER PERSONNEL COSTS	$55,413	$55,625	$40,362	$37,465	$37,465
2001	PROFESSIONAL FEES AND SERVICES	$34,916	$92,429	$67,793	$63,505	$63,505
2003	CONSUMABLE SUPPLIES	$17,815	$17,512	$19,195	$19,195	$19,195
2004	UTILITIES	$18,582	$20,966	$19,478	$0	$0
2005	TRAVEL	$22,581	$30,391	$30,431	$30,431	$30,431
2006	RENT - BUILDING	$148,669	$126,489	$126,508	$4,600	$4,600
2007	RENT - MACHINE AND OTHER	$8,411	$8,725	$8,925	$8,925	$8,925
2009	OTHER OPERATING EXPENSE	$109,073	$99,055	$111,430	$179,997	$184,307
5000	CAPITAL EXPENDITURES	$328,224	$293,828	$14,700	$14,700	$0
TOTAL, OBJECT OF EXPENSE		**$1,710,361**	**$1,787,022**	**$1,447,996**	**$1,367,992**	**$1,357,602**
Method of Financing:						
1	General Revenue Fund	$1,710,361	$1,787,022	$1,447,996	$1,367,992	$1,357,602
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,710,361**	**$1,787,022**	**$1,447,996**	**$1,367,992**	**$1,357,602**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$1,367,992**	**$1,357,602**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,710,361**	**$1,787,022**	**$1,447,996**	**$1,367,992**	**$1,357,602**
FULL TIME EQUIVALENT POSITIONS:		**19.0**	**19.0**	**17.9**	**17.9**	**17.9**

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

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

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013

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 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, human resources services and other support to the agency. The Technology Services Division provides agency-wide support in three main areas: (1) internal computer systems which include fee receipts , education evaluation, examination result posting , license and renewal processing , enforcement case tracking , open records access and education provider approval systems; (2) cooperative systems working in concert with the TGSLC on student loans in default, the Attorney General in the collection of delinquent child support, the DPS in collection of fingerprints and 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 Indirect Administration strategy is impacted internally by implementation of law and rule changes, measures and reporting requirements and the volume of requests for information. Externally, the development of new business practices in the real estate industry, the rapidly changing field of license holder professional education, and the demands of consumers and license holders for more effective and efficient service delivery models all place significant demands on the agency to evolve and change. New risks to consumers appear and the agency must react. New opportunities arise where technology can reduce the cost of providing services to consumers and license holders and the agency would be short-sighted not to embrace these.

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$6,884,476**	**$7,955,066**	**$7,508,285**	**$7,401,362**	**$7,147,300**
METHODS OF FINANCE (INCLUDING RIDERS):				**$7,401,362**	**$7,147,300**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$6,884,476**	**$7,955,066**	**$7,508,285**	**$7,401,362**	**$7,147,300**
FULL TIME EQUIVALENT POSITIONS:	**102.3**	**104.6**	**99.0**	**99.0**	**99.0**

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

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/23/10	Request Level: Base

Current Rider Number	Page Number in 2010–11 GAA	Proposed Rider Language
2.	VIII-62	**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.

			~~2010~~ 2012	~~2011~~ 2013
a.	Acquisition of Information Resource Technologies			
	(1) Core Application Conversion		$ ~~275,000~~ 47,402	$ ~~0~~ 51,712
	(2 Image System Implementation		~~196,000~~ 307,941	~~0~~ 61,595
	(3) TALCB Licensee Automation		~~150,000~~ 5,266	~~0~~ 5,744
	Total, Acquisition of Information Resource Technologies		$ ~~621,000~~ 360,609	$ ~~0~~ 119,051
b.	Other Lease Payments to the Master Lease Purchase Program (MLPP)			
	~~(1) Lease Payments for (MLPP) for Enterprise Server Acquisition~~		~~54,000~~	~~0~~
	(~~2~~ 1) Upgrade Obsolete Telephone System		14,700	~~14,700~~ 0
	Total, Other Lease Payments to the Master Lease Purchase Program (MLPP)		$ ~~68,700~~ 14,700	$ ~~14,700~~ 0
	Total, Capital Budget		$ ~~689.700~~ 375,309	$ ~~14,700~~ 119,051
	Method of Financing (Capital Budget):			
	General Revenue Fund		$ ~~689.700~~ 375,309	$ ~~14,700~~ 119,051
	Total, Method of Financing		$ ~~689.700~~ 375,309	$ ~~14,700~~ 119,051

Request continuation of this rider with revisions to reflect FY2012-13 baseline projects.

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

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/23/10	Request Level: Base

Current Rider Number	Page Number in 2010–11 GAA	Proposed Rider Language
3.	**VIII-62**	**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. *Request continuation of this rider with no changes.*
4.	**VIII-62**	**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 ~~2010~~ 2012 and $120,000 in fiscal year ~~2011~~ 2013, 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. *Request continuation of this rider with no changes other than fiscal year updates.*
5.	**VIII-62**	**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. *Request continuation of this rider with no changes.*
6.	**VIII-63**	**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. *Request continuation of this rider with no changes.*

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

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/23/10	Request Level: Base

Current Rider Number	Page Number in 2010–11 GAA	Proposed Rider Language
7.	VIII-63	~~**Contingent Revenue.** Out of the amounts appropriated above to the Texas Real Estate Commission, in Strategy A.1.1., TREC Licensing, the amounts of $43,479 in fiscal year 2010 and $343,479 in fiscal year 2011, in Strategy B.1.1., TREC Investigation, the amounts of $93,876 in fiscal year 2010 and $85,016 in fiscal year 2011, in Strategy C.1.1, Licensee/Consumer Education, the amounts of $36,616 in fiscal year 2010 and $36,616 in fiscal year 2011, in Strategy D.1.1., TALCB Licensing, the amounts of $11,451 in fiscal year 2010 and $61,451 in fiscal year 2011, in Strategy D.2.1., TALCB Enforcement, the amounts of $197,739 in fiscal year 2010 and $162,299 in fiscal year 2011, in Strategy E.1.1., Indirect Administration, the amounts of $59,743 in fiscal year 2010 and $59,743 in fiscal year 2011 in General Revenue are contingent upon the Texas Real Estate Commission assessing or increasing fees sufficient to generate, during the 2010-11 biennium, $1,408,984 in excess of $18,372,000 (Object code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue estimate for fiscal years 2010 and 2011. Also, the "Number of Full-Time-Equivalents (FTE)" figure indicated above includes 5.0 FTEs in each fiscal year contingent upon the Texas Real Estate Commission generating the amount of revenue indicated above. The Texas Real Estate Commission, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of the Texas Real Estate Commission's minutes and other information supporting the estimated revenues to be generated for the 2010-11 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.~~ *Request discontinuation of this rider because it applies to FY2010-11 appropriations.*

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

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/23/10	Request Level: Base

Current Rider Number	Page Number in 2010–11 GAA	Proposed Rider Language
Sec 4.	**VIII-91-92**	**Sec. 4. TexasOnline Authority Appropriation.** a. Each Article VIII licensing agency participating in the TexasOnline Authority is authorized in accordance with §2054. Code to increase the occupational license, permit, and registration fees imposed on the licensees by an amount sufficient subscription fee charged by the TexasOnline Authority. 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. ~~2010~~ 2012 2011 2013 Real Estate Commission 322,000 322,000 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. 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. 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. *Request continuation of this rider with no changes other than the fiscal year updates.*

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

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/23/10	Request Level: Base

Current Rider Number	Page Number in 2010–11 GAA	Proposed Rider Language
Sec 6.	**VIII-93**	**Sec. 6. Contingency Appropriation for Criminal History Record Information.** 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. 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 ~~2010-11~~ FY2012-13 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. c. The following is an informational listing of agency appropriations included for each Article VIII licensing agency conducting criminal history background checks. ~~2010~~ 2012 ~~2011~~ 2013 Real Estate Commission ~~1,089,550~~ 1,175,000 ~~1,449,525~~ 1,175,000 *Request continuation of this rider with changes to the fiscal years and estimated amount based on current levels.*

3.B. Rider Revisions and Additions Request – Exceptional Level

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 08/23/10	Request Level: Exceptional

Current Rider Number	Page Number in 2010–11 GAA	Proposed Rider Language
2.	VIII-62	**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.

		~~2010~~ 2012	~~2011~~ 2013
a.	Acquisition of Information Resource Technologies		
	(1) Core Application Conversion	$ ~~275,000~~ 47,402	$ ~~0~~ 51,712
	(2 Image System Implementation	~~196,000~~ 307,941	~~0~~ 61,595
	(3) TALCB Licensee Automation	~~150,000~~ 5,266	~~0~~ 5,744
	(4) Software Upgrades & Training	62,350	0
	(5) PC Refresh	18,000	21,800
	Total, Acquisition of Information Resource Technologies	$ ~~621,000~~ 440,959	$ ~~0~~ 140,851
b.	Other Lease Payments to the Master Lease Purchase Program (MLPP)		
	~~(1) Lease Payments for (MLPP) for Enterprise Server Acquisition~~	~~54,000~~	~~0~~
	(~~2~~ 1) Upgrade Obsolete Telephone System	14,700	~~14,700~~ 0
	Total, Other Lease Payments to the Master Lease Purchase Program (MLPP)	$ ~~68,700~~ 14,700	$ ~~14,700~~ 0
	Total, Capital Budget	$ ~~689.700~~ 455,659	$ ~~14,700~~ 140,851
	Method of Financing (Capital Budget):		
	General Revenue Fund	$ ~~689.700~~ 455,659	$ ~~14,700~~ 140,851
	Total, Method of Financing	$ ~~689.700~~ 455,659	$ ~~14,700~~ 140,851

		Substitute this rider for the baseline version if exceptional items are approved.

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Professional Staff & Training (6 FTEs) - TREC		
	Item Priority: 1		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses		
	02-01-01 Investigate and Resolve Valid Complaint Cases		
	03-01-01 Licensee/Consumer Outreach		
	04-01-01 Process Applications and License Applicants		
	05-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	345,900	345,900
2009	OTHER OPERATING EXPENSE	55,380	4,750
	TOTAL, OBJECT OF EXPENSE	**$401,280**	**$350,650**
METHOD OF FINANCING:			
1	General Revenue Fund	401,280	350,650
	TOTAL, METHOD OF FINANCING	**$401,280**	**$350,650**
FULL-TIME EQUIVALENT POSITIONS (FTE):		6.00	6.00

DESCRIPTION / JUSTIFICATION:

Because a reduction in force was necessary to meet the 5% budget cut mandated in the spring of FY 2010, the agency is struggling to meet performance measures with fewer resources. TREC is requesting funding for staff training and six FTEs as follows: A web applications developer, a consumer affairs specialist, an education curriculum specialist, an accountant/budget analyst, an attorney/mediator and an administrative assistant.

- The TREC website has served the agency and the public well over the last ten years, but it is time to revamp the website. The focus of the web applications developer position is to improve the usability of the website's offerings and to upgrade and develop broader services to meet user expectations.
- TREC has insufficient resources dedicated to consumer outreach and education of the public on real estate matters. A consumer affairs specialist would bridge the gap and provide much needed consumer awareness.
- An education curriculum specialist is vital because the agency does not have sufficient professional staff to scrutinize the curricula for schools and education providers to ensure that licensees are effectively educated; and that sufficient accredited schools are available.
- The agency needs an accountant/budget analyst in its Staff Services Division because existing employees cannot produce the volume of work necessary to meet demand. Key personnel are unable to keep up with their responsibilities and must work extra hours to fulfill their obligations to the agency.
- Three major factors warrant the FTE for an additional staff attorney/mediator: 1) the complexity of consumer complaints, 2) the additional time it takes to prosecute a contested case at the State Office of Administrative Hearings, and 3) the expanded use of Alternative Dispute Resolution.
- The administrative assistant position in the enforcement division is being requested to support the additional focus on Alternative Dispute Resolution.

EXTERNAL/INTERNAL FACTORS:

Agency code: **329** Agency name:

Real Estate Commission

CODE	DESCRIPTION	Excp 2012	Excp 2013

The practice of real estate is constantly evolving and changing. To keep up with the rapid change, the agency's task is twofold: it must ensure that qualified and properly educated real estate professionals are entering the market and it must ensure that existing licensees continue to meet legal requirements for licensure. A case can be made that each of the requested FTEs is necessary for the agency to meet the task and continue to effectively deliver basic service to licensees and consumers.

The agency must be effectively involved in curriculum development to meet the above tasks. Laws change, rules change, circumstances change and the Texas consumers are at risk if they are not being counseled by informed, professional agency licensees.

Technological innovation and service growth is understandably expected by the public.
With the state and agency budget challenges, self service features on the website and rapid and reliable electronic communications are key methods of improving customer service while lowering the cost of transactions. Without these improvements the agency will find it difficult to maintain the current level of service, or to realize future savings.

Although progress has been made, the agency continues to maintain a larger than desirable backlog of cases and the agency is unable to meet performance measures regarding average time to close a complaint. Additionally, the agency has seen an increase in unlicensed and property management violations that require more time and coordination with outside law enforcement agencies and that call for swifter action than is possible with current case loads and resources. Finally, as the economy recovers, activity in the real estate market will increase and the agency's complaint caseload will almost surely increase as well.

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Software Upgrades & Training - TREC		
	Item Priority: 2		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses		
	02-01-01 Investigate and Resolve Valid Complaint Cases		
	03-01-01 Licensee/Consumer Outreach		
	05-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	55,020	0
	TOTAL, OBJECT OF EXPENSE	**$55,020**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	55,020	0
	TOTAL, METHOD OF FINANCING	**$55,020**	**$0**

DESCRIPTION / JUSTIFICATION:

Funding is necessary to purchase Microsoft Office 2010 and a software application supporting collaboration and web publishing. Currently, TREC receives electronic documents from other state agencies which cannot even be opened because our current software is outdated. Software supporting collaboration and web publishing would allow key staff members to share files and to post more documents to the website. Staff training on the software is included in this request.

EXTERNAL/INTERNAL FACTORS:

Outdated software prohibits agency staff from opening electronic documents emailed from other state agencies. Failure to upgrade software will further hurt agency effectiveness, and hamper future improvements in service delivery to the public.

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Salary Equity - TREC		
	Item Priority: 3		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses		
	02-01-01 Investigate and Resolve Valid Complaint Cases		
	03-01-01 Licensee/Consumer Outreach		
	05-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	147,700	147,700
	TOTAL, OBJECT OF EXPENSE	**$147,700**	**$147,700**
METHOD OF FINANCING:			
1	General Revenue Fund	147,700	147,700
	TOTAL, METHOD OF FINANCING	**$147,700**	**$147,700**

DESCRIPTION / JUSTIFICATION:

TREC continues to complete with other state agencies on the basis of salary. Funding for salary equity would permit TREC to increase salaries to bring employees to at least the first quartile of the pay range for each classification. 59% of TREC's current employees are at salaries within the first quartile of the salary structure, and only four 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.

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. This is a routinely negative outcome.

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: PC Refresh - TREC		
	Item Priority: 4		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses		
	02-01-01 Investigate and Resolve Valid Complaint Cases		
	03-01-01 Licensee/Consumer Outreach		
	05-01-01 Indirect Administration		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	16,400	4,800
5000	CAPITAL EXPENDITURES	0	15,400
	TOTAL, OBJECT OF EXPENSE	**$16,400**	**$20,200**
METHOD OF FINANCING:			
1	General Revenue Fund	16,400	20,200
	TOTAL, METHOD OF FINANCING	**$16,400**	**$20,200**

DESCRIPTION / JUSTIFICATION:

After the 5% budget reduction in FY2010-11, only $2,000 annually is included in the PC Refresh budget. This will only allow for replacements for broken equipment. Funding of this item will allow scheduled replacement of obsolete equipment. The average age of agency desktop computers is over 7 years, two generations behind current technology.

EXTERNAL/INTERNAL FACTORS:

There are 42 desktop computers that will be at or exceed the agency 5 year refresh cycle in fiscal Year 2012 and an additional 34 in fiscal year 2013. In FY 2013 there will be 3 servers that exceed the 5 year retention cycle and ready for replacement.

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Mandatory Security Test & Remediation - TREC		
	Item Priority: 5		
	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
	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**

DESCRIPTION / JUSTIFICATION:

Each agency must perform an annual security risk analysis of information resources to meet state security standards pursuant to 1 TAC Part 202. Funding would pay for the test and for subsequent remediation on issues identified.

EXTERNAL/INTERNAL FACTORS:

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

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Software Upgrades & Training - TALCB		
	Item Priority: 21		
	Includes Funding for the Following Strategy or Strategies: 04-01-01 Process Applications and License Applicants		
	04-02-01 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	7,330	0
	TOTAL, OBJECT OF EXPENSE	**$7,330**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	7,330	0
	TOTAL, METHOD OF FINANCING	**$7,330**	**$0**

DESCRIPTION / JUSTIFICATION:

Funding is necessary to purchase Microsoft Office 2010 and a software application supporting collaboration and web publishing. Currently, TREC receives electronic documents from other state agencies which cannot even be opened because our current software is outdated. Software supporting collaboration and web publishing would allow key staff members to share files and to post more documents to the website. Staff training on the software is included in this request.

EXTERNAL/INTERNAL FACTORS:

Outdated software prohibits agency staff from opening electronic documents emailed from other state agencies. Failure to upgrade software will further hurt agency effectiveness, and hamper future improvements in service delivery to the public.

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: Salary Equity - TALCB		
	Item Priority: 22		
	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	27,300	27,300
	TOTAL, OBJECT OF EXPENSE	**$27,300**	**$27,300**
METHOD OF FINANCING:			
1	General Revenue Fund	27,300	27,300
	TOTAL, METHOD OF FINANCING	**$27,300**	**$27,300**

DESCRIPTION / JUSTIFICATION:

TALCB continues to complete with other state agencies on the basis of salary. Funding for salary equity would permit TALCB to increase salaries to bring employees to at least the first quartile of the pay range for each classification. 59% of the agency's current employees are at salaries within the first quartile of the salary structure, and only four employees agencywide have salaries in excess of the midpoint. These salary issues impact the agency at all levels, and for that reason is requesting additional funds for salary equity adjustments.

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. This is a routinely negative outcome.

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: PC Refresh - TALCB		
	Item Priority: 23		
	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:			
2009	OTHER OPERATING EXPENSE	1,600	1,600
	TOTAL, OBJECT OF EXPENSE	**$1,600**	**$1,600**
METHOD OF FINANCING:			
1	General Revenue Fund	1,600	1,600
	TOTAL, METHOD OF FINANCING	**$1,600**	**$1,600**

DESCRIPTION / JUSTIFICATION:
TALCB currently has no budget for PC Refresh. Funding of this item will allow scheduled replacement of obsolete equipment. The average age of agency desktop computers is over 7 years, two generations behind current technology.

EXTERNAL/INTERNAL FACTORS:

The agency has 42 desktop computers that will be at or exceed the agency 5 year refresh cycle in fiscal Year 2012 and an additional 34 in fiscal year 2013. In FY 2013 there will be 3 servers that exceed the 5 year retention cycle and ready for replacement.

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Professional Staff & Training (6 FTEs) - TREC		
Allocation to Strategy:	1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses		
STRATEGY IMPACT ON OUTCOME MEASURES:			
2	Percent of Licensees Who Renew Online	85.00%	85.00%
3	Percent of New Licenses Issued Online	77.00%	77.00%
OUTPUT MEASURES:			
1	Number of New Licenses Issued to Individuals	0.00	500.00
EFFICIENCY MEASURES:			
1	Average Time for Individual License Issuance (Days)	35.00	35.00
3	Percentage New Indiv Licences within 10 Days	95.00%	95.00%
4	% Indiv License Renewals within 7 Days	97.00%	97.00%
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	40,600	40,600
2009	OTHER OPERATING EXPENSE	8,465	850
TOTAL, OBJECT OF EXPENSE		**$49,065**	**$41,450**
METHOD OF FINANCING:			
1	General Revenue Fund	49,065	41,450
TOTAL, METHOD OF FINANCING		**$49,065**	**$41,450**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Professional Staff & Training (6 FTEs) - TREC		
Allocation to Strategy:	2-1-1 Investigate and Resolve Valid Complaint Cases		
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Percent of Complaints Resulting in Disciplinary Action	28.00%	28.00%
2	Percent of Documented Complaints Resolved within 6 Months	85.00%	88.00%
OUTPUT MEASURES:			
1	Number of Complaints Resolved	260.00	260.00
EFFICIENCY MEASURES:			
1	Average Time for Complaint Resolution (Days)	175.00	150.00
EXPLANATORY/INPUT MEASURES:			
1	Jurisdictional Complaints Received	1,800.00	1,800.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	102,700	102,700
2009	OTHER OPERATING EXPENSE	17,815	1,350
TOTAL, OBJECT OF EXPENSE		**$120,515**	**$104,050**
METHOD OF FINANCING:			
1	General Revenue Fund	120,515	104,050
TOTAL, METHOD OF FINANCING		**$120,515**	**$104,050**
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Professional Staff & Training (6 FTEs) - TREC		
Allocation to Strategy:	3-1-1 Licensee/Consumer Outreach		
OUTPUT MEASURES:			
1	Number of Calls Received	-10,000.00	-10,000.00
2	Number of Inquiries Answered Via E-mail	-1,500.00	-1,500.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	78,400	78,400
2009	OTHER OPERATING EXPENSE	9,700	850
TOTAL, OBJECT OF EXPENSE		**$88,100**	**$79,250**
METHOD OF FINANCING:			
1	General Revenue Fund	88,100	79,250
TOTAL, METHOD OF FINANCING		**$88,100**	**$79,250**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Professional Staff & Training (6 FTEs) - TREC		
Allocation to Strategy:	4-1-1 Process Applications and License Applicants		
STRATEGY IMPACT ON OUTCOME MEASURES:			
2	Percent of Licensees Who Renew Online	70.00%	75.00%
3	Percent of New Licenses Issued Online	25.00%	50.00%

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Professional Staff & Training (6 FTEs) - TREC		
Allocation to Strategy:	5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	124,200	124,200
2009	OTHER OPERATING EXPENSE	19,400	1,700
TOTAL, OBJECT OF EXPENSE		**$143,600**	**$125,900**
METHOD OF FINANCING:			
1	General Revenue Fund	143,600	125,900
TOTAL, METHOD OF FINANCING		**$143,600**	**$125,900**
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Software Upgrades & Training - TREC		
Allocation to Strategy:	1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	6,365	0
TOTAL, OBJECT OF EXPENSE		**$6,365**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	6,365	0
TOTAL, METHOD OF FINANCING		**$6,365**	**$0**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Software Upgrades & Training - TREC		
Allocation to Strategy:	2-1-1 Investigate and Resolve Valid Complaint Cases		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	12,750	0
TOTAL, OBJECT OF EXPENSE		**$12,750**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	12,750	0
TOTAL, METHOD OF FINANCING		**$12,750**	**$0**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Software Upgrades & Training - TREC		
Allocation to Strategy:	3-1-1 Licensee/Consumer Outreach		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	5,100	0
TOTAL, OBJECT OF EXPENSE		**$5,100**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	5,100	0
TOTAL, METHOD OF FINANCING		**$5,100**	**$0**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Software Upgrades & Training - TREC		
Allocation to Strategy:	5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	30,805	0
TOTAL, OBJECT OF EXPENSE		**$30,805**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	30,805	0
TOTAL, METHOD OF FINANCING		**$30,805**	**$0**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Salary Equity - TREC		
Allocation to Strategy:	1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	25,401	25,401
TOTAL, OBJECT OF EXPENSE		**$25,401**	**$25,401**
METHOD OF FINANCING:			
1	General Revenue Fund	25,401	25,401
TOTAL, METHOD OF FINANCING		**$25,401**	**$25,401**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Salary Equity - TREC		
Allocation to Strategy:	2-1-1 Investigate and Resolve Valid Complaint Cases		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	71,395	71,395
TOTAL, OBJECT OF EXPENSE		**$71,395**	**$71,395**
METHOD OF FINANCING:			
1	General Revenue Fund	71,395	71,395
TOTAL, METHOD OF FINANCING		**$71,395**	**$71,395**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Salary Equity - TREC		
Allocation to Strategy:	3-1-1 Licensee/Consumer Outreach		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	39,466	39,466
TOTAL, OBJECT OF EXPENSE		**$39,466**	**$39,466**
METHOD OF FINANCING:			
1	General Revenue Fund	39,466	39,466
TOTAL, METHOD OF FINANCING		**$39,466**	**$39,466**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Salary Equity - TREC		
Allocation to Strategy:	5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	11,438	11,438
TOTAL, OBJECT OF EXPENSE		**$11,438**	**$11,438**
METHOD OF FINANCING:			
1	General Revenue Fund	11,438	11,438
TOTAL, METHOD OF FINANCING		**$11,438**	**$11,438**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	PC Refresh - TREC		
Allocation to Strategy:	1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	800	2,400
TOTAL, OBJECT OF EXPENSE		**$800**	**$2,400**
METHOD OF FINANCING:			
1	General Revenue Fund	800	2,400
TOTAL, METHOD OF FINANCING		**$800**	**$2,400**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	PC Refresh - TREC		
Allocation to Strategy:	2-1-1 Investigate and Resolve Valid Complaint Cases		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	7,200	0
TOTAL, OBJECT OF EXPENSE		**$7,200**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	7,200	0
TOTAL, METHOD OF FINANCING		**$7,200**	**$0**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	PC Refresh - TREC		
Allocation to Strategy:	3-1-1 Licensee/Consumer Outreach		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	0	0
TOTAL, OBJECT OF EXPENSE		**$0**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	0	0
TOTAL, METHOD OF FINANCING		**$0**	**$0**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	PC Refresh - TREC		
Allocation to Strategy:	5-1-1 Indirect Administration		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	8,400	2,400
5000	CAPITAL EXPENDITURES	0	15,400
TOTAL, OBJECT OF EXPENSE		**$8,400**	**$17,800**
METHOD OF FINANCING:			
1	General Revenue Fund	8,400	17,800
TOTAL, METHOD OF FINANCING		**$8,400**	**$17,800**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Mandatory Security Test & Remediation - TREC		
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**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Software Upgrades & Training - TALCB		
Allocation to Strategy:	4-1-1 Process Applications and License Applicants		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	1,510	0
TOTAL, OBJECT OF EXPENSE		**$1,510**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	1,510	0
TOTAL, METHOD OF FINANCING		**$1,510**	**$0**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Software Upgrades & Training - TALCB		
Allocation to Strategy:	4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	5,820	0
TOTAL, OBJECT OF EXPENSE		**$5,820**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	5,820	0
TOTAL, METHOD OF FINANCING		**$5,820**	**$0**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Salary Equity - TALCB		
Allocation to Strategy:	4-1-1 Process Applications and License Applicants		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	6,353	6,353
TOTAL, OBJECT OF EXPENSE		**$6,353**	**$6,353**
METHOD OF FINANCING:			
1	General Revenue Fund	6,353	6,353
TOTAL, METHOD OF FINANCING		**$6,353**	**$6,353**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	Salary Equity - TALCB		
Allocation to Strategy:	4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	20,947	20,947
TOTAL, OBJECT OF EXPENSE		**$20,947**	**$20,947**
METHOD OF FINANCING:			
1	General Revenue Fund	20,947	20,947
TOTAL, METHOD OF FINANCING		**$20,947**	**$20,947**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	PC Refresh - TALCB		
Allocation to Strategy:	4-1-1 Process Applications and License Applicants		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	800	800
TOTAL, OBJECT OF EXPENSE		**$800**	**$800**
METHOD OF FINANCING:			
1	General Revenue Fund	800	800
TOTAL, METHOD OF FINANCING		**$800**	**$800**

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

Code	Description	Excp 2012	Excp 2013
Item Name:	PC Refresh - TALCB		
Allocation to Strategy:	4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	800	800
TOTAL, OBJECT OF EXPENSE		**$800**	**$800**
METHOD OF FINANCING:			
1	General Revenue Fund	800	800
TOTAL, METHOD OF FINANCING		**$800**	**$800**

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

GOAL: 1 Determine the Eligibility of TREC Applicants for Licensure — Statewide Goal/Benchmark: 7 - 2

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

STRATEGY: 1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2012	Excp 2013
OUTPUT MEASURES:			
1	Number of New Licenses Issued to Individuals	0.00	500.00
EFFICIENCY MEASURES:			
1	Average Time for Individual License Issuance (Days)	35.00	35.00
3	Percentage New Indiv Licences within 10 Days	95.00 %	95.00 %
4	% Indiv License Renewals within 7 Days	97.00 %	97.00 %
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	66,001	66,001
2009	OTHER OPERATING EXPENSE	15,630	3,250
	Total, Objects of Expense	**$81,631**	**$69,251**
METHOD OF FINANCING:			
1	General Revenue Fund	81,631	69,251
	Total, Method of Finance	**$81,631**	**$69,251**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Professional Staff & Training (6 FTEs) - TREC

Software Upgrades & Training - TREC

Salary Equity - TREC

PC Refresh - TREC

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

GOAL: 2 Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules — Statewide Goal/Benchmark: 7 - 4

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

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
OUTPUT MEASURES:			
1	Number of Complaints Resolved	260.00	260.00
EFFICIENCY MEASURES:			
1	Average Time for Complaint Resolution (Days)	175.00	150.00
EXPLANATORY/INPUT MEASURES:			
1	Jurisdictional Complaints Received	1,800.00	1,800.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	174,095	174,095
2009	OTHER OPERATING EXPENSE	37,765	1,350
	Total, Objects of Expense	**$211,860**	**$175,445**
METHOD OF FINANCING:			
1	General Revenue Fund	211,860	175,445
	Total, Method of Finance	**$211,860**	**$175,445**
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Professional Staff & Training (6 FTEs) - TREC

Software Upgrades & Training - TREC

Salary Equity - TREC

PC Refresh - TREC

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

GOAL: 3 To Communicate Effectively with the Public and Licensees — Statewide Goal/Benchmark: 8 - 0

OBJECTIVE: 1 To Communicate Effectively with Licensees and Consumers — Service Categories:

STRATEGY: 1 Licensee/Consumer Outreach — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2012	Excp 2013
OUTPUT MEASURES:			
1	Number of Calls Received	(10,000.00)	(10,000.00)
2	Number of Inquiries Answered Via E-mail	(1,500.00)	(1,500.00)
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	117,866	117,866
2009	OTHER OPERATING EXPENSE	14,800	850
	Total, Objects of Expense	**$132,666**	**$118,716**
METHOD OF FINANCING:			
1	General Revenue Fund	132,666	118,716
	Total, Method of Finance	**$132,666**	**$118,716**
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Professional Staff & Training (6 FTEs) - TREC

Software Upgrades & Training - TREC

Salary Equity - TREC

PC Refresh - TREC

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

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

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	6,353	6,353
2009	OTHER OPERATING EXPENSE	2,310	800
	Total, Objects of Expense	**$8,663**	**$7,153**
METHOD OF FINANCING:			
1	General Revenue Fund	8,663	7,153
	Total, Method of Finance	**$8,663**	**$7,153**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Professional Staff & Training (6 FTEs) - TREC

Software Upgrades & Training - TALCB

Salary Equity - TALCB

PC Refresh - TALCB

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

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

OBJECTIVE: 2 Resolve 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 2012	Excp 2013
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	20,947	20,947
2009	OTHER OPERATING EXPENSE	6,620	800
	Total, Objects of Expense	**$27,567**	**$21,747**
METHOD OF FINANCING:			
1	General Revenue Fund	27,567	21,747
	Total, Method of Finance	**$27,567**	**$21,747**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Software Upgrades & Training - TALCB

Salary Equity - TALCB

PC Refresh - TALCB

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: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2012	Excp 2013
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	135,638	135,638
2001	PROFESSIONAL FEES AND SERVICES	16,000	16,000
2009	OTHER OPERATING EXPENSE	58,605	4,100
5000	CAPITAL EXPENDITURES	0	15,400
	Total, Objects of Expense	**$210,243**	**$171,138**
METHOD OF FINANCING:			
1	General Revenue Fund	210,243	171,138
	Total, Method of Finance	**$210,243**	**$171,138**
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Professional Staff & Training (6 FTEs) - TREC

Software Upgrades & Training - TREC

Salary Equity - TREC

PC Refresh - TREC

Mandatory Security Test & Remediation - TREC

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

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2010	Bud 2011	BL 2012	BL 2013
5005 Acquisition of Information Resource Technologies				
3/3 Core Application Conversion				
OBJECTS OF EXPENSE				
Capital				
General 2001 PROFESSIONAL FEES AND SERVICES	$49,872	$0	$43,092	$43,092
General 2009 OTHER OPERATING EXPENSE	$0	$0	$4,310	$8,620
General 5000 CAPITAL EXPENDITURES	$225,128	$0	$0	$0
Capital Subtotal OOE, Project 3	$275,000	$0	$47,402	$51,712
Subtotal OOE, Project 3	**$275,000**	**$0**	**$47,402**	**$51,712**
TYPE OF FINANCING				
Capital				
General CA 1 General Revenue Fund	$275,000	$0	$47,402	$51,712
Capital Subtotal TOF, Project 3	$275,000	$0	$47,402	$51,712
Subtotal TOF, Project 3	**$275,000**	**$0**	**$47,402**	**$51,712**
4/4 Image System Implementation				
OBJECTS OF EXPENSE				
Capital				
General 2003 CONSUMABLE SUPPLIES	$726	$0	$0	$0
General 2009 OTHER OPERATING EXPENSE	$172,659	$53,372	$307,941	$61,595
Capital Subtotal OOE, Project 4	$173,385	$53,372	$307,941	$61,595
Subtotal OOE, Project 4	**$173,385**	**$53,372**	**$307,941**	**$61,595**
TYPE OF FINANCING				
Capital				
General CA 1 General Revenue Fund	$173,385	$53,372	$307,941	$61,595

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

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2010	Bud 2011	BL 2012	BL 2013
Capital Subtotal TOF, Project 4	$173,385	$53,372	$307,941	$61,595
Subtotal TOF, Project 4	**$173,385**	**$53,372**	**$307,941**	**$61,595**
5/5 TALCB Licensee automation				
OBJECTS OF EXPENSE				
Capital				
General 2001 PROFESSIONAL FEES AND SERVICES	$26,854	$0	$4,788	$4,788
General 2009 OTHER OPERATING EXPENSE	$0	$0	$478	$956
General 5000 CAPITAL EXPENDITURES	$123,146	$0	$0	$0
Capital Subtotal OOE, Project 5	$150,000	$0	$5,266	$5,744
Subtotal OOE, Project 5	**$150,000**	**$0**	**$5,266**	**$5,744**
TYPE OF FINANCING				
Capital				
General CA 1 General Revenue Fund	$150,000	$0	$5,266	$5,744
Capital Subtotal TOF, Project 5	$150,000	$0	$5,266	$5,744
Subtotal TOF, Project 5	**$150,000**	**$0**	**$5,266**	**$5,744**
6/6 Software Upgrades & Training				
OBJECTS OF EXPENSE				
Capital				
General 2009 OTHER OPERATING EXPENSE	$0	$0	$0	$0
Capital Subtotal OOE, Project 6	$0	$0	$0	$0
Subtotal OOE, Project 6	**$0**	**$0**	**$0**	**$0**
TYPE OF FINANCING				

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

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2010	Bud 2011	BL 2012	BL 2013
Capital				
General CA 1 General Revenue Fund	$0	$0	$0	$0
Capital Subtotal TOF, Project 6	$0	$0	$0	$0
Informational				
General CA 1 General Revenue Fund	$0	$0	$0	$0
Informational Subtotal TOF, Project 6	$0	$0	$0	$0
Subtotal TOF, Project 6	**$0**	**$0**	**$0**	**$0**
7/7 PC Refresh				
OBJECTS OF EXPENSE				
Capital				
General 2009 OTHER OPERATING EXPENSE	$0	$0	$0	$0
General 5000 CAPITAL EXPENDITURES	$0	$0	$0	$0
Capital Subtotal OOE, Project 7	$0	$0	$0	$0
Subtotal OOE, Project 7	**$0**	**$0**	**$0**	**$0**
TYPE OF FINANCING				
Capital				
General CA 1 General Revenue Fund	$0	$0	$0	$0
Capital Subtotal TOF, Project 7	$0	$0	$0	$0
Subtotal TOF, Project 7	**$0**	**$0**	**$0**	**$0**

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

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2010	Bud 2011	BL 2012	BL 2013
Capital Subtotal, Category 5005	$598,385	$53,372	$360,609	$119,051
Informational Subtotal, Category 5005	$0	$0	$0	$0
Total, Category 5005	**$598,385**	**$53,372**	**$360,609**	**$119,051**
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				
General 5000 CAPITAL EXPENDITURES	$54,000	$0	$0	$0
Capital Subtotal OOE, Project 1	$54,000	$0	$0	$0
Subtotal OOE, Project 1	**$54,000**	**$0**	**$0**	**$0**
TYPE OF FINANCING				
Capital				
General ML 1 General Revenue Fund	$54,000	$0	$0	$0
Capital Subtotal TOF, Project 1	$54,000	$0	$0	$0
Subtotal TOF, Project 1	**$54,000**	**$0**	**$0**	**$0**
2/2 Upgrade Obsolete Telephone System				
OBJECTS OF EXPENSE				
Capital				
General 5000 CAPITAL EXPENDITURES	$14,700	$14,700	$14,700	$0
Capital Subtotal OOE, Project 2	$14,700	$14,700	$14,700	$0
Subtotal OOE, Project 2	**$14,700**	**$14,700**	**$14,700**	**$0**

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

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2010	Bud 2011	BL 2012	BL 2013
TYPE OF FINANCING				
Capital				
General ML 1 General Revenue Fund	$14,700	$14,700	$14,700	$0
Capital Subtotal TOF, Project 2	$14,700	$14,700	$14,700	$0
Subtotal TOF, Project 2	**$14,700**	**$14,700**	**$14,700**	**$0**
Capital Subtotal, Category 5008	$68,700	$14,700	$14,700	$0
Informational Subtotal, Category 5008	$0	$0	$0	$0
Total, Category 5008	**$68,700**	**$14,700**	**$14,700**	**$0**
AGENCY TOTAL -CAPITAL	**$667,085**	**$68,072**	**$375,309**	**$119,051**
AGENCY TOTAL -INFORMATIONAL	**$0**	**$0**	**$0**	**$0**
AGENCY TOTAL	**$667,085**	**$68,072**	**$375,309**	**$119,051**
METHOD OF FINANCING:				
Capital				
General 1 General Revenue Fund	$667,085	$68,072	$375,309	$119,051
Total, Method of Financing-Capital	$667,085	$68,072	$375,309	$119,051
Informational				
General 1 General Revenue Fund	$0	$0	$0	$0
Total, Method of Financing-Informational	$0	$0	$0	$0
Total, Method of Financing	**$667,085**	**$68,072**	**$375,309**	**$119,051**

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

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2010	Bud 2011	BL 2012	BL 2013
TYPE OF FINANCING:				
Capital				
General CA CURRENT APPROPRIATIONS	$598,385	$53,372	$360,609	$119,051
General ML MASTER LEASE PURCHASE PRG	$68,700	$14,700	$14,700	$0
Total, Type of Financing-Capital	$667,085	$68,072	$375,309	$119,051
Informational				
General CA CURRENT APPROPRIATIONS	$0	$0	$0	$0
Total, Type of Financing-Informational	$0	$0	$0	$0
Total,Type of Financing	**$667,085**	**$68,072**	**$375,309**	**$119,051**

Agency Code:	**329**	Agency name:	**Real Estate Commission**
Category Number:	**5005**	Category Name:	**ACQUISITN INFO RES TECH.**
Project number:	**6**	Project Name:	**Software Upgrades & Training**

PROJECT DESCRIPTION

General Information

Provide budget to purchase Microsoft Office 2010 and software tool supporting collaboration and web publishing. Currently, TREC receives electronic documents from other state agencies which cannot be opened because our current software is outdated. Collaboration and web publishing would allow key staff members to more effectivly manage document and publish documents to the website. Staff training on the software is included in this request.

Number of Units / Average Unit Cost $415, including training

Estimated Completion Date 08-31-2012

Additional Capital Expenditure Amounts Required	**2014**	**2015**
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life 5 years

Estimated/Actual Project Cost $ 58,350

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2012	**2013**	**2014**	**2015**	**Total over project life**
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

REVENUE_COST_FLAG	**MOF_CODE**	**AVERAGE_AMOUNT**

Explanation: Current version of office productivity software is dated (8 years old) and agency is beginning to have difficulities sharing information with public, interested parties and other agencies due to file incompatibility.

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

Agency Code:	**329**	Agency name:	**Real Estate Commission**
Category Number:	**5005**	Category Name:	**ACQUISITN INFO RES TECH.**
Project number:	**7**	Project Name:	**PC Refresh**

PROJECT DESCRIPTION

General Information

After the 5% budget reduction in FY2010-11, only $2,000 annually is included in the PC Refresh budget. This will only allow for replacements for broken equipment. Funding of his item will allow scheduled replacement of obsolete equipment.

Number of Units / Average Unit Cost $820 for PCs; $9,200 for Servers

Estimated Completion Date 08/31/2013

Additional Capital Expenditure Amounts Required	**2014**	**2015**
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life 5 years

Estimated/Actual Project Cost $ 21,700

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2012	**2013**	**2014**	**2015**	**Total over project life**
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

REVENUE_COST_FLAG	**MOF_CODE**	**AVERAGE_AMOUNT**

Explanation: There are 17 PCs that will be at or exceed the agency 5 year refresh cycle in fiscal Year 2010 and an additional 57 in fiscal year 2013. Additionally 3 servers will be at the 5 year refresh cycle in 2013.

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

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

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2010	Bud 2011	BL 2012	BL 2013
5005 Acquisition of Information Resource Technologies					
3/3	***Core Application Conversion***				
GENERAL BUDGET					
Capital 5-1-1	INDIRECT ADMINISTRATION	275,000	0	$47,402	$51,712
	TOTAL, PROJECT	$275,000	$0	$47,402	$51,712
4/4	***Image System Implementation***				
GENERAL BUDGET					
Capital 1-1-1	TREC LICENSING	156,000	48,372	277,147	55,395
4-1-1	TALCB LICENSING	17,385	5,000	30,794	6,200
	TOTAL, PROJECT	$173,385	$53,372	$307,941	$61,595
5/5	***TALCB Licensee automation***				
GENERAL BUDGET					
Capital 4-1-1	TALCB LICENSING	150,000	0	5,266	5,744
	TOTAL, PROJECT	$150,000	$0	$5,266	$5,744
6/6	***Software Upgrades & Training***				
GENERAL BUDGET					
Capital 5-1-1	INDIRECT ADMINISTRATION	0	0	0	0
1-1-1	TREC LICENSING	0	0	0	0
2-1-1	TREC INVESTIGATION	0	0	0	0
3-1-1	LICENSEE/CONSUMER OUTREACH	0	0	0	0
4-1-1	TALCB LICENSING	0	0	0	0

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

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2010	Bud 2011	BL 2012	BL 2013
Capital	4-2-1	TALCB ENFORCEMENT	0	0	$0	$0
		TOTAL, PROJECT	$0	$0	$0	$0

7/7 PC Refresh

GENERAL BUDGET

Capital	5-1-1	INDIRECT ADMINISTRATION	0	0	0	0
	1-1-1	TREC LICENSING	0	0	0	0
	2-1-1	TREC INVESTIGATION	0	0	0	0
	3-1-1	LICENSEE/CONSUMER OUTREACH	0	0	0	0
	4-1-1	TALCB LICENSING	0	0	0	0
	4-2-1	TALCB ENFORCEMENT	0	0	0	0
		TOTAL, PROJECT	$0	$0	$0	$0

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

1/1 Enterprise Server Acquisition

GENERAL BUDGET

Capital	5-1-1	INDIRECT ADMINISTRATION	54,000	0	0	0
		TOTAL, PROJECT	$54,000	$0	$0	$0

2/2 Upgrade Obsolete Telephone System

GENERAL BUDGET

Capital	5-1-1	INDIRECT ADMINISTRATION	14,700	14,700	14,700	0
		TOTAL, PROJECT	$14,700	$14,700	$14,700	$0

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

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2010	Bud 2011	BL 2012	BL 2013
	TOTAL CAPITAL, ALL PROJECTS	**$667,085**	**$68,072**	**$375,309**	**$119,051**
	TOTAL INFORMATIONAL, ALL PROJECTS				
	TOTAL, ALL PROJECTS	**$667,085**	**$68,072**	**$375,309**	**$119,051**

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

Category Code / Category Name *Project Number / Name* OOE / TOF / MOF CODE	Excp 2012	Excp 2013
5005 Acquisition of Information Resource Technologies		
6 Software Upgrades & Training		
Objects of Expense		
2009 OTHER OPERATING EXPENSE	62,350	0
Subtotal OOE, Project 6	**62,350**	**0**
Type of Financing		
CA 1 General Revenue Fund	62,350	0
Subtotal TOF, Project 6	**62,350**	**0**
7 PC Refresh		
Objects of Expense		
2009 OTHER OPERATING EXPENSE	18,000	6,400
5000 CAPITAL EXPENDITURES	0	15,400
Subtotal OOE, Project 7	**18,000**	**21,800**
Type of Financing		
CA 1 General Revenue Fund	18,000	21,800
Subtotal TOF, Project 7	**18,000**	**21,800**
Subtotal Category 5005	**80,350**	**21,800**
AGENCY TOTAL	**80,350**	**21,800**
METHOD OF FINANCING:		
1 General Revenue Fund	80,350	21,800
Total, Method of Financing	**80,350**	**21,800**
TYPE OF FINANCING:		
CA CURRENT APPROPRIATIONS	80,350	21,800
Total,Type of Financing	**80,350**	**21,800**

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

Category Code/Name

Project Number/Name

Goal/Obj/Str			Strategy Name	Excp 2012	Excp 2013
5005 Acquisition of Information Resource Technologies					
6 Software Upgrades & Training					
5	1	1	INDIRECT ADMINISTRATION	30,805	0
1	1	1	TREC LICENSING	6,365	0
2	1	1	TREC INVESTIGATION	12,750	0
3	1	1	LICENSEE/CONSUMER OUTREACH	5,100	0
4	1	1	TALCB LICENSING	1,510	0
4	2	1	TALCB ENFORCEMENT	5,820	0
			TOTAL, PROJECT	62,350	0
7 PC Refresh					
5	1	1	INDIRECT ADMINISTRATION	8,400	2,400
5	1	1	INDIRECT ADMINISTRATION	0	15,400
1	1	1	TREC LICENSING	800	2,400
2	1	1	TREC INVESTIGATION	7,200	0
4	1	1	TALCB LICENSING	800	800
4	2	1	TALCB ENFORCEMENT	800	800
			TOTAL, PROJECT	18,000	21,800
			TOTAL, ALL PROJECTS	**80,350**	**21,800**

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2008 - 2009 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	HUB Expenditures FY 2008 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2008	HUB Expenditures FY 2009 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2009
57.2%	Special Trade Construction	57.2 %	0.0%	-57.2%	$0	$57,789	57.2 %	0.0%	-57.2%	$0	$5,885
20.0%	Professional Services	20.0 %	100.0%	80.0%	$28,225	$28,225	20.0 %	100.0%	80.0%	$31,335	$31,335
33.0%	Other Services	33.0 %	39.2%	6.2%	$65,640	$167,310	33.0 %	31.1%	-1.9%	$36,709	$117,853
12.6%	Commodities	12.6 %	51.4%	38.8%	$117,679	$228,857	12.6 %	24.9%	12.3%	$111,434	$447,194
	Total Expenditures		**43.9%**		**$211,544**	**$482,181**		**29.8%**		**$179,478**	**$602,267**

B. Assessment of Fiscal Year 2008 - 2009 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded three of four, or 75% of the applicable statewide HUB procurement goals in FY2008.
The agency attained or exceeded two of four, or 50% of the applicable statewide HUB procurement goals in FY2009.

Applicability:

The "Heavy Construction" and "Building Construction" categories are not applicable to agency operations in either fiscal year 2008 or fiscal year 2009 since the agency did not have strategies or programs related to construction.

Factors Affecting Attainment:

The "Special Trade" category had expenditures for remodeling of leased office space in fiscal year 2008 and fiscal year 2009. The lessor required that remodeling be performed by their contractor, which was a non-HUB. The "Other Services" category had a sole source (proprietary) expenditure to UNISYS of $20,116 for hardware and software maintenance for fiscal year 2008 and fiscal year 2009 and expenditures to BROOKSIDE Technology Partners of $15,775 in fiscal year 2008 and $13,858 in fiscal year 2009 for telephone system maintenance. There are no HUB vendors that provide maintenance on TREC's telephone system. The "Commodities" category had an expenditure in the amount of $307,931 to VERSA Management Systems (a non-HUB)in fiscal year 2009 for the replacement of the computer licensing system.

"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 2010 Procurement Connection HUB Expo.

6.B. Current Biennium One-time Expenditure Schedule

Agency Code: 329	Agency Name: Texas Real Estate Commission	Prepared By: Karen Alexander	Date: 8/23/2010

Item	2010-2011 Amount	2010-2011 MOF	2012-2013 Amount	2012-2013 MOF
Core Application Conversion/Licensee Automation				
D.1.1. License Appraisers	$150,000	001		
E.1.1. Indirect Administration	$275,000	001		
D.1.1 Ongoing Software Maintenance			$17,816	001
E.1.1. Ongoing Software Maintenance			$209,482	001
Total Computer Conversion	**$425,000**		**$227,298**	
Image System Implementation				
A.1.1. TREC Licensing	$204,372	001	$88,133	001
D.1.1 TALCB Licensing	$22,385	001	$9,837	001
	$226,757		**$97,970**	
Unisys Computer				
E.1.1 Indirect Administration (Unisys MLPP & Maintenance)	**$94,236**	001	**$0**	001
TOTAL	**$745,993**		**$325,268**	

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/25/2010
TIME: 3:31:37PM

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

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
1 General Revenue Fund					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3103 Limited Sales & Use Tax-State	331	30	30	30	30
3105 Discounts for Sales Tax-State	2	0	0	0	0
3171 Prof-Fees-HB11, GR Increase	7,059,600	7,400,000	7,400,000	5,550,000	5,550,000
3175 Professional Fees	8,895,934	10,171,036	10,073,298	9,812,998	9,862,998
3752 Sale of Publications/Advertising	36,647	0	0	0	0
3775 Returned Check Fees	5,175	5,400	5,400	5,400	5,400
3777 Default Fund - Warrant Voided	653	400	400	400	400
3795 Other Misc Government Revenue	6,483	3,200	3,200	3,200	3,200
Subtotal: Actual/Estimated Revenue	16,004,825	17,580,066	17,482,328	15,372,028	15,422,028
Total Available	**$16,004,825**	**$17,580,066**	**$17,482,328**	**$15,372,028**	**$15,422,028**
DEDUCTIONS:					
Expended/Budgeted/Requested	(5,805,500)	(7,645,266)	(7,198,485)	(7,091,562)	(6,837,500)
Art VIII Sec 6, Criminal History Checks	(104,739)	0	0	0	0
Art IX Sec 9.10, HB 716 (2008-09 GAA)	(212,594)	0	0	0	0
Art IX Sec 9.13, HB1530 (2008-09 GAA)	(75,760)	0	0	0	0
Art IX, Sec 9.38-SB914 (2008-09 GAA)	(93,439)	0	0	0	0
Art IX Sec 19.62(a), Salary Increase (2008-09 GAA)	(163,953)	0	0	0	0
HB4586 Sec 89, Single Retention Payment	(79,800)	0	0	0	0
Employee Benefits	(1,135,668)	(1,251,806)	(1,223,006)	(1,207,640)	(1,207,640)
Total, Deductions	**$(7,671,453)**	**$(8,897,072)**	**$(8,421,491)**	**$(8,299,202)**	**$(8,045,140)**
Ending Fund/Account Balance	**$8,333,372**	**$8,682,994**	**$9,060,837**	**$7,072,826**	**$7,376,888**

REVENUE ASSUMPTIONS:

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013

It is assumed the number of licensees will remain steady.

Revenue from Professional Fees (object code 3175) is projected to decrease. With the conversion to a new licensing system, licensees will be able to change certain information online without the assistance of TREC staff. Therefore, TREC will no longer collect fees for that service.

The revenue projection for Professional Fees (object code 3175)for criminal history background checks has been reduced from FY2010-11 levels to reflect FY2010 activity. Estimates for FY2010-11 were $1,089,550 and $1,449,525 respectively. The revised estimate for FY2012-13 is $1,175,000 for each year.

Beginning September 1, 2011, $50 of each $200 Professional Fee (HB 11, GR Increase, object code 3171) will go to the Texas A&M Real Estate Center per HB 862, Section 3, 81st Legislature, Regular Session. Revenue projections for the General Revenue fund reflect a decrease with a corresponding increase to the Texas Real Estate Trust Account (Fund 0969).

Employee benefits are projected to decrease FY2011 through FY2013 due to a reduction in force in FY2010 to comply with the 5% budget reduction.

CONTACT PERSON:
Karen Alexander

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

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
28 Appraiser Registry Acct					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3175 Professional Fees	146,150	120,000	120,000	120,000	120,000
Subtotal: Actual/Estimated Revenue	146,150	120,000	120,000	120,000	120,000
Total Available	**$146,150**	**$120,000**	**$120,000**	**$120,000**	**$120,000**
DEDUCTIONS:					
Expended/Budgeted	(146,150)	(120,000)	(120,000)	(120,000)	(120,000)
Total, Deductions	**$(146,150)**	**$(120,000)**	**$(120,000)**	**$(120,000)**	**$(120,000)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:

CONTACT PERSON:
Karen Alexander

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/25/2010
TIME: 3:31:42PM

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

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
666 Appropriated Receipts					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3175 Professional Fees	4,992	5,500	5,500	5,500	5,500
3752 Sale of Publications/Advertising	195,649	180,300	180,300	180,300	180,300
3802 Reimbursements-Third Party	1,186	0	0	0	0
Subtotal: Actual/Estimated Revenue	201,827	185,800	185,800	185,800	185,800
Total Available	**$201,827**	**$185,800**	**$185,800**	**$185,800**	**$185,800**
DEDUCTIONS:					
Expended/Budgeted	(201,827)	(185,800)	(185,800)	(185,800)	(185,800)
Total, Deductions	**$(201,827)**	**$(185,800)**	**$(185,800)**	**$(185,800)**	**$(185,800)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:

CONTACT PERSON:
Karen Alexander

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

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
969 Real Estate Trust Account					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3175 Professional Fees	2,960,580	3,020,000	3,020,000	4,870,000	4,870,000
Subtotal: Actual/Estimated Revenue	2,960,580	3,020,000	3,020,000	4,870,000	4,870,000
Total Available	**$2,960,580**	**$3,020,000**	**$3,020,000**	**$4,870,000**	**$4,870,000**
DEDUCTIONS:					
7972 Operating Transfer Out	(2,960,580)	(3,020,000)	(3,020,000)	(4,870,000)	(4,870,000)
Total, Deductions	**$(2,960,580)**	**$(3,020,000)**	**$(3,020,000)**	**$(4,870,000)**	**$(4,870,000)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:

Beginning September 1, 2011, $50 of each $200 Professional Fee (HB 11, GR Increase, object code 3171) will go to the Texas A&M Real Estate Center per HB 862, Section 3, 81st Legislature, Regular Session. Revenue projections for the Real Estate Trust Account reflect an increase with a corresponding decrease to the General Revenue fund.

CONTACT PERSON:

Karen Alexander

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

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
971 Real Estate Recovery Fund					
Beginning Balance (Unencumbered):	$414,148	$596,583	$551,963	$499,713	$449,838
Estimated Revenue:					
3175 Professional Fees	293,360	342,763	231,000	231,000	231,000
3714 Judgments	21,790	18,700	18,700	18,700	18,700
3802 Reimbursements-Third Party	6,229	5,300	5,300	5,300	5,300
3822 Sale of US Gov Obligations-Long	500,000	600,000	700,000	600,000	500,000
3855 Interest on Invest/Obligtn/Security	93,532	68,537	80,250	82,625	80,063
Subtotal: Actual/Estimated Revenue	914,911	1,035,300	1,035,250	937,625	835,063
Total Available	**$1,329,059**	**$1,631,883**	**$1,587,213**	**$1,437,338**	**$1,284,901**
DEDUCTIONS:					
Expended/Budgeted	(2,177)	(433)	(3,500)	(3,500)	(3,500)
7237 Payments Directed-Court Order	(88,299)	(562,953)	(384,000)	(384,000)	(384,000)
7724 Purchase of US Gov-Long Term	(642,000)	(516,534)	(700,000)	(600,000)	(500,000)
Total, Deductions	**$(732,476)**	**$(1,079,920)**	**$(1,087,500)**	**$(987,500)**	**$(887,500)**
Ending Fund/Account Balance	**$596,583**	**$551,963**	**$499,713**	**$449,838**	**$397,401**

REVENUE ASSUMPTIONS:

In the past five years, court ordered payments from the fund have varied between a high of $ 537,357 in FY2006 and a low of $88,299 in FY2009. The amount of court ordered payments is unpredictable, but has a direct effect on the fund balance at year end.

CONTACT PERSON:

Karen Alexander

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

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
988 Real Estate Inspec Trust					
Beginning Balance (Unencumbered):	$637,254	$623,090	$627,074	$614,674	$606,274
Estimated Revenue:					
3175 Professional Fees	22,000	22,000	22,000	22,000	22,000
3714 Judgments	0	18,439	0	0	0
3802 Reimbursements-Third Party	0	3,408	0	0	0
3851 Interest on St Deposits & Treas Inv	14,058	8,600	8,600	8,600	8,600
Subtotal: Actual/Estimated Revenue	36,058	52,447	30,600	30,600	30,600
Total Available	**$673,312**	**$675,537**	**$657,674**	**$645,274**	**$636,874**
DEDUCTIONS:					
Expended/Budgeted	0	0	(500)	(500)	(500)
7237 Payments Directed-Court Order	(12,500)	(16,205)	(12,500)	(12,500)	(12,500)
7951 Alloc From Spec Fds-UB to 0001	(37,722)	(32,258)	(30,000)	(26,000)	(30,000)
Total, Deductions	**$(50,222)**	**$(48,463)**	**$(43,000)**	**$(39,000)**	**$(43,000)**
Ending Fund/Account Balance	**$623,090**	**$627,074**	**$614,674**	**$606,274**	**$593,874**

REVENUE ASSUMPTIONS:

In the past five years, court ordered payments from the fund have varied between a high of $ 49,837 in FY2006 and no payments being disbursed in FY2008. The amount of court ordered payments is unpredictable, but has a direct effect on the fund balance at year end.

CONTACT PERSON:

Karen Alexander

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

REAL ESTATE BROKER-LAWYER COMMITTEE

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

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

Advisory Committee Costs	**Expended 2009**	**Estimated 2010**	**Budgeted 2011**	**Requested 2012**	**Requested 2013**
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)	9,313	10,623	10,623	10,623	10,623
Consumable Supplies	200	200	200	200	200
Total, Committee Expenditures	**$9,513**	**$12,906**	**$12,906**	**$12,906**	**$12,906**
Method of Financing					
General Revenue Fund	$9,513	$12,906	$12,906	$12,906	$12,906
Total, Method of Financing	**$9,513**	**$12,906**	**$12,906**	**$12,906**	**$12,906**
Meetings Per Fiscal Year	2	4	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 2010-2011 General Appropriations Act (page VIII-69) 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.

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 OUTREACH

Advisory Committee Costs	**Expended 2009**	**Estimated 2010**	**Budgeted 2011**	**Requested 2012**	**Requested 2013**
Committee Members Direct Expenses					
Travel	$621	$3,186	$3,186	$3,186	$3,186
Other Expenditures in Support of Committee Activities					
Personnel (0.23 FTEs)	0	11,907	11,907	11,907	11,907
Personnel (.15 FTEs)	9,751	0	0	0	0
Consumable Supplies	200	200	200	200	200
Total, Committee Expenditures	**$10,572**	**$15,293**	**$15,293**	**$15,293**	**$15,293**
Method of Financing					
General Revenue Fund	$10,572	$15,293	$15,293	$15,293	$15,293
Total, Method of Financing	**$10,572**	**$15,293**	**$15,293**	**$15,293**	**$15,293**
Meetings Per Fiscal Year	7	6	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 2010-2011 General Appropriations Act (page VIII-69) 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.

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2012**	**2013**	**Biennial Total**	**2012**	**2013**	**Biennial Total**	
1 Versa Customization							
Category: Programs - Delayed or Deferred Capital Projects							
Item Comment: Reducing or eliminating the VERSA Customizations scheduled for FY 2012 and 13 would adversely impact the agency's ability to react to business changes, law and rule changes, or the changes necessary to address performance measure tracking and reporting. In addition, it will limit the opportunity for the agency to develop additional custom service delivery options for license holders that will serve them more efficiently.							
Strategy: 4-1-1 Process Applications and License Applicants							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$5,266	$5,744	$11,010	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$5,266**	**$5,744**	**$11,010**	
Strategy: 5-1-1 Indirect Administration							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$47,402	$51,712	$99,114	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$47,402**	**$51,712**	**$99,114**	
Item Total	**$0**	**$0**	**$0**	**$52,668**	**$57,456**	**$110,124**	
FTE Reductions (From FY 2012 and FY 2013 Base Request)							
2 Conversion of Files to Images							
Category: Programs - Delayed or Deferred Capital Projects							
Item Comment: Failing to complete the conversion of master files would adversely affect the efficiency of the agency in several ways. First, we will need to obtain offsite storage for the files, since our new location has a much smaller records storage room based on our projection that the majority of our records would be imaged prior to the agency's relocation to the Stephen F. Austin State Office Building. In addition, imaging makes all records immediately available on any desktop computer to each staff member who needs access, and to multiple staff simultaneously. Hard copy records occupy valuable and unnecessary storage space, multiple records management staff, individual retrieval from - and return to - the storage facility each time a record is needed, and may only be used by one staff member at a time. License fees were increased specifically to cover the costs of this project, and the failure to complete it may be problematic for the agency.							
Strategy: 1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses							

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2012**	**2013**	**Biennial Total**	**2012**	**2013**	**Biennial Total**	
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$277,147	$55,395	$332,542	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$277,147**	**$55,395**	**$332,542**	
Strategy: 4-1-1 Process Applications and License Applicants							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$30,794	$6,200	$36,994	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$30,794**	**$6,200**	**$36,994**	
Item Total	**$0**	**$0**	**$0**	**$307,941**	**$61,595**	**$369,536**	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

3 Other Operating Costs

Category: Administrative - Operating Expenses

Item Comment: The agency projects additional savings over time from converting current paper-based service delivery to electronic delivery, so these savings will not adversely affect the agency, unless electronic conversion is unduly delayed or frustrated by lack of other resources to complete them on plan.

Strategy: 1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$10,000	$10,000	$20,000	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$10,000**	**$10,000**	**$20,000**	
Strategy: 4-1-1 Process Applications and License Applicants							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$1,095	$1,094	$2,189	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$1,095**	**$1,094**	**$2,189**	
Item Total	**$0**	**$0**	**$0**	**$11,095**	**$11,094**	**$22,189**	

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2012**	**2013**	**Biennial Total**	**2012**	**2013**	**Biennial Total**	
FTE Reductions (From FY 2012 and FY 2013 Base Request)							
4 Across the Board Salary Reduction #1							
Category: Across the Board Reductions							
Item Comment: An across the board salary reduction will adversely affect agency morale and all TREC and TALCB strategies. The agency salary structure is already behind when compared to similarly sized regulatory agencies. With a general salary cut, many agency personnel will have no choice but to seek positions with other state agencies where the new agency can pay more for the same level of experience, skill and education. As existing staff with valuable and immeasurable institutional knowledge may leave to take more lucrative positions in state government or in the private sector, more time will need to be devoted to training new employees and the agency will be unable to compete to attract the caliber of potential employees with skills necessary to run the agency smoothly and efficiently. As a result, all strategies will suffer. The first across the board salary reduction to meet an overall 5% reduction would reduce TREC employee salaries by 2.5% and TALCB employees by 4%.							
Strategy: 1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$20,072	$20,072	$40,144	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$20,072**	**$20,072**	**$40,144**	
Strategy: 2-1-1 Investigate and Resolve Valid Complaint Cases							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$36,022	$36,022	$72,044	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$36,022**	**$36,022**	**$72,044**	
Strategy: 3-1-1 Licensee/Consumer Outreach							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$18,564	$18,564	$37,128	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$18,564**	**$18,564**	**$37,128**	
Strategy: 4-1-1 Process Applications and License Applicants							
General Revenue Funds							

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2012**	**2013**	**Biennial Total**	**2012**	**2013**	**Biennial Total**	
1 General Revenue Fund	$0	$0	$0	$4,224	$4,224	$8,448	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$4,224**	**$4,224**	**$8,448**	
Strategy: 4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$21,408	$21,408	$42,816	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$21,408**	**$21,408**	**$42,816**	
Strategy: 5-1-1 Indirect Administration							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$25,905	$25,905	$51,810	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$25,905**	**$25,905**	**$51,810**	
Item Total	**$0**	**$0**	**$0**	**$126,195**	**$126,195**	**$252,390**	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

5 Across the Board Salary Reduction #2

Category: Across the Board Reductions

Item Comment: An across the board salary reduction will adversely affect agency morale and all TREC and TALCB strategies. The agency salary structure is already behind when compared to similarly sized regulatory agencies. With a general salary cut, many agency personnel will have no choice but to seek positions with other state agencies where the new agency can pay more for the same level of experience, skill and education. As existing staff with valuable and immeasurable institutional knowledge may leave to take more lucrative positions in state government or in the private sector, more time will need to be devoted to training new employees and the agency will be unable to compete to attract the caliber of potential employees with skills necessary to run the agency smoothly and efficiently. As a result, all strategies will suffer. The second across the board salary reduction to meet an overall 10% reduction would reduce TREC employee salaries another 2.5% and TALCB employees another 1%, resulting in a 5% total reduction for all employees.

Strategy: 1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses

General Revenue Funds

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2012**	**2013**	**Biennial Total**	**2012**	**2013**	**Biennial Total**	
1 General Revenue Fund	$0	$0	$0	$19,025	$19,025	$38,050	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$19,025**	**$19,025**	**$38,050**	
Strategy: 2-1-1 Investigate and Resolve Valid Complaint Cases							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$34,141	$34,141	$68,282	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$34,141**	**$34,141**	**$68,282**	
Strategy: 3-1-1 Licensee/Consumer Outreach							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$17,595	$17,595	$35,190	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$17,595**	**$17,595**	**$35,190**	
Strategy: 4-1-1 Process Applications and License Applicants							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$1,042	$1,042	$2,084	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$1,042**	**$1,042**	**$2,084**	
Strategy: 4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$5,278	$5,278	$10,556	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$5,278**	**$5,278**	**$10,556**	
Strategy: 5-1-1 Indirect Administration							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$24,553	$24,553	$49,106	

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2012**	**2013**	**Biennial Total**	**2012**	**2013**	**Biennial Total**	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$24,553**	**$24,553**	**$49,106**	
Item Total	**$0**	**$0**	**$0**	**$101,634**	**$101,634**	**$203,268**	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

6 Reduction in Force

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: a. Reducing the TREC Education and Licensing Services Division would adversely affect the division's ability to timely and adequately process and approve licenses, and education providers and programs.
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 respond to as timely as expected to. As a result of the reduction in the Education and Licensing Services Division and Standards and Enforcement Services Division, telephone calls will go up and the reduced staff, much less even the existing staff, will be unable to deal with the higher volume of calls.
b. Reducing the TREC Standards and Enforcement Services 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 will stay open longer, the number of complaints closed per year would decrease, and the overall productivity of the division would be adversely affected.
c. Reducing Staff Services staff would adversely affect all TREC and TALCB strategies. Eliminating any positions in the division would affect all strategies as staff services personnel provide a variety of functions (fiscal support, technology services, mail processing, etc.) for all divisions. Without adequate support all strategies will suffer across the board.
d. Reducing technology staff would adversely affect all TREC and TALCB strategies. Eliminating support positions would affect all strategies as ITS personnel provide a variety of functions for all divisions. Without adequate support all strategies will suffer across the board.
e. 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 yea

Strategy: 1-1-1 Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses

General Revenue Funds

1 General Revenue Fund	$0	$0	$0	$61,548	$61,548	$123,096
General Revenue Funds Total	**$0**	**$0**	**$0**	**$61,548**	**$61,548**	**$123,096**

Strategy: 2-1-1 Investigate and Resolve Valid Complaint Cases

General Revenue Funds

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2012**	**2013**	**Biennial Total**	**2012**	**2013**	**Biennial Total**	
1 General Revenue Fund	$0	$0	$0	$88,934	$88,934	$177,868	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$88,934**	**$88,934**	**$177,868**	
Strategy: 3-1-1 Licensee/Consumer Outreach							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$29,360	$29,360	$58,720	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$29,360**	**$29,360**	**$58,720**	
Strategy: 4-2-1 Investigate and Resolve Complaints; Impose Penalties as Appropriate							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$44,407	$44,407	$88,814	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$44,407**	**$44,407**	**$88,814**	
Strategy: 5-1-1 Indirect Administration							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$51,185	$51,185	$102,370	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$51,185**	**$51,185**	**$102,370**	
Item Total	**$0**	**$0**	**$0**	**$275,434**	**$275,434**	**$550,868**	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				**8.0**	**8.0**		
AGENCY TOTALS							
General Revenue Total				**$874,967**	**$633,408**	**$1,508,375**	**$1,484,375**
GR Dedicated Total							**$24,000**
Agency Grand Total	**$0**	**$0**	**$0**	**$874,967**	**$633,408**	**$1,508,375**	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2012 and FY 2013 Base Request)				**8.0**	**8.0**		

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2012**	**2013**	**Biennial Total**	**2012**	**2013**	**Biennial Total**	

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

Strategy		Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1-1-1	**Review Apps, Perform Criminal Cks, Evaluate Education, Issue Licenses**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 268,070	$ 265,370	$ 256,417	$ 256,417	$ 256,337
1002	OTHER PERSONNEL COSTS	15,367	14,167	10,254	9,518	9,516
2001	PROFESSIONAL FEES AND SERVICES	9,683	23,539	17,225	16,135	16,131
2003	CONSUMABLE SUPPLIES	4,940	4,460	4,877	4,877	4,876
2004	UTILITIES	5,153	5,339	4,950	0	0
2005	TRAVEL	6,262	7,739	7,732	7,732	7,730
2006	RENT - BUILDING	41,228	32,213	32,144	1,169	1,169
2007	RENT - MACHINE AND OTHER	2,332	2,221	2,267	2,268	2,267
2009	OTHER OPERATING EXPENSE	26,838	25,227	28,313	45,471	46,815
5000	CAPITAL EXPENDITURES	94,429	74,830	3,735	3,735	0
	Total, Objects of Expense	**$ 474,302**	**$ 455,105**	**$ 367,914**	**$ 347,322**	**$ 344,841**
METHOD OF FINANCING:						
1	General Revenue Fund	474,302	455,105	367,914	347,322	344,841
	Total, Method of Financing	**$ 474,302**	**$ 455,105**	**$ 367,914**	**$ 347,322**	**$ 344,841**

Method of Allocation

Indirect Administration and Support costs are allocated to the strategies on the basis of FTEs.

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

Strategy		Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
2-1-1	**Investigate and Resolve Valid Complaint Cases**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 366,711	$ 384,664	$ 370,933	$ 370,933	$ 370,819
1002	OTHER PERSONNEL COSTS	21,021	20,534	14,835	13,771	13,766
2001	PROFESSIONAL FEES AND SERVICES	13,245	34,121	24,918	23,342	23,335
2003	CONSUMABLE SUPPLIES	6,758	6,465	7,055	7,055	7,053
2004	UTILITIES	7,049	7,740	7,159	0	0
2005	TRAVEL	8,566	11,219	11,185	11,185	11,182
2006	RENT - BUILDING	56,398	46,695	46,499	1,691	1,690
2007	RENT - MACHINE AND OTHER	3,192	3,221	3,280	3,280	3,279
2009	OTHER OPERATING EXPENSE	36,714	36,567	40,957	65,778	67,723
5000	CAPITAL EXPENDITURES	129,176	108,469	5,403	5,403	0
	Total, Objects of Expense	**$ 648,830**	**$ 659,695**	**$ 532,224**	**$ 502,438**	**$ 498,847**
METHOD OF FINANCING:						
1	General Revenue Fund	648,830	659,695	532,224	502,438	498,847
	Total, Method of Financing	**$ 648,830**	**$ 659,695**	**$ 532,224**	**$ 502,438**	**$ 498,847**

Method of Allocation

Indirect Administration and Support costs are allocated to the strategies on the basis of FTEs.

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

Strategy		Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
3-1-1	**Licensee/Consumer Outreach**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 191,479	$ 219,113	$ 212,540	$ 212,540	$ 212,785
1002	OTHER PERSONNEL COSTS	10,976	11,697	8,501	7,890	7,900
2001	PROFESSIONAL FEES AND SERVICES	6,916	19,436	14,278	13,375	13,390
2003	CONSUMABLE SUPPLIES	3,529	3,682	4,043	4,043	4,047
2004	UTILITIES	3,681	4,409	4,102	0	0
2005	TRAVEL	4,473	6,391	6,409	6,409	6,416
2006	RENT - BUILDING	29,448	26,598	26,644	969	970
2007	RENT - MACHINE AND OTHER	1,666	1,835	1,880	1,880	1,882
2009	OTHER OPERATING EXPENSE	19,170	20,829	23,468	37,690	38,861
5000	CAPITAL EXPENDITURES	67,449	61,786	3,096	3,096	0
	Total, Objects of Expense	**$ 338,787**	**$ 375,776**	**$ 304,961**	**$ 287,892**	**$ 286,251**
METHOD OF FINANCING:						
1	General Revenue Fund	338,787	375,776	304,961	287,892	286,251
	Total, Method of Financing	**$ 338,787**	**$ 375,776**	**$ 304,961**	**$ 287,892**	**$ 286,251**

Method of Allocation

Indirect Administration and Support costs are allocated to the strategies on the basis of FTEs.

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

Strategy		Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
4-1-1	**Process Applications and License Applicants**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 51,061	$ 47,474	$ 41,076	$ 41,076	$ 41,064
1002	OTHER PERSONNEL COSTS	2,927	2,534	1,644	1,526	1,525
2001	PROFESSIONAL FEES AND SERVICES	1,844	4,211	2,759	2,585	2,584
2003	CONSUMABLE SUPPLIES	941	798	781	781	781
2004	UTILITIES	982	955	793	0	0
2005	TRAVEL	1,193	1,385	1,239	1,239	1,238
2006	RENT - BUILDING	7,853	5,763	5,149	187	187
2007	RENT - MACHINE AND OTHER	444	398	363	363	363
2009	OTHER OPERATING EXPENSE	5,112	4,513	4,536	7,284	7,500
5000	CAPITAL EXPENDITURES	17,986	13,388	598	598	0
	Total, Objects of Expense	**$ 90,343**	**$ 81,419**	**$ 58,938**	**$ 55,639**	**$ 55,242**
METHOD OF FINANCING:						
1	General Revenue Fund	90,343	81,419	58,938	55,639	55,242
	Total, Method of Financing	**$ 90,343**	**$ 81,419**	**$ 58,938**	**$ 55,639**	**$ 55,242**

Method of Allocation

Indirect Administration and Support costs are allocated to the strategies on the basis of FTEs.

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

Strategy		Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
4-2-1	**Investigate and Resolve Complaints; Impose Penalties as Appropriate**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$ 89,356	$ 125,381	$ 128,208	$ 128,208	$ 128,169
1002	OTHER PERSONNEL COSTS	5,122	6,693	5,128	4,760	4,758
2001	PROFESSIONAL FEES AND SERVICES	3,228	11,122	8,613	8,068	8,065
2003	CONSUMABLE SUPPLIES	1,647	2,107	2,439	2,439	2,438
2004	UTILITIES	1,717	2,523	2,475	0	0
2005	TRAVEL	2,087	3,657	3,866	3,866	3,865
2006	RENT - BUILDING	13,742	15,220	16,072	584	584
2007	RENT - MACHINE AND OTHER	777	1,050	1,135	1,134	1,134
2009	OTHER OPERATING EXPENSE	8,947	11,919	14,156	22,735	23,408
5000	CAPITAL EXPENDITURES	31,477	35,355	1,868	1,868	0
	Total, Objects of Expense	**$ 158,100**	**$ 215,027**	**$ 183,960**	**$ 173,662**	**$ 172,421**
METHOD OF FINANCING:						
1	General Revenue Fund	158,100	215,027	183,960	173,662	172,421
	Total, Method of Financing	**$ 158,100**	**$ 215,027**	**$ 183,960**	**$ 173,662**	**$ 172,421**

Method of Allocation

Indirect Administration and Support costs are allocated to the strategies on the basis of FTEs.

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

		Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	$966,677	$1,042,002	$1,009,174	$1,009,174	$1,009,174
1002	OTHER PERSONNEL COSTS	$55,413	$55,625	$40,362	$37,465	$37,465
2001	PROFESSIONAL FEES AND SERVICES	$34,916	$92,429	$67,793	$63,505	$63,505
2003	CONSUMABLE SUPPLIES	$17,815	$17,512	$19,195	$19,195	$19,195
2004	UTILITIES	$18,582	$20,966	$19,479	$0	$0
2005	TRAVEL	$22,581	$30,391	$30,431	$30,431	$30,431
2006	RENT - BUILDING	$148,669	$126,489	$126,508	$4,600	$4,600
2007	RENT - MACHINE AND OTHER	$8,411	$8,725	$8,925	$8,925	$8,925
2009	OTHER OPERATING EXPENSE	$96,781	$99,055	$111,430	$178,958	$184,307
5000	CAPITAL EXPENDITURES	$340,517	$293,828	$14,700	$14,700	$0
	Total, Objects of Expense	**$1,710,362**	**$1,787,022**	**$1,447,997**	**$1,366,953**	**$1,357,602**
Method of Financing						
1	General Revenue Fund	$1,710,362	$1,787,022	$1,447,997	$1,366,953	$1,357,602
	Total, Method of Financing	**$1,710,362**	**$1,787,022**	**$1,447,997**	**$1,366,953**	**$1,357,602**
	Full-Time-Equivalent Positions (FTE)					