# TEXAS REAL ESTATE COMMISSION

Austin, Texas

ANNUAL INTERNAL AUDIT REPORT

Fiscal Year 2007

TEXAS REAL ESTATE COMMISSION
Austin, Texas

Annual Internal Audit Report
Fiscal Year 2007

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To the Commission Members of the
Texas Real Estate Commission
Austin, Texas

We performed tests of management's assertion about effectiveness of the internal control structure and compliance with the Public Funds Investment Act; and the effectiveness of the internal control structure and compliance with its policies and contractual provisions over the Examination Process and Records Retention for the year ended August 31, 2007. The results of our tests disclosed that such controls were generally adequate and no material instances of noncompliance were noted; however we noted certain matters that are opportunities for strengthening internal controls and compliance with laws, rules, regulations; and established policies and procedures.

We have discussed these comments and suggestions with Texas Real Estate Commission personnel, and we will be pleased to discuss it in detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

*Garza/Gonzalez and Associates*

June 22, 2007

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## INTRODUCTION

The Texas Real Estate Commission (the Commission), was created in 1939 under the Texas Real Estate Dealer's License Act and became an independent state agency in 1949. The Real Estate License Act (the Act) is the legislative authorization for the Agency to license and regulate real estate brokers and salespersons and provides for the licensing and regulation of real estate inspectors. The Commission also regulates residential service companies and easement or right-of-way agents. The Agency is responsible for administering and enforcing the provisions contained in the Act. Chapter 221, Texas Property Code, confers authority to the Agency to register by application and regulate entities offering timeshares in Texas.

The Texas Real Estate Commission is composed of nine Commissioners who are appointed by the Governor, with concurrence by the Senate, for six-year overlapping terms. Six members must be licensed real estate brokers who have been engaged in the real estate brokerage business as their major occupations for at least five years preceding their appointments. Three members must be members of the general public who are not licensed under the Act and do not have, other than as consumers, a financial interest in the practice of a real estate broker or salesperson.

The Commissioners appoint an Administrator who serves as the Agency's chief administrative officer. The Agency's operating budget is prepared and approved by the Commission on an annual basis, whereas the State legislative appropriations are determined every two years. Appropriations are approved by the State Legislature. The Agency consists of five divisions. The four operating divisions are the enforcement division, licensing, education and communication division, information services division, and staff services division, all of which report directly to the Assistant Administrator. The Administration Division is headed by the Administrator and includes the Agency's general counsel.

The Agency is appropriated funds by the State for its operations. Revenues are primarily real estate license applications and renewals, education fees, and other charges derived from Agency operations. Funds collected by the Agency are not directly utilized in operations, but instead are passed on to the State.

Based on the 2007 internal audit plan we performed the following internal audits:

- Compliance with the Public Funds Investment Act
- Examination Process
- Records Retention

This report contains the results of our review of the above areas.

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EXECUTIVE SUMMARY

**Background**

Compliance with the Public Funds Investment Act

Effective May 19, 1975 the Real Estate Recovery fund (Real Estate Recovery Trust Account effective June 1, 2003) was established by an amendment to the Real Estate License Act. The Commission was directed to use the fund for reimbursing aggrieved persons who suffer monetary damages by reason of certain acts committed by a duly licensed real estate broker or salesperson, or by an unlicensed employee or agent of a broker or salesperson.

A $10.00 Recovery Trust Account fee is collected from each new applicant for a license in addition to the regular License filing fee. On a determination by the commission at any time that the balance remaining in the Real Estate Recovery Trust Account is less than $1 million, each broker and salesperson will be required to pay an additional fee of $10.00 or a pro rata share of the amount necessary to bring the Recovery Trust Account to $1.7 million dollars, whichever is less. To ensure the availability of a sufficient amount to pay anticipated claims on the fund, the commission by rule may provide for the collection of assessments at different times and under different conditions other than those specified by this Act.

As set forth in the Real Estate License Act, as amended, the deposits to the Recovery Trust Account may be invested and reinvested in the same manner as funds of the Employee Retirement System of Texas, except that an investment may not be made that would impair the liquidity necessary to make payments from the trust account as required by this Act. All investment transactions are conducted through the State Treasury. In addition, the Real Estate Inspection Recovery Fund is maintained with collected monies from real estate inspectors being deposited in the State Treasury and earning statutory interest. Similar legislative provisions are present for the Real Estate Inspection Recovery Fund.

According to the Public Funds Investment Act (PFIA), Government Code Chapter 2256, the governing body of state agencies may purchase, sell, and invest its funds and funds under its control in investments authorized under this subchapter in compliance with investment policies approved by the governing body and according to the standard of care prescribed by Section 2256.006.

State agencies are required to adopt a written investment policy, to be reviewed not less than annually. An investment officer for the agency is required to be appointed by the governing board and is responsible for the investment of its funds consistent with the investment policy adopted by the agency. Each member of the governing board and its investment officer(s) are required to attend at least one training session relating to the person's responsibilities under PFIA within six months after taking office or assuming duties. Additionally, not less than quarterly, the investment officer(s) shall prepare and submit to the governing body of the agency a written report of investment transactions for all funds covered by the PFIA for the preceding reporting period.

To comply with the provisions of the Texas Public Funds Investment Act TREC personnel ensure the investment policies are approved annually by the governing board containing all required elements, each commissioner and investment officer obtains the minimum training requirements and on at least a quarterly basis the investment officer provides to the commission reports of investment transactions containing all required elements.

Examination Process

The Education, Licensing, and Cashier department is responsible for the examination process. The department is comprised of a Director responsible for six (6) education staff, a Licensing Manager responsible for seven (7) staff, and a Cashier responsible for five (5) staff.

On March 6, 2002; the Commission entered into a licensing examination services contract with Psychological Services, Inc. (PSI). The original contract termination date was August 31, 2004; the Commission extended the contract term for two (2) additional two (2) year periods, as allowed in the contract terms; and therefore, the contract termination date as extended is August 31, 2008. The Commission plans to begin the process of requesting proposals for a new contract in the Fall of 2007.

PSI is responsible for developing the real estate salesperson, broker, and inspector and professional inspector license examinations. The examinations developed, new examination items, or substantial replacement items require approval by the Commission. On an annual basis, a group of subject matter experts meet to review examination items and develop new items. The subject matter experts consist of Commission employees and real estate professionals. Legal counsel is responsible for reviewing the examination questions. The examinations are offered throughout the year at twenty-two (22) Texas and two (2) Louisiana examination site locations. The examination site locations are equipped to provide access in accordance with the Americans with Disabilities Act of 1990.

Once an applicant has met the Commission's qualifications and has received approval from the Commission, the applicant may register for an examination with PSI. The applicant is required to complete the 'PSI Registration Form' and remit the examination fee. Upon verification, PSI sends the applicant the 'Registration Confirmation Notice' and 'Candidate Information Brochure'. After this, the applicant may schedule an appointment for the examination.

The application fee, for the examinations administered by PSI on behalf of TREC, is $59. This is the only fee PSI is authorized to charge for registering the applicant, providing a study guide, administering and grading the examination, and providing an examination analysis. Additional fees may not be charged without approval by the Commission. For each examination administered by PSI, $5 of the examination fee is remitted to the Commission. For the current fiscal year, as of May 31, 2007, the Commission has received $138,930 from PSI.

On a monthly basis, PSI provides the following reports to the Commission:

- Examination Statistics Summary: Summarizes, by examination type, the number of examinations taken and the number and percentage of those which passed or failed.
- Examination Results by Examination Center: Summarizes, by examination site location, the number of examinations taken and the number and percentage of those which passed or failed.

- Survey Report: Provides the results of the candidate survey.
- Candidate Comments: Provides the comments, if any, of the candidate survey, examination site location.
- Special Accommodations Report: Provides the examination date and time, identification number, candidate's name, and type of accommodation provided by PSI.

In addition, PSI is required to provide the Commission a copy of its audited financial report on an annual basis and obtain approval from the Commission of changes in PSI project staff.

Records Retention

The Records Retention Area is the responsibility of the Administration Division, the Commission has designated the Human Resources Manager as the Records Management Officer. The Records Management Officer reports to the Administrator. Open records requests are handled by the division/section management that has custody of the requested information and consultation with the General Counsel is made when considered necessary.

Records Management is defined under Texas Government Code, Chapter 441, Subchapter L, as the application of management techniques to the creation, use, maintenance, ensuring access to public information under Chapter 552, and reducing costs. The term includes:

- The development of records retention schedules;
- The management of filing and information retrieval systems in any media;
- The adequate protection of state records that are vital, archival, or confidential according to accepted archival and records management practices;
- The economical and safe-effective storage of inactive records;
- Control over the creation and distribution of forms, reports, and correspondence; and
- Maintenance of public information in a manner to facilitate access by the public under Chapter 552.

The Commission's current Records Retention Schedule (Schedule) is dated May 2004 and was approved by the State Auditor's Office and the Texas State Library & Archives Commission (State Library) during August 2004. The Commission is in the process of reviewing and updating its existing Schedule to be submitted to the State Library for required triennial recertification by the last working day of August 2007.

The Records Management Officer is responsible for facilitating the review and update of the Schedule by first comparing the existing Schedule to the common records listed in the Texas State Records Retention Schedule to ensure completeness and then by circulating it to the administrator and management (Division Managers) for their review and revision of records within their applicable divisions/sections. Upon completion of the Schedule, the Records Management Officer will review and approve for submission to the State Library. Copies of the approved Schedule are maintained by the Records Management Officer and the administration division.

TREC uses Form SLR 105 to prepare the Schedule since it is designed to ensure compliance with state requirements by requiring the preparer to include information such as records series item number and title, retention period, security status, archival value, record medium, and identification of vital records.

To ensure TREC manages their records in accordance with the approved Schedule, various employees have been appointed as the designated section employee responsible for packaging and labeling records to be retained and/or stored within the section and who are responsible for storing and maintaining the records in the master file room. These individuals are supervised by the respective division/section managers. The use of storage space within the division is based on the need to have records available for effectively and efficiently accomplishing the Division/Section objectives.

A disposition log is used to document disposition of records. The log includes fields to denote the records series title, the retention period, dates of records, volume, disposition method, the signature of the employee performing the disposition, and the disposition date. The disposition logs are prepared by the division/section and are submitted to the Records Management Officer.

In addition to the Schedule, a catalog of forms is maintained and managed on the Commission Website. The Executive Assistant is assigned the responsibility to account for all existing forms used and maintain a catalog of the most updated forms. Forms are placed on the website by the IT section. New forms are updated based on changes to applicable laws and regulations and are formally adopted for use. Forms used in-house by the various TREC divisions/sections are developed and maintained separately.

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## I. Internal Audit Plan for Fiscal Year 2007

The fiscal year 2007 internal audit plan for the Commission is based on the Risk Assessment performed for the fiscal year ended 2007. The internal audit plan includes three (3) audits to be performed during the fiscal year and other internal audit activities as assigned by the Commissioners. The internal audit plan also includes preparation of the Annual Internal Audit Report for fiscal year 2007.

Risk Assessment

For the nineteen (19) audit areas identified in the Internal Audit Plan for fiscal year 2007, we performed an assessment of the potential audit areas using risk assessment techniques.

Based on the risk assessment, we identified four (4) audit areas that were assessed as Maximum Risk. They are:

- Information Systems
- License Application and Registration Process
- Cash Collection Fee Process / Remittance
- Education Program

Eight (8) audit areas were assessed as High Risk. They are:

- Administrative Hearing Process
- Complaint / Investigation Process
- Reporting and Budgeting
- Examination Process
- Payroll and Personnel Process
- Purchasing and Receiving
- Cash Disbursement and Travel Processing
- Recovery Fund

In prior years, the following internal audits were performed:

**Fiscal Year 2006**

1. Cash Collection Fee Process / Remittance

2. Customer Communication

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**Fiscal Year 2005**

1. Performed a Comprehensive Risk Assessment and Developed a six (6) Year Audit Plan
2. Compliance with the Texas Public Funds Investment Act
3. License Application and Registration Process

**Fiscal Year 2004**

1. Compliance with the Residential Service Company Act
2. Information Systems
3. Capital Assets

**Fiscal Year 2003**

1. Compliance with the Texas Public Funds Investment Act
2. Education Program Monitoring
3. Performance Measures; and
4. HUB – Compliance

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In accordance with the **Standards for the Professional Practice of Internal Auditing**, the audit scope will encompass the examination and evaluation of the adequacy and effectiveness of the Commission's system of internal control and the quality of performance in carrying out assigned responsibilities. The audit scope includes:

- **Reliability and Integrity of Information**
  Internal auditors should review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.

- **Compliance with Policies, Plan, Procedures, Laws, and Regulations**
  Internal auditors should review the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and reports and should determine whether the organization is in compliance.

- **Safeguarding of Assets**
  Internal auditors should review the means of safeguarding assets and, as appropriate, verify the existence of such assets.

- **Economical and Efficient Use of Resources**
  Internal auditors should appraise the economy and efficiency with which resources are employed.

- **Accomplishment of Established Objectives and Goals for Operations or Programs**
  Internal auditors should review operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.

## II. External Quality Assurance Review

The internal audit department received a peer review in August 2006. The peer review resulted in an unqualified opinion.

## III. High Level Audit Objectives

Compliance with the Public Funds Investment Act

This report satisfies the compliance audit requirements of the Public Funds Investment Act. The Commission has performed the compliance audit of management controls on investments and adherence to its established investment policies.

As part of our engagement, we performed procedures to:

a. Determine if the Commission's policies and procedures comply with the Public Funds Investment Act (Government Code 2256) and that such policies and procedures are appropriate and reasonable for the Commission's investment types, goals, and strategies.

b. Determine if the Commission's policies and procedures and established internal controls are sufficient to safeguard investments, ensure proper conduct by participants in the investment process, and effectively eliminate conflicts of interest over the investments of the Agency.

c. Determine if such policies and procedures limit political and personal interference in the investment decision-making process, and

d. Consider the appropriateness of the Commission's investments as reflected in the policies, strategies, and plans.

The compliance testing was performed in accordance with the Standards for the Professional Practice of Internal Auditing, generally accepted governmental auditing standards, the Certified Internal Auditor Code of Professional Ethics, the Statement of Responsibilities of Internal Auditing of the Institute of Internal Auditors, and the Texas Public Funds Investment Act and included other tests, as we considered necessary. Our tests of the policies, procedures, administrative and accounting systems and controls used to administer compliance with the Public Funds Investment Act disclosed no material instances of noncompliance with the requirements listed above.

## Examination Process

The scope of our audit was to gain an understanding of the Examination Process area, to determine compliance with applicable Commission rules, policies and procedures, and performance and compliance with contract terms by the examination vendor.

The procedures performed to achieve the scope of our audit were as follows:

a. Obtained and reviewed the examination vendor contract, conducted interviews, and collected various documents to obtain an understanding of the Examination Process Area.

b. Assessed the risk of performance and compliance with contract terms and performed compliance testing, as follows:
   - Contract renewals and notices of renewal
   - Examination fee charged to applicants and portion remitted to the Commission
   - Examination development
   - Vendor financial reports and staff changes
   - Statistical and monthly accounting reports

## Records Retention

The scope of our audit was to gain an understanding of the Records Management Program established by TREC to determine if it is being administered in accordance with Chapter 441, Subchapter L of the Texas Government Code; Chapter 6 of the Texas Administrative Code, and; applicable TREC policies and procedures.

The procedures performed to achieve the scope of our audit were as follows:

a. Reviewed and obtained an understanding of the laws and regulations provided in Chapter 441, Subchapter L of the Texas Government Code and Chapter 6 of the Texas Administrative Code.

b. Obtained and reviewed applicable TREC policies and procedures, collected available documentation, and conducted interviews to document formal/informal processes and controls.

c. Reviewed written documentation/correspondence to denote the appointment of a Records Management Officer.

d. Obtained and reviewed TREC's current Records Retention Schedule (Schedule) to ensure it was approved by the State Auditor's Office and the Texas State Library & Archives Commission and included all state required elements.

e. Observed the storage areas to ensure records were labeled and were sufficiently safe/guarded.

f. Reviewed the Records Disposition Log to ensure records were disposed of by authorized individuals and in accordance with the Schedule.

g. Reviewed the Forms Catalog maintained on the TREC Web-site to ensure it was populated and available to the public.

h. Reviewed documentation to indicate that the Records Management Officer attended (optional) training offered by the State and Local Records Management Division.

## IV. List of Audits Completed by High Level Audit Objectives

| Report No. | Report Date | Name of Report | High Level Audit Objectives | | | | |
|---|---|---|---|---|---|---|---|
| | | | Financial (and other) Reporting | Effectiveness and Efficiency | Compliance with Policies, Laws and Regulations | Safeguarding of Assets | Accomplishment of Objectives and Goals |
| 1 | 06/22/07 | Compliance with the Public Funds Investment Act | X | X | X | X | X |
| 1 | 06/22/07 | Examination Process | X | X | X | X | X |
| 1 | 06/22/07 | Records Retention | X | X | X | X | X |

## V. Key Audit Findings/Recommendations

| Report No. | Report Date | Name of Report | Observations/ Findings/Recommendations | Status (Implemented, Planned, In Progress, Factors Delay Implementation, Agency Does Not Plan to Implement Recommendation) | Fiscal Impact/Other Impact |
|---|---|---|---|---|---|
| 1 | 6/22/07 | Examination Process | 1. Contractor Staff Changes<br><br>PSI is required to notify and obtain approval from the Commission of changes to the project staff included in the original proposal. We obtained a list of PSI staff as of June 18, 2007 which included thirteen (13) staff; of which one (1) was included in the original proposal, however, had a different job title. Based on our discussion with staff, the Commission was not notified of PSI staff changes.<br><br>**Recommendation**<br>We recommend the Commission obtain a list of PSI staff on a regular basis to determine whether changes have been made without notification or approval.<br><br>**Management's Response**<br>TREC concurs with the recommendation. The Commission will remind PSI that they must provide updates when there are changes to PSI Project and/or Executive staff. In addition, the Commission will request a list of PSI staff on an annual basis. | | Compliance with contract terms. |
| | | | 2. Annual Financial Reports<br><br>PSI is required to provide the Commission a copy of its audited financial reports on an annual basis. Based on our discussion with staff the audited financial reports had not been submitted to the Commission until requested for the internal audit.<br><br>**Recommendation**<br>We recommend the Commission ensure the audited annual financial reports are submitted in accordance with contract terms. In addition the submitted financial statements should be reviewed to determine that the contractor has maintained the financial ability to perform the contract<br><br>**Management's Response**<br>TREC concurs with the recommendation. The Commission will request an audited annual financial report from PSI on an annual basis in accordance with contract terms. The audited financial reports will be reviewed by an independent contractor to ensure that the contractor has maintained financial ability to service the contract. | | Compliance with contract terms. |

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| Report No. | Report Date | Name of Report | Observations/ Findings/Recommendations | Status (Implemented, Planned, In Progress, Factors Delay Implementation, Agency Does Not Plan to Implement Recommendation) | Fiscal Impact/Other Impact |
|---|---|---|---|---|---|
| 1 | 6/22/07 | Examination Process | 3. Examination Fees<br><br>PSI is responsible for collecting a $59 examination fee and remitting a portion of the fee to the Commission. Currently, the Commission bills PSI $5 for each examination administered on a monthly basis. However, the contract does not address what portion, if any, of the fee is due to the Commission, when an applicant has paid the examination fee but does not take the examination. Since an applicant's eligibility for the examination lapses after 6 months and new fees are required, the applicant has in effect forfeited the examination fee.<br><br>For the period of August 22, 2002 through June 16, 2007, PSI has collected $71,567 of examination fees from 1,213 applicants who have registered but have not taken the examination and for which the time period has expired. Since PSI is billed $5 only after an examination has been administered and reported by PSI there has been no billing for these applicants by the Commission (approximately $6,065).<br><br>**Recommendation**<br>We recommend that the Commission modify current and future contracts to address collection of the examination fee upon payment by the applicant and/or perform a billing at least on a monthly basis based on examinations fees paid. In addition, we recommend that the Commission negotiate with PSI for payment of a percentage of the $71,567 of unearned fees collected.<br><br>**Management's Response**<br>TREC concurs with the recommendation that the Commission modify future contracts to address collection of the examination fee. TREC is currently drafting a request for proposal (RFP) for an exam administrator that will go into effect September 1, 2008. During this process, the contract language will be clarified. Due to ambiguous wording in the current contract, 1) TREC does not plan to negotiate with PSI for payment of a percentage of the unearned fees collected, and 2) for the duration of the current contract, TREC will forego collection of the $5 fee the exam vendor collects from applicants who never take the exam. | | Clarification of remitted fees collected by PSI to the Commission. |

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| Report No. | Report Date | Name of Report | Observations/ Findings/Recommendations | Status (Implemented, Planned, In Progress, Factors Delay Implementation, Agency Does Not Plan to Implement Recommendation) | Fiscal Impact/Other Impact |
|---|---|---|---|---|---|
| 1 | 6/22/07 | Record Retention Area | 4. Record Management<br><br>Each, division/section separately manages the pertinent records of the division/section however there is no complete listing that includes the location of all records. We also noted that the Information System division stores various records that are not currently listed in the Record Retention Schedule.<br><br>**Recommendation**<br>We recommend that the Commission supplement the Record Retention Schedule by preparing a listing that includes the date series, the location and a "container number" (box number, file cabinet number and/or shelf location) where the applicable records are stored. Records held for active use in the division/section area may not require location data until considered inactive or moved outside the division/section. To ensure the listing remains accurate a record inventory or survey process should be initiated. In addition, we recommend that the Commission amend the Record Retention Schedule when information changes occur or if inconsistent data is noted.<br><br>**Management's Response**<br>TREC concurs with the recommendation. Individual divisions will prepare a list of stored records that includes the date series, location, and container number, file cabinet number, or shelf location. The records retention specialist will maintain a copy of those lists for all divisions. Annually, each division will conduct a review to verify that the listing of stored records is accurate. If necessary, it will be updated. If policies change regarding records retention, the schedule will be amended more frequently. | | Improved Record Management |

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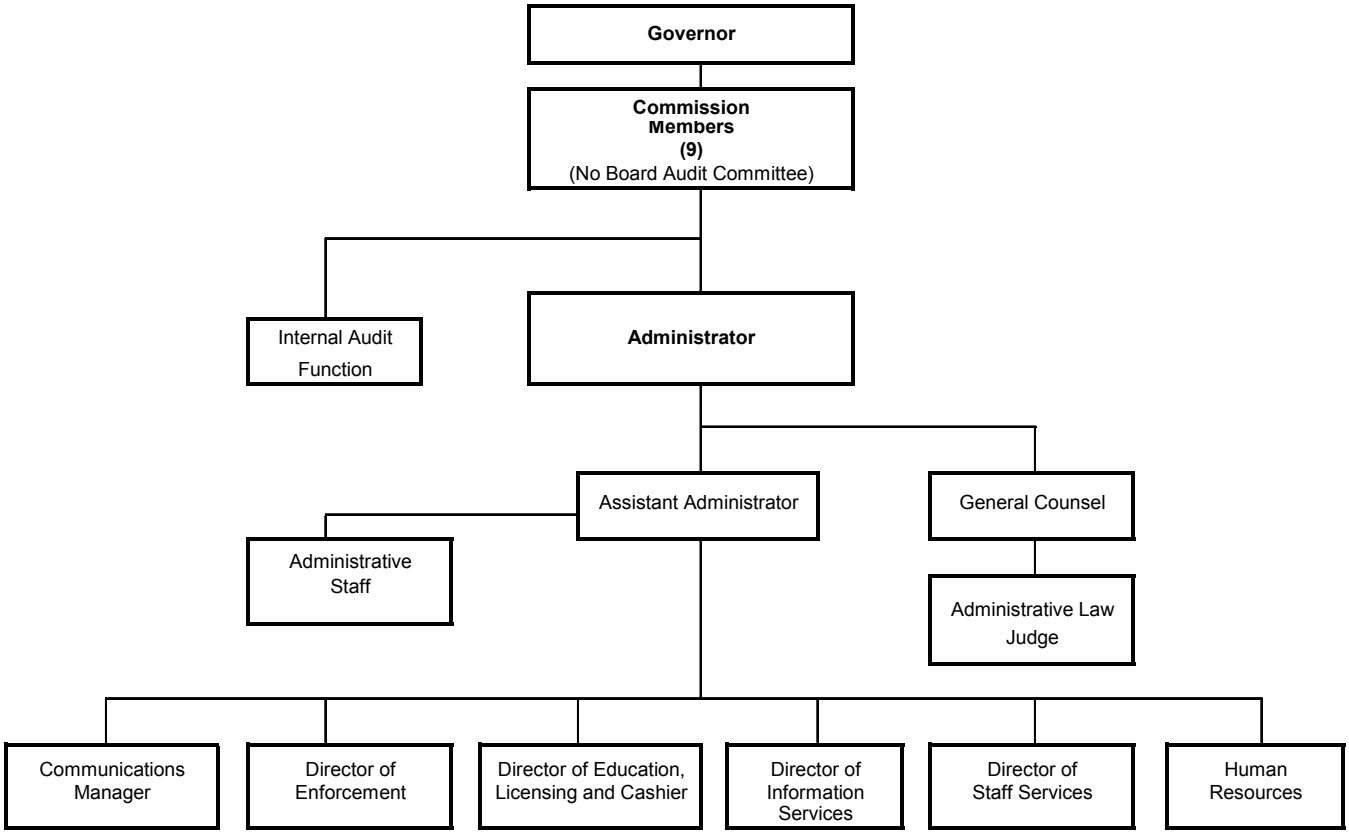
| Report No. | Report Date | Name of Report | Observations/ Findings/Recommendations | Status (Implemented, Planned, In Progress, Factors Delay Implementation, Agency Does Not Plan to Implement Recommendation) | Fiscal Impact/Other Impact |
|---|---|---|---|---|---|
| 1 | 6/22/07 | Record Retention Area | Follow-up on Prior Year Recommendations: | | |
| | | | **1.** Customer Communications - Maintenance of Phone Logs<br><br>We recommend that the Commission establish a monthly review to determine that the Communication daily telephone logs are adequately completed and are available for each day to substantiate the telephone log activity. Each employee should continue to separately maintain the telephone logs as required. | Implemented | Improve performance and compliance with the Policies and Procedures for Customer Communicatio n |
| | | | 2. Customer Communications - Monthly E-Mail Total Report<br><br>We recommend that Customer Communications modify the process for accumulating and reporting monthly e-mail totals to include all e-mail responses performed since e-mail responses of personnel other than the program manager have been inadvertently left out of the reported monthly totals. | Implemented | Strengthen Policies and Procedures over the Customer Communicatio n Area reporting process. |

## VI. List of Consulting Engagements and Non-audit Services Completed

None to Report

## VII. Organizational Chart



## VIII. Report on Other Internal Audit Activities

None

## IX. Proposed Internal Audit Plan for Fiscal Year 2008

- Complaint / Investigation Process
- Performance Measures
- Other Tasks as May Be Assigned by the Commission

## X. External Audit Services Procured in 2007

The Agency procured the following external audit services:

- Annual Risk Assessment
- Current year Internal Audit Services
- Financial data analysis and development of monitoring workprograms for the Residential Service Company (RSC).

## Texas Real Estate Commission (TREC)
### Summary of Investments

| | August 31, 2006 **Book Value** | August 31, 2006 **Market Value** |
|---|---|---|
| **Equity Securities** | N/A | N/A |
| **Other Investments** | N/A | N/A |
| **Debt Investments >1 year:** | | |
| U.S. Government | 1,755,465.63 | 1,675,343.75 |
| U.S. Government Agency | N/A | N/A |
| Mortgage Pass Throughs | N/A | N/A |
| C.M.O.s | N/A | N/A |
| Other Asset-Backed Bonds | N/A | N/A |
| Foreign Issued Obligations | N/A | N/A |
| Municipal Obligations | N/A | N/A |
| Corporate Obligations | N/A | N/A |
| G.I.C's | N/A | N/A |
| Bond Mutual Funds | N/A | N/A |
| Other (list) | N/A | N/A |
| ***Total Debt Investments >1 year*** | 1,755,465.63 | 1,675,343.75 |
| **Short Term Investments:** | | |
| U.S. Government | 504,937.50 | 495,156.25 |
| U.S. Government Agency | N/A | N/A |
| C.D.'s/B.A.'s | N/A | N/A |
| A1/P1 Commercial Paper | N/A | N/A |
| Repurchase Agreements | N/A | N/A |
| TexPool | N/A | N/A |
| Other Money Market Funds & Pools | N/A | N/A |
| Bank Deposits | N/A | N/A |
| Cash Held at State Treasury | 956,781.77 | 956,781.77 |
| Other (list) | N/A | N/A |
| ***Total Short Term Debt*** | 1,461,719.27 | 1,451,938.02 |
| **TOTAL INVESTMENTS:** | 3,217,184.90 | 3,127,281.77 |