

**SELF-DIRECTED
SEMI-INDEPENDENT
AGENCY REPORT**



NOVEMBER 1, 2012

SELF-DIRECTED SEMI-INDEPENDENT AGENCY REPORT

TEXAS REAL ESTATE COMMISSION
Austin, Texas

November 1, 2012

DOUGLAS E. OLDMIXON
ADMINISTRATOR

TEXAS



REAL ESTATE COMMISSION

APPRAISER LICENSING & CERTIFICATION BOARD

TREC Commissioners

Avis G. Wukasch
Chair

Joanne Justice
Vice Chair

Jaime Blevins Hensley
Secretary

Troy C. Alley, Jr.

Adrian A. Arriaga

Robert C. (Chris) Day

Bill L. Jones

Weston Martinez

T.J. Turner

Douglas E. Oldmixon
Administrator

TALCB Board Members

Luis F. De La Garza, Jr.
Chair

Walker Beard
Vice Chair

Sheryl R. Swift
Secretary

Laurie C. Fontana

Keith Kidd

Mark A. McAnally

Shannon K. McClendon

Donna J. Walz

Jamie S. Wickliffe

Douglas E. Oldmixon
Commissioner

November 1, 2012

Honorable Rick Perry, Governor
Honorable Tommy Williams, Chair, Senate Finance Committee
Honorable Bill Pitts, Chair, House Appropriations Committee
Ms. Ursula Parks, Director, Legislative Budget Board

Greetings:

As a Self-Directed Semi-Independent agency, The Texas Real Estate Commission together with the Texas Appraiser Licensing & Certification Board respectfully submits the following information required by Texas Occupations Code Section 1105.005 (c):

- (1) The salary for all agency personnel and the total amount of per diem expenses and travel expenses paid for all agency employees as of August 31, 2012:

Total Agency Salaries	\$4,785,699
Total per diem and travel expenses for agency employees	\$40,795

- (2) The total amount of per diem expenses and travel expenses paid for each member of the Texas Real Estate Commission and the Texas Appraiser Licensing & Certification Board as of August 31, 2012:

Texas Real Estate Commission members:		
	Travel	Per Diem
Alley Jr., Troy C	\$0	\$300
Arriaga, Adrian A	2,214.09	375
Day, Robert C. (Chris)	733.54	150
Hensley, Jaime Blevins	2,035.16	225
Jones, Bill	197.04	375
Justice, Joanne	1,136.45	375
Martinez, Weston	283.42	375
Scurry, Dona	2,057.31	225
Wukasch, Avis G.	858.31	375
Total Travel and Per Diem	\$9,515.32	\$2,775

Honorable Rick Perry, Governor
Honorable Tommy Williams, Chair, Senate Finance Committee
Honorable Bill Pitts, Chair, House Appropriations Committee
Ms. Ursula Parks, Director, Legislative Budget Board
November 1, 2013
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Texas Appraiser Licensing & Certification Board members:		
	Travel	Per Diem
Beard, Walker R.	\$2,778.42	\$375
Boyuls, Malachi	1,604.86	225
De La Garza Jr., Luis F.	2,478.81	375
Fontana, Laurie	1,960.03	300
McClendon, Shannon	305.53	375
Swift, Sheryl R.	1,082.31	225
Walz, Donna L.	3,905.68	375
Wickliffe, Jamie	0	375
Total Travel and Per Diem	\$14,115.64	\$2,625

Texas Real Estate Inspector Committee:	
	Travel
Eakin, Greg	\$2,562.81

Texas Real Estate Commission Broker/Lawyer Committee:	
	Travel
Noon, Patrick	\$542.91

- (3) An excerpt from the agency's strategic plan and the 2013 annual budgets of the commission and the board – **See Enclosure A.**
- (4) A listing of FY2013 Budgeted Monthly Salary Rates by Position – **See Enclosure B.**
- (5) A detailed report of all revenue received and all expenses incurred by the agency in the previous 12 months – **See Enclosure C.**

If you have any questions, please contact Melissa Huerta at 512.936.3590.

Sincerely,



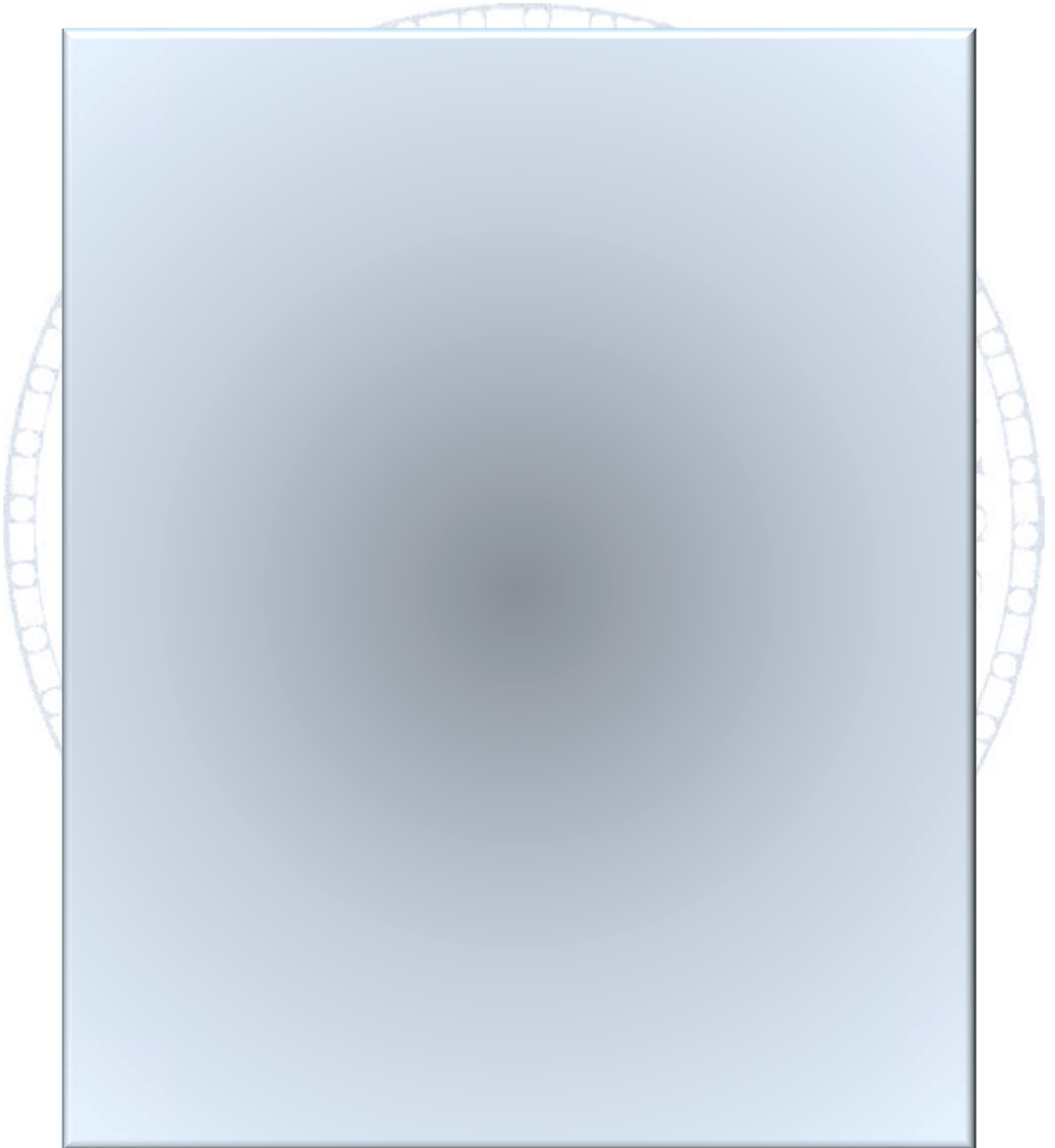
Douglas E. Oldmixon
Administrator

DEO/mkh

Enclosures

Texas Real Estate Commission
SDSI Report
November 1, 2012

ENCLOSURE A





Objectives /Outcome Measures

Goal I Ensure Standards

To determine that applicants for licensure meet legal requirements for real estate license issuance. (*Texas Occupations Code, Chapter 1101, 1102, 1303 and Texas Property Code, Chapter 221*)

Objective 01-01

To maintain procedures through 2017 to evaluate applicants for honesty, integrity, trustworthiness, competency and legal qualifications through education evaluations, requirement of continuing education, and criminal history background checks.

Outcome Measures:

- Percent of licensees with no recent violations
- Percent of licensees who renew online
- Percent of new individual licenses issued online

Goal II Enforce Regulations

To act promptly and aggressively to enforce the laws and rules of the Commission in a fair and evenhanded manner. (*Texas Occupations Code, Chapter 1101, 1102, 1303 and Texas Property Code, Chapter 221*)

Objective 02-01

To resolve 85% of documented complaints within six months by 2017.

Outcome Measures:

- Percentage of complaints resolved resulting in disciplinary action
- Percentage of documented complaints resolved within six months

Goal III Communicate Effectively

To communicate effectively with the public and licensees concerning matters within the Commission's jurisdiction. (*Texas Occupations Code, Chapter 1101, 1102, 1303 and Texas Property Code, Chapter 221*)

Objective 03-01

To maintain a communications center that is available via telephone ten hours daily Monday through Friday and responds to e-mails promptly; produce a minimum of eight newsletters annually, and maintain a website that provides clear, concise information through 2017.

Outcome Measures:

None

Goal IV Ensure Availability of Qualified Appraisers

To protect the public and ensure the availability of qualified appraisers by implementing and enforcing the Texas Appraiser Licensing and Certification Act and by providing information to appraisers and to the general public for the maintenance of high professional standards and informed consumer decisions in real estate transactions in all areas of Texas. (*Texas Occupations Code, §1103.156*)

Objective 04-01

To maintain procedures to evaluate applicants for honesty, integrity, trustworthiness, competency and legal qualifications to ensure qualified real estate appraisers through 2017.

Outcome Measures:

- Percent of licensed or certified appraisers with no recent violations.
- Percent of licensees who renew online.
- Percent of new individual licenses issued online.

Objective 04-02

To enforce the provisions of the Texas Appraiser Licensing and Certification Act and the Uniform Standards of Professional Appraisal Practice by resolving 50% of complaints within six months by August 31, 2017.

Outcome Measures:

- Percent of Complaints Resulting in Disciplinary Action
- Recidivism Rate for Those Receiving Disciplinary Action
- Percent of Documented Complaints Resolved Within Six Months

Goal V Working with HUBs

To establish and implement policies governing purchasing that foster meaningful and substantive inclusion of historically underutilized businesses (HUBs). (*Texas Government Code, § 2161.123*)

Objective 04-01

To include historically underutilized businesses (HUBs) in at least 30 percent of the total value of contracts and subcontracts awarded annually by the agency in purchasing.

Outcome Measures: Percent of Total Dollar Value of Purchasing Contracts Awarded to HUB

Strategies and Output, Efficiency and Explanatory Measures

Strategy 01-01-01 Real Estate Licensing

Perform the Commission's licensing function by: reviewing applications; issuing exam eligibility letters.; evaluating education; processing criminal history background checks; and issuing licenses.

Output Measures:

- Number of new licenses issued to individuals
- Number of licenses renewed (individuals)

Efficiency Measures:

- Average time for individual license issuance (days)
- Average time for individual license renewal
- Percentage of new individual licenses issued within 10 days
- Percentage of individual license renewals issued within 7 days

Explanatory Measures:

- Total number of individuals licensed

Strategy 02-01-01 Real Estate Enforcement

Administer an effective system of enforcement and adjudication which includes investigating and resolving valid complaints.

Output Measures:

- Number of complaints resolved
- Number of orders issued by the commission

Efficiency Measures:

- Average time for complaint resolution (days)

Explanatory Measure:

- Jurisdictional complaints received

Strategy 03-01-01 Real Estate Public Education

Maintain a communications center, which responds to inquiries via telephone and email promptly; produce newsletters; provide an informative website and maintain an online customer survey.

Output Measures:

- Number of calls received
- Number of inquiries answered via email

Strategy 04-01-01 Provide Sufficient Qualified Real Estate Appraisers

Process appraiser license applications; issue licenses and renewals; approve appraisal educational coursework offered by proprietary schools, appraisal organizations, and colleges and universities; and develop standards and agreements for reciprocity with other states for appraiser licensing and certification.

Output Measures:

- Number of new licenses/certifications/registrations issued to individuals
- Number of licenses and certifications renewed (Individuals)

Efficiency Measures:

- Percentage of new individual licenses issued within 10 days
- Percentage of individual license renewals issued within 7 days

Explanatory Measures:

- Total number of individuals licensed

Strategy 04-02-01 Resolve Complaints in a Timely Manner

Investigate and resolve complaints, imposing penalties when appropriate.

Output Measures:

- Number of complaints resolved
- Number of Requests for Assistance Completed

Efficiency Measures:

- Average time for complaint resolution (days)

Explanatory Measure:

- Jurisdictional complaints received

Strategy 05-01-01 Historically Underutilized Businesses

Implement the Commission's plan aimed at increasing the amount of HUBs through purchasing contracts and subcontracts.

Output Measures:

- Number of HUB contractors contacted for Bid Proposals
- Number of HUB Contracts Awarded
- Dollar Value of HUB Contracts Awarded

Technology Resource Planning

The licensees, potential licensees and public are becoming very comfortable in the use of technology. As such, they are expecting the agency to offer services that are routinely common in their daily life. With this and the agency's commitment to improving customer service, employee efficiency, and the security of information, the use of technology will expand and continue to advance. The agency will continue to adopt and implement technology based upon DIR, industry standards, and best practices to meet these demands.

TECHNOLOGY INITIATIVE ASSESSMENT AND ALIGNMENT

Customer Service

Expansion of self-service offerings

- As the first agency to utilize the TexasOnline Authority's services, TREC understands the impact that this service can have on licensees and employees. The expansion of the tools using the TexasOnline Authority service will allow the agency the ability to increase its self service offerings, thus providing more convenience to customers and providing efficiencies within the agency.
- Modernization of agency website to expand the availability of information and services available to licensees and public
- Improvement and expansion of communication channels to the licensee and public to ensure the agency message is being effectively distributed. Strengthen existing communication channels such as email and expanding to additional channels allowing access to a broader customer base.
- Establishing services for trading partners to allow for more prompt receipt and delivery of information supporting licensing activities. Develop tools allowing providers of services to submit electronic data more timely for our licensees while reducing manual processing of information internally.

Employee Efficiency

Continued focus in reducing the receipt of paper and converting paper into electronic content. Utilizing this electronic content to then drive the automation of manual process through workflow, Optical Character Recognition (OCR) and image.

- The elimination of paper allows for significant workplace efficiencies as resources can be shared effectively across multiple locations, manual processes can become automated, and service to the customer can become more efficient.
- Continue to grow our vendor product to push vendor to offer additional automation and web services rather than manual interactions with their licensing product.
- Upgrade of internal network providing for more technical stability and constancy while providing the opportunity to implement current tools that offer additional functionality.

Data Protection

Continued focus of ensuring technical security to protect agency assets

- Utilizing annual security test allows the agency to ensure the safety of data and the consistent availability of services. Implementation of security recommendations allows the agency to strengthen the data environment and align with statewide standards.

DEVELOPMENT GUIDES

Expansion in utilization of TexasOnline Services

As the first agency to utilize the TexasOnline Authority's services, TREC understands the impact that this service can have on licensees and employees. The expansion of the tools using the TexasOnline Authority service will allow the agency the ability to increase its self service offerings, thus providing more convenience to customers and providing efficiencies within the agency.

Associated Projects

- Implementation of additional initial and renewal applications across non-participating license types
- Collection of miscellaneous fees for other services
- Collection of secondary application fees

Agency objectives

- Expansion of self service offerings
- Continued focus of reduction of paper and increase of automation

Statewide Technology Priorities

- Mobility

Guiding Principles

- TexasOnline provides the infrastructure for online payment transactions allowing the agency the ability to automate transactions. The agency has a long track record utilizing this service for renewal and initial applications, but does not yet offer this service for all license types. Expanding utilization allows the agency to take advantage of these benefits with minimal additional costs.

Anticipated Benefits

- Automation of these transactions reduces paper and manual intervention of staff. Many of these transactions can be processed by the licensee without a intervention of staff allowing the agency to focus on additional objectives. Additionally, the turnaround time for processing some application may be reduced as the inherent delay of submission of information through the traditional postal service is eliminated.

Capabilities or Barriers

- The existing licensing system has some limitations on what can be offered online and may need to be enhanced to provide required features for the processing of some applications. Additionally, for some initial and renewal applications the fee structure of TexasOnline may not be a cost effective way of delivery service.

Modernization of agency website

Modernization of agency website to expand the availability of information, ease of utilization and services available to licensees and public

Associated Projects

- Enhance to support mobile services
- Enhance tracking of application status
- Enhance for tracking of application processing times
- Clarify education status and requirements
- Update of website addressing ease of use
- Update of website addressing available automated services

Agency objectives

- Improving and expanding upon external communication

- Provide easy to find information regarding licensing requirements

Statewide Technology Priorities

- Mobility
- Infrastructure
- Legacy Applications
- Open Data
- Data Sharing

Guiding Principles

- The current website is a legacy application which exposes the agency to risk and instability of services. By redeveloping the website the agency will reanalyze the requirements of our customers and be in a position to provide services that are not currently offered online. Additionally, the ability to find information is cumbersome so even though information is available many are not able to identify solutions to their questions requiring a phone call or email.

Anticipated Benefits

- Improving usability of the website and increasing desired information will reduce the need for the public to phone or email the agency with questions. Allowing the public to complete transactions which traditionally were completed by staff will make staff and public more.

Capabilities or Barriers

- Agency network and infrastructure upgrades will be necessary to complete this initiative.

Improvement and Expansion of communication channels

Improvement and expansion of communication channels to the licensee and public to ensure the agency message is being effectively distributed. Strengthen existing communication channels such as email and expanding to additional channels (such as select social media) allowing access to a broader customer base.

Associated Projects

- Target of mailing lists to business segments
- Modernization of mailing list and mass mailing services within agency
- Modernization of agency website

Agency objectives

- Expansion of self service offerings
- Provide easy to find information regarding licensing requirements

Statewide Technology Priorities

- Mobility
- Infrastructure
- Legacy Applications
- Open Data
- Data Sharing

Guiding Principles

- The current mass mailing process is cumbersome and not flexible to target communications to special audiences. Improving upon the ability for the agency to communicate and provide information to public and licensees allows them access and understanding of services.

Anticipated Benefits

- With the ability to target various audiences the agency can tailor communication to specific groups encouraging more effective distribution of information.

Capabilities or Barriers

- Agency network and infrastructure upgrades will be necessary to complete this initiative.

Electronic submission of licensing data

Establish services for trade partners to allow for more prompt receipt and delivery of information supporting licensing activities. Develop tools allowing providers of services to submit electronic data more timely for our licensees while reducing manual processing of information internally.

Associated Projects

- Expanding types of education that can be received electronically

Agency objectives

- Expansion of self service offerings

Statewide Technology Priorities

- Legacy Applications

Guiding Principles

- Expanding upon the services available with our trading partners allowing them to electronically submit data for licensees provides faster delivery of agency services and creates agency efficiencies in offloading workload.

Anticipated Benefits

- Improved efficiency in the collection and processing of licensing data.

Capabilities or Barriers

- Agency network and infrastructure upgrades will be necessary to complete this initiative.
- Knowledge and technical structure of each of the trading partners may limit their interaction with our services.

Reduction of paper documents

The elimination of paper allows for significant workplace efficiencies as resources can be shared effectively across multiple locations, manual processes can become automated, and service to the customer can become more efficient.

Associated Projects

- Expanding types of education related data that can be received electronically through website
- Expanding utilization of TexasOnline Services
- Continuation of converting paper to electronic images

Agency objectives

- Expansion of self service offerings

Statewide Technology Priorities

- Legacy Applications

Guiding Principles

- Expanding upon the services available with our trading partners allowing them to electronically submit data for licensees provides faster delivery of agency services and creates agency efficiencies in offloading workload.
- TexasOnline provides the infrastructure for online payment transactions allowing the agency the ability to automate transactions. The agency has a long track record utilizing this service for renewal and initial applications, but does not yet offer this service for all license types. Expanding utilization allows the agency to take advantage of these benefits with minimal additional costs.

Anticipated Benefits

- Improved efficiency in the collection and processing of licensing data

Capabilities or Barriers

- Available agency resources to continue the conversion of paper to electronic documents in timely manner
- Knowledge and technical structure of each of the trading partners may limit their interaction with our services
- TexasOnline fee structure allowing for cost effective conversion to online fee collection

Improve vendor licensing application services

Continue to grow our vendor product to push vendor to offer additional automation and web services rather than manual interactions with their licensing product.

Associated Projects

- Expand upon online functionality supporting licensing services.
- Expand upon back office functions within product.
- Improve current application configuration for additional efficiencies.

Agency objectives

- Expansion of self service offerings
- Staff efficiencies in working with the processing of licensing information

Statewide Technology Priorities

- Data Management
- Legacy Applications

Guiding Principles

- Expanding upon online services by expanding existing and proven technologies to additional license types

Anticipated Benefits

- Improved efficiency in the collection and processing of licensing data

Capabilities or Barriers

- Delivery timelines from vendor may impact schedule of improvements

Technical infrastructure upgrades

Upgrade of internal network providing for more technical stability and constancy while providing the opportunity to implement current tools that offer additional functionality

Associated Projects

- Upgrade of legacy DNS servers
- Upgrade of legacy of Active directory services
- Replacement of Servers and Data storage infrastructure

Agency objectives

- Maintain technical stability and provide continued support for technical infrastructure through technology refresh activities.

Statewide Technology Priorities

- Legacy Applications
- Network

Guiding Principles

- Expanding upon online services by expanding existing and proven technologies to additional license types

Anticipated Benefits

- Improved network stability and allow for the ability to create current technical solutions without the limitations of obsolete infrastructure.

Capabilities or Barriers

- Upgrade paths on some products are not supported and may be difficult to implement.

Data and technical agency security

Utilizing annual security test allows the agency to ensure the safety of data and the consistent availability of services. Implementation of security recommendations allows the agency to strengthen the data environment and align with statewide standards.

Associated Projects

- Annual CPT security test conducted by DIR

Agency objectives

- Maintain proper custodian responsibilities of licensee data.

Statewide Technology Priorities

- Security and Privacy

Guiding Principles

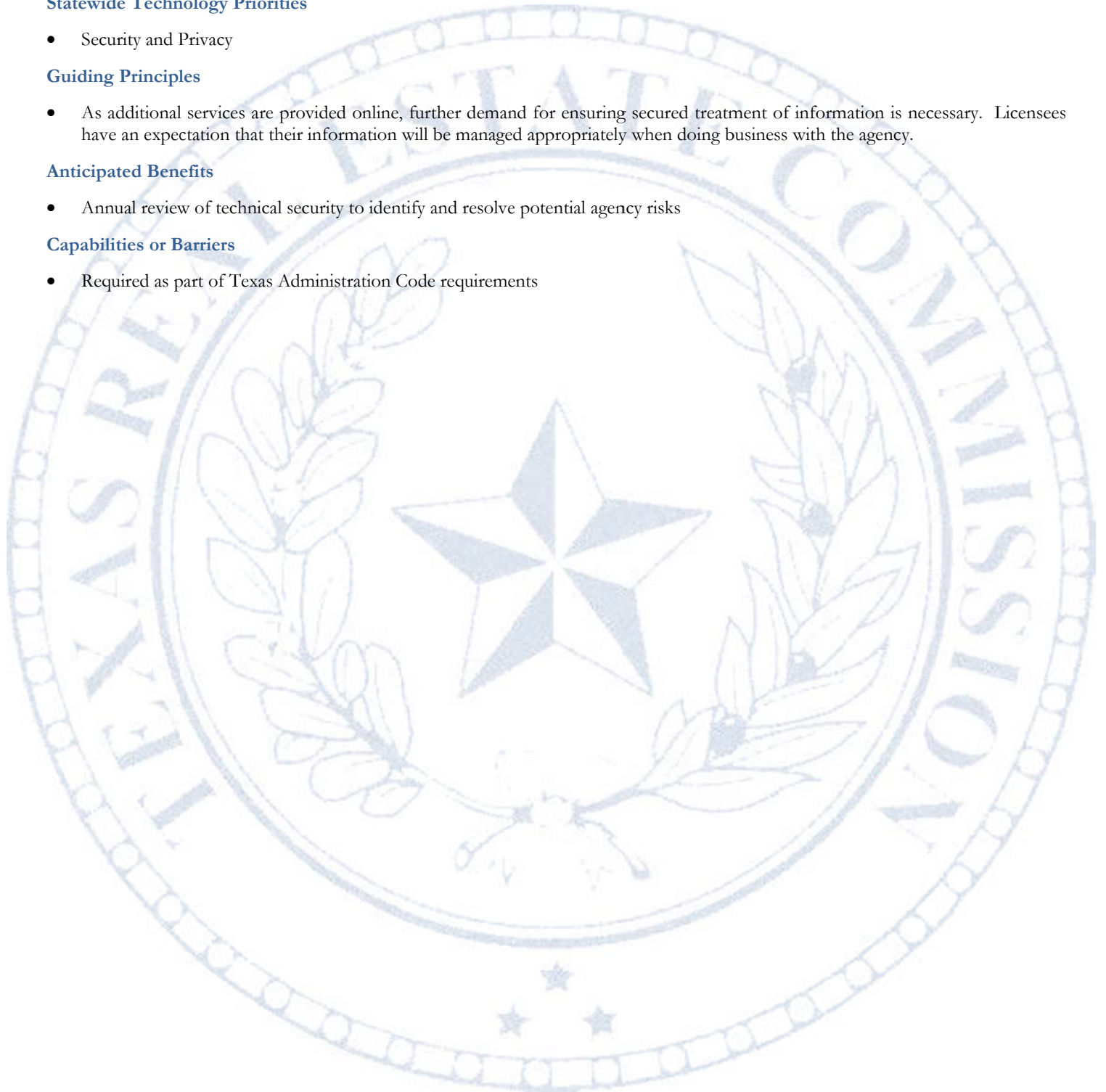
- As additional services are provided online, further demand for ensuring secured treatment of information is necessary. Licensees have an expectation that their information will be managed appropriately when doing business with the agency.

Anticipated Benefits

- Annual review of technical security to identify and resolve potential agency risks

Capabilities or Barriers

- Required as part of Texas Administration Code requirements





**Texas Real Estate Commission
FY2013 Budget as Adopted
September 1, 2012**

Expenditure Category	TREC Budget FY2013
Salaries & Wages	\$4,285,000
Employee Benefits	1,487,300
Other Personnel Costs	152,300
Professional Fees & Services	329,100
Consumables	35,000
Utilities	12,000
Travel	55,700
Office Rent	460,000
Equipment Rental	21,200
Registration & Memberships	18,300
Maintenance & Repairs	111,600
Reproduction & Printing	4,000
Contract Services	53,700
Postage	31,000
Supplies & Equipment (Non-capitalized)	73,500
Communication Services	39,000
Other Operating Expenses	14,800
DPS Criminal History Background Checks	3,000
FBI Criminal History Background Checks	2,576,000
Texas Online Fees	300,000
Statewide Cost Allocation Plan (SWCAP)	60,000
Payment to General Revenue per Occ Code Sec 1105.003(f)	720,000
Total	\$10,842,500
Revenue	FY2013 Est.
Licensing Fees	\$8,205,557
Miscellaneous Revenue	86,210
FBI Ceiminal History Background Fees	2,576,000
TX Online	300,000
E-Newsletter	200,000
Total Revenue	\$11,367,767
Projected Revenue Over/(Under) Expenditures & Transfers	\$525,267

Texas Appraiser Licensing & Certification Board
FY2013 Budget as Adopted
September 1, 2012

Expenditure Category	TALCB Budget FY2013
Salaries & Wages	\$913,500
Employee Benefits	258,900
Other Personnel Costs	35,500
Professional Fees & Services	135,000
Consumables	8,400
Utilities	720
Travel	27,000
Office Rent	97,800
Equipment Rental	8,800
Registration & Membership	10,850
Maintenance & Repairs	13,800
Reproduction & Printing	1,500
Contract Services	33,400
Postage	6,000
Supplies & Equipment	11,600
Communication Services	7,900
Other Operating Expenses	3,600
Subtotal -Operations Expenditures	1,574,270
DPS Criminal History Background Checks	3,000
FBI Criminal History Background Checks	0
Texas Online	22,000
Federal Appraiser Registry Fees	208,000
Statewide Cost Allocation Plan (SWCAP)	10,560
Payment to General Revenue per Occ Code Sec 1105.003(f)	30,000
Subtotal - Nonoperational Expenditures	273,560
Total Expenditures	\$1,847,830

Revenue	FY2013 Projected
License Fees	\$1,257,548
AMCs	255,000
AMC Carry Forward from FY12	377,000
Other Miscellaneous Revenue	9,100
Criminal History Background Fees	0
TX Online	22,000
Federal Appraiser Registry Fees	208,000
Total Revenue	\$2,128,648

Revenue Over/(Under) Expenditures & Transfers	\$280,818
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Texas Real Estate Commission
SDSI Report
November 1, 2012

ENCLOSURE B

**Texas Real Estate Commission & Texas Appraiser Licensing & Certification Board
FY2013 Budgeted Monthly Salary Rates by Position**

Position Classification by Division	MONTHLY RATES					
	TREC		TALCB		TOTAL	
	FTE	Salary	FTE	Salary	FTE	Salary
Administration & Management Services (AMS)						
Administrator/Commissioner	0.8	7,780	0.2	1,945	1.0	9,725
General Counsel IV	1.0	9,000	0.0	0	1.0	9,000
General Counsel II	0.5	3,750	0.5	3,750	1.0	7,500
Executive Asst III	1.0	5,575	0.0	0	1.0	5,575
Executive Asst III	1.0	4,575	0.0	0	1.0	4,575
Executive Asst III	1.0	4,475	0.0	0	1.0	4,475
Total AMS	5.3	35,155	0.7	5,695	6.0	40,850
Staff & Support Services (SSS)						
Director I	1.0	6,500			1.0	6,500
Accountant VI	1.0	5,600			1.0	5,600
Accountant V	1.0	4,400			1.0	4,400
Accountant IV	1.0	3,900			1.0	3,900
Accountant III	1.0	3,550			1.0	3,550
Accountant II	1.0	3,250			1.0	3,250
Accountant II	1.0	3,250			1.0	3,250
Purchaser VI	1.0	5,665			1.0	5,665
Admin Asst IV	1.0	3,050			1.0	3,050
HR Specialist VI	1.0	5,740			1.0	5,740
Admin Asst V	1.0	3,600			1.0	3,600
Admin Asst IV	1.0	3,000			1.0	3,000
Admin Asst III	1.0	2,500			1.0	2,500
Admin Asst III	1.0	2,500			1.0	2,500
Total SSS	14.0	56,505	0.0	0	14.0	56,505

**Texas Real Estate Commission & Texas Appraiser Licensing & Certification Board
FY2013 Budgeted Monthly Salary Rates by Position**

Position Classification by Division	MONTHLY RATES					
	TREC		TALCB		TOTAL	
	FTE	Salary	FTE	Salary	FTE	Salary
Information Technology Services (ITS)						
Director I	1.0	7,585			1.0	7,585
Systems Analyst IV	1.0	5,600			1.0	5,600
Systems Analyst IV	0.95	4,908	0.05	258	1.0	5,167
Systems Analyst V	1.0	5,541			1.0	5,541
Systems Analyst V	1.0	4,750			1.0	4,750
Systems Analyst V	1.0	5,616			1.0	5,616
Network Spec III	1.0	3,900			1.0	3,900
Systems Analyst III	1.0	3,900			1.0	3,900
Systems Sup Spec I	1.0	2,600			1.0	2,600
Admin Asst IV	1.0	2,825			1.0	2,825
Admin Asst III	1.0	2,375			1.0	2,375
Admin Asst III	1.0	2,375			1.0	2,375
Total ITS	11.95	51,975	0.05	258	12.0	52,234

**Texas Real Estate Commission & Texas Appraiser Licensing & Certification Board
FY2013 Budgeted Monthly Salary Rates by Position**

Position Classification by Division	MONTHLY RATES					
	TREC		TALCB		TOTAL	
	FTE	Salary	FTE	Salary	FTE	Salary
Education & Licensing Services (ELS)						
Director I	1.0	7,000			1.0	7,000
Licensing						
Manager I	1.0	5,200			1.0	5,200
Admin Asst V	1.0	3,500			1.0	3,500
Admin Asst V	1.0	3,250			1.0	3,250
Admin Asst IV-AMC	0.0	0	1.0	2,750	1.0	2,750
Admin Asst III	1.0	2,750			1.0	2,750
Admin Asst III	1.0	2,500			1.0	2,500
Admin Asst III	1.0	2,375			1.0	2,375
Admin Asst III	1.0	2,750			1.0	2,750
Education						
Manager I	1.0	5,092			1.0	5,092
Admin Asst V	1.0	3,500			1.0	3,500
Admin Asst IV	1.0	3,500			1.0	3,500
Admin Asst IV	1.0	3,000			1.0	3,000
Admin Asst III	1.0	2,750			1.0	2,750
Admin Asst III	0.0	0	1.0	2,500	1.0	2,500
Admin Asst III	1.0	2,500			1.0	2,500
Admin Asst III	1.0	2,375			1.0	2,375
Admin Asst III	1.0	2,500	0.0		1.0	2,500
Total ELS	16.0	54,542	2.0	5,250	18.0	59,792

**Texas Real Estate Commission & Texas Appraiser Licensing & Certification Board
FY2013 Budgeted Monthly Salary Rates by Position**

Position Classification by Division	MONTHLY RATES					
	TREC		TALCB		TOTAL	
	FTE	Salary	FTE	Salary	FTE	Salary
Reception & Communication Services (RCS)						
Director I	1.0	6,000			1.0	6,000
Admin Asst IV	1.0	3,500			1.0	3,500
Admin Asst IV	1.0	3,500			1.0	3,500
Admin Asst III	1.0	3,000			1.0	3,000
Admin Asst III	1.0	2,800			1.0	2,800
Admin Asst III	1.0	2,750			1.0	2,750
Admin Asst III	1.0	2,600			1.0	2,600
Admin Asst III	1.0	2,500			1.0	2,500
Admin Asst III	1.0	2,500			1.0	2,500
Admin Asst III	1.0	2,500			1.0	2,500
Admin Asst III	1.0	2,500			1.0	2,500
Admin Asst III	1.0	2,375			1.0	2,375
Admin Asst III	1.0	2,375			1.0	2,375
Admin Asst III	0.0	0	1.0	2,500	1.0	2,500
Total RCS	13.0	38,900	1.0	2,500	14.0	41,400

**Texas Real Estate Commission & Texas Appraiser Licensing & Certification Board
FY2013 Budgeted Monthly Salary Rates by Position**

Position Classification by Division	MONTHLY RATES					
	TREC		TALCB		TOTAL	
	FTE	Salary	FTE	Salary	FTE	Salary
Standards & Enforcement Services (SES)						
Director I	1.0	7,500			1.0	7,500
Attorney IV	1.0	6,300			1.0	6,300
Attorney IV	1.0	6,050			1.0	6,050
Attorney III	1.0	4,650			1.0	4,650
Attorney III	1.0	5,105			1.0	5,105
Attorney III	1.0	5,105			1.0	5,105
Attorney III	1.0	4,650			1.0	4,650
Attorney III	1.0	4,750			1.0	4,750
Attorney III	1.0	4,950			1.0	4,950
Attorney III	1.0	5,200			1.0	5,200
Program Sup II	1.0	4,350			1.0	4,350
Legal Asst II	1.0	3,350			1.0	3,350
Legal Asst III	1.0	3,500			1.0	3,500
Legal Asst II	1.0	3,185			1.0	3,185
Legal Asst III	1.0	3,500			1.0	3,500
Legal Asst III	1.0	3,500			1.0	3,500
Legal Asst II	1.0	3,109			1.0	3,109
Admin Asst III	1.0	2,516			1.0	2,516
Admin Asst III	1.0	3,075			1.0	3,075
Admin Asst III	1.0	2,800			1.0	2,800
Legal Asst II	1.0	3,150			1.0	3,150
Manager II	1.0	5,125			1.0	5,125
Investigator V	1.0	4,275			1.0	4,275
Investigator V	1.0	4,175			1.0	4,175
Investigator V	1.0	4,075			1.0	4,075
Investigator V	1.0	3,825			1.0	3,825
Investigator IV	1.0	3,600			1.0	3,600
Investigator IV	1.0	3,600			1.0	3,600
Investigator IV	1.0	3,600			1.0	3,600
Total SES	29.0	122,570	0.0	0	29.0	122,570

**Texas Real Estate Commission & Texas Appraiser Licensing & Certification Board
FY2013 Budgeted Monthly Salary Rates by Position**

Position Classification by Division	MONTHLY RATES					
	TREC		TALCB		TOTAL	
	FTE	Salary	FTE	Salary	FTE	Salary
Texas Appraiser Licensing & Certification Board (TALCB SES)						
Director I			1.0	6,250	1.0	6,250
Attorney IV-AMC			1.0	5,475	1.0	5,475
Attorney III			1.0	4,500	1.0	4,500
Appraiser III			1.0	4,600	1.0	4,600
Appraiser III			1.0	4,600	1.0	4,600
Appraiser III			1.0	4,700	1.0	4,700
Appraiser III			1.0	4,000	1.0	4,000
Appraiser III			1.0	4,000	1.0	4,000
Appraiser III-AMC			1.0	4,167	1.0	4,167
Appraiser III-AMC			1.0	4,000	1.0	4,000
Legal Asst III			1.0	3,500	1.0	3,500
Legal Asst II			1.0	3,100	1.0	3,100
Legal Asst III-AMC			1.0	3,050	1.0	3,050
Admin Asst V			1.0	3,300	1.0	3,300
Total TALCB	0.0	0	14.0	59,242	14.0	59,242

UNAUDITED

TEXAS REAL ESTATE COMMISSION (329)
EXHIBIT I
COMBINED BALANCE SHEET/ STATEMENT OF NET ASSETS -
GOVERNMENTAL FUNDS
For the Year Ended August 31, 2012

	GOVERNMENTAL FUND TYPES GENERAL FUNDS (Exh A-1)	CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	OTHER ADJUSTMENTS	STATEMENT OF NET ASSETS
ASSETS					
Current Assets:					
Cash and Cash Equivalents					
Cash in Bank	\$ 84,268.75	\$	\$	\$	84,268.75
Cash Equivalents - Misc Investments	4,188,681.13				4,188,681.13
Cash in State Treasury	2,100,127.82				2,100,127.82
Consumable Inventories	20,046.98				20,046.98
Total Current Assets	<u>6,393,124.68</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>6,393,124.68</u>
Non-Current Assets:					
Capital Assets:					
Depreciable					
Furniture and Equipment	\$	\$ 134,943.03	\$	\$	134,943.03
Less Accumulated Depreciation		(121,759.41)			(121,759.41)
Intangible					
Computer Software		300,398.75			300,398.75
Less Accumulated Amortization		(89,468.57)			(89,468.57)
Total Non-Current Assets	<u>0.00</u>	<u>224,113.80</u>	<u>0.00</u>	<u>0.00</u>	<u>224,113.80</u>
TOTAL ASSETS	<u>\$ 6,393,124.68</u>	<u>\$ 224,113.80</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 6,617,238.48</u>
LIABILITIES					
Current Liabilities:					
Payables from :					
Accounts Payable	\$ 1,589,470.34	\$	\$	\$	1,589,470.34
Payroll Payable	441,788.52				441,788.52
Due to Other Funds/Agencies	1,747,743.50				1,747,743.50
Employees' Compensable Leave			334,321.31		334,321.31
Total Current Liabilities	<u>3,779,002.36</u>	<u>0.00</u>	<u>334,321.31</u>	<u>0.00</u>	<u>4,113,323.67</u>
Non-Current Liabilities:					
Employees' Compensable Leave			259,145.81		259,145.81
Total Non-Current Liabilities	<u>0.00</u>	<u>0.00</u>	<u>259,145.81</u>	<u>0.00</u>	<u>259,145.81</u>
TOTAL LIABILITIES	<u>3,779,002.36</u>	<u>0.00</u>	<u>593,467.12</u>	<u>0.00</u>	<u>4,372,469.48</u>
Fund Financial Statements - Fund					
FUND BALANCES (DEFICITS):					
NonSpendable - Consumable Inventory	\$ 20,046.98	\$	\$	\$	20,046.98
Committed	2,594,075.34				2,594,075.34
Unassigned	0.00	0.00	0.00	0.00	0.00
TOTAL FUND BALANCES	<u>2,614,122.32</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,614,122.32</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,393,124.68</u>	<u>\$ 0.00</u>	<u>\$ 593,467.12</u>	<u>\$ 0.00</u>	<u>\$ 6,986,591.80</u>
Government-wide Statement - Net Assets					
Net Assets:					
Invested in Capital Assets, Net of Related Debt		224,113.80			224,113.80
Restricted for:					
Debt Retirement					0.00
Employee Benefit					0.00
Unrestricted			(593,467.12)		(593,467.12)
Total Net Assets		<u>\$ 224,113.80</u>	<u>\$ (593,467.12)</u>	<u>\$ 0.00</u>	<u>\$ 2,244,769.00</u>
The accompanying notes to the financial statements are an integral part of this statement					<u>\$ 6,617,238.48</u>

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TEXAS REAL ESTATE COMMISSION (329)

EXHIBIT II

COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES/

STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS

For the Year Ended August 31, 2012

	General Funds (Exh A-2)	Capital Asset Adjustments	Long-term Liabilities Adjustments	Statement of Activities
REVENUES:	\$	\$	\$	\$
Legislative Appropriations	3,813,736.00			3,813,736.00
Additional Appropriations	(51.52)			(51.52)
Licenses and Permits	16,231,385.20			16,231,385.20
Sales of Goods and Services	206,453.50			206,453.50
Interest and Investment Income	7,626.88			
Other Revenue	146,998.02			146,998.02
Total Revenues	20,406,148.08	0.00	0.00	20,398,521.20
EXPENDITURES:				
Salaries and Wages	4,200,151.54		(97,794.19)	4,102,357.35
Payroll Related Costs	1,325,378.94			1,325,378.94
Professional Fees & Services	163,229.61			163,229.61
Travel	41,115.48			41,115.48
Materials and Supplies	138,648.06			138,648.06
Communication and Utilities	51,066.72			51,066.72
Repairs and Maintenance	67,366.08			67,366.08
Rentals and Leases	488,155.29			488,155.29
Printing and Reproduction	2,072.03			2,072.03
Other Operating Expenditures	2,924,189.42			2,924,189.42
Capital Outlay				0.00
Depreciation Expense		34,992.12		34,992.12
Total Expenditures	9,401,373.17	34,992.12	(97,794.19)	9,338,571.10
EXCESS OF REVENUES OVER EXPENDITURES	11,004,774.91	(34,992.12)	97,794.19	11,059,950.10
OTHER FINANCING SOURCES (USES):				
Loss on Disposal of Asset		(19,586.28)		(19,586.28)
Operating Transfers In (Agy 329, Fd 3000)	30,087,859.03	0.00		30,087,859.03
Operating Transfers Out (Agy 902, Fd 0001)	(38,522,631.11)			
Total Other Financing Sources (Uses)	(8,434,772.08)	(19,586.28)	0.00	30,068,272.75
NET CHANGE IN FUND BALANCES/NET ASSETS	2,570,002.83	(54,578.40)	97,794.19	2,613,218.62
FUND BALANCES - Beginning	830,753.06			830,753.06
Restatement	(291.63)			(291.63)
FUND BALANCES - Beginning as Restated	830,461.43	0.00	0.00	830,461.43
Lapsed Appropriations	(786,341.94)			(786,341.94)
FUND BALANCES - Ending	\$ 2,614,122.32			\$ 2,657,338.11
Government-wide Statement - Net Assets				
Change in Net Assets		(54,578.40)	97,794.19	
Net Assets Beginning		278,692.20	(691,261.31)	(412,569.11)
Adjustments to Beginning Net Assets				0.00
Restatement				0.00
Net Assets Beginning as Restated and Adjusted		278,692.20	(691,261.31)	(412,569.11)
Net Assets Ending		\$ 224,113.80	\$ (593,467.12)	\$ 2,244,769.00

The accompanying notes to the financial statements are an integral part of this statement.

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TEXAS REAL ESTATE COMMISSION (329)
EXHIBIT VI
COMBINED STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS
For the Year Ended August 31, 2012

	PRIVATE- PURPOSE TRUST (Exh I-1)	AGENCY FUNDS (Exh J-1)	TOTAL 2012
ASSETS			
Current Assets			
Cash and Cash Equivalents			
Cash in State Treasury	\$ 40.00	\$ 43,767.96	\$ 43,807.96
Cash Equivalents - Miscellaneous Investments	1,561,425.65	38,491.17	1,599,916.82
Due From Other Funds	0.00	467,143.50	467,143.50
Total Current Assets	<u>1,561,465.65</u>	<u>549,402.63</u>	<u>2,110,868.28</u>
Non Current Assets			
Investments - NonCurrent	<u>1,232,422.00</u>	<u>0.00</u>	<u>1,232,422.00</u>
Total Non Current Assets	<u>1,232,422.00</u>	<u>0.00</u>	<u>1,232,422.00</u>
TOTAL ASSETS	<u>\$ 2,793,887.65</u>	<u>\$ 549,402.63</u>	<u>\$ 3,343,290.28</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$	\$	\$ 0.00
Due to Other Agencies		467,143.50	467,143.50
Funds Held for Others		82,259.13	82,259.13
Total Current Liabilities	<u>0.00</u>	<u>549,402.63</u>	<u>549,402.63</u>
TOTAL LIABILITIES	<u>0.00</u>	<u>549,402.63</u>	<u>549,402.63</u>
NET ASSETS			
Held in Trust for:	\$	\$	\$
Individuals, Organizations, and Other Governments	<u>2,793,887.65</u>	<u>0.00</u>	<u>2,793,887.65</u>
TOTAL NET ASSETS	<u>2,793,887.65</u>	<u>0.00</u>	<u>2,793,887.65</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,793,887.65</u>	<u>\$ 549,402.63</u>	<u>\$ 3,343,290.28</u>

The accompanying notes to the financial statements are an integral part of this financial statement.

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TEXAS REAL ESTATE COMMISSION (329)
EXHIBIT VII
COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS
For the Year Ended August 31, 2012

	PRIVATE- PURPOSE TRUST (Exh I-2)	TOTAL 2012
ADDITIONS		
Contributions		
Member Contributions	\$	\$
Total Contributions		
Investment Income		
From Investing Activities		
Net Appreciation (Depreciation) in		
Fair Value of Investments	(146,590.23)	(146,590.23)
Interest and Investment Income	45,502.28	45,502.28
Total Investing Income	<u>(101,087.95)</u>	<u>(101,087.95)</u>
Total Net Investment Income	<u>(101,087.95)</u>	<u>(101,087.95)</u>
Other Additions		
Federal Revenue		
Contributions to Employee Benefit Funds		
Settlement of Claims	53,337.32	53,337.32
Other Revenue	500,447.64	500,447.64
Transfers-In	<u>2,025,005.45</u>	<u>2,025,005.45</u>
Total Other Additions	<u>2,578,790.41</u>	<u>2,578,790.41</u>
Total Additions	<u>2,477,702.46</u>	<u>2,477,702.46</u>
DEDUCTIONS		
Employee Benefit Payments		
Transfers Out of Contributions	0.00	0.00
Interest Expense	0.00	0.00
Travel	166.69	166.69
Claims & Judgements	539,823.23	539,823.23
Other Expense	1,648.31	1,648.31
Transfers Out	<u>2,032,277.43</u>	<u>2,032,277.43</u>
Total Deductions	<u>2,573,915.66</u>	<u>2,573,915.66</u>
NET INCREASE (DECREASE)	<u>(96,213.20)</u>	<u>(96,213.20)</u>
Net Assets - Beginning of Year	<u>2,890,100.85</u>	<u>2,890,100.85</u>
Net Assets - End of Year	<u>\$ 2,793,887.65</u>	<u>\$ 2,793,887.65</u>

The accompanying notes to the financial statements are an integral part of this financial statement.

UNAUDITED

TEXAS REAL ESTATE COMMISSION (329)

EXHIBIT VIII

COMBINED STATEMENT OF NET ASSETS - DISCRETELY PRESENTED COMPONENT UNIT

For the Year Ended August 31, 2012

	Component Unit (Exh K-1)
ASSETS	
Current Assets:	
Cash and Cash Equivalents:	
Cash in State Treasury	\$ 142,949.40
Cash Equivalents - Miscellaneous Investments	\$ 417,816.84
Consumable Inventories	\$ 3,304.47
Current Assets:	<u>564,070.71</u>
Non-Current Assets:	
Furniture & Equipment, Net	2,066.00
Computer Software, Intangible, Net	98,366.14
Non-Current Assets (Note 2)	<u>100,432.14</u>
Total Assets:	<u>664,502.85</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	40,273.21
Payroll Payable	93,390.72
Employee Compensable Leave	63,016.59
Current Liabilities	<u>196,680.52</u>
Non-Current Liabilities:	
Employee Compensable Leave	<u>33,096.26</u>
Non-Current Liabilities	33,096.26
Total Liabilities	<u>229,776.78</u>
NET ASSETS	
Net Assets Invested in Capital Assets	100,432.14
Net Assets Restricted for Other	<u>334,293.93</u>
Total Net Assets	<u>434,726.07</u>
Total Liabilities and Net Assets	<u>\$ 664,502.85</u>

The accompanying notes to the financial statements are an integral part of this financial statement.