

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



**TEXAS REAL ESTATE COMMISSION**

**NOVEMBER 1, 2025**

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

**TEXAS REAL ESTATE COMMISSION**  
**Austin, Texas**

**November 1, 2025**

**CHELSEA BUCHHOLTZ**  
**EXECUTIVE DIRECTOR**



## Protecting Texans' Dreams

November 1, 2025

**TREC Commissioners**

Mark Woodroof  
Chair

Ben Peña  
Vice Chair

Chance Brown  
Secretary

Stuart Bernstein

Kristi Davis

J.B. Goodwin

Leslie Lerner

Renee Harvey Lowe

Scott Olguin

Chelsea Buchholtz  
Executive Director

Honorable Greg Abbott, Governor

Honorable Joan Huffman, Chair, Senate Finance Committee

Honorable Greg Bonnen, Chair, House Appropriations Committee

Mr. Jerry McGinty, 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 for the preceding five fiscal years:

Total Agency Salaries				
FY2021	FY2022	FY2023	FY2024	FY2025
\$9,159,322.03	\$9,581,332.36	\$11,374,548.27	\$12,613,896.62	\$12,237,799.00

Total Per Diem and Travel Expenses for all Agency Employees				
FY2021	FY2022	FY2023	FY2024	FY2025
\$7,761.60	\$49,894.87	\$42,562.26	\$54,944.10	\$91,722.00

- (2) The total amount of per diem expenses and travel expenses paid for each member of the Texas Real Estate Commission, the Texas Appraiser Licensing & Certification Board, the Texas Real Estate Commission Broker/Lawyer Committee, the Texas Real Estate Commission Education Standards Advisory Committee, and the Texas Real Estate Inspector Committee for the preceding five fiscal years.
- (3) An excerpt from the agency's strategic plan 2025 – 2029.
- (4) 2026 annual budgets of the commission and the board, showing:
  - Projected budget data for a period of two fiscal years; and
  - Trend performance data for the preceding five fiscal years;
- (5) Exhibits A1, A2, B1, B2, K1, and K2 from the agency's FY2025 Annual Financial Report detailing all revenues and a breakdown of expenses incurred by the agency in the previous 12 months.



**TALCB Board Members**

R. Chance Bolton  
Chair

Martha Gayle Reid Lynch  
Vice Chair

Rolando F. Castro  
Secretary

John H. Eichelberger III

Paola Escalante-Castillo

Mark Luna

Mark McAnally

Clayton Ripley, CPA

Stephanie Robinson, Ph.D.

Chelsea Buchholtz  
Executive Director

(6) Trend performance data for Fiscal Years 2021-2025 for:

- (a) The number of full-time equivalent positions at the agency;
- (b) The number of complaints received from the public and the number of complaints initiated by agency staff;
- (c) The number of complaints dismissed and the number of complaints resolved by enforcement action;
- (d) The number of enforcement actions by sanction type;
- (e) The number of enforcement cases closed through voluntary compliance;
- (f) The amount of administrative penalties assessed and the rate of collection of assessed administrative penalties;
- (g) The number of enforcement cases that allege a threat to public health, safety, or welfare or a violation of professional standards of care and the disposition of those cases;
- (h) The average time to resolve a complaint;
- (i) The number of license holders or regulated persons broken down by type of license and license status including inactive status or retired status;
- (j) The fee charged to issue and renew each type of license, certificate, or registration issued by the agency;
- (k) The average time to issue a license, certificate or registration;
- (l) Litigation costs, broken down by administrative hearings, judicial proceedings, and outside counsel costs;
- (m) Reserve fund balances.

If you have any questions, please contact Ranada Williams at 512-936-0102 or Melissa Huerta at 512.936.3616.

Sincerely,

*Chelsea Buchholtz*

Chelsea Buchholtz  
Executive Director

CB/rw

Enclosures

**Total Amount of Per Diem Expenses and Travel Expenses for each Commission, Board, and Advisory Member from FY2021 - FY2025**

Texas Real Estate Commission members:	Travel					Per Diem
	FY2021	FY2022	FY2023	FY2024	FY2025	
Bernstein, Stuart						225.00
Brown, Chance			425.32	1,114.66	2,356.57	675.00
Davis, Kristi Lea					358.74	600.00
Goodwin, James					26.55	750.00
Hartgraves, Jason	1,286.29	3,497.00	5,520.88	1,530.33	2,484.95	225.00
Harvey Lowe, Renee			1,322.43	1,684.36	1,128.67	375.00
Kesner, R. Scott	2,249.85	2,727.00	9,147.03	6,068.53	3,716.98	375.00
Leonard, Bob						1,200.00
Lerner, Leslie		5,873.00	6,976.89	6,140.19	6,172.39	1,350.00
Miller, Jan Fite	2,030.66	1,523.00	2,041.36			225.00
Pena, Benjamin	1,689.52	2,877.00	3,643.10	3,356.86	4,188.61	300.00
Russell, Barbara	1,340.03	1,288.00	3,093.02	2,112.90	2,250.14	1,050.00
Stephens, Rayito						1,125.00
Turner, Thomas (T.J.)						525.00
Wilkinson, De Lora	609.38	1,408.00	1,788.76			1,275.00
Williams, Michael	754.77	281.00	1,140.14			750.00
Woodroof, Mark	850.18	2,657.00	2,048.12	1,502.87	1,839.42	675.00
<b>Total Travel and Per Diem</b>	<b>10,810.68</b>	<b>22,131.00</b>	<b>37,147.05</b>	<b>23,510.70</b>	<b>24,523.02</b>	<b>11,625.00</b>

Texas Appraiser Licensing & Certification Board members:	Travel					Per Diem
	FY2021	FY2022	FY2023	FY2024	FY2025	
Black, Clayton P	893.06	2,630.00	1,704.40			600.00
Bolton, Chance						825.00
Castro, Rolando		1,830.00	1,727.79	2,537.69	1,582.12	900.00
Eichelberger III, John			451.95	2,336.52	1,173.09	1,125.00
Escalante-Castillo, Paola	767.34	3,235.00	6,575.46	3,145.54	2,877.00	1,050.00
Luna, Tony Mark					193.81	1,225.00
McAnally, Mark		604.00				1,350.00
Oates, Sara Jones		1,066.00	692.49			1,486.49
Reid, Martha Gayle	1,074.83	952.00	1,949.46	4,316.42	3,767.52	1,575.00
Robinson, Stephanie	906.14	1,906.00	3,611.38	4,124.17	5,483.00	825.00
Sprinkle, Lisa	669.85	66.00	3,082.04	3,744.16	1,468.78	675.00
<b>Total Travel and Per Diem</b>	<b>4,311.22</b>	<b>12,289.00</b>	<b>19,794.97</b>	<b>20,204.50</b>	<b>16,545.32</b>	<b>5,850.00</b>

Texas Real Estate Commission Broker Responsibility and Broker/Lawyer Committee Travel:					
	FY2021	FY2022	FY2023	FY2024	FY2025
Conlon, Ashley				150.02	192.03
Frawley, Lawrence H					399.67
Hailey, Melissa				2,081.12	1,486.49
Jolly, Marvin				932.70	886.73
Keebaugh, Lori	767.86				
McCoy, Dianne		404.00	727.24	755.68	1,031.79
Napoleon, Marion				534.47	822.11
Sales, Brian				553.76	1,385.64
Scoggin, Samuel				561.18	587.39
Williams, Ty Reed	150.93		657.33	711.03	570.87
York, Bonnie Leigh		357.00	155.12	363.74	550.65
<b>Total</b>	<b>918.79</b>	<b>761.00</b>	<b>1,539.69</b>	<b>6,643.70</b>	<b>7,913.37</b>

Texas Real Estate Commission Education Standards Advisory Committee Travel:					
	FY2021	FY2022	FY2023	FY2024	FY2025
Baas, Cynthia				306.91	192.03
Bang, Kara				141.67	192.03
Gonzales, Chris					18.79
Leatherman, Thomas Carl				601.05	263.17
Locke, Kassie (Locke & Key Property Group)		274.00	170.63	-	
Nichols, Amanda				165.90	
Underwood, Byron			625.36	536.82	
<b>Total</b>	<b>-</b>	<b>274.00</b>	<b>795.99</b>	<b>1,752.35</b>	<b>666.02</b>

Texas Real Estate Inspector Committee Travel:					
	FY2021	FY2022	FY2023	FY2024	FY2025
Carpenter, Bruce D			145.41		
Morgan, Michael Ray					
Motley, David	117.00	70.00		160.65	
Moulton, Keisha		302.00	785.99		
<b>Total</b>	<b>117.00</b>	<b>372.00</b>	<b>931.40</b>	<b>160.65</b>	<b>-</b>
<b>Total Advisory Members Travel</b>	<b>1,035.79</b>	<b>1,407.00</b>	<b>3,267.08</b>	<b>8,556.70</b>	<b>8,579.39</b>

# **Agency Mission**

## **Texas Real Estate Commission and Texas Appraiser Licensing and Certification Board**

Our agency protects consumers of real estate services in Texas by ensuring qualified and ethical service providers through upholding high standards in education, licensing, and regulation. We oversee the providers of real estate brokerage, appraisal, inspection, timeshares, and right-of-way services, thereby safeguarding the public interest while facilitating economic growth and opportunity across Texas.

### **Philosophy:**

To achieve this mission, our agency:

- Provides exceptional customer service that is accessible, responsive, and transparent.
- Demands integrity, accountability, and high standards, of both license holders and ourselves.
- Strives continuously for effectiveness, efficiency, and excellence in our performance.

### **Motto:**

**Protecting Texans' Dreams**

## AGENCY OPERATIONAL GOALS AND ACTION PLAN

The agency is transitioning to a new regulatory database to improve its performance and the services it provides to stakeholders. The database's planned launch is in early FY 2025. As part of the transition to the new database, staff is examining current system processes for redundancies and limitations that can be improved upon. Expected outcomes of the new database system on the agency's processes and procedures are noted throughout the strategic plan.

<b>GOAL I ENSURE STANDARDS – TREC LICENSING</b>
The Texas Real Estate Commission (TREC) Licensing Division safeguards the public interest by ensuring license holders satisfy the requirements of Chapters 1101 and 1102 of the Texas Occupations Code and TREC rules when providing real estate services.
<b>SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL</b>
<p>The TREC Licensing Division ensures initial applications and renewals for real estate brokers, sales agents, inspectors, and easement or right-of-way agents comply with state law.</p> <p>It does this by ensuring applicants</p> <ul style="list-style-type: none"> <li>• Satisfy the experience requirements</li> <li>• Pass the licensing examination</li> <li>• Satisfy TREC's honesty, trustworthiness, and integrity standards</li> <li>• Satisfy continuing education and criminal history check requirements for renewal of their license.</li> </ul> <p>The TREC Licensing Division also reviews and processes information required for certain business entity registrations and processes informational changes and histories for real estate brokers, sales agents, inspectors, and easement or right-of-way agents.</p>
<b>DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE</b>
<p><b>1. Accountable to tax and fee payers of Texas.</b></p> <p>Through the efficient use of personnel, TREC has been successful in simplifying application and renewal fees and providing prompt service to prospective and current license holders.</p> <p><b>2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.</b></p> <p>During FY 2023, the TREC Licensing Division processed 38,810 initial applications. As of February 2024, the TREC Licensing Division has already processed 18,577 initial real estate applications. The agency maintains a high quantity and quality of processing thanks to consistent training techniques.</p> <p>As the agency continues to receive new applications—and as current license holders renew, make inquiries, or changes to information—the agency is committed to timely processing all documents received. The agency's Online Licensing Services Portal promptly and efficiently processes prospective and current license holders' application payments. All documents are forwarded to a dedicated email address at <a href="mailto:documents@trec.texas.gov">documents@trec.texas.gov</a> to allow immediate access to staff for processing.</p>

While applications can currently be completed and submitted online, all documentation is submitted by email because the current database does not allow applicants to upload documents concurrently with application submission. As a result, staff must review any documents emailed to ensure they correspond to the proper application.

The agency's forthcoming database system will allow applicants to upload all documents online and create a workflow that allows staff to maximize efficiency and ensure applications and documents are processed in the order received. The new database will also automate status report data, replacing the currently required manual and time-consuming process involved in retrieving that data.

Currently, staff must communicate by using templates that are housed in a separate letter system. Additionally, when communications include information not contained in one of the preset templates, staff must send it by separate email through an outside email system. When the new database is in place, communications to applicants and license holders will be done entirely through the new database system, streamlining the communication process, and improving the accuracy of the information provided and the ability for staff to easily retrieve and view communications.

In the future, the agency will require email addresses for all applicants and license holders to facilitate the move toward electronic-only correspondence. This will eliminate the current need to print and mail notices and licenses for those who have not provided the agency with a valid email address, further streamlining communications, and reducing agency costs.

**3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

From the date documents are received from an applicant, the agency measures and reports the average number of days it takes staff to process the application. The agency uses this data to identify potential complications so it can respond with prompt action if issues arise. The TREC Licensing Division consistently processes applications under the 14-day metric set by the Commission.

**4. Attentive to providing excellent customer service.**

All TREC Licensing Division staff are trained to respond to emails and telephone calls specific to processing TREC licensing applications and renewals. A daily, rotating schedule dedicates two staff members to field these communications and provide accurate and complete information to applicants, license holders, and internal staff. These staff members must respond to emails and telephone calls within 24 hours of receipt and must input notes in a shared agency computer system summarizing their response to calls or the content of their emails to facilitate continuity in staff member communications.

To remove the need for prospective and current license holders to contact the agency by email or phone, the agency website provides on-demand access to the most sought-after information. For example, an online tool on the TREC website allows prospective license holders to check the real-time status of their application. In addition, license holders can access real-time information regarding their completed education courses or how many continuing education course hours they need for a license renewal. Sales agents and brokers can also access an online relationship management tool that allows them to modify their sponsorship relationship without having to engage staff to do so.

**5. Transparent such that agency actions can be understood by any Texan.**

The TREC Licensing Division regularly communicates with the agency's stakeholders through updated content on the TREC website. TREC's website includes monthly licensing reports, licensing-related articles, licensing self-service tools, and an application status tracker. The application status tracker and renewal education information pages are open and viewable by the public.

**GOAL I ENSURE STANDARDS – TALCB LICENSING**

The Texas Appraiser Licensing and Certification Board (TALCB) Licensing Division safeguards the public interest by ensuring applicants and license holders satisfy the minimum requirements for licensure as set forth in the Appraisal Subcommittee (ASC) Policy Statements, Appraiser Qualifications Board Real Property Appraiser Qualification Criteria, Texas Appraiser Licensing and Certification Act (Chapter 1103, Occupations Code), Texas Appraisal Management Company Registration and Regulation Act (Chapter 1104, Occupations Code), and TALCB rules.

**SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL**

The TALCB Licensing Division ensures compliance with all educational, experience, examination, and application requirements for appraiser and appraisal management company initial applications and renewals.

TALCB Licensing does this by ensuring applicants

- Complete the qualifying education requirements promulgated by the Appraiser Qualifications Board
- Satisfy appraisal experience requirements by conducting appraisal experience audits
- Pass the National Uniform Licensing and Certification Examination
- Satisfy TALCB's honesty, trustworthiness, and integrity standards
- Satisfy continuing education and criminal history check requirements prior to renewal.

Additionally, the TALCB Licensing Division is required to accurately report data, collect, and transmit registry fees to the ASC for the National Registry of Appraisers and National Registry of Appraisal Management Companies.

**DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE**

**1. Accountable to tax and fee payers of Texas.**

During FY 2023, the TALCB Licensing Division processed 1,482 initial applications. To promote efficiency and reduce costs, the TALCB Licensing Division continually looks for ways to maximize resources to maintain a high quality of processing while finding ways to reduce redundancies.

Over the last two fiscal years, the TALCB Licensing Division has streamlined the application process by removing unnecessary steps. As a result, the TALCB Licensing Division routinely meets and often exceeds the processing goals set by the Board.

**2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

TALCB changed the experience audit process and no longer automatically requests a copy of an applicant's work files at the start of the audit process. TALCB only requests a copy of work files

after the initial review to complete the audit, if necessary. This reduces documents reviewed and managed by staff and reduces the burden on the applicant in producing unnecessary files.

TALCB has taken advantage of the ASC State Appraiser Regulatory Agencies Support Grant, a grant program established by federal law to provide funds to state appraiser regulatory agencies. TALCB has used ASC grant funds to hire additional staff and to develop and improve technologies to reduce application processing times by automating document processing, reducing manual review, and promoting self-service. Specifically, TALCB used grant funding to develop and launch the online TALCB Notebook, which is a web-based platform for appraiser trainees to submit documentation and log and track their experience hours. This online tool also allows a trainee's supervisor to digitally approve those experience entries.

Like TREC, while an applicant can apply online, the current database does not allow applicants to upload documents related to their application, resulting in a multi-step, manual process requiring daily staff oversight.

The agency's forthcoming database system will allow applicants to upload all documents online and create a workflow that allows staff to maximize efficiency and ensure applications and documents are processed in the order received. The new database will also automate status report data, replacing the currently required manual and time-consuming process involved in retrieving that data.

The new database will also add improved self-service for established license holders, thereby reducing call and email volume.

**3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

As demonstrated below, the TALCB Licensing Division continuously meets and exceeds performance measures for processing times set by the Board or ASC. Staff processes:

- Applications that require experience auditing (certified general appraisers, certified residential appraisers, and licensed residential appraisers) within 40 days, versus the 75-day standard.
- Reciprocity applications in fewer than two days, versus the five-day standard.
- All other application types in fewer than five days, versus the 14-day standard.

TALCB continuously monitors performance, anticipates needs, and identifies process improvements.

**4. Attentive to providing excellent customer service.**

The TALCB Licensing Division has expanded online self-service options, including an online application portal and application status tracker. AMCs and appraisers can manage their relationships online through the Panel Management Tool. The TALCB Licensing Division has significantly reduced experience audit processing times over the past four fiscal years. In FY 2019, commercial experience audits took an average of 218 days to process. In FY 2023, commercial experience audits were processed in an average of 41 days. The TALCB Licensing Division has also reduced application processing times for all appraiser application types.

**5. Transparent such that agency actions can be understood by any Texan.**

The TALCB Licensing Division regularly communicates with agency stakeholders through email newsletters and a continuously updated website. TALCB's website includes monthly licensing

<p>reports, articles, licensing self-service tools, and an application status tracker. The application status tracker and renewal education information pages are open and viewable by the public.</p>
<b>GOAL I ENSURE STANDARDS – EDUCATION (TREC AND TALCB)</b>
<p>The TREC and TALCB Education and Examinations Division safeguards the public trust by ensuring educational courses required for licensure offered in Texas meet criteria set by the Texas Occupations Code, the ASC, and TREC and TALCB rules.</p>
<b>SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL</b>
<p>The Education and Examinations Division ensures accurate and relevant content is provided in pre-licensing and continuing education courses.</p> <p>The Education and Examinations Division does this by</p> <ul style="list-style-type: none"> <li>• Developing several non-elective continuing education (CE) courses for real estate sales agents, brokers, and inspectors that focus on recent industry trends, ethics, case studies, laws, and court cases as they relate to Texas license holders and ensuring those courses are updated every two years</li> <li>• Ensuring course design and delivery supports adult and active learning theories</li> <li>• Regularly reviewing performance of license examination test items and establishing minimum required passing scores</li> <li>• Monitoring performance of first-time examination pass rate data for real estate and inspector providers to assess their performance</li> <li>• Conducting administrative audits of education providers</li> <li>• Supporting the Education Standards Advisory Committee, the Texas Real Estate Inspector Education Subcommittee, and the Appraiser Education and Licensing Subcommittee by providing research and recommendations for improvements to industry related education.</li> </ul>
<b>DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE</b>
<p><b>1. Accountable to tax and fee payers of Texas.</b></p> <p>Through the efficient use of personnel, TREC and TALCB have been successful in maintaining reasonable fees for the review of education provider and course applications.</p> <p><b>2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.</b></p> <p>During FY 2023, the Education and Examinations Division processed 251 qualifying real estate and inspector courses, 3,058 real estate and inspector CE courses, 322 appraiser courses, 330 CE provider applications, and 20 qualifying education provider applications. Continuing education providers can electronically submit course completion records to the agency in real time, as well as benefit from the minimization of fees for review of provider and course applications. These added efficiencies allow license holders to renew more promptly. Using consistent training techniques and technological advances, the agency can maintain the quantity and quality of processing.</p> <p>The new regulatory database will allow for all education-related applications, supporting documents, and payments to be submitted online, eliminating the current process requiring</p>

education providers to submit initial paper applications and then separately submit supporting documents later.

The new system will house the education-related application and all required documents in one place and will provide the ability to send specific communications. This will remove the need for Education and Examinations Division staff to manually draft communications to request additional documents that weren't included with the original or subsequent application, which can lead to multiple emails or phone calls with providers, impacting the processing time.

The new database will establish work queues and a dashboard from which managers can assign applications to appropriate staff, replacing the current antiquated system of receiving batches from the mailroom and then dispersing them amongst team members to process. Finally, reporting measures that are unavailable in our current system will be available in the new system, allowing for more accurate performance expectations and the ability to better gauge employee performance.

**3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

The agency continues to streamline processes and improve functionality based on business user feedback and staff recommendations. Further success is anticipated as the agency transitions to a new database system in the coming fiscal year and moves more complex education applications to an online format that allows for document upload features.

**4. Attentive to providing excellent customer service.**

All calls and emails are responded to within 24 hours, and notes regarding communications are stored in the agency's database management system. All Education and Examinations Division staff are adequately cross-trained to answer detailed questions. Provider and course application processing goals are determined based on the complexity of the application and are successfully met on a regular basis.

A search tool maintained on the agency website provides the ability to search for currently approved qualifying and continuing education courses for real estate, inspector, and appraiser licenses. The tools allow individuals to search providers or course offerings by city or delivery method, or search for a specific provider or course by name.

**5. Transparent such that agency actions can be understood by any Texan.**

The Education and Examinations Division routinely sends an email newsletter to education providers with updates on processes and any rules that may impact them. The Education and Examinations Division also updates both the TREC and TALCB websites with information relating to education license requirements and availability of qualifying and continuing education courses, as well as monthly Education and Examinations Division reports.

**GOAL II ENFORCE REGULATIONS – TREC ENFORCEMENT**

The TREC Enforcement Division safeguards the public interest by enforcing the laws under the agency's jurisdiction (Chapters 1101 and 1102, Occupations Code, and Chapter 221, Property Code) and TREC rules, in a fair and consistent manner.

**SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL**

The TREC Enforcement Division handles a high volume of signed, written complaints from the public and license holders, as well as a smaller number of staff-initiated complaints. Importantly, the agency cannot accept anonymous complaints or conduct covert investigations.

The complaints primarily concern alleged statutory and administrative violations by real estate brokers, sales agents, and inspectors, or alleged violations by unlicensed persons engaging in activities for which a license is required. A small number of complaints also concern education providers, as well as easement or right-of-way certificate holders. In addition, the agency has regulatory authority over timeshare developers.

#### **DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE**

##### **1. Accountable to tax and fee payers of Texas.**

TREC is committed to the protection of the citizens of Texas. The TREC Enforcement Division accomplishes this through timely, fair, and consistent enforcement of The Real Estate License Act (Chapter 1101, Occupations Code), Chapter 1102 of the Texas Occupations Code governing real estate inspectors, the Texas Timeshare Act (Chapter 221, Property Code), and TREC rules. In addition, the TREC Enforcement Division oversees the sanctions of license holders and unlicensed persons who have violated these requirements.

##### **2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

The TREC Enforcement Division has seen an increase in complaints over the last five fiscal years. Over that period, staff opened an average of 6,278 cases per fiscal year, with a peak of 7,332 cases opened in FY 2021. This increase in open cases required the TREC Enforcement Division to hire additional staff to continue to respond to cases in a timely manner.

As of March 2024, 99% of cases are less than a year old and of that percentage, 94% of cases are fewer than six months old. There are no cases more than two years old.

Implementation of the new database will make filing a complaint easier and greatly streamline the process. Currently, someone who wants to file a complaint must download the TREC complaint form, fill it out, and email it back to TREC Enforcement Division staff. Complaint files are then created manually by staff, with parts of the file housed in the current database and other parts kept in common drives on the TREC server. Any documents related to a complaint, whether from the complainant or the respondent, must be emailed to TREC Enforcement Division staff, who then must sort through the emails and connect the documents to the appropriate complaint file.

With the new database, a complainant will be able to file a complaint online. Once the complaint is submitted, the complainant will receive the complaint number and the complaint will be created by and housed within the new database. The new system will allow complaint documents to be uploaded electronically by both the complainant and the respondent.

Communications between TREC Enforcement Division staff and the parties to a complaint will also be greatly improved by the new system. Rather than communications being manually sent and managed via email, they will be sent and managed by the new database system, allowing for more automated processes.

Finally, the new system will allow for administrative penalties to be paid through an online invoicing system, removing the need for the manual processing of checks.

##### **3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

During FY 2023, the TREC Enforcement Division opened 6,307 cases and closed 6,670 cases. While most complaints from the public relate to the purchase, lease, or inspection of a home, a complaint may also include allegations ranging from misleading advertising to criminal history to unlicensed activity. Some complaints are closed with no action taken because of a lack of agency jurisdiction or lack of evidence. Once it is determined a complaint is within the agency's jurisdiction, the agency notifies the license holder or other respondent, gives the respondent an opportunity to respond, and investigates the complaint. The TREC Enforcement Division staff completes almost all investigations within four months of receipt of a complaint.

The TREC Enforcement Division implements disciplinary standards, reviews the backgrounds of applicants for a license, and makes fitness determinations to assess the honesty, trustworthiness, and integrity of applicants. In FY 2023, the TREC Enforcement Division reviewed and closed 3,459 application investigation cases and fitness determination cases. Most involved an applicant's criminal history.

The TREC Enforcement Division also administers the Texas Timeshare Act, which requires a developer that desires to offer a timeshare interest for sale to a Texas resident to register the plan with the agency regardless of the location of the timeshare that is the subject of the plan. The TREC Enforcement Division reviews the registration, and any amendment application, to ensure that it meets the requirements of the Texas Timeshare Act. TREC will not register a timeshare plan until the plan fully complies with the Texas Timeshare Act.

#### **4. Attentive to providing excellent customer service.**

The TREC Enforcement Division has a dedicated email address and phone number. Each day, a division attorney is assigned to respond to phone and email inquiries. A phone call must be responded to within four hours and an email within one working day. During FY 2023, TREC Enforcement Division attorneys handled approximately 3,200 emails from the public and license holders. Further, the TREC Enforcement Division has an email address dedicated only to standards issues (i.e., application and fitness determinations).

In addition, as described above, the TREC Enforcement Division resolves thousands of cases, almost all of which are resolved within a year. The TREC Enforcement Division also provides a great deal of information for the agency's website and in the materials at quarterly Commission meetings and expanded its outreach to the agency's stakeholders by attending meetings and conferences to speak on a variety of issues and answer questions concerning the TREC complaint process.

#### **5. Transparent such that agency actions can be understood by any Texan.**

The TREC Enforcement Division maintains information on the TREC website regarding complaints. Other complaint-related content on the website includes information on disciplinary actions and a detailed list of frequently asked questions. The website also discusses and links to the relevant statutes and all TREC rules. Furthermore, the TREC Enforcement Division staff contributes articles that discuss various enforcement-related issues and participates frequently in public speaking engagements to educate license holders and provide transparency about the complaint process.

### **GOAL II ENFORCE REGULATIONS – TALCB ENFORCEMENT**

The TALCB Enforcement Division safeguards the public interest by enforcing federal and state regulations relating to real property appraisal services, including the ASC Policy Statements, Texas Appraiser Licensing and Certification Act (Chapter 1103, Occupations Code), the Texas Appraisal

Management Company Registration and Regulation Act (Chapter 1104, Occupations Code), and TALCB rules.

#### **SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL**

The TALCB Enforcement Division investigates complaints against appraisers, appraisal management companies, appraiser continuing education providers, and individuals engaging in unlicensed activity. The TALCB Enforcement Division also assists law enforcement in matters related to mortgage fraud pursuant to section 32.32, Penal Code.

The TALCB Enforcement Division does this by

- Investigating complaints to ensure compliance of appraisal service regulations, including the minimum standards set forth in the Uniform Standards of Professional Appraisal Practice (USPAP)
- Resolving complaints consistent with TALCB rules
- Ensuring compliance with sanctions imposed
- Ensuring that disciplinary action is reported to the ASC within five days.

#### **DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE**

**1. Accountable to tax and fee payers of Texas.**

Over the last five fiscal years, the TALCB Enforcement Division has prioritized efficiently investigating and resolving complaints, reducing the average complaint resolution time from 192 days in FY 2019 to 135 days in FY 2023.

**2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

TALCB partnered with the Texas Workforce Commission Civil Rights Division (TWC) to jointly investigate cases alleging appraisal bias. TALCB investigators are experts in appraisal investigations while TWC investigators are experts in fair housing investigations, and the partnership capitalizes on each agency's respective areas of expertise and reduces redundancies.

The TALCB Enforcement Division streamlined its investigations by eliminating an overly burdensome standard checklist. Under the new process, investigators can identify relevant issues and tailor the investigation to the specific facts of each case. This has improved the quality of investigations and reduced complaint turnaround time.

TALCB has been awarded funds through the ASC State Appraiser Regulatory Agencies Support Grant, a grant program established by federal law to provide funds to state appraiser regulatory agencies.

TALCB has used ASC grant funds to hire additional staff and to develop and improve technologies to reduce complaint processing times by automating document processing, reducing manual review, and promoting self-service. Specifically, the TALCB Enforcement Division developed a web-based complaint platform that allows users to submit complaints and related documents through an end-user interface. The system also sends complainant an acknowledgment and displays status, enhancing self-service. This system has replaced paper complaint forms and email submissions.

**3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

The TALCB Enforcement Division continuously exceeds case resolution deadlines set by the Texas Sunset Commission (average 180 days) and ASC (one-year, absent special documented circumstances) resolving open cases in in FY 2022 and FY 2023 in 135 days on average.

The TALCB Enforcement Division leverages Volunteer Appraisal Reviewers that are appointed by the Board to assist in appraisal-related case review. Additionally, legislation that passed during the 2023 Texas legislative session gave TALCB the authority to appoint an investigative committee for complaints filed against an Appraisal Management Company (AMC), and the Board established rules for such a committee. In instances when a complaint warrants disciplinary action against an AMC, the Investigative Committee will assess the complaint and findings and may make a recommendation to staff for further action.

**4. Attentive to providing excellent customer service.**

TALCB continuously monitors performance, anticipates needs, and identifies process improvements.

The TALCB Enforcement Division has expanded online self-service options, including the development of the online web-based complaint platform and online case status tracker.

**5. Transparent such that agency actions can be understood by any Texan.**

TALCB's website includes monthly enforcement reports, consumer information on how to file a complaint, a comprehensive complaint-processing handbook which outlines the complaint process in easily understandable terms, articles, and enforcement self-service tools.

**GOAL III COMMUNICATE EFFECTIVELY**

The agency engages with a variety of stakeholders, such as prospective and current license holders, consumers, legislative offices, and the news media. All divisions within the agency are committed to providing timely, transparent, and accurate information and do so in a variety of ways. The Communications Department sets the brand and tone for the agency and collaborates across divisions to support the overarching goal to communicate effectively.

**SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL**

TREC and TALCB provide transparent, clear explanations of rules, laws, and practices to equip license holders, consumers, and other stakeholders with meaningful information. This includes:

- Maintaining TREC and TALCB websites that
  - Reflect current rules and law
  - Provide information about public meetings (e.g., how to attend or provide comments, when they occur, and recapping the outcomes)
  - Give details on how to become licensed or renew a license, including continuing education providers, application processing dates, and application status
  - Explain through articles and FAQs how license holders can abide by rules and law
  - Walk through why and how to file a complaint with the agency
  - Displays disciplinary actions that result from complaints, which can be used as teaching tools and help consumers when vetting license holders.

- Staffing, training, and retaining a robust Customer Relations Division, which is responsible for
  - Answering incoming phone calls from license holders and the public and providing high-quality customer service
  - Maintaining low hold times by offering courtesy callbacks, precision call queuing, and call recording for training purposes
  - Responding timely to emails received at [information@trec.texas.gov](mailto:information@trec.texas.gov) and ensuring queries make it to the appropriate divisions.
- Providing subject-matter expertise through
  - Presentations at industry events (e.g., executive director, deputy executive director, TALCB director, enforcement director, and general and deputy general counsels speaking at trade association events, brokerage trainings, and ancillary industry events)
  - Videos that clarify rules, laws, or practices
  - Educational course materials that are continuously updated to reflect current rules and laws, industry standards, and trends
  - Accessible and responsive contact channels, including staff from each division on rotating duty prepared to respond to emails and phone calls
  - Government relations staff available to support legislative inquiries, specifically constituent concerns or queries
  - Media relations staff available to support news inquiries, as well as disseminate important consumer information to the public.

#### **DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE**

##### **1. Accountable to tax and fee payers of Texas.**

Information and services are provided to license holders and the public through free and accessible online communications channels, such as the agency's websites, email newsletters, videos, and social media posts. Licensing and other fees are kept updated and accessible on the website, and communications with license holders about costs are clear, frequent, and early enough in advance that they can plan for these costs.

By maximizing the agency's existing tools, plus its work toward an updated database with more self-service options, the agency is moving paperless, which is both a time and cost savings.

Those who are interested in becoming a license holder but have a criminal history can save time and money by requesting a fitness determination from the agency, which reviews the history provided by applicants to assess whether they are eligible for licensure. The agency recommends pursuing the fitness determination before taking courses and applying for a license. After clarifying the process on the website, and actively pushing the information out to the agency's audiences, more people requested fitness determinations in 2023.

##### **2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

The Communications Department handles inquiries it receives through the public on social media, legislative staffers assisting constituents, and news media looking for industry information.

To ensure subject-matter experts remain available to the public, whenever a request for a speaker is made, staff works with requestors on economical ways to present information to agency stakeholders, such as having staff make a virtual presentation.

The Office of the General Counsel examines rules and looks for opportunities to streamline and clarify requirements with an eye toward reducing unnecessary barriers to entry.

**3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

Utilizing Voice Over Internet Protocol (VOIP) phone services has increased the availability of the contact center staff. All customer service representatives are expected to handle calls with professionalism and patience. At the completion of every call, the customer's record will be updated with a summary of the conversation, so staff has context and continuity on interactions with that individual in the future. Software is utilized to track and monitor calls, resulting in improved contact center metrics, more effective customer interactions, and the ability to better monitor trends. Also, those who contact the agency through the Customer Relations Division receive a survey. Staff follows up on any low-scoring interactions to further investigate the issue and try to provide a resolution.

Divisions track trends, questions, and issues and share that information. Building cross-division communication has improved the quality of communications, ensuring it is timely and accurate.

**4. Attentive to providing excellent customer service.**

The Customer Relations Division requires a four-week, hands-on training before newly hired staff can assist agency customers. After initial training, each representative is provided with feedback on calls and emails through the agency's quality monitoring program. Refresher training is provided on a consistent basis to all Customer Relations Division staff to stay up-to-date on various topics of concern.

Every division designates subject-matter experts to handle daily calls or emails that relate to their function. The divisions all assign staff for this duty so any incoming correspondence can be reviewed timely and responded to efficiently or routed appropriately.

When individuals express frustration or ask questions on social media, the Communications Department works with staff to troubleshoot issues and timely respond or provide clarification.

**5. Transparent such that agency actions can be understood by any Texan.**

Communications are adapted based on the agency's stakeholders' needs, which are identified by staff who observe trends in questions or concerns the agency receives through its many contact touchpoints.

The agency routinely promotes participation in public meetings—from the larger TREC and TALCB meetings to advisory committee meetings and subcommittee meetings. The chairs of these committees also extend frequent invitations for participation.

All Commission and Board meetings are livestreamed so those who may not be able to attend in person can follow the process. All open meetings are recorded and accessible on demand after a meeting ends. In addition, the Communications Department writes recaps of each meeting, providing high-level takeaways and publicizing opportunities to provide public comment on prospective rule changes or other decision-making points.

These reminders and recaps are pushed out to targeted audiences composed primarily of license holders, though anyone who is interested in the content can sign up for these messages. The agency also posts information on social media, and is adding more creative audiovisual components, particularly video, to try and reach more people in new ways.

The Communications Department also disseminates information to the media to help reach more consumers across the state, including Spanish-speaking Texans, through targeted press releases and other timely information related to industry issues.

#### **GOAL IV WORK WITH HUBS**

The agency implements purchasing policies that encourage the use of historically underutilized businesses (HUBs) in accordance with section 2161.123, Government Code.

#### **SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL**

The agency's Financial Services Division ensures compliance with the state goal to increase procurement opportunities for HUBs by

- Utilizing HUB vendors for non-competitive spot purchases of \$10,000 or less, whenever possible
- Attending HUB-related meetings and forums to network with vendors and gain new knowledge of HUB vendors
- Exceeding the bid advertisement requirement of obtaining more than two HUB bids from the Centralized Master Bidders List (CMBL) for purchases over \$10,000
- Tracking HUB quarterly performance measures.

#### **DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE**

##### **1. Accountable to tax and fee payers of Texas.**

The agency maintains a robust HUB program, ensuring that investments in HUBs adhere to the highest standards for quality and service. The tax and fee payers have direct access to reports regarding HUB utilization through the agency website.

##### **2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function or provision considered redundant or not cost-effective.**

The Financial Services Division optimizes the State of Texas HUB vendor network by leveraging established relationships, ensuring their inclusion in procurement processes whenever feasible. This approach minimizes waste and maximizes the value from taxpayer funds.

##### **3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.**

The Financial Services Division ensures that daily purchasing operations are aligned with achieving the agency's HUB goals, surpassing the agency target of 30%, which exceeds the state average.

##### **4. Attentive to providing excellent customer service.**

The agency prioritizes exceptional customer service through our strong relationships with HUB vendors. The agency will continue to actively engage HUBs when purchasing, surpassing state bidding requirements, and utilizing HUBs in non-competitive spot purchases.

**5. Transparent such that agency actions can be understood by any Texan.**

The agency is committed to transparency in achieving our HUB goals. A clear overview of the agency's efforts is readily accessible to all Texans through our agency website, ensuring that our actions remain easily understandable and accountable to the public.

TREC Agency Operating Budget for FY 2026-includes 2 year projection and preceding 5 year trend data								
	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	Approved Budget FY2026	Projected Budget FY2027	Projected Budget FY2028
<b>Beginning Balance</b>	\$19,804,905	22,428,430	22,509,890	20,970,584	17,012,035	12,611,746	5,525,981	333,866
<b>Operating Reserves</b>	\$7,432,904	7,432,904	9,768,368	8,955,860	5,124,836	4,904,652	4,546,303	333,866
<b>Statutory GR Payment Reserves</b>				527,500	727,500	-	-	-
<b>Unreserved Fund Balance</b>	<b>\$12,372,001</b>	<b>\$14,995,526</b>	<b>\$12,741,522</b>	<b>\$11,487,224</b>	<b>\$11,159,699</b>	<b>\$7,707,094</b>	<b>\$979,678</b>	<b>\$0</b>
<b>Revenues</b>								
License Fees	14,225,823	13,198,700	13,776,729	13,007,490	12,394,790	12,071,093	12,513,087	12,059,786
Education Fees	400,461	450,273	480,363	499,021	524,998	469,225	493,673	490,345
Examination Fees	608,090	551,268	475,846	421,513	360,219	365,070	367,430	366,730
Other Miscellaneous Revenue	309,261	357,520	291,880	176,998	368,075	354,953	346,407	347,942
<b>Total Revenues</b>	<b>\$15,543,635</b>	<b>\$14,557,761</b>	<b>15,024,818</b>	<b>14,105,022</b>	<b>13,648,982</b>	<b>\$13,260,341</b>	<b>\$13,720,597</b>	<b>\$13,264,803</b>
<b>Reallocation from Fund Balance</b>								
<b>Expenditures</b>								
Salaries & Wages (1001)	7,976,716	8,446,677	9,898,706	11,074,003	10,731,132	11,272,749	11,610,928	11,959,253
Other Personnel Costs (1002)	2,902,629	2,950,669	3,271,339	3,618,048	3,748,670	3,953,467	4,016,443	4,077,057
Professional Fees & Services (2001)	269,580	667,271	611,139	966,619	704,132	1,121,505	563,655	563,655
Consumables (2003)	5,454	7,882	8,200	6,231	5,576	7,000	7,000	7,000
Utilities (2004)	11,491	9,274	9,897	9,414	3,264	7,112	7,112	7,112
Travel (2005)	18,719	58,397	60,425	74,002	57,907	87,500	80,425	80,225
Office and Space Rent (2006)	185,878	175,532	168,129	175,279	96,516	92,395	92,395	95,400
Equipment Rental (2007)	76,236	117,439	82,021	63,067	41,116	34,622	14,101	14,101
Other Operating Expenses (2009)	571,147	1,040,450	845,166	841,382	773,968	874,475	797,515	725,288
Capital Expenditures (5000)	8,250	23,102	620,758	395,017	1,331,066	1,748,617	576,474	0
Statewide Cost Allocation Plan-SWCAP (9999)	164,769	255,108	260,844	313,008	423,873	419,164	419,164	419,164
<b>Total Expenditures</b>	<b>12,190,870</b>	<b>13,751,801</b>	<b>15,836,624</b>	<b>17,536,070</b>	<b>17,917,220</b>	<b>19,618,606</b>	<b>18,185,212</b>	<b>17,948,255</b>
Contribution to General Revenue (1105.003 (f))	726,240	727,500	727,500	527,500	727,500	727,500	727,500	727,500
<b>Total Expenditures and GR Contribution</b>	<b>\$12,917,110</b>	<b>\$14,479,301</b>	<b>\$16,564,124</b>	<b>18,063,570</b>	<b>18,644,720</b>	<b>\$20,346,106</b>	<b>\$18,912,712</b>	<b>\$18,675,755</b>
<b>Operational Loss/Gain</b>	<b>\$2,626,525</b>	<b>\$78,460</b>	<b>(1,539,306)</b>	<b>(3,958,548)</b>	<b>(4,996,638)</b>	<b>(7,085,765)</b>	<b>(5,192,115)</b>	<b>(5,410,952)</b>
<b>Ending Fund Balance</b>	<b>\$22,431,430</b>	<b>22,506,890</b>	<b>20,970,584</b>	<b>17,012,036</b>	<b>12,015,397</b>	<b>5,525,981</b>	<b>333,866</b>	<b>(5,077,086)</b>

FTEs 134.48 127.48 134.48 148.88 151.28 141.68 141.68 141.68

TALCB Agency Operating Budget for FY 2026-includes 2 year projection and preceding 5 year trend data								
	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	Approved Budget FY2026	Projected Budget 2027	Projected Budget 2028
<b>Beginning Balance</b>	\$2,259,588	2,373,564	3,465,390	3,465,390	4,048,171	4,003,990	3,919,443	3,476,945
<b>Operating Reserves</b>	(\$738,002)	(652,638)	(889,252)	(889,252)	(1,261,475)	(1,296,609)	(1,308,588)	(1,339,374)
<b>Statutory GR Payment Reserves</b>						-	-	-
<b>Available fund balance within TTSTC</b>	<b>\$1,521,586</b>	<b>\$ 1,720,926</b>	<b>2,576,138</b>	<b>2,576,138</b>	<b>2,786,696</b>	<b>2,707,381</b>	<b>2,610,855</b>	<b>2,137,571</b>
<b>Revenues</b>								
License Fees	1,540,308	1,824,920	1,784,895	1,692,735	1,695,070	1,653,005	1,749,110	1,651,855
AMC Fees	288,005	941,575	354,988	753,454	328,620	764,465	334,405	772,770
ACE Program Revenue	15,370	19,190	20,825	18,185	22,620	18,365	18,340	18,345
Examination Fees	4,710	5,480	7,050	6,600	3,820	3,890	4,010	3,980
Other Miscellaneous Revenue	30,586	51,101	57,847	68,254	101,748	68,945	68,812	68,875
ASC Grant	80,784	236,055	144,801	-	-	0	0	0
<b>Total Revenues</b>	<b>\$1,959,763</b>	<b>\$3,078,321</b>	<b>2,370,406</b>	<b>2,539,228</b>	<b>2,151,878</b>	<b>2,508,670</b>	<b>\$2,174,677</b>	<b>\$2,515,825</b>
Restricted Education Reserve	\$37,537	\$22,968	\$22,914	\$0	\$34,349	\$34,349	\$0	\$0
Reallocation from Fund Balance								
<b>Expenditures</b>								
Salaries & Wages (1001)	1,133,209	1,084,585	1,343,227	1,493,767	1,506,667	1,651,978	1,671,143	1,721,277
Other Personnel Costs (1002)	462,625	426,931	454,185	481,969	467,603	517,736	522,840	533,037
Professional Fees & Services (2001)	126,418	271,219	165,314	13,335	22,467	177,835	177,245	177,245
Consumables (2003)	1,426	227	402	159	141	2,000	2,000	2,000
Utilities (2004)	86	9	285	60	799	143	143	143
Travel (2005)	5,261	21,061	27,024	33,187	33,815	42,000	42,000	42,000
Office and Space Rent (2006)	26,694	21,325	19,741	19,227	9,707	10,678	10,678	11,189
Equipment Rental (2007)	2,890	6,924	1,834	1,211	1,399	939	939	939
Other Operating Expenses (2009)	48,658	66,393	85,622	82,106	84,718	115,601	115,880	116,610
Capital Expenditures (5000)	-	-	-	-	-	-	0	0
Statewide Cost Allocation Plan-SWCAP (9999)	23,754	31,209	30,928	34,779	47,097	51,807	51,807	51,807
<b>Total Expenditures</b>	<b>1,831,021</b>	<b>1,929,883</b>	<b>2,128,562</b>	<b>2,159,800</b>	<b>2,174,413</b>	<b>2,570,717</b>	<b>2,594,675</b>	<b>2,656,247</b>
Contribution to General Revenue (1105.003 (f))	23,760	22,500	22,500	22,500	22,500	22,500	22,500	22,500
<b>Total Expenditures and GR Contribution</b>	<b>\$1,854,781</b>	<b>\$1,952,383</b>	<b>\$2,151,062</b>	<b>\$2,182,300</b>	<b>2,196,913</b>	<b>2,593,217</b>	<b>\$2,617,175</b>	<b>\$2,678,747</b>
<b>Operational Loss/Gain</b>	<b>\$104,982</b>	<b>\$1,125,938</b>	<b>219,344</b>	<b>356,928</b>	<b>(45,035)</b>	<b>(84,547)</b>	<b>(442,498)</b>	<b>(162,922)</b>
<b>Ending fund Balance</b>	<b>\$2,402,107</b>	<b>\$3,522,470</b>	<b>3,707,648</b>	<b>3,822,318</b>	<b>4,037,485</b>	<b>3,953,792</b>	<b>3,476,945</b>	<b>3,314,023</b>

FTEs

11.4

11.40

15.4

17.60

17.60

17.60

17.60

17.60

Fund 4056

## UNAUDITED

## TEXAS REAL ESTATE COMMISSION (329)

## EXHIBIT A-1

## COMBINING BALANCE SHEET -

## ALL GENERAL AND CONSOLIDATED FUNDS

For the Year Ended August 31, 2025

	TAMU FUND 0889	TAMU FUND 9993	TOTAL FUND 0889	TREC Local FUND 0889	TREC Local FUND 1005	TREC Local FUND 1005	TREC Local FUND 1005
<b>ASSETS</b>							
Current Assets							
Cash and Cash Equivalents	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Cash in Bank	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Cash Equivalents - Misc. Investments	\$ 565,267.03	\$ 565,267.03	\$ 565,267.03	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Cash In State Treasury	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interfund Receivable	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Due From Other Funds (Note 12)	\$ 616,540.00	\$ 616,540.00	\$ 616,540.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Consumable Inventories	\$ 0.00	\$ 0.00	\$ 0.00	\$ 9,170.23	\$ 0.00	\$ 0.00	\$ 0.00
Total Current Assets	\$ 616,540.00	\$ 565,267.03	\$ 1,181,807.03	\$ 9,170.23	\$ 0.00	\$ 1,178,559.90	\$ 0.00
Non-Current Assets:							
Investments - NonCurrent	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Total Non-Current Assets	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<b>TOTAL ASSETS</b>	<b>\$ 616,540.00</b>	<b>\$ 565,267.03</b>	<b>\$ 1,181,807.03</b>	<b>\$ 9,170.23</b>	<b>\$ 0.00</b>	<b>\$ 1,178,559.90</b>	<b>\$ 0.00</b>
<b>LIABILITIES</b>							
Current Liabilities:							
Payables from :							
Accounts Payable	\$ 0.00	\$ 0.00	\$ 0.00	\$ 47,078.50	\$ 163,075.78	\$ 1,532.58	\$ 0.00
Payroll Payable	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,172,585.44	\$ 0.00	\$ 0.00
Interfund Payable	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Due to Other Funds/Agencies (Note 12)	\$ 616,540.00	\$ 616,540.00	\$ 1,233,080.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Deferred Revenue	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Total Current Liabilities	\$ 616,540.00	\$ 616,540.00	\$ 1,233,080.00	\$ 0.00	\$ 47,078.50	\$ 1,335,661.22	\$ 1,532.58
<b>TOTAL LIABILITIES</b>	<b>\$ 616,540.00</b>	<b>\$ 616,540.00</b>	<b>\$ 1,233,080.00</b>	<b>\$ 0.00</b>	<b>\$ 47,078.50</b>	<b>\$ 1,335,661.22</b>	<b>\$ 1,532.58</b>
<b>FUND BALANCES (DEFICITS)</b>							
NonSpendable - Consumable Inventory	\$ 0.00	\$ 0.00	\$ 0.00	\$ 9,170.23	\$ 0.00	\$ 0.00	\$ 0.00
Committed	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unassigned	\$ 0.00	\$ (51,272.97)	\$ (51,272.97)	\$ 0.00	\$ (47,078.50)	\$ (157,101.32)	\$ (1,532.58)
Total Fund Balances	\$ 0.00	\$ (51,272.97)	\$ (51,272.97)	\$ 9,170.23	\$ (47,078.50)	\$ (157,101.32)	\$ (1,532.58)
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 616,540.00</b>	<b>\$ 565,267.03</b>	<b>\$ 1,181,807.03</b>	<b>\$ 9,170.23</b>	<b>\$ 0.00</b>	<b>\$ 1,178,559.90</b>	<b>\$ 0.00</b>

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

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## UNAUDITED

TREC Local FUND 9999 FUND 1005 U/F (7054)	TREC Local FUND 9999 FUND 1005 U/F (7055)	TREC Local FUND 9999 FUND 1005 U/F (7155)	Loc Oper FUND 0889 FUND 1005 U/F (4060)	Loc Oper FUND 9993 FUND 1005 U/F (7060)	Loc Oper FUND 0980 FUND 1005 U/F (0980)	Loc Oper FUND 0807 FUND 1005 U/F (8070)	TOTAL FUND 1005 2025	TOTALS (EXHIBIT I)
\$ 20,414.34 1,790,069.38	\$ 2,512,768.41	\$ 33,589.93	\$ 0.00	\$ 0.00	\$ 575.00	\$ 575.00	\$ 20,414.34 4,336,427.72 1,179,134.90 0.00 0.00 616,540.00 9,170.23	\$ 20,414.34 4,901,694.75 1,179,134.90 0.00 0.00 616,540.00 9,170.23
\$ 1,810,483.72	\$ 2,512,768.41	\$ 33,589.93	\$ 0.00	\$ 0.00	\$ 575.00	\$ 575.00	\$ 5,545,147.19	\$ 6,726,954.22
\$ 0.00	\$ 9,552,242.63	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 9,552,242.63	\$ 9,552,242.63
\$ 1,810,483.72	\$ 12,065,011.04	\$ 33,589.93	\$ 0.00	\$ 0.00	\$ 575.00	\$ 575.00	\$ 15,097,389.82	\$ 16,279,196.85
\$ 0.00	\$ 211,686.86	\$ 0.00	\$ 32,289.60	\$ 0.00	\$ (575.00)	\$ 211,686.86 1,204,300.04 0.00 0.00 1,233,080.00 0.00	\$ 1,204,300.04	\$ 1,204,300.04
\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 32,289.60	\$ 0.00	\$ (575.00)	\$ 1,415,986.90	\$ 2,649,066.90
\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 32,289.60	\$ 0.00	\$ (575.00)	\$ 1,415,986.90	\$ 2,649,066.90
\$ 1,810,483.72	\$ 12,065,011.04	\$ 33,589.93	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 9,170.23 13,909,084.69 (238,002.00)	\$ 9,170.23 13,909,084.69 (289,274.97)
\$ 1,810,483.72	\$ 12,065,011.04	\$ 33,589.93	\$ 0.00	\$ (32,289.60)	\$ 0.00	\$ 0.00	\$ 13,680,252.92	\$ 13,628,979.95
\$ 1,810,483.72	\$ 12,065,011.04	\$ 33,589.93	\$ 0.00	\$ 0.00	\$ 0.00	\$ (575.00)	\$ 15,096,239.82	\$ 16,278,046.85

## UNAUDITED

TEXAS REAL ESTATE COMMISSION (329)  
 EXHIBIT A-2  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN  
 FUND BALANCES - ALL GENERAL AND CONSOLIDATED FUNDS  
 For the Year Ended August 31, 2025

	TAMU FUND 0889	TAMU FUND 9993 FUND 0889 U/F (7057)	TOTAL FUND 0889	Loc Oper FUND 0889 FUND 1005 U/F (3055)	Loc Oper FUND 1005 FUND 1005 U/F (4054)	Loc Oper FUND 1005 FUND 1005 U/F (4055)
<b>REVENUES:</b>						
Legislative Appropriations	\$	\$	\$	0.00	\$	\$
Additional Appropriations				0.00		
Licenses, Fees and Permits			7,633,175.00	7,633,175.00		
Sales of Goods and Services				0.00		
Administrative Penalties						
Interest and Investment Income			5,843.70	5,843.70		
Other Revenue				0.00		
<b>Total Revenues</b>	<b>0.00</b>	<b>7,639,018.70</b>	<b>7,639,018.70</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>EXPENDITURES:</b>						
Salaries and Wages				0.00		11,027,960.61
Payroll Related Costs				0.00		3,684,964.12
Professional Fees and Services				0.00		696,889.57
Travel				0.00		58,350.55
Materials and Supplies				0.00	1,006.86	202,035.25
Communication and Utilities				0.00		197,692.46
Repairs and Maintenance				0.00		159,944.73
Rentals and Leases				0.00		132,985.73
Printing and Reproduction				0.00		90.68
Claims and Judgements						0.00
Other Operating Expenditures	28,770.00	150.33	28,920.33		598,575.12	647,547.87
Personal Prop-Computer Equip-Capitalized Interest on Govtl and Fiduciary L-T Debt						1,324,863.50
						0.00
<b>Total Expenditures</b>	<b>28,770.00</b>	<b>150.33</b>	<b>28,920.33</b>	<b>1,006.86</b>	<b>598,575.12</b>	<b>18,133,325.07</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>(28,770.00)</b>	<b>7,638,868.37</b>	<b>7,610,098.37</b>	<b>(1,006.86)</b>	<b>(598,575.12)</b>	<b>(18,133,325.07)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating Transfers In (Note 1.G.)	7,649,155.00	0.00	7,649,155.00		598,697.62	18,956,089.99
Increase In Obligations Under Capital Lease						
Operating Transfers Out (Note 1.G.)	(7,620,385.00)	(7,649,155.00)	(15,269,540.00)			(727,500.00)
<b>Total Other Financing Sources (Uses)</b>	<b>28,770.00</b>	<b>(7,649,155.00)</b>	<b>(7,620,385.00)</b>	<b>0.00</b>	<b>598,697.62</b>	<b>18,228,589.99</b>
<b>EXCESS OF REVENUE &amp; OTHER FINANCING SOURCES OVER EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>0.00</b>	<b>(10,286.63)</b>	<b>(10,286.63)</b>	<b>(1,006.86)</b>	<b>122.50</b>	<b>95,264.92</b>
<b>FUND BALANCES - Beginning September 1, 2024</b>	<b>0.00</b>	<b>(40,986.34)</b>	<b>(40,986.34)</b>	<b>10,177.09</b>	<b>(47,201.00)</b>	<b>(252,366.24)</b>
<b>Restatements</b>	<b>0.00</b>		<b>0.00</b>			
<b>FUND BALANCES - Ending August 31, 2025</b>	<b>\$ 0.00</b>	<b>\$ (51,272.97)</b>	<b>\$ (51,272.97)</b>	<b>\$ 9,170.23</b>	<b>\$ (47,078.50)</b>	<b>\$ (157,101.32)</b>

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

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## UNAUDITED

Loc Oper FUND 1005 FUND 1005 U/F (4155)	Loc Oper FUND 9999 FUND 1005 U/F (7054)	Loc Oper FUND 9999 FUND 1005 U/F (7055)	Loc Oper FUND 9999 FUND 1005 U/F (7155)	Loc Oper FUND 0889 FUND 1005 U/F (4060)	Loc Oper FUND 9993 FUND 1005 U/F (7060)	TOTAL FUND 1005	TOTALS EXHIBIT II 2025
\$ 1,355,729.31	\$ 13,032,262.34	\$ 52,114.12		\$ 1,200.00	\$ 14,441,305.77	\$ 22,074,480.77	
415.95	415.95				415.95	415.95	
129,904.02	366,243.09	46.00		91.22	496,284.33	502,128.03	
361,241.25					361,241.25	361,241.25	
0.00	1,485,633.33	13,760,162.63	52,160.12	0.00	1,291.22	15,299,247.30	22,938,266.00
0.00						11,027,960.61	11,027,960.61
0.00						3,684,964.12	3,684,964.12
0.00						696,889.57	696,889.57
0.00						58,350.55	58,350.55
19,245.63						222,287.74	222,287.74
0.00						197,692.46	197,692.46
357.14						160,301.87	160,301.87
500.00						133,485.73	133,485.73
0.00						90.68	90.68
0.00						0.00	0.00
0.00	2,286.43	3,462.97	0.00	0.00	30.66	1,251,903.05	1,280,823.38
0.00						1,324,863.50	1,324,863.50
0.00						0.00	0.00
20,102.77	2,286.43	3,462.97	0.00	0.00	30.66	18,758,789.88	18,787,710.21
(20,102.77)	1,483,346.90	13,756,699.66	52,160.12	0.00	1,260.56	(3,459,542.58)	4,150,555.79
18,570.19					18,600.00	19,591,957.80	27,241,112.80
0.00	(1,247,297.62)	(18,956,089.99)	(18,570.19)		(26,338.10)	(20,975,795.90)	(36,245,335.90)
18,570.19	(1,247,297.62)	(18,956,089.99)	(18,570.19)	18,600.00	(26,338.10)	(1,383,838.10)	(9,004,223.10)
(1,532.58)	236,049.28	(5,199,390.33)	33,589.93	18,600.00	(25,077.54)	(4,843,380.68)	(4,853,667.31)
0.00	1,574,434.44	17,264,401.37	0.00	(18,600.00)	(7,212.06)	18,523,633.60	18,482,647.26
\$ (1,532.58)	\$ 1,810,483.72	\$ 12,065,011.04	\$ 33,589.93	\$ 0.00	\$ (32,289.60)	\$ 13,680,252.92	\$ 13,628,979.95

Texas Real Estate Commission (329)  
Exhibit B-1 — Combining Balance Sheet — Special Revenue Funds  
August 31, 2025

	Special Revenue (0028) U/F (0028)	Real Estate Recovery Trust Act (0889) UF (4058)	Real Estate Recovery Trust Acct (0889) UF (7058)	Real Estate Inspection Recovery Trust Acct (0889) UF (4059)	Real Estate Inspection Recovery Trust Acct (0889) UF (7059)	Totals
<b>Combining Balance Sheet</b>						
<b>ASSETS</b>						
Current Assets:						
Cash Equivalents - Misc. Investments (Note 3)	\$ -	\$ 730,267.49	\$ -	\$ 62,401.42	\$ 792,668.91	
Cash in State Treasury	-	-	-	-	-	-
Total Current Assets	-	-	730,267.49	-	62,401.42	792,668.91
Non-Current Assets:						
Investments - NonCurrent (Note 3)	-	-	3,561,094.26	-	425,033.21	3,986,127.47
Total Non-Current Assets	-	-	3,561,094.26	-	425,033.21	3,986,127.47
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,291,361.75</b>	<b>\$ -</b>	<b>\$ 487,434.63</b>	<b>\$ 4,778,796.38</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred Outflows of Resources						
Total Deferred Outflows of Resources	-	-	-	-	-	-
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Current Liabilities:						
Payables from:						
Accounts	\$ 14,160.00	\$ -	\$ -	\$ -	\$ -	\$ 14,160.00
Due To Other Funds	-	-	-	-	-	-
Due To Other Agencies	-	-	-	-	-	-
Funds Held For Others	-	-	-	-	-	-
Total Current Liabilities	<u>14,160.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,160.00</u>
<b>Total Liabilities</b>	<b>\$ 14,160.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,160.00</b>
<b>Fund Balances (Deficits):</b>						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	(14,160.00)	-	4,291,361.75	-	487,434.63	4,764,636.38
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>(14,160.00)</u>	<u>-</u>	<u>4,291,361.75</u>	<u>-</u>	<u>487,434.63</u>	<u>4,764,636.38</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,291,361.75</b>	<b>\$ -</b>	<b>\$ 487,434.63</b>	<b>\$ 4,778,796.38</b>

Texas Real Estate Commission (329)  
 Exhibit B-2 — Combining Statement of Revenues, Expenditures and Changes in Fund Balances —  
 Special Revenue Funds  
 For the Fiscal Year Ended August 31, 2025

Combining Statement of Revenues, Expenditures and Changes in Fund Balances	Special Revenue (0028)* U/F (0028)	Real Estate Recovery Trust Acct (0889) UF (4058)	Real Estate Recovery Trust Acct (0889) UF (7058)	Real Estate Inspection Recovery Trust Acct (0889) UF (4059)	Real Estate Inspection Recovery Trust Acct (0889) UF (7059)	Totals Exhibit II
<b>REVENUES**</b>						
License, Fees & Permits	\$ -	\$ 326,523.37	\$ -	\$ 5,199.28	\$ 331,722.65	
Interest and Other Investment Income		-	111,019.73		13,659.24	124,678.97
Settlement of Claims			152,950.09		13,198.26	166,148.35
Sales of Goods and Services						-
Total Revenues	\$ -	\$ 590,493.19	\$ -	\$ 32,056.78	\$ 622,549.97	
<b>EXPENDITURES</b>						
Salaries and Wages						-
Payroll Related Costs						-
Professional Fees and Services						-
Travel						-
Materials and Supplies						-
Communication and Utilities						-
Repairs and Maintenance						-
Rentals and Leases						-
Printing and Reproduction						-
Claims and Judgments		316,394.07		12,500.00		328,894.07
Other Expenditures	\$ 662,760.00	15.00	\$ 1,179.64		240.52	\$ 664,195.16
Total Expenditures	\$ 662,760.00	\$ 316,409.07	\$ 1,179.64	\$ 12,500.00	\$ 240.52	\$ 993,089.23
Excess (Deficiency) of Revenues over (under) Expenditures	\$ (662,760.00)	\$ (316,409.07)	\$ 589,313.55	\$ (12,500.00)	\$ 31,816.26	\$ (370,539.26)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer In	648,600.00	316,409.07		12,500.00		977,509.07
Transfer Out		-	(316,409.07)		(12,500.00)	(328,909.07)
Total Other Financing Sources (Uses)	648,600.00	316,409.07	(316,409.07)	12,500.00	(12,500.00)	648,600.00
<b>SPECIAL ITEMS</b>						
Proceeds from Sale of Park Land						-
<b>EXTRAORDINARY ITEMS</b>						
Natural Disaster-Hurricane						-
Net Change in Fund Balances	(14,160.00)	-	272,904.48		19,316.26	278,060.74
Fund Financial Statement - Fund Balances						
Fund Balances, September 1, 2024			4,018,457.27		468,118.37	4,486,575.64
Restatements						-
Fund Balances, September 1, 2024, as Restated			4,018,457.27		468,118.37	4,486,575.64
Appropriations Lapsed						
Fund Balances, August 31, 2025	\$ (14,160.00)	\$ -	\$ 4,291,361.75	\$ -	\$ 487,434.63	\$ 4,764,636.38

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## UNAUDITED

TEXAS REAL ESTATE COMMISSION (329)  
 EXHIBIT K-1  
 COMBINING STATEMENT OF NET POSITION -  
 DISCRETELY PRESENTED COMPONENT UNIT  
 For the Year Ended August 31, 2025

	Component Unit GAAP Fund 1005 U/F (3056)	Component Unit GAAP Fund 1005 U/F (4056)	Component Unit GAAP Fund 1005 U/F (7056)	Component Unit GAAP Fund 1005 U/F (4156)	Component Unit GAAP Fund 1005 U/F (7193)	TOTALS EXHIBIT VIII 2025 GAAP Fund 1005
<b>ASSETS</b>						
Current Assets:						
Cash and Cash Equivalents:						
Cash in State Treasury	\$ 0.00	151,842.71	\$ 0.00	0.00	\$ 0.00	\$ 151,842.71
Cash in Bank						0.00
Interfund Receivable						0.00
Cash Equivalents - Misc. Investments			359,472.20		34,349.76	393,821.96
Federal Receivables						0.00
Consumable Inventories			1,438.54			1,438.54
Current Assets:	<u>0.00</u>	<u>151,842.71</u>	<u>360,910.74</u>	<u>0.00</u>	<u>34,349.76</u>	<u>547,103.21</u>
Non-Current Assets:						
Investments - Non-Current (Note 3)	\$ 0.00		\$ 3,647,044.02			3,647,044.02
Furniture & Equipment, Net			0.00			0.00
Computer Software, Intangible, Net (Note 2)				20,000.00		20,000.00
Construction in Progress (Software)	0.00	0.00	<u>3,647,044.02</u>	<u>20,000.00</u>	<u>0.00</u>	<u>3,667,044.02</u>
Non-Current Assets	<u>0.00</u>	<u>0.00</u>	<u>3,647,044.02</u>	<u>20,000.00</u>	<u>0.00</u>	<u>3,667,044.02</u>
Total Assets:	<u>0.00</u>	<u>151,842.71</u>	<u>4,007,954.76</u>	<u>20,000.00</u>	<u>34,349.76</u>	<u>4,214,147.23</u>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	\$ 0.00	8,066.98	0.00	0.00		8,066.98
Payroll Payable	0.00	151,781.27	0.00	0.00		151,781.27
Interfund Payable						0.00
Returned Expenditure Liability		(80.00)		0.00		-80.00
Employee Compensable Leave (Note 5)			97,273.43			97,273.43
Current Liabilities:	<u>0.00</u>	<u>159,768.25</u>	<u>97,273.43</u>	<u>0.00</u>	<u>0.00</u>	<u>257,041.68</u>
Non-Current Liabilities:						
Employee Compensable Leave (Note 5)	\$ 0.00		\$ 123,288.32			123,288.32
Right to Use Lease Obligation						0.00
Non-Current Liabilities	0.00	0.00	123,288.32	0.00	0.00	123,288.32
Total Liabilities	<u>0.00</u>	<u>159,768.25</u>	<u>220,561.75</u>	<u>0.00</u>	<u>0.00</u>	<u>380,330.00</u>
<b>NET POSITION</b>						
Unrestricted Net Position		(7,925.54)	0.00	20,000.00	0.00	12,074.46
Net Assets Restricted for Other	<u>0.00</u>	<u>0.00</u>	<u>3,787,393.01</u>		<u>34,349.76</u>	<u>3,821,742.77</u>
Total Net Position	<u>\$ 0.00</u>	<u>(7,925.54)</u>	<u>\$ 3,787,393.01</u>	<u>20,000.00</u>	<u>34,349.76</u>	<u>3,833,817.23</u>
Total Liabilities, Other CR, Def Inflows and FD Bal/Net Position	<u>\$ 0.00</u>	<u>151,842.71</u>	<u>\$ 4,007,954.76</u>	<u>20,000.00</u>	<u>34,349.76</u>	<u>4,214,147.23</u>

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

## UNAUDITED

TEXAS REAL ESTATE COMMISSION (329)  
 EXHIBIT K-2  
 COMBINING STATEMENT OF ACTIVITIES  
 - DISCRETELY PRESENTED COMPONENT UNIT  
 For the Year Ended August 31, 2025

	Component Unit GAAP Fund 1005 U/F (4056)	Component Unit GAAP Fund 1005 U/F (4156)	Component Unit GAAP Fund 1005 U/F (7056)	Component Unit GAAP Fund 1005 U/F (4193)	Component Unit GAAP Fund 1005 U/F (7193)	TOTALS EXHIBIT IX 2025 GAAP Fund 1005
<b>OPERATING REVENUES</b>						
Professional Fees	\$	\$	\$	2,067,983.08	\$	\$ 2,067,983.08
Sales of Goods and Services				-		0.00
Administrative Penalties					33,500.00	33,500.00
Other Operating Revenues - Non-pledged				-		0.00
Operating Revenues	<u>0.00</u>	<u>0.00</u>	<u>2,067,983.08</u>	<u>-</u>	<u>33,500.00</u>	<u>2,101,483.08</u>
<b>OPERATING EXPENSES</b>						
Salaries and Wages	\$ 1,545,746.41	\$ 0.00	\$ 15,050.87			1,560,797.28
Payroll Related Costs	459,441.27					459,441.27
Professional Fees and Services	(1,410.39)	0.00				(1,410.39)
Travel	33,814.66				0.00	33,814.66
Materials and Supplies	2,440.04		61.18			2,501.22
Communication and Utilities	42,600.20					42,600.20
Repairs and Maintenance	0.00					0.00
Rentals & Leases	11,106.48					11,106.48
Printing and Reproduction	48.96					48.96
Depreciation and Amortization Expense (Note 2)	0.00					0.00
Interest	69,120.68	8,000.00	1,050.33	0.00	64.21	78,235.22
Other Expenditures	<u>2,162,908.31</u>	<u>8,000.00</u>	<u>16,162.38</u>	<u>0.00</u>	<u>64.21</u>	<u>2,187,134.90</u>
Operating Expenses						
Operating Income (Loss)	<u>(2,162,908.31)</u>	<u>(8,000.00)</u>	<u>2,051,820.70</u>	<u>0.00</u>	<u>33,435.79</u>	<u>(85,651.82)</u>
<b>NON-OPERATING REVENUE (EXPENSES)</b>						
Investment Income (Non-Pledged)	\$	\$	\$ 94,966.68	\$	\$	\$ 94,966.68
Interest On Local Deposits			-		913.97	913.97
Federal Receipts Not Matched - Other			28,000.00			28,000.00
Total Other Non-operating Revenues (Expenses)	<u>0.00</u>	<u>0.00</u>	<u>122,966.68</u>	<u>-</u>	<u>913.97</u>	<u>123,880.65</u>
Income Before Other Revenues, Expenses, Gains, Losses and Transfers						
	<u>(2,162,908.31)</u>	<u>(8,000.00)</u>	<u>2,174,787.38</u>	<u>0.00</u>	<u>34,349.76</u>	<u>38,228.83</u>
<b>OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS</b>						
Transfer In-Note 1.G.	\$ 2,211,292.36	\$ 28,000.00	\$ 7,738.10	0.00	0.00	2,247,030.46
Transfer Out-Note 1.G.	(22,500.00)		(2,239,292.36)		0.00	(2,261,792.36)
Intangible-Computer Software-Int Dev - Cap						0.00
Cap Contrib/Endow/Special/Extra/Transfers	<u>2,188,792.36</u>	<u>28,000.00</u>	<u>(2,231,554.26)</u>	<u>0.00</u>	<u>0.00</u>	<u>(14,761.90)</u>
Increase/(Decrease) in Net Assets	<u>25,884.05</u>	<u>20,000.00</u>	<u>(56,766.88)</u>	<u>0.00</u>	<u>34,349.76</u>	<u>23,466.93</u>
Net Position, September 1, 2024	(33,809.59)	0.00	3,844,159.89	0.00	-	3,810,350.30
Restatements						0.00
Net Position, September 1, 2024, as Restated	<u>(33,809.59)</u>	<u>-</u>	<u>3,844,159.89</u>	<u>-</u>	<u>-</u>	<u>3,810,350.30</u>
Net Position, August 31, 2025	<u>\$ (7,925.54)</u>	<u>\$ 20,000.00</u>	<u>\$ 3,787,393.01</u>	<u>\$ 0.00</u>	<u>\$ 34,349.76</u>	<u>\$ 3,833,817.23</u>

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

## 6) Trend performance data for Fiscal Years 2021-2025

TREC or TALCB	SDSI	Measure	FY 2021	FY2022	FY2023	FY2024	FY2025
		<b>1105.005(c)(5)</b>					
Agency	a	Number of full-time equivalent positions	135.88	146.32	166.28	169.28	168.88
TREC	a	Number of full-time equivalent positions	124.88	130.92	148.88	151.88	151.28
TALCB	a	Number of full-time equivalent positions	11	15.4	17.4	17.4	17.6
TREC	b	Number of complaints received from the public	2365	2111	2006	2331	2488
TALCB	b	Number of complaints received from the public	201	253	106	114	148
TREC	b	Number of complaints initiated by agency staff	5205	4584	4419	3665	3603
TALCB	b	Number of complaints initiated by agency staff	47	58	127	100	16
TREC	c	Number of Complaints resolved (by action)	534	574	610	642	535
TALCB	c	Number of Complaints resolved (by action)	9	26	12	12	12
TREC	c	Number of complaints dismissed	2182	2039	2070	2007	2232
TALCB	c	Number of complaints dismissed	202	210	216	233	189
TREC	d	Number of enforcement actions by type	Appendix A				
TALCB	d	Number of enforcement actions by type	Appendix B				
TREC	e	# of enforcement cases closed via voluntary compliance	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
TALCB	e	# of enforcement cases closed via voluntary compliance	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
TREC	f	Amount of administrative penalties assessed	\$322,650	\$363,900	\$496,900	\$680,500	\$387,500
TREC	f	Rate of collection of assessed admin penalties	38%	33%	38%	26%	26%
TALCB	f	Amount of administrative penalties assessed	\$13,500	\$28,750	\$7,400	\$11,500	\$41,750
TALCB	f	Rate of collection of assessed admin penalties	37%	51%	23%	9%	96%
TREC	g	Number of cases that allege a threat to public health, safety, welfare, or a violation of professional standards of care and the disposition of those cases	0	0	0	0	0
TALCB	g	Number of cases that allege a threat to public health, safety, welfare, or a violation of professional standards of care and the disposition of those cases	0	0	0	6	3
TREC	h	Average number days for complaint resolution	196	219	152	92	80.5
TALCB	h	Average number days for complaint resolution	118	179	157	151	125
TREC	i	Total number of license holders by status	218,735	232,957	237,930	239,998	237,996
TALCB	i	Total number of licenses holders by status	6,796	7,477	7,539	7,155	6,860
		See Appendix C and Appendix D					
TREC	j	Fee Schedule	Appendix E				
TALCB	j	Fee Schedule	Appendix F				
TREC	k	Average time to issue a license, certificate or registration.	Appendix G				
TALCB	k	Average time to issue a license, certificate or registration.	Appendix G				
TREC	l	Litigation costs: administrative hearings costs	\$79,921.89	\$85,194.39	\$105,892.91	\$93,658.97	\$98,804.51
TALCB	l	Litigation costs: administrative hearings costs	\$6,375.02	\$15,715.88	\$0.00	\$1,559.25	\$415.80
TREC	l	Litigation costs: judicial proceeding costs	\$24,111.41	\$51,686.03	\$56,073.45	\$55,499.72	\$26,099.67
TALCB	l	Litigation costs: judicial proceeding costs	\$1,499.29	\$12.25	\$82.62	\$324.74	\$7,374.19
TREC	m	Reserve Balances - Appendix H	\$7,432,904.00	\$8,174,002.00	\$9,768,368.00	\$8,955,860.00	\$5,124,836.00
TALCB	m	Reserve Balances - Appendix I	\$738,002.00	\$652,638.00	\$889,252.00	\$830,115.00	\$1,261,475.00

## Standards & Enforcement Services Division - TREC

### Sunset Report on Disciplinary Matters

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Administrative Penalty [FINE]	130	124	192	176	135
Advisory Letter	2378	2269	2298	1938	1641
Application Order	118	101	96	106	68
Cease & Desist Issued	13	1	6	1	2
Complaint Withdrawn	97	133	117	84	54
Discipline Effective on App Approval	0	0	0	0	0
Failure to Go Forward	44	53	31	17	13
Insufficient Evidence	1190	1648	1726	1329	1183
Matter Settled	103	30	57	43	45
No Jurisdiction	130	161	82	30	30
No Violation	213	338	237	177	107
Opened In Error	34	26	14	25	10
Other	26	9	20	7	4
Probated Revocation	2	2	2	5	2
Probated Suspension	45	28	85	49	55
Reprimand	67	74	87	110	67
Revocation	33	34	22	51	54
Suspension	41	19	39	33	25
Voluntary Surrender	1	0	0	0	0

## Texas Appraiser Licensing and Certification Board

## Sanctions by Sanction Type

2017	Count
Penalty	13
Experience Logs	6
Mentorship	19
Probated Revo	5
Revocation	1
Education	6
Suspension	1
Trainee Restriction	3
Voluntary Surrender	2
<b>Grand Total</b>	<b>56</b>

2018	Count
Penalty	21
Experience Log	1
Mentorship	28
NRRR	1
Preventive Policies	1
Probated Revocation	10
Revocation	3
Education	10
Suspension	3
Trainee Restriction	1
Surrender	3
<b>Grand Total</b>	<b>82</b>

2019	Count
Penalty	13
Experience Log	2
Mentorship	8
Do Not Return	1
Probated Revocation	4
Revocation	6
Education	1
Suspension	13
Trainee Restriction	1
Surrender	7
<b>Grand Total</b>	<b>56</b>

2020	Count
Penalty	14
Cease & Desist Issued	4
Experience Log Submission	1
Mentorship	9
OAG Reimbursement	1
Other	1
Preventative Policies and Procedures	1
Probated Revocation	6
Remedial Education	4
Revocation	2
Suspension	8
Voluntary Surrender	3
Will not reapply / renew / relicense	1
<b>Grand Total</b>	<b>55</b>

2021	Count
Penalty	2
Experience Log Submission	1
Mentorship	2
Notify of Mentor	2
Monitoring	1
Probated Revocation	1
Temporary Suspension	2
Voluntary Surrender	6
<b>Grand Total</b>	<b>17</b>

2022	Count
Penalty	15
Cease & Desist Issued	1
Experience Log Submission	3
Mentorship	14
Notify of Mentor	4
Probated Revocation	4
Refund	1
Remedial Education	2
Suspension	9
Voluntary Surrender	2
<b>Grand Total</b>	<b>55</b>

2023	Count
Penalty	5
Cease & Desist Issued	1
Mentorship	7
Notify of Mentor	3
Voluntary Surrender	2
<b>Grand Total</b>	<b>18</b>

2024	Count
Penalty	5
Cease & Desist Issued	3
Mentorship	3
Revocation	2
Voluntary Surrender	1
Probated Revocation	1
Suspension	1
<b>Grand Total</b>	<b>16</b>

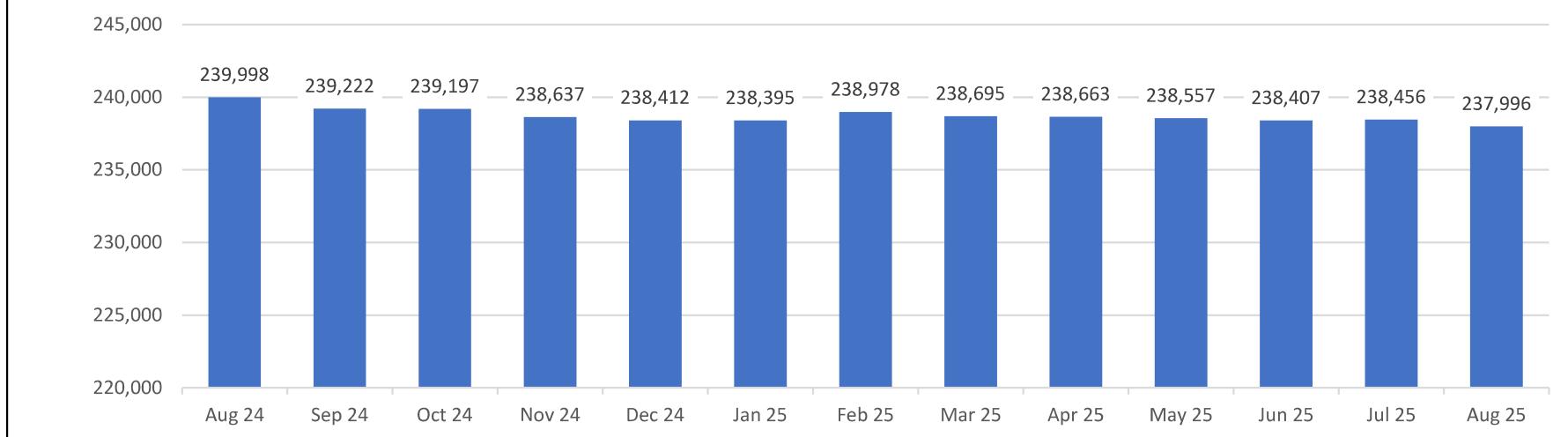
2025	Count
Administrative Penalty	6
Cease & Desist Issued	2
Mentorship	2
Preventative Policies and Procedures	1
Refund	2
Remedial Education	1
Suspension	2
Voluntary Surrender	3
<b>Grand Total</b>	<b>19</b>

## Licensing Division

### License and Registration Counts

## Total License Holders and Registrants 13-Month Comparison

	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25
Brokers	49,612	49,566	49,583	49,543	49,524	49,585	49,442	49,643	49,679	49,678	49,596	49,573	49,590
Active Business Entity Brokers	14,592	14,577	14,593	14,589	14,582	14,625	14,571	14,624	14,648	14,658	14,623	14,640	14,662
Active Individual Brokers	33,062	33,001	32,982	32,951	32,899	32,924	32,871	32,985	32,991	32,967	32,941	32,923	32,924
Sales Agents	182,949	182,124	182,005	181,451	181,180	180,956	181,565	180,914	180,699	180,494	180,313	180,313	179,764
Active Sales Agents	143,613	144,217	144,111	143,962	142,420	141,749	141,528	142,012	141,975	141,041	141,617	141,617	142,146
<b>Brokers &amp; Sales Agents</b>	<b>232,561</b>	<b>231,690</b>	<b>231,588</b>	<b>230,994</b>	<b>230,704</b>	<b>230,541</b>	<b>231,007</b>	<b>230,557</b>	<b>230,378</b>	<b>230,172</b>	<b>229,909</b>	<b>229,886</b>	<b>229,354</b>
Registered Business Entities (NEW)	1,383	1,481	1,584	1,668	1,768	1,930	2,104	2,206	2,351	2,461	2,554	2,648	2,733
Inspectors	4,562	4,558	4,549	4,510	4,495	4,481	4,426	4,469	4,463	4,448	4,462	4,447	4,421
Active Inspectors	3,822	3,803	3,789	3,756	3,732	3,712	3,686	3,706	3,693	3,690	3,712	3,696	3,678
Easement or Right-of-Way Registrants	1,492	1,493	1,476	1,465	1,445	1,443	1,441	1,463	1,471	1,476	1,482	1,475	1,488
<b>All License Holders</b>	<b>239,998</b>	<b>239,222</b>	<b>239,197</b>	<b>238,637</b>	<b>238,412</b>	<b>238,395</b>	<b>238,978</b>	<b>238,695</b>	<b>238,663</b>	<b>238,557</b>	<b>238,407</b>	<b>238,456</b>	<b>237,996</b>
% Change				-0.32%	-0.01%	-0.23%	-0.09%	-0.01%	0.24%	-0.12%	-0.01%	-0.04%	-0.06%
												0.02%	-0.19%



TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD  
ACTIVE CERTIFICATIONS AND LICENSES  
August 2025

**TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**  
**APPRAISAL MANAGEMENT COMPANY REGISTRATIONS**  
August 2025

FISCAL YEAR	MONTH	Total Apps Received	Total AMC Registrations Issued	Total AMC Renewals Issued
<b>2015 - Total</b>		16	15	17
<b>2016 - Total</b>		10	11	128
<b>2017 - Total</b>		16	15	21
<b>2018 - Total</b>		12	12	121
<b>2019 - Total</b>		8	9	25
<b>2020 - Total</b>		14	15	107
<b>2021 - Total</b>		14	14	34
<b>2022 - Total</b>		20	18	112
<b>2023 - Total</b>		20	21	43
<b>2024</b>	Sept 23	0	0	1
	Oct 23	0	0	8
	Nov 23	1	0	5
	Dec 23	2	3	2
	Jan 24	0	1	2
	Feb 24	2	1	2
	Mar 24	2	0	7
	Apr 24	4	5	14
	May 24	0	2	15
	Jun 24	2	1	24
	Jul 24	2	3	11
	Aug 24	1	1	3
<b>2024 - Total</b>		16	17	94
<b>2025</b>	Sept 24	1	1	6
	Oct 24	0	0	6
	Nov 24	1	1	5
	Dec 24	1	1	3
	Jan 25	0	0	5
	Feb 25	0	0	3
	Mar 25	2	1	2
	Apr 25	0	0	3
	May 25	2	1	5
	Jun 25	1	2	3
	Jul 25	0	1	8
	Aug 25	1	1	2
<b>2025 - Total</b>		9	9	51
<hr/>				
Registrations issued from March 2012 to Aug 2025 <span style="float: right;">361</span> Registrations Expired > 6 months as of Aug 2025 <span style="float: right;">-109</span> Registrations Expired < 6 months as of Aug 2025 <span style="float: right;">-1</span> Registrations Surrendered <span style="float: right;">-30</span> Registrations Revoked <span style="float: right;">-3</span> Registrations Relinquished <span style="float: right;">-40</span> Registrations Re-Issued > 6 months after expiration date <span style="float: right;">-10</span> Federally Regulated AMCs <span style="float: right;">-3</span>				
<hr/>				
<b>TOTAL AMC REGISTRATIONS</b> <span style="float: right;">165</span>				

AMC Registrations Year-Over-Year			
	Total AMC Registrations	Variance	% Change
<b>Fiscal Year 17</b>	172		
<b>Fiscal Year 18</b>	168	-4	-2%
<b>Fiscal Year 19</b>	162	-6	-4%
<b>Fiscal Year 20</b>	163	1	1%
<b>Fiscal Year 21</b>	175	12	7%
<b>Fiscal Year 22</b>	174	-1	-1%
<b>Fiscal Year 23</b>	182	8	5%
<b>Fiscal Year 24</b>	166	-16	-9%

## Licensing Divisions

### Average Number of Calendar Days to Process an Application

Fiscal Year 2025

Sept. 1 2024 - Aug. 31, 2025

#### TREC

##### Real Estate Initial License Applications

Individual Broker	8.62
Business Entity Broker	7.64
Sales Agent	4.95
Registered Business Entity	7.00

##### Inspector Initial License Applications

Professional Inspector	7.30
Real Estate Inspector	7.50
Apprentice Inspector	7.48

##### Easement & Right-of-way (ERW) Initial Registration Applications

ERW Individual	4.25
ERW Business	3.72

#### TALCB

##### Real Estate Appraiser Applications

Certified General Appraiser	6.22
Certified Residential Appraiser	7.47
Licensed Residential Appraiser	5.62
Appraiser Trainee	4.71
Temporary Non-Resident Appraiser	2.13
Reciprocity	2.58

##### Appraisal Management Company Applications

Appraisal Management Company (AMC)	3.22
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# Financial Services Division

## Texas Real Estate Commission Reserves

Reserve Balance  
as of  
09/01/2025

Reserve for Operations	Approved at August 11, 2025 Commission Meeting	\$ 4,904,652.00
Statutory General Revenue Payment Reserve	Approved at August 11, 2025 Commission Meeting	\$ 727,500.00
		<u>\$ 5,632,152.00</u>

Source: FY26 TREC Approved Budget

## **Financial Services Division Texas Appraiser and Licensing Board Reserves**

Reserve Balance  
as of  
09/01/2025

Reserve for Operations	Approved at August 8, 2025 Board Meeting	\$ 1,296,609.00
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