

**AGENCY STRATEGIC PLAN**

**FISCAL YEARS 2017 TO 2021**

**BY**

**TEXAS REAL ESTATE COMMISSION**

**AND**

**TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Avis G. Wukasch, Chair (TREC)**

**2013-2019**

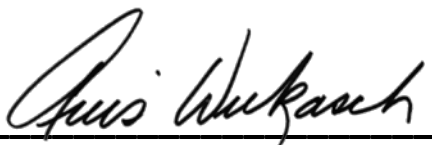
**Round Rock**

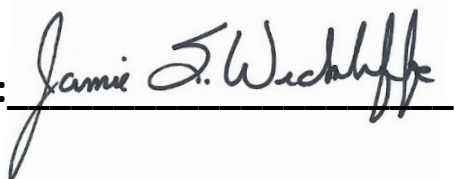
**Jamie S. Wickliffe, Chair (TALCB)**

**2013-2017**

**Midlothian**

**JUNE 21, 2016**

SIGNED: 

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APPROVED: June 20, 2016

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# STRATEGIC PLAN

## **Mission of the Texas Real Estate Commission & 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, home warranty, timeshares and right-of-way services, thereby safeguarding the public interest while facilitating economic growth and opportunity across Texas.

### **Agency 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; and
- strives continuously for effectiveness, efficiency and excellence in our performance.

### **Agency Motto:**

Protecting Texans' Dreams

## Agency Operational Goals and Action Plan

<b>GOAL I ENSURE STANDARDS</b>
<p>To protect the public by ensuring license holders meet the educational, ethical, and legal requirements to provide real estate services in Texas. (Texas Occupations Code, Chapters 1101, 1102, 1103, 1104, and 1303, and Texas Property Code, Chapter 221)</p>
<b>SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL</b>
<p>The Education &amp; Licensing Services Division of the Texas Real Estate Commission (the Commission) and Texas Appraiser Licensing &amp; Certification Board (the Board) ensures compliance with all educational, experience, examination and application requirements through the accurate and timely review and process of applications, renewals, informational changes and histories for real estate brokers or sales agents, appraisers, appraisal management companies, inspectors, and easement or right-of-way registrants.</p> <p>Real estate broker, sales agent, inspector and appraiser applicants must complete qualifying (pre-license) education to meet education requirements. In addition, real estate brokers, inspectors and appraisers must satisfy experience requirements as required by statute to ensure competency.</p> <p>We are committed to ensure license holders receive quality education through oversight of real estate education, including the registration of broker, sales agent and inspector education providers, instructors, and courses for both qualifying and continuing education. Pursuant to legislative requirements, the Commission has established a method for calculating the exam passage rates for Commission approved education providers who offer qualifying real estate and inspector courses. To ensure that quality education is provided to applicants and license holders who offer real estate services, these education providers are ranked based on first time passage rates. An education provider whose ranking is subject to disapproval or revocation when filing an application for subsequent approval will be disapproved to offer courses for that license category.</p> <p>Real estate broker, inspector, and appraiser applicants must pass a comprehensive exam to help ensure they provide competent real estate services after obtaining a license.</p> <p>After the exam is passed and before the issuance of a license, an applicant must undergo a criminal history check which is reviewed by the Standards &amp; Enforcement Services divisions of the Commission and Board to determine if an applicant’s honesty, trustworthiness, and integrity meets statutory and legal requirements. A license is issued only if an applicant meets these standards. To ensure continued protection for the citizens of Texas, a follow-up criminal history check is performed each time a license is renewed.</p> <p>License holders are issued a two-year license and must complete continuing education before each renewal to further support the license holder’s development of skill and competence in providing real estate services to Texas consumers.</p> <p>Through its relationship with the Real Estate Center at Texas A&amp;M, the Commission has created three non-elective continuing education courses that are mandatory for sales agents and certain real estate brokers to complete during each renewal period. These non-elective courses provide consistent delivery of current and relevant information on real estate brokerage services, ethical behavior and supervisory responsibilities for brokers as well as legal updates that emphasize the most recent trends,</p>

developments, case studies, complaints, laws, statutes, regulations, disciplinary actions, and court cases as they relate to Texas real estate license holders. Inspector continuing education also requires the completion of a non-elective Standards of Practice/Ethics/Legal Update course that is specific to inspectors during each renewal period; and appraiser continuing education must include the completion of a USPAP Update course for each renewal that is current to the profession.

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

1. Accountable to tax and fee payers of Texas.

Through the efficient use of personnel and diligent oversight of costs associated with filing fees, the Commission and Board have been successful in reducing application and renewal fees and providing prompt and efficient service to license holders who are Texas citizens. To further reduce the cost of applying, renewing, or making changes to license holder information or supervisory relationships, applicants and license holders are also encouraged to file applications or changes online in lieu of submitting paper applications which require a paper filing fee. The agency will continue to diligently look for ways to reduce costs or to allocate costs more directly with the service being provided. This may include fee reductions or reallocations to achieve cost recovery.

2. Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.

During Fiscal Year 2013 the Education & Licensing Services division processed over 15,320 original applications with 19 full-time employees. As of May 2016 the division employs 18 staff and has processed over 21,237 original applications with three months remaining in this fiscal year. Prior to January 2015 this division was also responsible for the data entry of continuing education for all license holders. Since that date a continuing education posting system has been implemented that enables education providers to post continuing education to the system themselves within ten days of a student's course completion which enables license holders to renew more promptly and efficiently. In addition, through the use of consistent training techniques and cross-training of staff members we are able to maintain the quantity and quality of processing.

3. Effective in successfully fulfilling core functions, measuring success in achieving performance measures and implementing plans to continuously improve.

The division has witnessed a steady increase in the number of applications and license holders over the past three years. As of August 31, 2015, there were over 164,687 real estate sales agents, brokers, inspectors and easement and right-of-way registrants and 7,127 certified or licensed real estate appraisers. Staff recommendations to improve efficiency have enabled us to streamline our processes and functionality. As we receive new applications and as current license holders renew, make inquiries or changes to information, the division is committed to process all documents received within 4-7 business days of receipt. The ability for applicants and license holders to file applications online allows for immediate receipt of an application and more prompt and efficient processing of an application or license holder's supporting documents.

4. Providing excellent customer services.

This division has two staff persons assigned each day to respond to emails and telephone calls that are specific to the processing of applications and renewals within the division. All staff are trained

<p>and rotate this responsibility and provide accurate and complete information to applicants, license holders, and internal staff. They are required to respond to emails and telephone calls within 24 hours and must make notes in the computer system summarizing their response to calls or the content of their emails for use by other agency staff. In addition, staff performs excellent customer service by processing all incoming documents within 4 to 7 business days.</p>
<p>5. Transparent such that agency actions can be understood by any Texan.</p> <p>The Commission and Board maintain websites and publish a newsletter to communicate and keep license holders and Texans informed of Commission and Board actions. The public may also access Commission and Board meetings online through live streaming provided by the agency.</p>
<p><b>DESCRIBE ANY OTHER CONSIDERATIONS RELEVANT TO YOUR GOAL OR ACTION ITEM</b></p> <p>The agency is working with the Facilities Commission and other stakeholders to seek additional options for reducing the occupancy expenses of the agency while allowing for an enhanced development of state resources. This search includes the potential development of an alternate facility for the agency on the highly restricted Lot 19 in the Capitol Complex. Innovative alternatives are being explored.</p>

<p><b>GOAL II ENFORCE REGULATIONS - TREC</b></p>
<p>To safeguard the public interest by effectively and efficiently enforcing the laws and rules of the agency in a fair and consistent manner. (Texas Occupations Code, Chapters 1101, 1102, and 1303, and Texas Property Code, Chapter 221)</p>
<p><b>SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL</b></p> <p>The Texas Real Estate Commission’s Standards &amp; Enforcement Services division (“SES” or “the 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.</p> <p>The complaints primarily concern alleged statutory and administrative violations by 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 and instructors, as well as easement or right-of-way certificate holders. In addition, the division oversees timeshare developers (discussed further below) and residential service companies (discussed further below).</p> <p>Areas requiring additional clarity in rules and practice guidance involve agency disclosures, minimum services, advertising, and accuracy in professional representations and administrative remedies. To address these, the agency will develop a much stronger awareness with Texas consumers to ensure license holder accountability through effective use of the complaint process, and a more robust educational outreach to license holders via mass and targeted communication tools.</p>
<p><b>DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE</b></p> <p>1. Accountable to tax and fee payers of Texas.</p> <p>The Texas Real Estate Commission is committed to the protection of the citizens of Texas. SES accomplishes this through timely, fair, and consistent enforcement of The Real Estate License Act, Commission rules, Chapter 1102 of the Texas Occupations Code (governing real estate inspectors), the Texas Timeshare Act, and the Residential Service Company Act. In addition, TREC SES oversees</p>

the sanctions of license holders and unlicensed persons who have violated various regulatory requirements.

2. Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.

As of May 2016, the SES division has 25 staff positions. In Fiscal Year 2013, the division had 28 staff positions. A few years earlier, the division had 32 staff positions. Despite dropping a large number of staff, the division has efficiently increased the number of closed complaints and lowered the backlog of complaints.

As of August 31, 2015, over 97 percent of complaints were less than a year old. Out of 708 open complaints, only two cases were over two years old, and each of those were pending with another agency (the State Office of Administrative Hearings).

3. Effective in successfully fulfilling core functions, measuring success in achieving performance measures and implementing plans to continuously improve.

During FY 2015, the division opened 2403 cases, and closed 2315 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 of evidence. Once it is determined that the complaint is within the agency's jurisdiction, the agency notifies the license holder or other respondent, gives the person an opportunity to respond, and investigates the complaint.

The division also implements standards, reviews certain applications for a license, and makes determinations of moral character to assess the honesty, trustworthiness, and integrity of applicants. In FY 2015, the division reviewed and closed 768 application investigation cases and moral character determination cases. Most involved an applicant's criminal history.

TREC SES also administers the Texas Timeshare Act. The Act 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 division reviews the registration, and any amendment application, to ensure that it meets the requirements of the Act. TREC will not register a timeshare plan until the plan fully complies with the Act.

In addition to the Timeshare Act, the agency administers the Residential Service Company Act. That Act requires the agency to license any company wishing to offer a home warranty covering existing residential property in Texas. TREC SES monitors residential service companies licensed to conduct business in this state to ensure compliance with the Act, including a company's ability to meet financial obligations to Texas contract holders, and assists consumers with any issues related to claim delays or denials. As of August 31, 2015, there were 36 licensed residential service companies in Texas.

4. Providing excellent customer services.

Each day, Standards & Enforcement Services assigns one lawyer to respond to phone and email inquiries. A phone call must be responded to within four hours and an email within one business day. In addition, the division has a dedicated email address ([enforcement@trec.texas.gov](mailto:enforcement@trec.texas.gov)), and



<p>phone number (512-936-3005). Further, the division has an email address dedicated only to standards issues (application and moral character determinations) (<a href="mailto:standards@trec.texas.gov">standards@trec.texas.gov</a>). The division also maintains an ombudsman to respond to residential service company issues.</p> <p>In addition, as described above, SES resolves thousands of cases, almost all of which are resolved within a year. The division also provides a great deal of information on its website and in the materials at quarterly commission meetings.</p> <p>5. Transparent such that agency actions can be understood by any Texan.</p> <p>The agency maintains a website with a wealth of information (<a href="http://www.trec.texas.gov">www.trec.texas.gov</a> ). On that website, Standards &amp; Enforcement Services maintains information on complaints under the “Complaints, Consumer Info” tab. That link includes information on how to file a complaint, disciplinary actions, and a detailed list of enforcement’s frequently asked questions. The links also contain the relevant statutes and all commission rules (in a .pdf file).</p>
<p style="text-align: center;"><b>DESCRIBE ANY OTHER CONSIDERATIONS RELEVANT TO YOUR GOAL OR ACTION ITEM</b></p> <p>Consumer educational disclosures and standard forms required by the agency to be delivered to customers and clients of license holders will be written in simpler language and strongly branded to increase awareness of the regulatory agency to which complaints may be made. Educational requirements of real estate inspectors under Chapter 1102 are also being reviewed to align them more appropriately with other jurisdictions and focus better on quality versus quantity. Potential for elimination of duplicative consumer protection financial safeguards in Ch. 1102 is also being considered.</p>

<p><b>GOAL II ENFORCE REGULATIONS - TALCB</b></p>
<p>To safeguard the public interest by effectively and efficiently enforcing the laws and rules of the agency in a fair and consistent manner. (Texas Occupations Code, Chapters 1103 and 1104)</p>
<p><b>SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL</b></p>
<p>The Texas Appraiser Licensing and Certification Board’s Standards &amp; Enforcement Services Division (“TALCB SES” or “the division”) investigates and resolves a high volume of signed, written complaints from the public, industry stakeholders and license holders, along with a smaller number of staff-initiated complaints. The division does not accept anonymous complaints and does not conduct covert investigations except when authorized by law. Complaints mostly involve allegations of violations of the Uniform Standards of Professional Appraisal Practice (“USPAP”), the nationwide standards adopted by the Texas legislature as the minimum professional standards for conducting credible and reliable real estate appraisal activity. The division also handles complaints against appraisal management companies (“AMC’s”) for alleged statutory and regulatory violations. In addition, the division processes complaints involving violations by unlicensed persons engaging in activities for which a license is required.</p> <p>The division is also charged with evaluating two aspects of applications for licensure. First, the division reviews the criminal history of appraiser applicants and key personnel of AMC’s. Second the division conducts experience audits of all appraiser licensee applications for all appraiser licensure categories (licensed, certified residential, and certified general), which includes reviewing license holder work product for compliance with USPAP. Consistent with federal oversight requirements and state law, successful completion of the experience audit and criminal history check is a prerequisite to the Board’s issuance of a license to an applicant.</p>

In addition, the division provides assistance to law enforcement and prosecutors upon request through the Texas Residential Mortgage Fraud Task Force (“the Task Force”). Tex. Gov’t Code §§ 402.032 and 402.033 and Tex. Penal Code § 32.32. Law enforcement or prosecutorial agencies may request such assistance by submitting a written request for assistance (“RFA”) to TALCB SES.

In addition, ongoing substantive and procedural changes in federal regulations in the area of appraisals and appraisal management company services will likely require substantive changes in the agency’s guiding laws (Chapter 1103 & 1104) and the rules required to implement the same.

The agency is developing a much stronger awareness with Texas consumers to ensure license holder accountability through effective use of the complaint process, and a more robust educational outreach to license holders via mass and targeted communication tools.

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

1. Accountable to tax and fee payers of Texas.

The Texas Appraiser Licensing and Certification Board protects the citizens of Texas through timely, fair and consistent enforcement of the Texas Appraiser Licensing and Certification Act (Texas Occupations Code Ch. 1103) (the “Act”) and the Texas Appraisal Management Company Registration and Regulation Act (Texas Occupations Code Ch. 1104) (the “AMC Act”). TALCB SES investigates and resolves complaints against licensed appraisers and AMC’s, and where appropriate, takes disciplinary and remedial action to protect the public. TALCB also takes action against unlicensed activity, and cooperates with members of the Texas Residential Mortgage Fraud Task Force and law enforcement / prosecutors upon request for those matters which may involve criminal conduct. The division reviews and audits applicants as required by law to ensure those issued a license have the requisite honesty, trustworthiness and integrity and minimum competency necessary to protect the public.

2. Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.

As of May, 2016 the division has 10 staff positions comprised of 5 investigators, 3 support staff, 1 attorney and a division director. In addition to its 5 staff investigators, the agency augments its investigative staff by relying on Board appointed, volunteer members of the statutorily authorized Peer Investigative Committees (PICs) to review appraisals subject to a complaint. Tex. Occ. Code § 1103.453. Each PIC member is a volunteer who is an active real estate appraiser and AQB Certified USPAP Instructor who meets the qualifying criteria prescribed by the Board. The PIC process is managed by the division director. Despite a reduction in staff from 13 to 10 since 2014, the division has reduced its backlog of aged complaints. During the last 2 federal oversight audits (2014 and 2016) the division achieved the previously elusive 1-year or less timeframe set by the Board’s federal oversight body (the Appraisal Subcommittee (“ASC”)) for resolution of complaints. Most recently, the Board’s program was rated “excellent” (the highest rating available) by the ASC in April, 2016 as a result of their February, 2016 audit. As of May, 2016 TALCB SES manages to resolve most complaint matters within 9 months and triages most complaints within the first 90 days.

3. Effective in successfully fulfilling core functions, measuring success in achieving performance measures and implementing plans to continuously improve.

During FY 2015, TALCB SES received 199 cases and closed 164. In FY 2015 approximately 30% of resolved complaints resulted in disciplinary action, with the remaining roughly 70% being dismissed. The majority of the complaints arise from alleged violations of USPAP, but may also include allegations about unlicensed activity, misleading conduct, or prohibited business practices. After receiving a complaint, the division notifies the license holder and requests that the license holder respond in writing and submit certain documentation responsive to the complaint. If fraud is alleged, the complaint may be handled covertly, as required by the laws governing the Texas Residential Mortgage Fraud Task Force. Once the complaint is screened to ensure the Board has jurisdiction, the division notifies the license holder or other Respondent and gives the person an opportunity to respond. After receipt of the response materials, the complaint is then assigned to an investigator to complete an investigation. At present, roughly two thirds of all complaint matters result in a dismissal after investigation. Dismissals include complaints involving the issuance of non-disciplinary warning letters or contingent dismissals (in which completion of remedial education or mentorship is required prior to dismissal). In the remaining roughly one third of the complaints, disciplinary action is warranted, and the division attempts to resolve the complaint by agreement, consistent with a Board-approved disciplinary matrix adopted by rule. Such agreements take the form of an agreed final order or voluntary surrender of the license and are approved by the Board at their quarterly meeting. If an agreement cannot be reached between staff and the Respondent, TALCB SES pursues formal disciplinary action via the contested case hearing process at the State Office of Administrative Hearings (SOAH). Regular staff meetings and periodic case management meetings are used to ensure complaints are timely processed, investigated and appropriately resolved.

During FY 2015 the division also processed 161 experience audits. Out of those, 14 resulted in application denials. Typically, two properties from the applicant's experience log are requested and reviewed by a staff investigator for general compliance with USPAP. After review of the applicant's work product for USPAP compliance, the investigator makes a recommendation on whether to approve the audit. In certain borderline instances, an applicant is approved contingent upon completion of additional education or mentorship. In addition, all applicants' criminal history is reviewed by staff. Consistent with Tex. Occ. Code Chpt. 53 and Board rules, certain criminal convictions may serve as grounds for denying an application. If denied on either basis, an applicant has 30 days to appeal the denial by notifying the division in writing. Appeals of application denials go through the regular contested case hearing process at SOAH. Regular staff meetings and periodic case management meetings are used to ensure complaints are timely processed, investigated and appropriately resolved.

During FY 2015 the division received 13 RFA's seeking assistance with appraisal related matters involving potential criminal conduct. TALCB SES has been a member of the Task Force since 2008. Since then, 139 requests for assistance from state and federal law enforcement and prosecutorial agencies have been received, 124 of these have been resolved. This assistance has led to several indictments, prosecutions and convictions of licensed appraisers for criminal conduct.

4. Providing excellent customer services.

The division regularly responds to inquiries from the public and license holders most frequently by telephone and e-mail. In fact, the division has a dedicated e-mail address

([enforcement.talcb@trec.texas.gov](mailto:enforcement.talcb@trec.texas.gov)) to serve this purpose. Depending on the nature of the inquiry an investigator or attorney will respond to the inquiry. As of May, 2016 the division maintains a caseload in which most matters are resolved within 9 months and triages cases within the first 90 days in an effort to resolve complaints efficiently so that the concerns and needs of license holders and the public are addressed as promptly as possible. As discussed below, the Board also maintains a website that provides detailed information about the complaint process. Additionally, upon request, TALCB SES holds investigative conferences with Respondents as part of the complaint resolution process or Applicants as part of the audit process in an effort to address their concerns and will occasionally meet with those have filed complaints when necessary to address their concerns.

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

The Board maintains a website ([www.talcb.texas.gov](http://www.talcb.texas.gov)) which provides extensive information about the complaint process to the public, license holders and industry stakeholders alike. Under the “Public” tab on the Board’s home page separate sections addressing a variety of topics, including: (1) consumer information; (2) the complaint filing process; (3) how to obtain public information; (4) a license holder search function, (5) frequently asked questions and news and (6) disciplinary actions are readily available. Links are also provided to a .pdf copy of the Board’s complaint form, as well as a flow chart of the complaint process and links to the agency’s rules and laws. Additionally, in an effort to keep Texas well informed about the regulatory process and new developments in the industry, the Board provides staff to speak throughout the state to stakeholders, trade groups, other associations and public groups, addressing the enforcement process and current topics and trends.

**DESCRIBE ANY OTHER CONSIDERATIONS RELEVANT TO YOUR GOAL OR ACTION ITEM**

Anticipate changes will be needed in the 2017 legislative session to Chapter 1103 and 1104 of the Texas Occupations Code to reflect recent developments in federal appraisal related regulatory laws. Agency will carefully monitor the requirements for staff resources and cost recovery considerations that include potential fee reductions where feasible and appropriate. Agency is prepared to receive license holders currently regulated by other agencies where significant jurisdictional overlap exists.

<b>GOAL III COMMUNICATE EFFECTIVELY</b>
To communicate with license holders and the public by providing reliable information to promote informed decisions in Texas real estate transactions. (Texas Occupations Code, Chapters 1101, 1102, 1103, 1104, and 1303, and Texas Property Code, Chapter 221)
<b>SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL</b>
<ol style="list-style-type: none"> <li>1. Provide exceptional customer service</li> <li>2. Provide accurate and thorough information</li> <li>3. Assist all license holders with online transactions</li> <li>4. Respond to email inquiries within a two business day time frame</li> <li>5. Remain knowledgeable with Rules and Policies in regards to the Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board</li> <li>6. Remain knowledgeable in regards to application processing procedures, fees, and forms</li> <li>7. Respond to Customer Service Surveys within a two business day time frame by phone or email</li> <li>8. Handle all Public Information Act requests in a prompt and professional manner</li> </ol>

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

1. Accountable to tax and fee payers of Texas.

Team members assist license holders with online transactions which eliminates the submission of paper applications along with the paper processing fees.

License holders are informed on their license status which assists them on making decisions of the appropriate time for online renewals.

2. Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.

In FY2014, RCS received a total of 211,819 calls, assisted 4,951 walk-ins, and responded to 66,013 emails. Due to the Internal Messaging System and having Versa Regulation permissions for applications, the numbers improved for FY2015. In FY2015, we received a total of 230,722 calls, 3,152 walk-ins, and responded to 76,718 emails.

The Internal Messaging System and permissions for Versa Regulation, assisted in the completion of calls. Due to having additional time, staff is able to handle more calls and emails which lowered the volume of walk-ins in FY2015.

3. Effective in successfully fulfilling core functions, measuring success in achieving performance measures and implementing plans to continuously improve.

All calls are greeted in a professional manner by confirming they have contacted the Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board. The staff member provides their name and asks how they can assist. Team members provide accurate information in a timely manner. Each call is completed once they have confirmed that all questions and concerns have been addressed.

4. Providing excellent customer services.

The Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board offers exceptional customer service by telephone, emails, and in person. The average hold time on calls is less than 10 minutes and emails are responded within two business days.

Customer Service Surveys are responded to within two business days by phone or email.

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

Information is provided in writing through the Texas Real Estate Commission and Texas Appraiser Licensing and Certification Board websites, TREC Advisor, Social Media, and Strategic planning listening tours.

**DESCRIBE ANY OTHER CONSIDERATIONS RELEVANT TO YOUR GOAL OR ACTION ITEM**

Agency is developing a strong brand and a robust social media presence to more effectively communicate with license holders and especially to directly educate Texas consumers. A new TREC website will be launched in FY17. Working jointly with Texas A&M and other state agencies and

stakeholder associations of license holders, the agency is working to develop a day-long conference on single family real estate issues to reduce barriers to the minimal effective regulation of this key market.

<b>GOAL IV WORK WITH HUBS</b>
To implement purchasing policies encouraging the use of historically underutilized businesses (HUBs). (Texas Government Code, §2161.123)
<b>SPECIFIC ACTION ITEMS TO ACHIEVE YOUR GOAL</b>
<ol style="list-style-type: none"> <li>1. Utilize HUB vendors for non-competitive spot purchases of \$5,000 or less</li> <li>2. Solicit a minimum of three certified HUB vendors for purchases over \$5,000</li> <li>3. Attend HUB related meetings and forums to network with vendors and gain new knowledge of HUB vendors</li> <li>4. Encourage and assist vendors who qualify as HUB vendors to become HUB certified by TPASS and to maintain their HUB certification</li> <li>5. Encourage non-HUB vendors to subcontract with certified HUB vendors, pairing mentors with protégés</li> <li>6. Exceed the bid advertisement requirement of obtaining more than two HUB bids from the Centralized Master Bidders List (CMBL) for purchases over \$2,000</li> <li>7. Maintain positive working relationships with the current HUB vendors</li> <li>8. Track HUB quarterly performance measures</li> </ol>
<b>DESCRIBE HOW YOUR GOAL OR ACTION ITEMS SUPPORTS EACH STATEWIDE OBJECTIVE</b>
<ol style="list-style-type: none"> <li>1. Accountable to tax and fee payers of Texas.  By maintaining a robust program for HUB, we are ensuring that our financial investment in HUB businesses meets the highest standards for quality products and services.</li> <li>2. Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.  By utilizing our historical relationships, we are maximizing our HUB vendor pool.</li> <li>3. Effective in successfully fulfilling core functions, measuring success in achieving performance measures and implementing plans to continuously improve.</li> <li>4. Daily processes for purchasing incorporate activities designed to meet the HUB goal of 30% utilization which we regularly exceed and which is significantly higher than the state average. (see chart).</li> <li>5. Providing excellent customer services.  TREC is committed to excellent customer service which is seen in our HUB vendor relationships and the efforts we take to ensure HUBs are included to encouraged.</li> <li>6. Transparent such that agency actions can be understood by any Texan.  The attached HUB report and chart provide a clear picture of the actions that TREC takes to accomplish the goal.</li> </ol>
<b>DESCRIBE ANY OTHER CONSIDERATIONS RELEVANT TO YOUR GOAL OR ACTION ITEM</b>

## Redundancies and Impediments

<b>Service, Statute, Rule or Regulation (Provide Specific Citation if applicable)</b>	<b>Describe why the Service, Statute, Rule or Regulation is Resulting in Inefficient or Ineffective Agency Operations</b>	<b>Provide Agency Recommendation for Modification or Elimination</b>	<b>Describe the Estimated Cost Savings or Other Benefit Associated with Recommended Change</b>
Tex. Occ. Code 1102.003 requires the agency to maintain a "Recovery Fund" to pay up to \$12,500 toward a loss claim by certain qualified customers with an unpaid civil judgement against a licensed inspector.	Since 2007, Inspectors have been required to provide evidence of a current \$100,000 Errors & Omissions Insurance policy for protection of their customers against certain losses. This has become the primary, adequate protection for Texas consumers.	Repeal the Inspector Recovery Fund, setting a date to resolve any potential claims, and return a portion of the funds to the inspectors who contributed to it, with the balance paid into General Revenue.	A portion of staff time and expenses for the collecting, accounting, investing and remitting of funds allocated by law to this Recovery Fund is estimated at \$26,000.00 annually.
Tex. Occ. Code Ch. 1152 regulates Property Tax Consultants (PTC). Significant PTC work is done by real estate brokers and real property appraisers.	Ch. 1152 is currently administered by TDLR and exempts real estate brokers licensed under Ch. 1101 and real estate appraisers licensed under Ch. 1103, who are regulated by TREC & TALCB respectively.	TREC & TALCB already regulate brokers and appraisers under Ch. 1101 & 1103, providing potentially inconsistent regulatory oversight of persons offering property tax consultant services to consumers.	Modest cost savings to consumers through effective de-confliction of areas of potential overlap in jurisdiction. Additional savings to the industry from regulatory clarity and simplification.
Tex. Occ. Code Ch. 1303 regulates Residential Service Companies – also known as Home Warranty Companies.	Extended warranties on installed appliances, devices, and systems found in homes are being offered by device manufacturers, appliance installers and repair service providers.	Coordinate among TDI, TDLR and TREC to better clarify that extended service contracts on systems found in homes are subject to regulation under Ch. 1303, regardless of the licensing agency for the installer or repairman.	Modest cost savings to consumers through effective de-confliction of areas of potential overlap in jurisdiction. Additional savings to the industry from regulatory clarity and simplification.
DPS (& FBI) requires a new set of fingerprints be obtained each time a Texan needs a criminal history check (CHC) for any official purpose.	Texans are subjected to costly and unnecessary duplication of services to honor a merely bureaucratic concern that can be overcome.	Create a single official repository agency that can be the sole CHC data requestor to meet FBI restrictions. All agencies with fingerprint-based requirements are constituent members of the repository agency.	Significant savings to Texans by allowing them to authorize one set of fingerprints to be used multiple times to access CHC records for various official purposes.

# **SUPPLEMENTAL SCHEDULES**



## Schedule B

### Performance Measure Definitions

#### Goal 01: Ensure Standards

##### Outcome Measures:

###### **(Key) Percent of Applicants Who Pass The Exam (TREC)**

Definition:	The overall percent of individual real estate applicants who pass the examination.
Purpose:	This measures the ability of education providers (who are approved by the Texas Real Estate Commission to offer qualifying courses) to maintain education standards for applicants to achieve initial competence through an examination pass rate of 75 percent annually.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	This measure is the percent of applicants who pass the exam.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target of 75%

###### **(Key) Percent of Applicants Who Pass The Exam (TALCB)**

Definition:	The overall percent of individual appraiser applicants who pass the examination.
Purpose:	This measures the ability of education providers to maintain education standards for applicants to achieve initial competence through an examination pass rate of 75 percent annually.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	This measure is the percent of applicants who pass the exam.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target of 75%

###### **(Key) Percent of License Holders With No Recent Violations (TREC)**

Definition:	The percent of the total number of licensed, registered, or certified license holders at the end of the reporting period who have not incurred a violation within the current and preceding two years (three years total).
Purpose:	Licensing, registering, or certifying individuals helps ensure that practitioners meet legal standards for professional education and practice which is a primary agency goal. This measure is important because it indicates how effectively the agency's activities deter violations of professional standards established by statute and rule.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Standards & Enforcement Services is responsible for this measure.
Methodology:	The total number of license holders currently licensed, registered, or certified by the agency who have not incurred a violation within the current and preceding two years (numerator) is divided by the total number of individuals currently licensed, registered, or certified by the agency (denominator). The numerator for this measure is calculated by subtracting the total number of license holders with violations during the three-year period from the total number of license holders at the end of the reporting period. The denominator is the total number of license holders at the end of the reporting period. The result is multiplied by 100 to achieve a percentage. The period included must be through the last date of the fiscal year being reported.

The period goes back two full fiscal years from the beginning of the current fiscal year. (Example: FY 2015, inception date must be September 1, 2012.) This would include all of FY 2013, all of FY 2014 and all of FY 2015.

Data Limitation:	Economic conditions sometimes impact the number of violations of the License Act and Commission Rules.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

### **(Key) Percent of Licensed Appraisers with No Recent Violations (TALCB)**

Definition:	The percent of the total number of licensed, registered or certified individuals who have not incurred a violation within the current and preceding two years (three years total).
Purpose:	Licensing, registering, or certifying individuals helps ensure that practitioners meet legal standards for professional education and practice which is a primary agency goal. This measure is important because it indicates how effectively the agency's activities deter violations of professional standards established by statute and rule.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The TALCB Director of Standards and Enforcement is responsible for this measure. Data is stored in TALCB's Standards and Enforcement Division and in Versa, the agency's centralized database system.
Methodology:	The total number of individuals currently licensed, registered, or certified by the agency who have not incurred a violation within the current and preceding two years (numerator) is divided by the total number of individuals currently licensed, registered, or certified by the agency (denominator). The numerator for this measure is calculated by subtracting the total number of license holders with violations during the three-year period from the total number of license holders at the end of the reporting period. The denominator is the total number of license holders at the end of the reporting period. The result is multiplied by 100 to achieve a percentage. The period included must be through the last date of the fiscal year being reported. The period goes back two full fiscal years from the beginning of the current fiscal year. (Example: FY 2014, inception date of report must be September 1, 2011.) This would include all of FY 2012, all of FY 2013 and all of FY 2014.
Data Limitation:	Economic conditions as well as federal and state legislation may sometimes impact the number of violations.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

### **(Key) Recidivism Rate for Those Receiving Disciplinary Action (TALCB)**

Definition:	The number of repeat offenders as a percentage of all offenders during the most recent three-year period.
Purpose:	Measures the effectiveness of the enforcement process and of the penalties and sanctions imposed. It may also indicate if changes are needed.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The TALCB Director of Standards & Enforcement Services is responsible for this measure. Data is stored in TALCB's Standards & Enforcement Services Division and in Versa, the agency's centralized database system.
Methodology:	The number of individuals against whom two or more disciplinary actions were taken by the board within the current and preceding two fiscal years divided by the total number of individuals receiving disciplinary actions within the current and preceding two fiscal years. The result is multiplied by 100 to achieve a percentage. Non-jurisdictional complaints are not included in this calculation.
Data Limitation:	Licensee integrity, honesty and education, economic conditions, mortgage fraud, receipt of written complaints, and investigation and board activity all impact this measure. Federal and state legislation may also impact the number of violations.

Calculation Type: Non-cumulative  
 New Measure: No  
 Desired Performance: Lower than Target

## Output Measures:

### (Key) Number of New Licenses Issued To Individuals (TREC)

**Definition:** The number of new licenses issued during the reporting period to previously unlicensed and unregistered individuals and to previously licensed individuals who did not renew timely whose license has been expired more than six months.

**Purpose:** This measure provides data as to the number of individuals who are entering the real estate profession or upgrading to a higher level of licensure, or whose license has been expired more than six months.

**Data Source:** Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.

**Methodology:** Report the number of new licenses issued to previously unlicensed and unregistered individuals and to previously licensed individuals whose license has been expired more than six months. Licenses are counted as new for persons who were previously licensed or whose license has been expired more than six months.

**Data Limitation:** Economic conditions and other factors beyond the agency's control may affect the number of individuals desiring to enter the real estate industry for the first time or return to the industry if previously licensed.

Calculation Type: Cumulative  
 New Measure: No  
 Desired Performance: Higher than Target

### (Key) Number of New Licenses and Certifications Issued to Individuals (TALCB)

**Definition:** The number of new licenses, certifications and registrations issued to previously unlicensed, uncertified, and unregistered individuals during the reporting period and to previously licensed, certified or registered individuals who did not renew timely whose license has been expired more than six months.

**Purpose:** This measure provides data as to the number of individuals who are entering the appraisal profession or upgrading to a higher level of licensure, or whose license has been expired more than six months.

**Data Source:** Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.

**Methodology:** Report the number of new licenses, certifications and registrations issued to previously unlicensed, uncertified, or unregistered individuals and individuals whose license has been expired more than six months. Licenses are counted as new for persons who were previously licensed or whose license has been expired more than six months.

**Data Limitation:** Economic conditions, federal requirements and other factors beyond the agency's control may affect the number of individuals desiring to enter the appraiser industry.

Calculation Type: Cumulative  
 New Measure: No  
 Desired Performance: Higher than Target

### (Key) Number of Licenses Renewed (TREC)

**Definition:** The number of licenses issued during the reporting period to licensed individuals who renewed timely or renewed a license that has been expired six months or less.

Purpose:	This measure provides data on the number of licenses issued during the reporting period to individuals who currently hold a valid license and renewed timely or renewed licenses that has been expired six months or less who wish to remain in the real estate profession.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	This measure is calculated by querying the licensing data base to produce the total number of licenses issued to individuals who currently hold a valid license and renewed timely or who renewed a license that has been expired six months or less.
Data Limitation:	Economic conditions and other factors beyond the agency's control may affect the number of individuals desiring to remain in the real estate industry.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

### **(Key) Number of Licenses and Certifications Renewed (TALCB)**

Definition:	The number of licenses and certifications issued to appraisers who renewed timely or renewed a license that has been expired six months or less.
Purpose:	This measure provides data on the number of licenses issued during the reporting period to individuals who currently hold a valid license, certification, or registration who renewed timely or renewed a license that has been expired six months or less and wish to remain in the appraiser profession.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	This measure is calculated by querying the Texas Real Estate Commission's automated records to produce the total number of licenses issued to individuals who renewed timely or who renewed a license that has been expired six months or less.
Data Limitation:	Economic conditions, success as an appraiser, and other factors beyond the agency's control affect the renewal of appraiser certification and licensing.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

## **Efficiency Measures:**

### **(Key) Percent of New Applications Submitted Online (TREC)**

Definition:	Percent of all new licenses, registrations or certifications issued online to individuals during the reporting period.
Purpose:	To track use of online license issuance service by the licensee population.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records which produce reports of online renewal transactions issued during the reporting period. The Director of Information & Technology Services is responsible for this measure.
Methodology:	Total number of new licenses, registrations, or certifications issued online divided by the total number of corresponding new licenses, registrations, or certifications issued during the reporting period. The result is multiplied by 100 to achieve a percentage.
Data Limitation:	Factors beyond the agency's control may affect this measure.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

**(Key) Percent of New Applications Submitted Online (TALCB)**

Definition:	Percent of all new licenses, registrations or certifications issued online to individuals during the reporting period.
Purpose:	To track use of online license issuance service by the licensee population.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records which produce reports of online license issuance transactions issued during the reporting period. The Director of Information & Technology Services is responsible for this measure.
Methodology:	Total number of new licenses, registrations, or certifications issued online divided by the total number of corresponding new licenses, registrations, or certifications issued during the reporting period. The result is multiplied by 100 to achieve a percentage.
Data Limitation:	Factors beyond the agency's control may affect this measure.
Calculation Type:	Non-Cumulative
New Measure:	No
Desired Performance:	Higher than Target

**(Key) Percent of License Renewals Submitted Online (TREC)**

Definition:	Percent of the total number of licensed, registered or certified individuals that renewed their license, registration, or certification online during the reporting period.
Purpose:	To track use of online renewal service by the licensee population.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records which produce reports of online renewal transactions issued during the reporting period. The Director of Information & Technology Services is responsible for this measure.
Methodology:	Total number of licenses, registrations, or certifications renewed online divided by the total number of corresponding licenses, registrations, or certifications renewed during the reporting period. The result is multiplied by 100 to achieve a percentage.
Data Limitation:	Factors beyond the agency's control may affect this measure.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

**(Key) Percent of License Renewals Submitted Online (TALCB)**

Definition:	Percent of the total number of licensed, registered or certified individuals that renewed their license, registration, or certification online during the reporting period.
Purpose:	To track use of online renewal service by the licensee population.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records which produce reports of online renewal transactions issued during the reporting period. The Director of Information & Technology Services is responsible for this measure.
Methodology:	Total number of individual licenses, registrations, or certifications renewed online divided by the total number of corresponding licenses, registrations, or certifications renewed during the reporting period. The result is multiplied by 100 to achieve a percentage.
Data Limitation:	Factors beyond the agency's control may affect this measure.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

**(Key) Percent of New Applications Processed within 10 Days (TREC)**

Definition:	The percentage of initial individual license applications that were processed during the reporting period within 10 days measured from the time in days elapsed from receipt of the
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application fee until the date the exam eligibility letter is issued to the applicant. This measure includes applications for licenses expired more than six months.

Purpose:	This measures the ability of the agency to process new applications in a timely manner and its responsiveness to applicants.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	This measure counts the number of days elapsed from receipt of the application fee through issuance of the eligibility letter minus the issuance of a curative letter and resolution of the curative before the exam eligibility letter is issued to the applicant. Education and experience requirements must be satisfied before an application is deemed complete. Any eligibility letters issued after 10 days are noted. The number of completed applications where the eligibility letter is issued within 10 days is divided by the total number of completed applications received to obtain a percentage. The result should be multiplied by 100 to achieve a percentage.
Data Limitation:	There are factors beyond the agency's control that would affect this measure. A system failure or other catastrophic occurrence could also cause a delay in the issuance of curative letters or eligibility letters.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

### **(Key) Percent of New Applications Processed within 10 days (TALCB)**

Definition:	The percentage of initial individual license applications that were processed during the reporting period within 10 days measured from the time in days elapsed from receipt of the application fee until the date the exam eligibility letter is issued to the applicant. This measure includes applications for licenses expired more than six months.
Purpose:	This measures the ability of the agency to process new applications in a timely manner and its responsiveness to applicants.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	This measure counts the number of days elapsed from receipt of the application fee through issuance of the eligibility letter minus the issuance of a curative letter and resolution of the curative before the exam eligibility letter is issued to the applicant. Education and (after 1/1/15) experience requirements must be satisfied before an application is deemed complete. Any eligibility letters issued after 10 days are noted. The number of completed applications where the eligibility letter is issued within 10 days is divided by the total number of completed applications received to obtain a percentage. Examination requirements and required experience must be satisfied before an application is deemed complete. Any licenses issued after 10 days are noted. The number of completed applications where the license is issued within 10 days is divided by the total number of completed applications received to obtain a percentage. The result should be multiplied by 100 to achieve a percentage.
Data Limitation:	There are factors beyond the agency's control that would affect this measure. A system failure or other catastrophic occurrence could cause a delay in the issuance of curative letters or eligibility letters.
Calculation Type:	Non-Cumulative
New Measure:	No
Desired Performance:	Higher than Target

### **(Key) Percent of License Renewals Issued within 7 Days (TREC)**

Definition:	The percentage of individual license renewal applications that were processed during the reporting period within 7 days of when the application fee is received.
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Purpose:	This measures the ability of TREC to process renewal applications in a timely manner and its responsiveness to its license holders.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division.
Methodology:	This measure counts the number of days elapsed from receipt of the renewal application fee until the license or registration is issued to the individual. Any licenses issued after 7 days are noted. The number of renewal applications where the licenses or registrations are issued within 7 days is divided by the total number of completed applications received to obtain a percentage. The result should be multiplied by 100 to achieve a percentage.
Data Limitation:	There are factors beyond the agency's control that would affect this measure. A system failure or other catastrophic occurrence could also cause a delay in the issuance of licenses.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

### **(Key) Percent of License Renewals Issued within 7 Days (TALCB)**

Definition:	The percentage of individual license and certification renewal applications that were processed during the reporting period within seven days of when the application fee is received.
Purpose:	This measure indicates the relative efficiency of the TALCB and its service to applicants.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	This measure counts the number of days elapsed from receipt of the renewal application fee until the license, certification, or registration is issued to the individual. Any licenses issued after 7 days are noted. The number of completed renewal applications where the licenses, certifications, or registrations are issued within 7 days is divided by the total number of completed applications received. The result is multiplied by 100 to achieve a percentage.
Data Limitation:	There are factors beyond the agency's control that would affect this measure. A system failure or other catastrophic occurrence could cause a delay in the issuance of licenses.
Calculation Type:	Non-Cumulative
New Measure:	No
Desired Performance:	Higher than Target

## **Explanatory Measures:**

### **Total Number of License Holders (TREC)**

Definition:	Total number of licenses and registrations at the end of the reporting period.
Purpose:	The measure shows the total number of licenses and registrations currently issued.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. The data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	This measure identifies the number of licenses and registrations (brokers, salespersons, inspectors, and easement or right-of-way agents) at the end of the reporting period.
Data Limitation:	Economic conditions and other factors beyond the agency's control may affect the number of individuals desiring to remain in the real estate industry.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

**Total Number of Licenses, Certifications, or Registrations (TALCB)**

Definition:	The total number of licenses, certifications, and registrations issued by TALCB.
Purpose:	This measure identifies the total number of appraiser licenses, certifications, and registrations currently issued.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Education & Licensing Services is responsible for this measure. Data is stored in the Education & Licensing Services Division and in Versa, the agency's centralized database system.
Methodology:	Report the total number of licenses, certifications, and registrations (General Certified, Residential Certified, State Licensed, Trainees, and Non-resident Registrations) issued by TALCB.
Data Limitation:	Economic conditions, federal requirements and other factors beyond the agency's control.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

**Goal 02: Enforce the laws and rules of the agency in a fair and consistent manner**  
**Outcome Measures:****Percent of Complaints Resolved Resulting in Disciplinary Action (TREC)**

Definition:	Percent of complaints which were resolved during the reporting period that resulted in disciplinary action.
Purpose:	This measure is intended to show the extent to which the agency exercises its disciplinary authority in proportion to the number of complaints received. It is important that both the public and license holders have an expectation that the agency will work to ensure fair and effective enforcement of the act and this measure seeks to indicate agency responsiveness to this expectation.
Data Source:	Data is derived from Texas Real Estate automated records. The Director of Standards & Enforcement Services is responsible for this measure.
Methodology:	The total number of complaints resolved during the reporting period that resulted in disciplinary action (numerator) is divided by the total number of complaints resolved during the reporting period (denominator). The result is multiplied by 100 to achieve a percentage. Disciplinary action includes agreed orders, reprimands, advisory letters, suspensions, probation, revocation, restitution, and/or administrative penalties agreed to by the licensee. Complaints determined to be non-jurisdictional are not resolved complaints for purposes of this measure, and application inquiries and moral character determination-related closings are not considered for purposes of this measure.
Data Limitation:	Staffing, data sources, and equipment availability, the facts and law, the complexity of the complaints, legal representation by the respondent, SOAH findings, and Commission action all affect this measure.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Fairly enforce the laws and rules.

**Percent of Complaints Resolved Resulting in Disciplinary Action (TALCB)**

Definition:	The number of complaints which were resolved during the reporting period that resulted in disciplinary action.
Purpose:	This measure is intended to show the extent to which the agency exercises its disciplinary authority in proportion to the number of complaints received. It is important that both the public and license holders have an expectation that the agency will work to ensure fair and effective enforcement of the act and this measure seeks to indicate agency responsiveness to this expectation.



Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The TALCB Director of Standards & Enforcement Services is responsible for this measure. Data is stored in TALCB's Standards & Enforcement Services Division and in Versa, the agency's centralized database system.
Methodology:	The total number of complaints resolved during the reporting period that resulted in disciplinary action (numerator) is divided by the total number of complaints resolved during the reporting period (denominator). The result is multiplied by 100 to achieve a percentage. Disciplinary action includes agreed orders, reprimands, suspensions, probation, revocation, restitution, and/or administrative penalties agreed to by the licensee. Complaints determined to be non-jurisdictional and Requests for Assistance (RFA) are not resolved complaints for purposes of this measure. Requests for Assistance reflect the work performed by TALCB as a result of the statutory requirement in HB 716 to assist law enforcement agencies investigating mortgage fraud cases. Also, complaints resolved through deferred prosecution are not part of this measure.
Data Limitation:	Staffing, data sources and equipment availability, complexity of the complaints, mortgage fraud, legal representation by the respondent, SOAH findings, and Board action all affect this measure. Informal complaint resolution options and increased reporting due to mandatory reporting requirements under the Dodd-Frank Act and jurisdictional expansion over AMCs.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Fairly enforce the laws and rules.

### **(Key) Percent of Complaints Resolved Within Six Months (TREC)**

Definition:	The percent of complaints resolved during the reporting period that were resolved within a six month period from the time they were initially received by the agency.
Purpose:	This measure is intended to show the percentage of complaints which are resolved within a reasonable period of time as well as the effectiveness and efficiency of the enforcement and complaint resolution process.
Data Source:	Data is derived from Texas Real Estate Commission's automated records. The Director of Standards & Enforcement Services is responsible for this measure.
Methodology:	The number of complaints resolved within a period of six months or less from the date of receipt (numerator) is divided by the total number of complaints resolved during the reporting period (denominator). The result should be multiplied by 100 to achieve a percentage. Complaints determined to be non-jurisdictional are not resolved complaints for purposes of this measure, and application inquiries and moral character determination related closings are not considered for purposes of this measure.
Data Limitation:	Workloads and staffing levels, complexity of the complaints, SOAH proceedings, and commission meeting schedules all affect this measure.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

### **(Key) Percent of Complaints Resolved Within Six Months (TALCB)**

Definition:	The percent of complaints resolved during the reporting period that were resolved within a six month period from the time they were initially received by the agency.
Purpose:	This measure is intended to show the percentage of complaints which are resolved within a reasonable period of time as well as the effectiveness and efficiency of the enforcement and complaint resolution process.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The TALCB Director of Standards & Enforcement Services is responsible for this measure. Data is stored in TALCB's Standards & Enforcement Services Division and in Versa, the agency's centralized database system.
Methodology:	The number of complaints resolved within a period of six months or less from the date of receipt (numerator) is divided by the total number of complaints resolved during the reporting period

(denominator). The result should be multiplied by 100 to achieve a percentage. Complaints determined to be non-jurisdictional and Requests for Assistance (RFA) are not resolved complaints for purposes of this measure. Requests for Assistance reflect the work performed by TALCB as a result of the statutory requirement in HB 716 to assist law enforcement agencies investigating mortgage fraud cases.

Data Limitation:	Workloads and staffing levels, complexity of the complaints, SOAH proceedings, board meeting schedules, and Peer Investigative Committees all affect this measure. Also, federal and state legislation may also impact the number of violations.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

## Output Measures:

### **(KEY) Number of Complaints Resolved (TREC)**

Definition:	The total number of complaints resolved during the reporting period.
Purpose:	Measures the efficiency and effectiveness of the enforcement and complaint resolution process and investigative process.
Data Source:	Data is derived from Texas Real Estate Commission's automated records. The Director of Standards & Enforcement Services is responsible for this measure.
Methodology:	The total number of complaints during the reporting period upon which final action was taken by the commission or for which a determination is made that a violation did not occur, regardless of the period in which the complaint was received. A complaint that, after preliminary review, is determined to be non-jurisdictional is not a resolved complaint. Application inquiries and moral character determinations are not complaints for purposes of this measure.
Data Limitation:	Workloads, staffing, and SOAH proceedings affect this measure.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

### **(Key) Number of Complaints Resolved (TALCB)**

Definition:	The total number of complaints resolved during the reporting period.
Purpose:	Measures the efficiency and effectiveness of the enforcement and complaint resolution process and investigative process.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The TALCB Director of Standards & Enforcement Services is responsible for this measure. Data is stored in TALCB's Standards & Enforcement Services Division.
Methodology:	The total number of complaints during the reporting period upon which final action was taken by the board or for which a determination is made that a violation did not occur, regardless of the period in which the complaint was received. Complaints determined to be non-jurisdictional and Requests for Assistance (RFA) are not resolved complaints for purposes of this measure. Requests for Assistance reflect the work performed by TALCB as a result of the statutory requirement in HB 716 to assist law enforcement agencies investigating mortgage fraud cases.
Data Limitation:	Workloads and staffing levels, complexity of the complaints, SOAH proceedings, board meeting schedules, and Peer Investigative Committees all affect this measure.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

## Efficiency Measures:

### (Key) Average Number of Days for Complaint Resolution (TREC)

Definition:	The average length of time to resolve a complaint, for all complaints resolved during the reporting period.
Purpose:	Measures the efficiency and effectiveness of the enforcement and complaint resolution and investigative process.
Data Source:	Data is derived from Texas Real Estate Commission's automated records. The Director of Standards & Enforcement Services is responsible for this measure.
Methodology:	The total number of calendar days per complaint resolved, summed for complaints resolved during the reporting period, that elapsed from the receipt of a request for agency intervention to the date upon which final action on the complaint was taken by the commission (numerator) is divided by the number of complaints resolved during the reporting period (denominator). Application Inquiries and Moral Character Determinations are not complaints for purposes of this measure. The calculation excludes complaints determined to be non-jurisdictional under the agency's statutes.
Data Limitation:	The complexity of cases, staffing, and SOAH proceedings affect this measure.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Lower than Target

### (Key) Average Number of Days for Complaint Resolution (TALCB)

Definition:	The average length of time to resolve a complaint, for complaints resolved during the reporting period.
Purpose:	Measures the efficiency and effectiveness of the enforcement and complaint resolution and investigative process.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The TALCB Director of Standards & Enforcement Services is responsible for this measure. Data is stored in TALCB's Standards & Enforcement Services Division.
Methodology:	The total number of calendar days per complaint resolved, summed for complaints resolved during the reporting period, that elapsed from the receipt of a request for agency intervention to the date upon which final action on the complaint was taken by the commission (numerator) divided by the number of complaints resolved during the reporting period (denominator). The calculation excludes complaints determined to be non-jurisdictional of the agency's statutory responsibilities.
Data Limitation:	The number of pending cases, complexity of the complaints, available staffing, Board meeting schedules, SOAH scheduling and reporting, and funding all may impact this measure.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Lower than Target

## Explanatory Measures:

### Number of Complaints Received (TREC)

Definition:	The total number of complaints received or opened during the reporting period that are within the agency's jurisdiction of statutory responsibility.
Purpose:	The measure shows the number of jurisdictional complaints which helps determine agency workload.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The Director of Standards & Enforcement Services is responsible for this measure.

Methodology:	The agency sums the total number of complaints received for which it has jurisdiction. The agency keeps track of the total number of complaints that are not in its jurisdiction but does not use that figure in this calculation. Application inquiries and moral character determination related closings are not considered for purposes of this measure.
Data Limitation:	TREC does not control who files most complaints or the type of complaints filed, and typically responds only to written and signed complaints.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Fairly enforce the laws and rules.

### **Number of Complaints Received (TALCB)**

Definition:	The total number of complaints received or opened during the reporting period which is within the agency's jurisdiction of statutory responsibility.
Purpose:	This measure shows the number of jurisdictional complaints which helps determine agency workload.
Data Source:	Data is derived from the Texas Real Estate Commission's automated records. The TALCB Director of Standards & Enforcement Services is responsible for this measure. Data is stored in TALCB's Standards & Enforcement Services Division.
Methodology:	The agency sums the total number of complaints received only relative to its jurisdiction. The agency keeps track of the total number of complaints that are not in their jurisdiction but does not use that figure in this calculation. Requests for Assistance are not included in this measure. Requests for Assistance reflect the work performed by TALCB as a result of the statutory requirement in HB 716 to assist law enforcement agencies investigating mortgage fraud cases
Data Limitation:	TALCB does not control who files complaints or the type of complaints filed, and may only respond to written and signed complaints.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

## **Goal 03: To communicate effectively with license holders and the public**

### **Outcome Measures:**

#### **(Key) Percent of Calls with an Average Hold Time of Less Than 10 minutes**

Definition:	The total number of calls received, during the fiscal year, are handled by the communications section from Monday through Friday during an 11 hour daily time frame. The average hold time is less than 10 minutes.
Purpose:	The number of calls handled by the TREC Communications Call Center indicates the percentage of calls that were handled with an average hold time of less than 10 minutes.
Data Source:	Data is derived from the Commission's Centergy Software which produces a report on the average hold time. The Director of Reception & Communication Services is responsible for this measure. Data is stored in the Director of Reception & Communication Services' office.
Methodology:	This measure keeps track of the average length of time calls are in the Queue.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

**(Key) Percent of Emails Responded to Within 2 Working Days**

Definition:	Emails received for TREC Headquarters are handled by the Reception and Communication Services Division. All emails are answered within a two business day time frame.
Purpose:	This measure indicates the information demand of the public and the real estate industry and the corresponding workload of TREC. It also reflects the shift from communication by telephone to e-mail.
Data Source:	The Director of Reception & Communications Services maintains a record on the total number of each e-mail response handled by Reception & Communications Services staff on inquires and requests for information. Records are kept in the office of the Director of Reception & Communications Services.
Methodology:	The Reception & Communication Division's staff provides a count of e-mails, which are submitted to the Division Director, by fiscal year and by month. The total number of emails includes responses from customer service responses.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

**Output Measures:****(Key) Number of Services Accessible on Agency Website**

Definition:	Reflects the total number of services that can be completed through online transactions rather than in person or mail-in transactions.
Purpose:	Encourage the availability of services offered online where a license holder or perspective license holder can complete their inquiry on their schedule.
Data Source:	Data gathered from all online presence by the Director of Information Technology Services and tallied quarterly within a spreadsheet.
Methodology:	Count of online services which resolves a request that would normally be dependent upon interaction with agency staff.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than Target

**(Key) Number of In-Person Inquiries Answered**

Definition:	This figure reflects all walk in's at the TREC headquarters Reception area.
Purpose:	This measure indicates the information demand of the public and the real estate industry. It also reflects the shift from communication by telephone to assisting in person.
Data Source:	Data is collected by the Reception and Communication Services staff that assists the public. The Director of Reception & Communication Services is responsible for this measure. The data is stored in the Director of Reception & Communication Services' office.
Methodology:	This measure identifies the number of walk in's that are being assisted in person.
Calculation Type:	Cumulative
New Measure:	Yes
Desired Performance:	Higher than Target

**(Key) Number of Calls Answered**

Definition:	The figure reflects all calls received at the TREC headquarters Communications Call Center.
Purpose:	This measure indicates the information demand of the public and the real estate industry and the corresponding workload of TREC
Data Source:	Data is derived from the Commission's Centergy Software which produces reports of incoming calls. The Director of Reception & Communication Services is responsible for this measure. Data is stored in the Director of Reception & Communication Services' office.
Methodology:	This measure identifies all calls received at the TREC headquarters Communications Call Center.
Data Limitation:	Factors beyond the agency's control, such as answering questions about new laws, may affect this measure.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

**Number of E-mails Answered**

Definition:	The figure reflects all requests for information received by the Reception & Communications Division via e-mail which were responded to by return e-mail.
Purpose:	This measure indicates the information demand of the public and the real estate industry and the corresponding workload of TREC. It also reflects the shift from communication by telephone to e-mail.
Data Source:	The Director of Reception & Communications Services maintains a record on the total number of each e-mail response handled by Reception & Communications Services staff on inquires and requests for information. Records are kept in the office of the Director of Reception & Communications Services.
Methodology:	The e-mail application on the computers in the Reception & Communications Division provides a count of e-mails, which are filed electronically by fiscal year and by month. This includes responses from customer service responses.
Data Limitation:	Factors beyond the agency's control, such as current economic conditions or the need to answer questions about new laws, may affect this measure.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

**(Key) Number of Online Customer Surveys Received**

Definition:	The figure reflects all requests for information received by the Reception & Communications Division via e-mail which were submitted online through the customer service survey.
Purpose:	This measure indicates the comments that are submitted by the public and the real estate industry.
Data Source:	The Director of Reception & Communication Services maintains a record on the total number of each e-mail response. Records are kept in the office of the Director of Reception & Communications Services.
Methodology:	The surveys provide a count of e-mails, which are filed electronically by fiscal year and by month.
Calculation Type:	Cumulative
New Measure:	Yes
Desired Performance:	Higher than Target

**(Key) Number of Visits to Agency Website**

Definition:	Measure the utilization of the website by the public.
Purpose:	Tracking the utilization will give an indication of usage of the website tool. Usage of the website allows the agency to extend the services provided beyond normal office hours and improves public interaction.
Data Source:	Monthly web analytics log files.
Methodology:	Running of Web Analytic reports product the monthly count of visitors to the site. Track trends through documenting into the WWW pages viewed worksheet.
Calculation Type:	Cumulative
New Measure:	Yes
Desired Performance:	Higher than Target

**Goal 04: Encourage the use of HUBs in purchasing contracts and subcontracts****Output Measures:****Number of HUB contractors contacted for bid proposals**

Definition:	The number of HUB contractors contacted for bid proposals during the reporting period.
Purpose:	It is a statewide initiative to give preference whenever possible to a HUB.
Data Source:	Data is derived from the Texas Real Estate Commission's records. The Director of Staff and Support Services is responsible for this measure. The data is stored in the Staff and Support Services Division.
Methodology:	The measure is a count of the total number of HUB Contracts and Subcontracts that are contacted for bid proposals during the reporting period.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than Target

**Number of HUB contracts awarded**

Definition:	The number of HUB Contracts and Subcontracts awarded during the reporting period.
Purpose:	It is a statewide initiative to give preference whenever possible to a HUB.
Data Source:	Data is derived from the Texas Real Estate Commission's records. The Director of Staff and Support Services is responsible for this measure. The data is stored in the Staff and Support Services Division.
Methodology:	The measure is a count of the total number of HUB Contracts and Subcontracts that are awarded during the reporting period.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than historical average.

**Dollar value of HUB contracts awarded**

Definition:	The total dollar value of HUB Contracts and Subcontracts awarded during the reporting period.
Purpose:	It is a statewide initiative to give preference whenever possible to a HUB.
Data Source:	Data is derived from the Texas Real Estate Commission's records. The Director of Staff and Support Services is responsible for this measure. The data is stored in the Staff and Support Services Division.
Methodology:	The measure is a sum of the dollar amounts of the HUB Contracts and Subcontracts that are awarded during the reporting period.

Calculation Type: Cumulative  
New Measure: No  
Desired Performance: Higher than historical average.

**Explanatory Measures:****Total dollar value of contracts awarded**

Definition: The total dollar value of all Contracts and Subcontracts awarded during the reporting period.  
Purpose: It is a statewide initiative to give preference whenever possible to a HUB.  
Data Source: Data is derived from the Texas Real Estate Commission's records. The Director of Staff and Support Services is responsible for this measure. The data is stored in the Staff and Support Services Division.  
Methodology: The measure is a sum of the dollar amounts of the all Contracts and Subcontracts that are awarded during the reporting period.  
Calculation Type: Cumulative  
New Measure: Yes  
Desired Performance: Higher than Target



## Schedule C

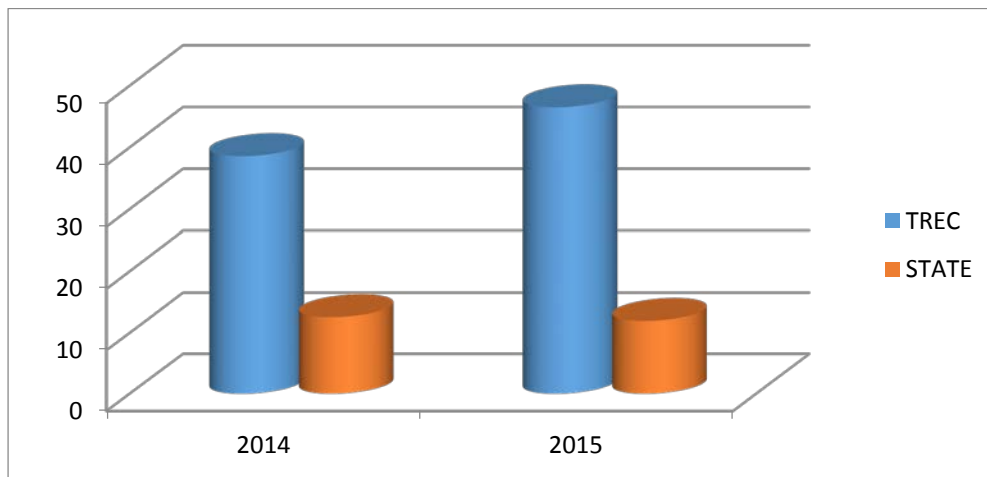
### Historically Underutilized Business Plan

The agency is committed to making a good faith effort to increase business with Historically Underutilized Businesses (HUBs). Staff actively encourages purchasing from HUBs to provide goods and services for the agency’s operations. The agency’s goal is to award 30% of its overall expenditures to HUBs. Agency good faith efforts to promote HUB participation include the following:

- Utilizing HUB vendors for non-competitive spot purchases of \$5,000 or less whenever possible;
- Soliciting a minimum of three bids from certified HUB vendors for purchases over \$5,000;
- Attending HUB related meetings and forums to network with vendors and gain new knowledge of HUB vendors;
- Encouraging and assisting vendors who qualify as HUB vendors to become HUB certified by the Texas Procurement and Support Services Division of the Comptroller’s office and to maintain their HUB certification;
- Encouraging non-HUB vendors to sub-contract with certified HUB vendors; pairing mentors with protégés;
- Exceeding the bid advertisement requirement of obtaining more than two HUB bids from the Centralized Master Bidders List (CMBL) on purchases over \$2,000; and
- Maintaining positive working relationships with current HUB vendors.

The following figure reflects the overall HUB performance of FY 2014 and 2015.

Percentage of HUB Purchases by TREC compared to State



# Schedule F

## Fiscal Year 2017 to 2021 Workforce Plan

### I. Agency Overview

With the advent of the GI Bill providing unprecedented education opportunities for a new generation and the VA Home Loan Guaranty program enabling home mortgage loans with a federal insurance feature, the nation dramatically shifted to a substantial increase in home-ownership potential after World War II. Created in 1949 to respond to this trend, the Texas Real Estate Commission (TREC) administers four laws: Texas Occupations Code, Chapter 1101, the Real Estate License Act; Texas Occupations Code, Chapter 1102, Real Estate Inspectors; Texas Occupations Code, Chapter 1303, Residential Service Companies; and Texas Property Code, Chapter 221, Texas Timeshare Act. TREC is the state's regulatory agency for:

- real estate brokers and salespersons
- real estate inspectors
- real estate appraisers
- appraisal management companies
- education providers for real estate and inspection courses
- residential service companies
- timeshare developers
- easement or right-of-way agents

The Texas Appraiser Licensing and Certification Board (TALCB) was created in 1991 to enable Texas to operate a program for the licensing and oversight of licensed and certified appraisals pursuant to Title XI of the Financial Institutions Regulatory Reform and Enforcement Act (FIRREA). The Board serves as an independent subdivision of the Texas Real Estate Commission with independent rulemaking and disciplinary authority. The main functions of TALCB are to license, register, and certify real estate appraisers in conformity with state law and federal requirements and to administer the Act in the interests of the public. The enabling statutes for TALCB are the Texas Occupations Code, Chapter 1103, the Texas Appraiser Licensing and Certification Act and Texas Occupations Code, Chapter 1104, the Appraisal Management Company Registration and Regulation Act.

The agency's mission is carried out through broad regulatory functions that include issuing licenses, registrations and certificates and related activities; investigating and resolving complaints; participating in administrative disciplinary actions against license holders and others who may violate any of the laws under its jurisdiction; overseeing aspects of real estate education, including the registration of real estate providers, instructors and courses for both pre-licensure and continuing education; and communicating regularly with licensees and the general public to educate them about the many programs administered by the agency.

The agency's main office is located in Austin, Texas. Seven investigators located throughout the state assist in the TREC Standards & Enforcement Services Division. The Commission currently has 100 authorized full time equivalent (FTE) employees, a reduction of 10.5 FTEs from FY 2009. One hundred percent of the funds needed to finance the agency's activities come from fees paid by license holders. The agency is self-directed and semi-independent.

#### A. Agency Mission and Philosophy

##### *Mission of the Texas Real Estate Commission & 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, home warranty, timeshares and right-of-way services, thereby safeguarding the public interest while facilitating economic growth and opportunity across Texas.

##### *Agency 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; and
- strives continuously for effectiveness, efficiency and excellence in our performance.

**B. Strategic Goals and Objectives**

The Texas Real Estate Commission has three main goals and the Texas Appraiser Licensing and Certification Board has a distinct primary goal:

**Ensure Standards**

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

**Strategies** Perform the Commission's licensing function by:  
Reviewing applications  
Issuing exam eligibility letters  
Evaluating education  
Processing criminal history checks  
Issuing licenses

**Enforce TREC Regulations**

**Objective** To resolve 85 percent of documented complaints within six months by 2017.

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

**Communicate Effectively**

**Objective** To maintain a communications center which is available via telephone ten hours daily Monday through Friday and responds to inquiries emails promptly, produce a minimum of eight newsletters annually, and maintain a website that provides clear, concise information through 2017.

**Strategies** 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.

**Implement and Enforce TALCB Standards & Regulations**

**Objective** To maintain procedures to evaluate applicants for honesty, integrity, trustworthiness, competency and legal qualifications to ensure qualified real estate appraisers through 2015.

**Strategies** Perform the Board's licensing function by:  
Processing appraiser license applications  
Issue licenses, certifications, registrations and renewals  
Approve appraisal educational coursework  
Develop standards and agreements for reciprocity with other states for licensing and certification

**Objective** To Enforce the provisions of the Texas Appraiser Licensing and Certification Act and the Uniform Standards of Professional Appraisal Practice and the Texas Appraisal Management Company Registration and Regulation Act by resolving 50 percent of complaints within six months by August 31, 2017.

**Strategies** Investigate and resolve complaints & failures of Uniform Standards of Professional Appraisal Practice (USPAP) standards  
Impose Penalties as Appropriate

### **C. Core Business Functions**

The agency licenses and regulates real estate brokers, sales agents, inspectors, appraisers, appraisal management companies, and easement or right-of-way agents. It also regulates timeshare projects and residential service companies. Its core functions are to issue licenses, registrations and certificates; and to accept and process complaints from consumers against persons regulated by the agency, and in certain cases pay validated claims made on the recovery fund.

### **D. Anticipated Changes in Strategies**

Based on information gathered during the strategic planning process that included feedback from persons subject to the agency's jurisdiction as well as the general public, a number of strengths and weaknesses were identified. The agency's strengths with respect to workforce planning include:

- a set of deeply held core values founded on consumer protection and effective personal service;
- the knowledge, experience, and dedication of an exceptional staff;
- policies, processes, and procedures which have been developed over many years and have come to be accepted by its licensees; and
- open channels of communication with its stakeholders.

The agency's weaknesses include:

- a dedicated commitment to personalized service, which is of tremendous value when it can be achieved without compromising efficiency, but now is undergoing review as the Commission and the Board strive to become more efficient in order to meet high stakeholder expectations;
- insufficient emphasis on many of the "support" functions one would expect to find in an agency overseeing such large and important fields of activity, such as a staff training function to enhance increasing technical requirements of the agency, a robust staff development effort led by the Human Resources function, and a consumer outreach and education function;
- highly detailed historic processes which require the full-time involvement of management in variables arising in day-to-day operations, meaning that strategic initiatives, ongoing process improvements, and similar efficiency measures may be given lower priority than they merit; and
- the ability to attract and retain those individuals who possess the skills and knowledge that are essential tools for the agency to anticipate and respond to technological and market driven change.

## **II. Current Workforce Profile (Supply Analysis)**

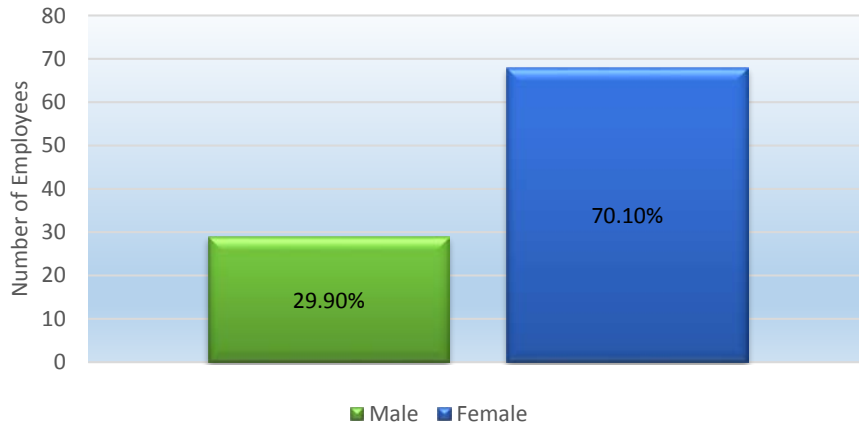
### **A. Workforce Demographics**

The following chart profiles the agency's workforce as of May 23, 2016, based on data from the Uniform Statewide Payroll/Personnel System<sup>1</sup> and includes both full-time and part-time employees. The agency's workforce is comprised of 68 (70.1%) females and 29 (29.9%) males. TREC/TALCB has a mature workforce with employees over age 40 account for 68.04% of the staff. The experience of our workforce tends to be a balance with the average tenure of agency employees being 7.81 years and 48.45% having five or more years of agency service.

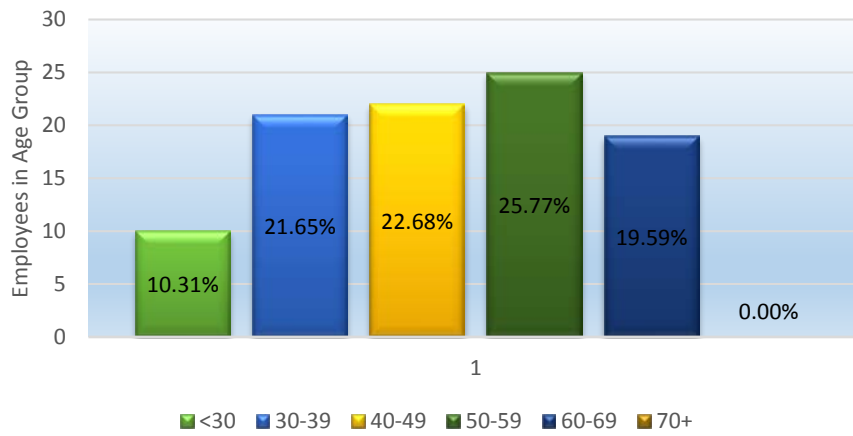
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<sup>1</sup> This analysis does not include board members, commissioners, or temporary employees, such as contract workers.

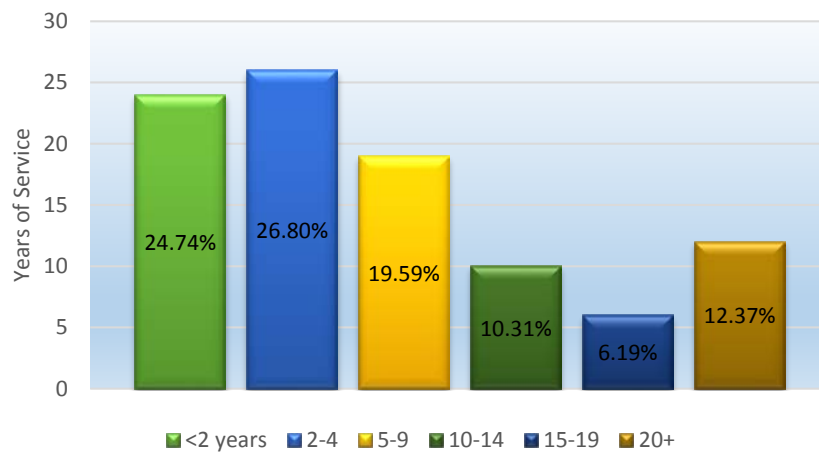
### Gender



### Age



### Tenure



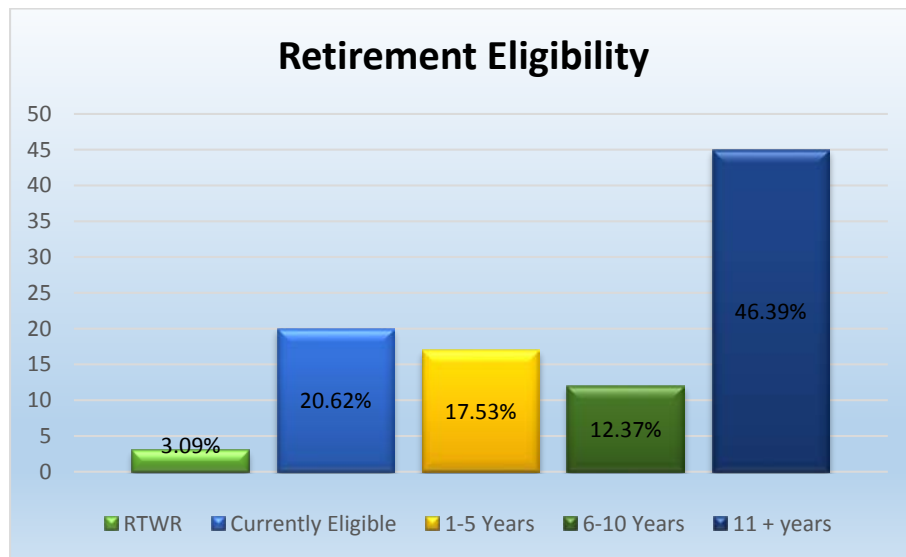
The following table compares the percentage of Black, Hispanic and Female agency employees (as of May 23, 2016) to the statewide civilian workforce<sup>2</sup>. The agency only has one position classified as Paraprofessional (Q), which is included in the Service & Maintenance (M) group. The agency does not employ any Skilled Craft Workers (S) or Protective services (R) positions; therefore, those categories are not included in the chart.

Statewide Civilian Workforce Composition Fiscal Years 2013 – 2014 TREC/TALCB Workforce Composition Fiscal Year 2016						
Job Categories	Hispanic American		African American		Female	
	Texas	TREC	Texas	TREC	Texas	TREC
<b>Officials/Administrators (A)</b>	20.90%	11.11%	7.21%	11.11%	37.48%	55.56%
<b>Professional (P)</b>	18.55%	16.67%	10.96%	2.78%	54.88%	58.33%
<b>Technical (T)</b>	28.82%	20.00%	13.75%	0.00%	51.31%	20.00%
<b>Administrative Support (C)</b>	33.00%	17.39%	13.58%	30.43%	72.80%	86.96%
<b>Service &amp; Maintenance (M)*<sup>3</sup></b>	53.71%	0.00%	12.22%	0.00%	51.35%	100.00%

Overall, the agency is significantly above the state workforce percentages for females. Agency recruitment will continue to seek out various ways to reach those segments of the state workforce that are underrepresented at the agency in an effort to obtain an applicant pool that reflects the diversity of the state and help to reduce the differentials noted above in red.

**B. Retirement Eligibility**

Currently 3.09% of the agency’s workforce is comprised of return-to-work retirees and 20.62% are currently eligible. An additional 17.53% will be eligible to retire during this planning period. With the retirement of these employees the agency will lose institutional knowledge and expertise. The chart below shows the agency’s risk based on retirement eligibility.



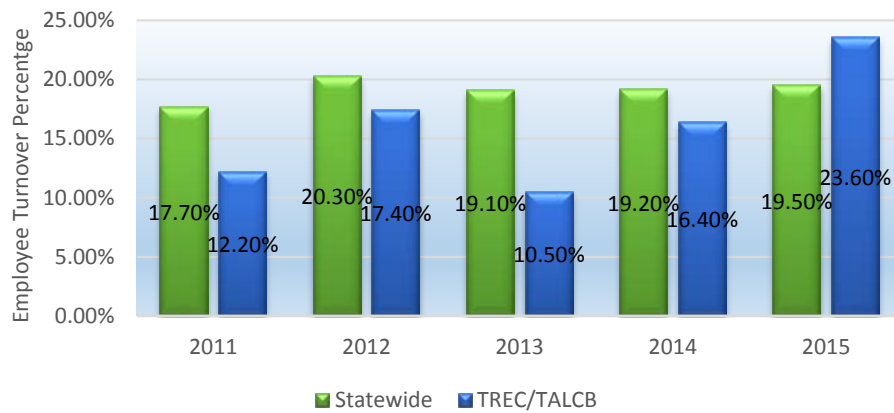
<sup>2</sup> Statewide Civilian Workforce Composition (Table 1 of the Texas Workforce Commission’s January 2015 Equal Employment Opportunity and Minority Hiring Practices Report Fiscal Years 2013-2014). This report only contains data regarding the state’s Caucasian, African-American, Hispanic-American, female, and male workforce.

<sup>3</sup> The January 2015 TWC report has combined the statewide percentages for the Paraprofessionals and the Service & Maintenance EEO categories. Accordingly, there is no statewide paraprofessional statistic available for comparison.

**C. Employee Turnover**

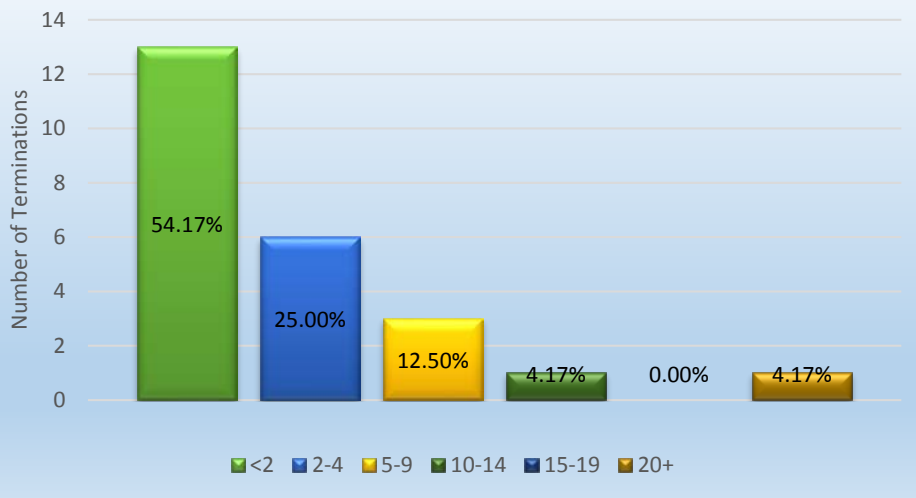
Turnover is an important issue in any organization, and this agency is no exception. The biggest workforce challenge facing the agency is the retention of qualified and experienced staff. The major cause of staff turnover has been employees leaving the agency for more lucrative positions. The agency’s turnover has been greatest in the administrative support positions. The turnover in the Reception & Communication Services and Education & Licensing Services Divisions have impacted the agency the most. The following graph compares the average of agency turnover to the state as a whole.

**Turnover Rate Including Interagency Transfers**



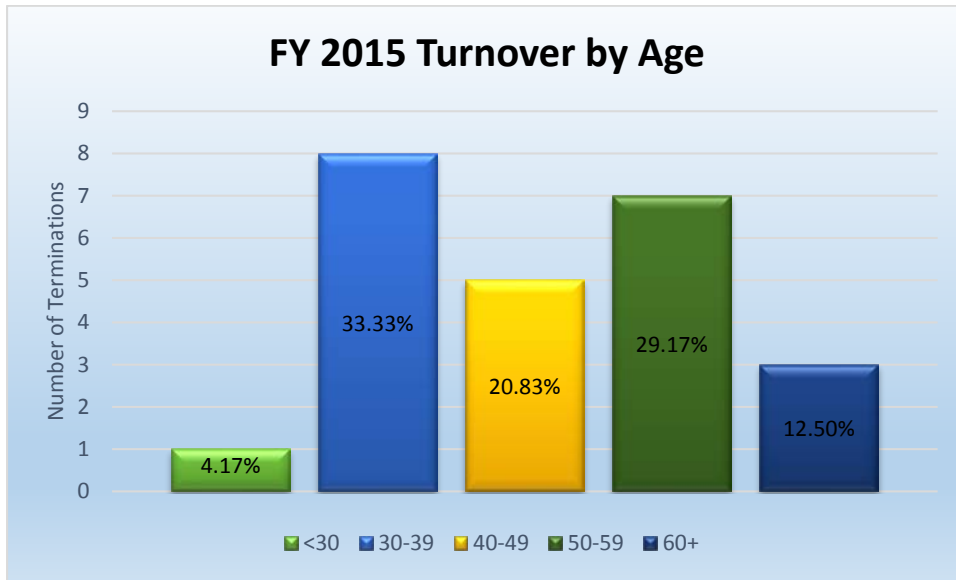
During the last five years the agency has seen a variance in turnover, yet generally remains below the statewide average. Fiscal 2015 saw a higher turnover rate than anticipated with 54.17% of the turnover coming from individuals with less than two years of service. Because of this sharp increase, the agency has begun collecting in house data in addition to the State Auditor’s Offices’ Exit Survey to determine turnover reasons and how to prevent it from becoming a trend. Based on the turnover rate from the last five years, the projected employee turnover rate for the next five years will be between 14% - 16%.

**FY 2015 Turnover by Agency Tenure**



The greatest area of turnover is with employees with less than two years of experience. An average of 13.40% of the agency’s workforce did not make it to two years of tenure with an additional 6.19% having less than five years of tenure in Fiscal Year

2015. In Fiscal Year 2015, employees with less than five years of agency tenure accounted for 79.17% of the agency’s total turnover.



The Agency’s turnover is higher in the 30-39 and 50-59 age groups.

**D. Critical Workforce Skills**

Skills are needed in the following substantive areas in order for TREC/TALCB to accomplish its basic business functions:

- Regulatory and Enforcement
- Financial investment and management
- Investigation
- Appraisal

To succeed at this substantive functions, agency employees also needs skills in:

- Practical knowledge of regulatory processes
- Customer service and interpersonal relationship skills
- Effective written and verbal communication
- Ability to conduct comprehensive and detailed investigations
- Ability to interpret and accurately apply legal statutes and rules
- Knowledge of administrative law processes
- Litigation and alternative dispute resolution experience
- Negotiation, facilitation, and collaboration skills
- Critical thinking, analysis, and problem solving skills
- Information systems development, programming, and maintenance
- Internet systems development, and maintenance
- Network and data center operations support
- Data and information management principles and tools
- Efficient computer systems and peripheral device literacy
- Government and corporate accounting and financial management
- Government purchasing and contract processes
- Human resources planning, recruitment, retention, staff development, and performance management
- Educational curricula development and critical evaluation
- Organizational effectiveness and strategic planning
- Leadership principles and management skills
- Mentoring and coaching techniques and skills



- Effective public presentations to diverse groups
- Public relations management principles and tools
- Inter-governmental relations management skills

### III. Future Workforce Profile (Demand Analysis)

Technology innovation is driving business practice changes in the professions licensed by the agency. More effective communication methods provide better monitoring and oversight of day-to-day activities, allowing branch offices to be established far from the main office of experienced practitioners. Many transactions engaged in by license holders are allowed, and often even required, to deliver services by electronic means across vast information networks in rapid and secure formats. It is a legitimate expectation of the licensee communities and of the consuming public using the services that the agency which oversees and regulates these service providers will not only understand the implications of these changes, but will also enact rules and protections that reflect them.

The present and the future will be one characterized by customer maintained data, rapid and reliable electronic communications, and service delivery. These changing demands for licensing, enforcement, and communicating with license holders and with the public regarding the license holders within the real estate industry subject to the agency's jurisdiction call for the following changes in TREC and TALCB's future workforce:

#### A. *Expected Workforce Changes*

Given the agency's strategic plan priorities, it is anticipated that the workforce will require:

- Increasing emphasis on the use of technology to serve customers and to revise and streamline work processes to make them more efficient and paperless
- An aging, experienced workforce, which may result in retirement of significant historical knowledge, expertise, and experience
- Periodic difficulty in attracting and retaining qualified employees due to fluctuations and cycles in the labor market
- Increased diversity in employee and customer demographics, backgrounds, experience, and other characteristics
- Critical analysis of positions, workflow, and external equity, which may result in reclassifications and salary adjustments

#### B. *Future Workforce Skills Needed*

For the foreseeable future, TREC/TALCB employees will continue to need the critical workforce skills listed above. In addition, the agency may face a continued, and possibly growing, need for the following skills:

- A strong ability and willingness to learn and use new and more advanced computer systems and applications on an on-going basis, to include web-oriented skills.
- To be ready for the projected high number of future retirements and an aging workforce, the agency will need employees with strong skills in:
  - Retention of valued employees
  - Succession planning
  - Knowledge transfer (cross training, process documentation, and mentoring)
  - Recruitment of skilled employees
  - Working effectively with a wider variety of generations
  - Management capable of leading and motivating staff, resolving conflict, and building and maintaining morale, productivity, and loyalty
  - Change management

#### C. *Anticipated increase/decrease in number of employees needed to do the work*

The agency does not anticipate needing additional FTEs. Increased workload demands will be addressed by the reallocation of FTEs within the agency. Increased and changing demands will also be facilitated by optimum utilization of technology and by continuous review and development of efficient work processes.

#### D. *Critical Functions*

The agency's critical functions are:

- Ensuring TREC/TALCB standards

- Enforcing TREC/TALCB regulations
- Providing effective communications to license holders and the public
- Ensuring education curriculum standards development and evaluation

To successfully complete these critical functions, the agency relies on a strong set of support areas with expertise in areas such as:

- Legal services
- Property appraisal
- Information technology
- Financial reporting and management
- Budget
- Communications
- Investigations
- Procurement/travel
- Human resources
- Employee relations
- Governmental relations
- Mail and file management

#### ***E. Outsourcing***

The subject of outsourcing is always appropriate as a tool for exploring efficiencies or as a means to quickly access needed skills until an effective internal capacity is developed. It has been suggested that TALCB explore the concept of contracting with private appraisers as an alternative to or in conjunction with the hiring of additional staff as a means by which to promptly resolve complaint cases in the Standards & Enforcement Services Division. The revitalization of the Peer Investigative Committee function has allowed TALCB SES to access this talent currently on a volunteer basis. Other suggestions involve the outsourcing of certain aspects of information technology services, which the agency will continue to explore in connection with the future development of its core operating database system and website.

### **IV. Gap Analysis**

#### ***A. Anticipated Surplus or Shortage of Workers or Skills***

The agency does not anticipate needing additional FTEs. Increased workload demands will be addressed by the reallocation of FTEs within the agency. Increased and changing demands will also be facilitated by optimum utilization of technology and by continuous review and development of efficient work processes.

Given the agency's current priorities and goals, the agency has been successful in recruiting and hiring qualified employees in professional and administrative positions although there have been difficulties in quickly obtaining a large qualified applicant pool. There is still an ongoing concern regarding turnover and retention. Similarly, an analysis reflects a gap in professional skills necessary to take the agency from a data processing workforce to one with strong critical thinking and information technology skills. The agency has been upgrading positions from lower-level administrative positions to a higher-level information and technology skilled workforce, but still struggles with retaining quality employees.

#### ***B. Potential Skill Shortage/Surplus***

Due to the workforce data and anticipated changes noted above, the agency may experience periodic shortages of employees with the following skills:

- Employees with the technology skills needed to develop, maintain, and fully utilize the agency's continually advancing computer systems
- Employees with the skills needed to lead and motivate staff, communicate effectively, resolve conflict, and coordinate with other program areas in the agency, especially during times of change and challenges, in order to meet agency goals
- Employees with the skills needed to work in and manage others in an environment that is increasingly diverse in terms of age, ethnicity, and other factors
- Employees with the knowledge, skills, abilities, and experience needed to replace future retirees and managers

- prepared to find replacements for these vacated positions
- Employees with the skills needed to hire qualified staff for vacancies that are hard to fill due to fluctuations and cycles in the labor market and/or because of overall labor shortages

## V. Strategy Development

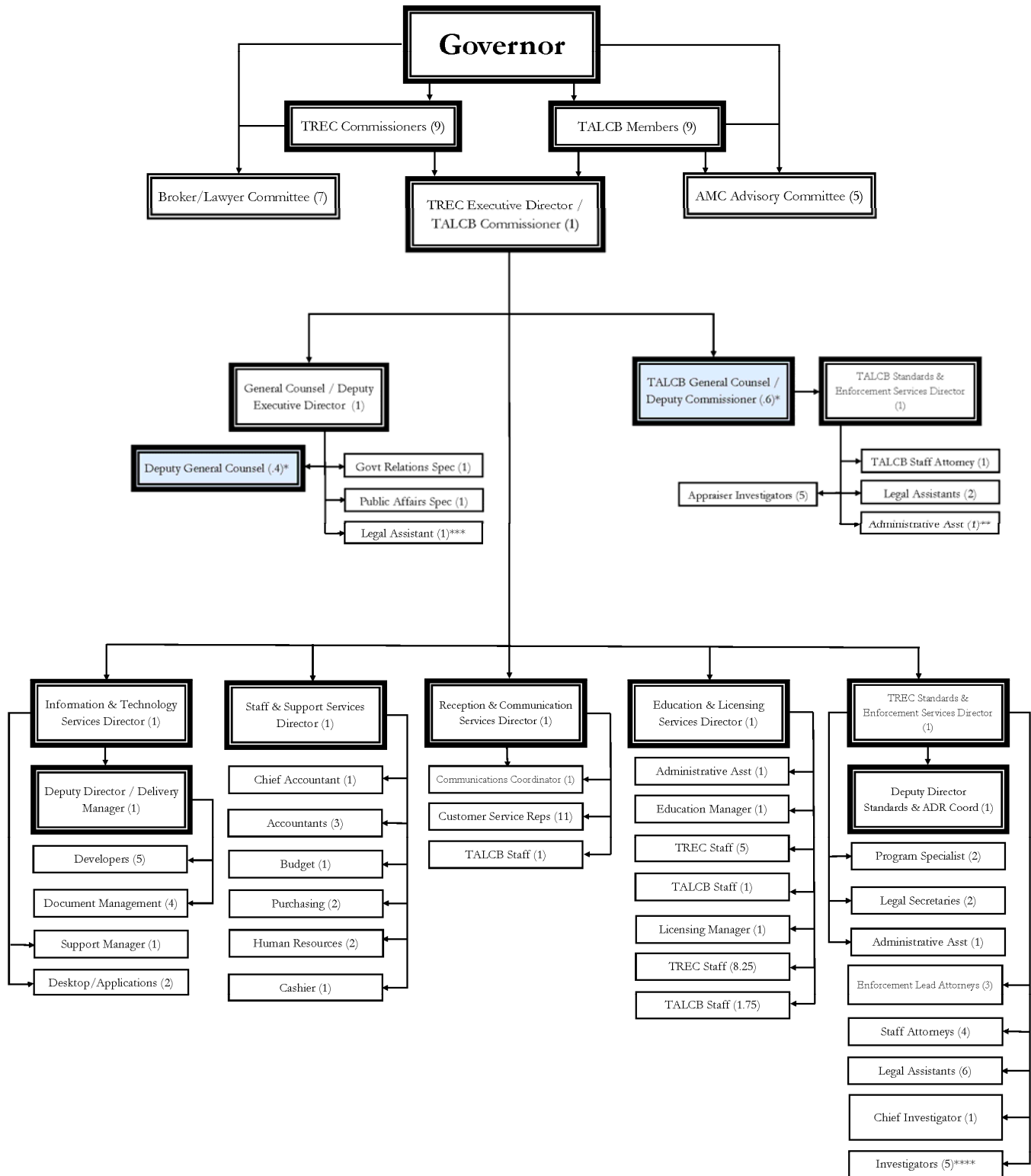
In order to address the deficits between the current workforce and future demands, the agency has developed several goals for the current workforce plan. These are based on a range of factors identified by analyzing the agency and its workforce. Future workforce requirements can be grouped into two key areas, both limited by available funding.

<b>Gap</b>	Continued difficulty in recruitment and retention of new and existing staff
<b>Goal</b>	Retain quality and experienced staff to ensure excellent customer service
<b>Rationale</b>	The agency continues to lose quality employees due to offering salaries that are not competitive in the state or private marketplace.
<b>Action Steps</b>	<ul style="list-style-type: none"> <li>• Develop a compensation philosophy</li> <li>• Determine external and internal benchmarking</li> <li>• Provide equity adjustments as needed</li> <li>• Provide merit adjustments based on performance as needed</li> </ul>
<b>Gap</b>	Employees with the technology skills needed to develop, maintain, and fully utilize the agency's continually advancing computer systems
<b>Goal</b>	Employ staff with the technology skills needed to develop, maintain, and fully utilize the existing and future agency computer systems.
<b>Rationale</b>	As the agency continues to use technology to improve the efficiency and productivity of its work and customer service, the agency will need adequate staffing of qualified information technology staff and employees who are willing and able to learn to use new and more advanced computer systems and applications on an on-going basis.
<b>Action Steps</b>	<ul style="list-style-type: none"> <li>• Recruit employees with highly technical skills to further develop and refine the information management systems</li> <li>• Use and promote internal and external training opportunities</li> </ul>
<b>Gap</b>	Employees with the skills needed to lead and motivate staff, communicate effectively, resolve conflict, and coordinate with other program areas in the agency, especially during times of change and challenges, in order to meet agency goals
<b>Goal</b>	Employ managers who are able to effectively lead, develop, and manage their staff during times of change

<b>Rationale</b>	The agency may periodically make changes. These changes can lead to reduced productivity, morale, loyalty, and increased conflict and turnover. The agency needs employees who are adept at working effectively and productively during times of change
<b>Action Steps</b>	<ul style="list-style-type: none"> <li>• Provide team leads and managers with leadership management training. Include other high-potential employees to prepare them for future leadership roles</li> <li>• Educate agency managers/team leads on leadership skills needed during times of change to help them increase morale, loyalty, optimism, and productivity</li> <li>• Encourage managers to implement appropriate retention strategies</li> <li>• Maintain the agency’s Employee Assistance Program and continue to remind employees of its many services that they can use (or they can refer staff to use) to help employees handle change and stress</li> </ul>
<b>Gap</b>	Employees with the skills needed to work with and manage others in an increasingly diverse work environment
<b>Goal</b>	Employee staff who can effectively work and manage in a diverse environment
<b>Rationale</b>	As Texas and the agency continue to become more diverse in terms of age, ethnicity, language, and other characteristics, agency employees must be able to work with, assist, and manage people with a myriad of differences in order to do the agency’s work and to be the kind of workplace that can attract and retain qualified employees
<b>Action Steps</b>	<ul style="list-style-type: none"> <li>• Provide access to diversity-related training classes</li> <li>• Utilize recruitment strategies in an effort to achieve a qualified, diverse applicant pool that more closely mirrors the civilian workforce</li> <li>• Regularly review agency demographics, looking for trends that suggest areas of further emphasis in development, recruitment, and/or training</li> </ul>
<b>Gap</b>	Employees with valuable institutional knowledge, expertise, and experience; employees needed to fill vacancies; and employees with the skills needed to recruit and hire during a tight labor market
<b>Goal</b>	Maintain a competent and knowledgeable workforce by effectively recruiting, developing, and retaining quality employees
<b>Rationale</b>	Over 40% of the workforce will be eligible to retire by the end of this strategic planning period. This is in addition to non-retirement turnover. The agency must be ready to either fill these vacancies with existing staff, or aggressively recruit from outside the agency
<b>Action Steps</b>	<ul style="list-style-type: none"> <li>• Provide Succession Planning training to managers</li> <li>• Make Human Resources’ staff available for one-on-one assistance with succession plans as needed</li> <li>• Encourage programs to ensure institutional knowledge and important program information is retained with written procedures, cross-training to ensure continuity of business functions and processes (with regular opportunity for practice), and/or mentoring</li> <li>• Provide professional development training to employees</li> <li>• Encourage managers to create programs that allow employees who are seeking new challenges to work on special projects, rotations, and/or developmental assignments (to help them increase their knowledge and experience)</li> <li>• Encourage managers to be proactive in planning employee training to make</li> </ul>

	<p>sure that it provides for their development (perhaps as part of the performance appraisal process)</p> <ul style="list-style-type: none"><li>• Offer and maintain competitive salaries to the extent possible</li><li>• Broadly market agency positions in an effort to achieve a qualified applicant pool</li></ul>
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## *TREC/TALCB Organization Chart*



\* TREC Deputy General Counsel/TALCB General Counsel & Deputy Commissioner positions are held by same person.  
 \*\* TALCB Recording Secretary & TALCB Administrative Assistant positions are held by the same person.  
 \*\*\* TREC Recording Secretary & AMS Legal Assistant positions are held by the same person.  
 \*\*\*\* Investigators are assigned to work with one or more of the four geographic and subject matter teams.

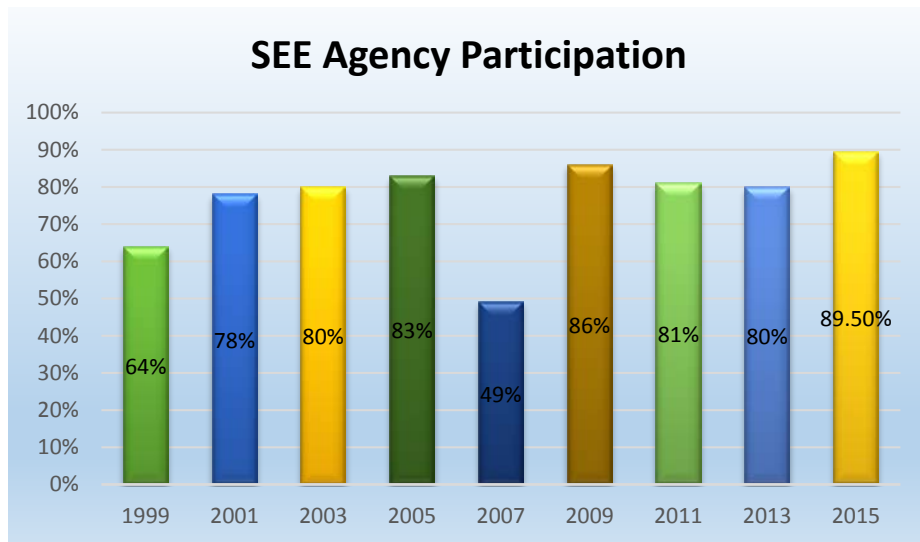
**VI. Survey of Employee Engagement**

TREC/TALCB has participated in the Survey of Employee Engagement (SEE) since the 1999 survey. The survey is used as a means of assessing the employee attitudes towards the agency, identifying employee perceptions of the strengths and weaknesses of the agency, and identifying areas that could be improved.

**Survey Results and Analysis**

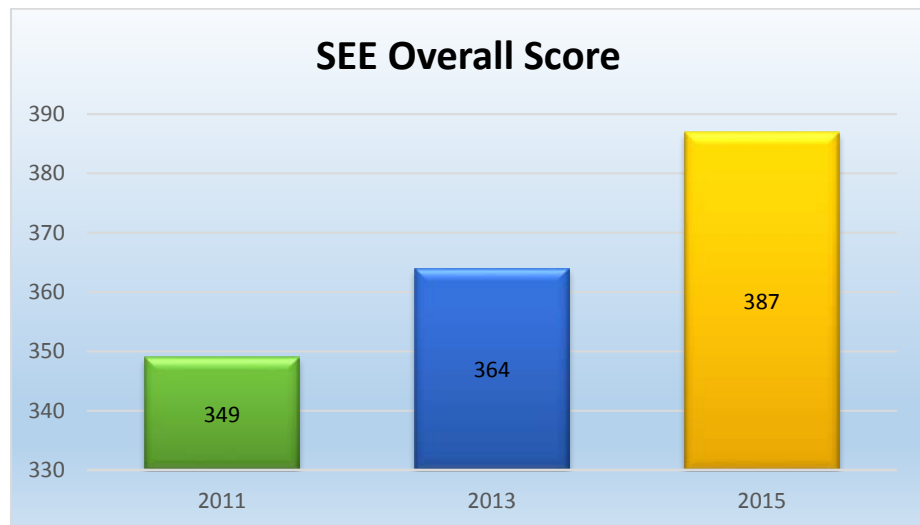
**Response Rate**

The agency’s response to the SEE is considered high. As a general rule, rates higher than 50% suggest soundness. High rates mean that employees have an investment in the organization and are willing to contribute towards making improvements within the workplace. With this level of engagement, employees have high expectations from leadership to act upon the survey results.



**Overall Survey Score**

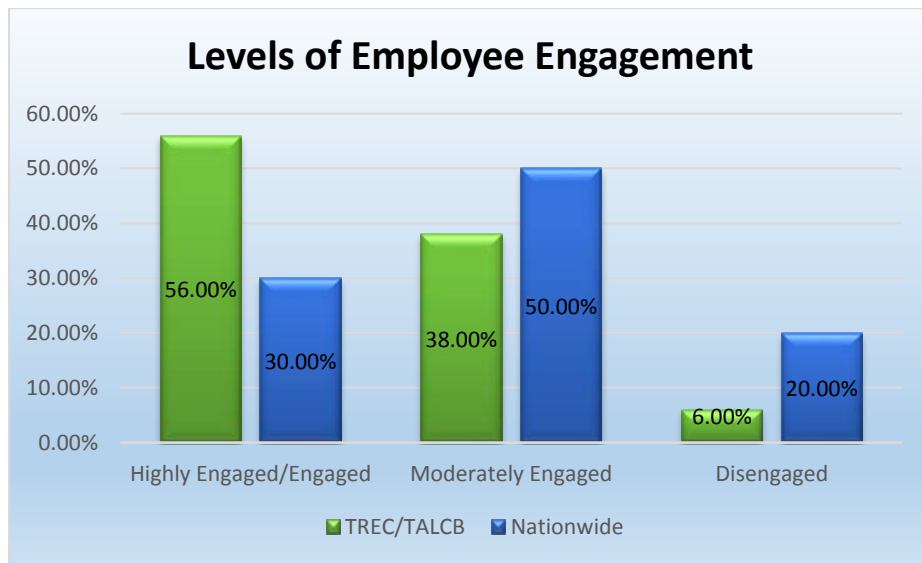
In 2011, the Institute for Organizational Excellence began providing participants with an overall score instead of only scores by constructs. The overall score is a broad indicator for comparison purposes with other entities. While scores above 350 are desirable and ones above 400 are the product of a highly engaged workforce, scores typically range from 325 to 375. TREC/TALCB’s overall score is above average at 387 and scores have consistently increased since 2011.



**Levels of Employee Engagement**

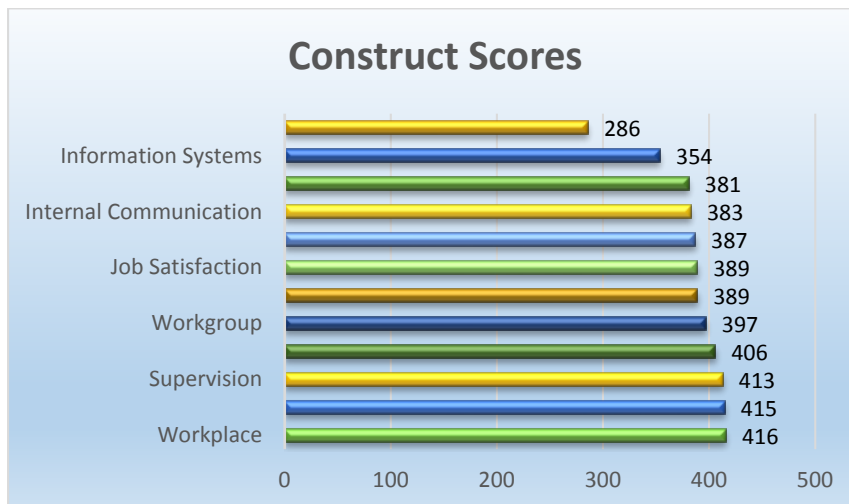
Twelve items crossing several survey constructs assess the level of engagement above individual employees. For TREC/TALCB, 29% of employees are highly engaged, 27% are engaged, 38% are moderately engaged, and 6% are disengaged.

Highly engaged employees are willing to go above and beyond in their employment. Engaged employees are more present in the workplace and show an effort to help out. Moderately engaged employees are physically present, but put minimal effort towards accomplishing the job. Disengaged employees are disinterested in their jobs and may be actively working against their coworkers. The chart below shows how the agency compares to nationwide polling data.



**Constructs**

Constructs capture the concepts most utilized by leadership and drive organizational performance and engagement. Each construct is displayed below with its corresponding score. Constructs are listed from lowest score to highest. Scores typically range from 300 to 450, and 350 is a tipping point between positive and negative perceptions. The agency has 11 scores above 350 and 4 over 400, indicating an overall positive perception from employees.





The agency's areas of strength include:

- **Workplace** – The workplace construct captures employee's perceptions of the total work atmosphere, the degree to which they consider it safe, and the overall feel. Higher scores suggest that employees see the setting as satisfactory, safe, and that adequate tools and resources are available.
- **Strategic** – The strategic construct captures the employees' perceptions of their role in the organization and the organization's mission, vision, and strategic plan. Higher scores suggest that employees understand their role in the organization and consider the organization's reputation to be positive.
- **Supervision** – The supervision construct captures employees' perceptions of the nature of supervisory relationships within the organization. Higher scores suggest that employees view their supervisors as fair, helpful, and critical to the flow of work.

The agency's areas of concern include:

- **Pay** – The pay construct captures employees' perceptions about how well the compensation package offered by the organization holds up when compared to similar jobs in other organizations. Lower scores suggest that pay is a central concern or reason for discontent and is not comparable to similar organizations.
- **Information Systems** – The information systems construct captures employees' perceptions of whether computer and communication systems provide accessible, accurate, and clear information. The lower the score, the more likely employees are frustrated with their ability to secure needed information through current systems.
- **Employee Development** – The employee development construct captures employees' perceptions about the priority given to their personal and job growth needs. Lower scores suggest that employees feel stymied in their education and growth in job competence.

## Climate

The climate in which employees work does, to a large extent, determine the efficiency and effectiveness of an organization. The appropriate climate is a combination of a safe, non-harassing environment with ethical abiding employees who treat each other with fairness and respect. Moreover, it is an organization with proactive management that communicates and has the capability to make thoughtful decisions. Below are the percentages of employees who marked disagree or strongly disagree for each of the climate items.

- 16.7% of employees participating in the survey feel there are not enough opportunities to give supervisor feedback.
- 16.7% of employees participating in the survey believe the information from this survey will go unused.
- 13.3% of employees participating in the survey feel that upper management should communicate better.
- 6% of employees participating in the survey feel they are not treated fairly in the workplace.
- 2.4% of employees participating in the survey feel that workplace harassment is not adequately addressed.
- 1.2% of employees participating in the survey feel there are issues with ethics in the workplace.

## Plans for Continued Improvement

In addition to the SEE, the agency participates annually in the Best Places to Work survey. Results from both surveys were provided to all employees via email and at agency-wide staff meetings. Senior management continues to discuss how to improve results and periodically surveys all staff members to gain their feedback prior to implementing changes resulting from the survey. The agency is committed to researching and/or improving all areas that employees perceive as areas of concern.

TREC/TALCB considers the agency's participation in the SEE as a valuable tool for improving agency operations. The agency will participate in future surveys with a goal to increase participation and improve key indicators related to employee engagement. Comparison of future results with these goals, as well as with the benchmarks, will enable the agency to further define methods for addressing the needs of the agency and its employees.

## Schedule G

### Report on Customer Service

#### INFORMATION-GATHERING METHODS

The Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing and Certification Board (TALCB) provide a customer service survey on the agency's website for customers of the agency to offer feedback regarding their satisfaction with agency performance. A link to this survey is also sent in any reply to persons who contact the agency by email. Individuals are asked to rate the agency's performance in a number of areas by providing a ranking of Excellent, Good, Fair, Poor, or No Response. The form is designed to collect customer satisfaction feedback on seven customer service quality elements:

- Facilities
- Staff
- Communications
- Internet website
- Complaint-handling process
- Service timeliness
- Printed information

#### AGENCY INVENTORY OF EXTERNAL CUSTOMERS

- Real Estate Sales Agents
- Real Estate Broker/Business Entities
- Real Estate Appraiser
- Real Estate Inspector
- Education Provider and Instructors
- Residential Service Companies (Home Warranty Companies)
- Timeshare Developers and Projects
- Easement or Right-of-Way Agent
- Buyer or Seller of Real Estate
- Real Estate Services Industry
- Mortgage Lending Industry
- Other

#### TYPES OF SERVICES PROVIDED TO CUSTOMERS

- Responding to inquiries by phone, email, and in person
- Issuing new and renewal licenses
- Accrediting real estate education providers
- Approving real estate instructor and course content
- Handling written complaints
- Prosecuting administrative hearings
- Monitoring residential service companies and timeshare registrations
- Providing comprehensive public access to information via email and internet access
- Processing original and renewal licenses via internet access
- Constituent relations for legislators and staff
- Providing consumer protection, education and access to information about the commission and our license holders via our website, news releases and newsletters
- Legislative and rulemaking interpretation. Communication of changing rules and laws to license holders and public.

**CUSTOMER-DETERMINED SERVICE QUALITY SURVEY RESULTS: 09/01/2014 – 08/31/2015**

<b>Responses by Relationship to the Agency</b>	<b># of Responses</b>	<b>% of Total</b>
R.E. Sales Agent	308	50.7%
R.E. Broker	136	22.4%
R.E. Appraiser	24	4.0%
R.E. Inspector	24	4.0%
Education Provider or Instructor	7	1.2%
Residential Service company	0	0.0%
Timeshare Developer	0	0.0%
Easement Or Right-of-Way Agent	6	1.0%
Buyer or Seller of Real Estate	7	1.2%
Real Estate Services Industry	3	0.5%
Mortgage Lending Industry	1	0.2%
Other	32	5.3%

<b>Number of Contacts with the Agency</b>	<b># of Responses</b>	<b>% of Total</b>
One Time	297	48.9%
Two to Five Times	227	37.4%
More Than Five Times	83	13.7%

<b>Source of Responses</b>	<b># of Responses</b>	<b>% of Total</b>
Renewal Packet Form (p)	0	0.0%
Web-based Survey (w)	607	100.0%

<b>Purpose of Contact</b>	<b># of Responses</b>	<b>% of Total</b>
License Application Status	152	25.0%
License Renewal Information	252	41.5%
File or Respond to Complaint Against License Holder	2	0.3%
Obtain Forms/Publications	12	2.0%
Name/Address Change	38	6.3%
Public Information About Real Estate Laws	7	1.2%
Problem Dealing With Agency	14	2.3%
Open Records Request	11	1.8%
Inquiry About Obtaining a License	33	5.4%
Interpretation of Law or Rules	19	3.1%
Other	181	29.8%

## CUSTOMER-DETERMINED SERVICE QUALITY SURVEY RESULTS: 09/01/2014 – 08/31/2015 (CONTINUED)

<b>Communication</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>
Quality of Written Materials	38.7%	23.4%	14.2%	23.8%
Telephone Assistance	21.5%	13.9%	11.6%	53.0%
Email Assistance	42.9%	15.6%	13.2%	28.2%

<b>Customer Service Process</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>
Ease of Filing a Complaint	28.9%	14.1%	16.9%	40.1%
Ease of Bringing Concerns	31.8%	11.1%	9.2%	47.9%

<b>Timeliness of Response</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>
Waiting Time in Person	32.8%	19.1%	13.7%	34.4%
Waiting Time by Letter	24.5%	8.5%	14.9%	52.1%
Waiting Time by E-mail	41.5%	16.4%	15.4%	26.8%
Waiting Time by Phone	12.5%	15.5%	9.4%	62.6%

<b>Resolution of Customer Request</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>
Adequacy/Appropriateness	41.5%	12.8%	9.1%	36.6%
Explanation of Resolution	37.2%	10.9%	11.9%	40.0%

<b>Staff</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>
Knowledge	50.9%	18.2%	12.9%	17.9%
Courtesy	53.0%	19.4%	10.2%	17.4%
Follow-Through	45.3%	11.5%	8.8%	34.5%

<b>Facility</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>
Signage	27.7%	40.4%	14.9%	17.0%
Accessibility	36.2%	29.8%	17.0%	17.0%
Cleanliness	34.1%	40.9%	11.4%	13.6%

<b>Web Site</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Poor</b>
Ease of Finding Information	24.3%	26.8%	24.6%	24.3%
Quality of Information	26.3%	30.3%	19.8%	23.6%

**CUSTOMER SATISFACTION ASSESSMENT ANALYSIS**

For FY2015, responses were generally favorable in regards to the knowledge and courtesy of staff, and email assistance.

Responses to questions related to wait time by phone elicited neutral to poor responses. During the most recent biennium, the agency allocated additional resources to increase consumer satisfaction for those customers communicating with the agency electronically or by telephone. The wait time on telephone is an average of less than 10 minutes. Additionally, the agency redesigned the TALCB website during the last biennium. The improved website is designed to enhance TALCB’s internet presence and improve the online experience for both license holders and the public, by increasing the availability of online services and consumer information and reducing the need to contact agency directly. The agency is in the process of doing the same for the TREC website.

The Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board are committed to continual improvement in all areas based on input from license holders and members of the public.

**PERFORMANCE MEASURES RELATED TO CUSTOMER SERVICE STANDARDS AND SATISFACTION**

COMMUNICATIONS				
	FY2015		FY2016*	
<b>Outcome Measures</b>				
• % of surveyed customer respondents expressing overall satisfaction with services received (excellent/good/fair)	65%		70%	
• % of surveyed customer respondents identifying ways to improve service delivery (poor)	35%		30%	
<b>Output Measures</b>				
• Total Customers Surveyed	607		650	
• Total Customers Served ( <i>Walk-ins</i> )	3,152		1,427	
• Total number of phone calls received	230,722		136,747	
• Total number of electronic contacts received ( <i>Emails</i> )	76,718		41,102	
• Total number of unique visits to the agency website	1,936,672		1,111,7047	
• Total number of services available via the agency website	64		64	
<b>Efficiency Measures</b>				
Cost per customer surveyed	\$0.00		\$0.00	
<b>Explanatory Measures</b>				
• Number of Customers Identified	310,592		185,276	
• Number of customer groups inventoried	12		12	
LICENSING				
	FY2015		FY2016*	
	TREC	TALCB	TREC	TALCB
<b>Efficiency Measures</b>				
% of individual license renewals issued within 7 days	96.74%	91.63%	97.53%	89.18%
<b>Explanatory Measures</b>				
Total # of individuals licensed	164,687	6,173	169,322	7,267

PERFORMANCE MEASURES RELATED TO CUSTOMER SERVICE STANDARDS AND SATISFACTION (CONT.)				
ENFORCEMENT				
	FY2015		FY2016*	
	TREC	TALCB	TREC	TALCB
<b>Outcome Measures</b>				
% of documented complaints resolved within 6 months	62.82%	30.67%	65.18%	20.56%
<b>Output Measures</b>				
Total # of complaints resolved	1117	150	494	107
<b>Efficiency Measures</b>				
Average time for complaint resolution (in days)	160.8	325.9	157.6	300.2
<b>Explanatory Measures</b>				
Total # of jurisdictional complaints	1182	182	525	82

\*Numbers for FY2016 are as of the end of the 2nd quarter of FY2016

# Schedule H

## Assessment of Advisory Committees

**ASSESSMENT OF ADVISORY COMMITTEES**  
April, 2016  
329 - Texas Real Estate Commission

To assist in the process required by Chapter 2110, Texas Government Code, state agencies should submit an assessment of advisory committees using the format provided. Please submit your assessment for each advisory committee under your agency's purview. Include responses for committees created through statute, administrative code or ad-hoc by your agency. Include responses for all committees, whether ongoing or inactive and regardless of whether you receive appropriations to support the committee. Committees already scheduled for abolishment within the 2016-17 biennium are omitted from the scope of this survey. When submitting information for multiple advisory committees, right-click the sheet "Cmte1", select Move or Copy, select Create a copy and move to end.

NOTE: Only the items in blue are required for inactive committees.

**SECTION A: INFORMATION SUBMITTED THROUGH ADVISORY COMMITTEE SUPPORTING SCHEDULE IN LEGISLATIVE APPROPRIATIONS REQUEST**

<b>Committee Name:</b>	AMC Advisory Committee		
<b>Number of Members:</b>	5		
<b>Committee Status (Ongoing or Inactive):</b>	Ongoing	Note: An Inactive committee is a committee that was created prior to the 2014-15 biennium but did not meet or supply advice to an agency during that time period.	
<b>Date Created:</b>	9/1/2011	<b>Date to Be Abolished:</b>	N/A
<b>Budget Strategy (Strategies) (e.g. 1-2-4)</b>	N/A - SDSA Agency	<b>Strategy Title (e.g. Occupational Licensing)</b>	
<b>Budget Strategy (Strategies)</b>	N/A - SDSA Agency	<b>Strategy Title</b>	
<b>Advisory Committee Costs: This section includes reimbursements for committee member costs and costs attributable to agency staff support.</b>			
<b>Committee Members' Direct Expenses</b>		<b>Expended Exp 2015</b>	<b>Estimated Est 2016</b>
	Travel	\$629	\$0
	Personnel	\$375	\$0
	Number of FTEs	0.0	0.0
	Other Operating Costs	\$0	\$0
	<i>Total, Committee Expenditures</i>	<i>\$1,004</i>	<i>\$0</i>
<b>Committee Members' Indirect Expenses</b>		<b>Expended Exp 2015</b>	<b>Estimated Est 2016</b>
	Travel	\$0	\$0
	Personnel	\$4,839	\$4,984
	Number of FTEs	7.0	7.0
	Other Operating Costs	\$0	\$0
	<i>Total, Committee Expenditures</i>	<i>\$4,839</i>	<i>\$4,984</i>
<b>Method of Financing</b>		<b>Expended Exp 2015</b>	<b>Estimated Est 2016</b>
	Method of Finance		
		\$0	\$0
		\$0	\$0
		\$0	\$0
		\$0	\$0
		\$0	\$0
	<b>Expenses / MOFs Difference:</b>	<b>\$5,843</b>	<b>\$4,984</b>
<b>Meetings Per Fiscal Year</b>		0	0
<b>Committee Description:</b>	The Appraisal Management Company (AMC) Advisory Committee was established to advise the Texas Appraiser Licensing & Certification Board (TALCB or Board) and make recommendations on matters related to the regulation of AMCs under Chapter 1104, Texas Occupations Code. The AMC Advisory Committee consists of the Vice Chair of the Board, who serves as the presiding officer of the committee, and four members appointed by the Governor, two of whom are designated as the controlling person of an AMC and two of whom are public members with recognized business ability.		

State / Federal Authority	Select Type	Identify Specific Citation
State Authority	Statute	Tex. Occ. Code §1103.159
State Authority	Admin Code	22 TAC, Chapter 159, Rules Relating to the Provisions of the Texas Appraisal Management Company Registration and Regulation Act
State Authority		
Federal Authority		
Federal Authority		

**SECTION B: ADDITIONAL COMMITTEE INFORMATION**

Committee Bylaws: Please provide a copy of the committee's current bylaws and most recent meeting minutes as part of your submission. See committee reports.

1. When and where does this committee typically meet and is there any requirement as to the frequency of committee meetings?

The committee typically meets at the Board offices in Austin, TX. There is no required frequency to hold committee meetings; however, the committee generally meets quarterly, in advance of the quarterly Board meetings.

2. What kinds of deliverables or tangible output does the committee produce? If there are documents the committee is required to produce for your agency or the general public, please supply the most recent iterations of those.

The AMC Advisory Committee is not required to produce any documents or other tangible output for either the Board or the general public. However, the committee typically produces a report that describes the issues considered at each committee meeting. This report serves as the committee's minutes and is presented at Board meetings. As a general practice, the committee will submit its recommendations to the Board in the form of proposed rules or proposed amendments to existing rules.

3. What recommendations or advice has the committee most recently supplied to your agency? Of these, which were adopted by your agency and what was the rationale behind not adopting certain recommendations, if this occurred?

In FY2015, the AMC Advisory Committee advised the Board on various matters regarding the regulation of AMCs and suggested revisions to Board rules related to AMCs as part of the agency's quadrennial rule review. The changes recommended by the committee included revisions to simplify and clarify the Board rules, allowing an AMC to renew its license on inactive status, and reducing the percentage of annual appraisal reviews AMCs are required to conduct. The Board accepted many of the recommendations and revisions suggested by the committee. The Board did not accept the recommendation to reduce the percentage of annual reviews that AMCs are required to conduct because the Board found insufficient data to support the reduction, and the Board was concerned that the reduction could lessen consumer protection.

4a. Does your agency believe that the actions and scope of committee work is consistent with their authority as defined in its enabling statute and relevant to the ongoing mission of your agency?

Yes

4b. Is committee scope and work conducted redundant with other functions of other state agencies or advisory committees?

No

5a. Approximately how much staff time (in hours) was used to support the committee in fiscal year 2015?

131.0

5b. Please supply a general overview of the tasks entailed in agency staff assistance provided to the committee.

Agency staff assists the committee by preparing materials and reports for committee meetings; helping the committee chair prepare the agenda; posting the agenda and materials on the agency's website and distributing same to the committee members; researching issues and providing documentation to answer questions from committee members; and drafting proposed rules and procedures for consideration by the committee to implement policy directives.

6. Have there been instances where the committee was unable to meet because a quorum was not present?

No

Please provide committee member attendance records for their last three meetings, if not already captured in meeting minutes.

7a. What opportunities does the committee provide for public attendance, participation, and how is this information conveyed to the public (e.g. online calendar of events, notices posted in Texas Register, etc.)?

Members of the public may attend committee meetings in person or they may participate by telephone in a committee meeting that is held by teleconference. Members of the public may also submit written comments for consideration by the committee. Information about upcoming committee meetings, including the agenda and materials that will be considered by the committee, is posted on the agency's website before the committee meeting. Meeting notices are also published in the agency's newsletter, which is sent to license holders and posted on the agency's website 8 times per year.

7b. Do members of the public attend at least 50 percent of all committee meetings?

Yes

7c. Are there instances where no members of the public attended meetings?

Yes

8. Please list any external stakeholders you recommend we contact regarding this committee.

The Foundation Appraisers Coalition of Texas (FACT) and The Association of Texas Appraisers (ATA)

9a. In the opinion of your agency, has the committee met its mission and made substantive progress in its mission and goals?

Yes

9b. Please describe the rationale for this opinion.

Since its creation in 2011, the AMC Advisory Committee has considered various issues related to the regulation of AMCs and has advised the Board on such issues. The Board routinely refers matters affecting the regulation of AMCs to the committee for review and recommendation.

10. Given that state agencies are allowed the ability to create advisory committees at will, either on an ad-hoc basis or through amending agency rule in Texas Administrative Code:

10a. Is there any functional benefit for having this committee codified in statute?

Yes

10b. Does the scope and language found in statute for this committee prevent your agency from responding to evolving needs related to this policy area?

No

10c. If "Yes" for Question 10b, please describe the rationale for this opinion.

N/A

11a. Does your agency recommend this committee be retained, abolished or consolidated with another committee elsewhere (either at your agency or another in state government)?

Retain

11b. Please describe the rationale for this opinion.

The AMC Advisory Committee provides recommendations to the Board regarding the regulation of AMCs under Chapter 1104, Texas Occupations Code. Were this committee to be abolished, no specific venue with the necessary subject matter expertise would exist to vet issues and questions related to the regulation of AMCs. It is also necessary to retain this committee because federal law charges the states with regulation of AMCs so that state consumers can obtain home loans that may be bought and sold in the secondary mortgage market.

12a. Were this committee abolished, would this impede your agency's ability to fulfill its mission?

Yes

12b. If "Yes" for Question 12a, please describe the rationale for this opinion.

Without a venue for stakeholders to present their concerns and questions to the Board regarding the regulation of AMCs, it would be more difficult for the Board to carry out the stated purpose in Chapter 1104, Texas Occupations Code, which is "... to establish and enforce standards related to appraisal management services for appraisal reports on residential properties located within this state, with fewer than five units." The Board's job would be more difficult because eliminating the committee would eliminate an available resource of subject matter experts and stakeholders from the AMC industry.

13. Please describe any other suggested modifications to the committee that would help the committee or agency better fulfill its mission.



ASSESSMENT OF ADVISORY COMMITTEES  
April, 2016  
329 - Texas Real Estate Commission

To assist in the process required by Chapter 2110, Texas Government Code, state agencies should submit an assessment of advisory committees using the format provided. Please submit your assessment for each advisory committee under your agency's purview. Include responses for committees created through statute, administrative code or ad-hoc by your agency. Include responses for all committees, whether ongoing or inactive and regardless of whether you receive appropriations to support the committee. Committees already scheduled for abolishment within the 2016-17 biennium are omitted from the scope of this survey. When submitting information for multiple advisory committees, right-click the sheet "Cmte1", select Move or Copy, select Create a copy and move to end.

NOTE: Only the items in blue are required for inactive committees.

SECTION A: INFORMATION SUBMITTED THROUGH ADVISORY COMMITTEE SUPPORTING SCHEDULE IN LEGISLATIVE APPROPRIATIONS REQUEST

<b>Committee Name:</b>	Broker Lawyer Committee	
<b>Number of Members:</b>	13	
<b>Committee Status (Ongoing or Inactive):</b>	Ongoing	Note: An Inactive committee is a committee that was created prior to the 2014-15 biennium but did not meet or supply advice to an agency during that time period.
<b>Date Created:</b>	9/1/1983	<b>Date to Be Abolished:</b> N/A
<b>Budget Strategy (Strategies) (e.g. 1-2-4)</b>	N/A - SDSI Agency	<b>Strategy Title (e.g. Occupational Licensing)</b>
<b>Budget Strategy (Strategies)</b>	N/A - SDSI Agency	<b>Strategy Title</b>

State / Federal Authority	Select Type	Identify Specific Citation
State Authority	Statute	Tex. Occ. Code 1101.251-.254
State Authority		
State Authority		
Federal Authority		
Federal Authority		

**Advisory Committee Costs: This section includes reimbursements for committee member costs and costs attributable to agency staff support.**

Committee Members' <u>Direct</u> Expenses	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Travel	\$0	\$0	\$0
Personnel	\$0	\$0	\$0
Number of FTEs	0.0	0.0	0.0
Other Operating Costs	\$0	\$0	\$0
<i>Total, Committee Expenditures</i>	\$0	\$0	\$0
Committee Members' <u>Indirect</u> Expenses	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Travel	\$0	\$0	\$0
Personnel	\$6,170	\$3,085	\$6,355
Number of FTEs	2.0	2.0	2.0
Other Operating Costs	\$0	\$0	\$0
<i>Total, Committee Expenditures</i>	\$6,170	\$3,085	\$6,355
Method of Financing	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Method of Finance	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
Expenses / MOFs Difference:	\$6,170	\$3,085	\$6,355
Meetings Per Fiscal Year	0	0	0

**Committee Description:** The Broker Lawyer Committee (BLC) consists of 6 brokers appointed by the Real Estate Commission, 6 lawyers appointed by the State Bar of Texas and one public member appointed by the Governor. The Committee is statutorily required to draft and revise contract forms that are capable of being standardized to expedite real estate transactions and minimize controversy. The contracts forms must also contain safeguards adequate to protect the principals in the real estate transaction.

**SECTION B: ADDITIONAL COMMITTEE INFORMATION**

Committee Bylaws: Please provide a copy of the committee's current bylaws and most recent meeting minutes as part of your submission.			
1. When and where does this committee typically meet and is there any requirement as to the frequency of committee meetings?	The BLC meets at the Commission's office in Austin, Texas. They generally meet 3-4 times every other year following a legislative session to incorporate applicable legislative changes into the contract forms. They address any other contract issues brought up by stakeholders at that time so that the frequency of change to the contracts being used by license holders is minimized.		
2. What kinds of deliverables or tangible output does the committee produce? If there are documents the committee is required to produce for your agency or the general public, please supply the most recent iterations of those.	Residential Real Estate contract forms and addenda for mandatory use by real estate brokers and sales agents. Most recent iterations attached.		
3. What recommendations or advice has the committee most recently supplied to your agency? Of these, which were adopted by your agency and what was the rationale behind not adopting certain recommendations, if this occurred?	Same as # 2 above. All recently recommended contract form revisions were adopted by the Commission.		
4a. Does your agency believe that the actions and scope of committee work is consistent with their authority as defined in its enabling statute and relevant to the ongoing mission of your agency ?	<input type="checkbox"/> Yes	4b. Is committee scope and work conducted redundant with other functions of other state agencies or advisory committees?	<input type="checkbox"/> No
5a. Approximately how much staff time (in hours) was used to support the committee in fiscal year 2015?	<input type="text" value="120.0"/>		
5b. Please supply a general overview of the tasks entailed in agency staff assistance provided to the committee.	Agency staff assists the committee by preparing materials and comments received from stakeholders for committee meetings; helping the committee chair prepare the meeting agenda; posting the agenda and materials on the agency website and in the Texas Register; tracking relevant legislation, researching issues and drafting revisions to the mandatory contracts that are proposed by the committee.		
6. Have there been instances where the committee was unable to meet because a quorum was not present?	<input type="checkbox"/> No	Please provide committee member attendance records for their last three meetings, if not already captured in meeting minutes. In attached minutes.	
7a. What opportunities does the committee provide for public attendance, participation, and how is this information conveyed to the public (e.g. online calendar of events, notices posted in Texas Register, etc.)?	Members of the public may attend committee meetings in person. Members of the public may also submit written comments for consideration by the committee. Information about upcoming committee meetings, including the agenda and materials that will be considered by the committee, is posted on the agency's website before the committee meeting. The agenda is also posted in the Texas Register in accordance with the Open Meetings Act. Additionally, meeting notices are published in the agency's newsletter, which is sent to license holders and		
7b. Do members of the public attend at least 50 percent of all committee meetings?	<input type="checkbox"/> Yes	7c. Are there instances where no members of the public attended meetings?	<input type="checkbox"/> No
8. Please list any external stakeholders you recommend we contact regarding this committee.	Texas Association of Realtors, State Bar of Texas		
9a. In the opinion of your agency, has the committee met its mission and made substantive progress in its mission and goals?	<input type="checkbox"/> Yes		
9b. Please describe the rationale for this opinion.	Since its creation, the BLC has prepared contract forms and addenda for most types of residential properties. Whenever there are changes in property law, either through legislation or the courts, the BLC updates the contract forms to be compliant with the law. Likewise the BLC revises the forms to protect the interests of the principals based on comments from the public and license holders. These standardized contract forms have clearly resulted in expedited real estate transactions with less controversy and expense for all parties.		
10. Given that state agencies are allowed the ability to create advisory committees at will, either on an ad-hoc basis or through amending agency rule in Texas Administrative Code:			
10a. Is there any functional benefit for having this committee codified in statute?	<input type="checkbox"/> Yes	10b. Does the scope and language found in statute for this committee prevent your agency from responding to evolving needs related to this policy area?	<input type="checkbox"/> No
10c. If "Yes" for Question 10b, please describe the rationale for this opinion.			
11a. Does your agency recommend this committee be retained, abolished or consolidated with another committee elsewhere (either at your agency or another in state government)?	<input type="checkbox"/> Retain		
11b. Please describe the rationale for this opinion.	Standardized contract forms are an integral part of residential real estate transactions in Texas. The BLC is essential to keep the contracts current with the law and safeguard the interests of all principals to the transactions.		
12a. Were this committee abolished, would this impede your agency's ability to fulfill its mission?	<input type="checkbox"/> Yes		
12b. If "Yes" for Question 12a, please describe the rationale for this opinion.	If the BLC were abolished, the Commission would have more complaints regarding license holders' unauthorized practice of law or failure to provide all property disclosures and information required by law. More importantly, the Texas economy would be adversely affected, with real estate transaction taking significantly longer and being more expensive since more attorneys would have to be involved in the contracting phase of residential real estate transactions. There likely would be an increase in lawsuits over real estate contracts as well.		
13. Please describe any other suggested modifications to the committee that would help the committee or agency better fulfill its mission.			

**ASSESSMENT OF ADVISORY COMMITTEES**  
April, 2016  
329 - Texas Real Estate Commission

To assist in the process required by Chapter 2110, Texas Government Code, state agencies should submit an assessment of advisory committees using the format provided. Please submit your assessment for each advisory committee under your agency's purview. Include responses for committees created through statute, administrative code or ad-hoc by your agency. Include responses for all committees, whether ongoing or inactive and regardless of whether you receive appropriations to support the committee. Committees already scheduled for abolishment within the 2016-17 biennium are omitted from the scope of this survey. When submitting information for multiple advisory committees, right-click the sheet "Cmte1", select Move or Copy, select Create a copy and move to end.

NOTE: Only the items in blue are required for inactive committees.

**SECTION A: INFORMATION SUBMITTED THROUGH ADVISORY COMMITTEE SUPPORTING SCHEDULE IN LEGISLATIVE APPROPRIATIONS REQUEST**

<b>Committee Name:</b>	Education Standards Advisory Committee		
<b>Number of Members:</b>	12		
<b>Committee Status (Ongoing or Inactive):</b>	Ongoing	Note: An Inactive committee is a committee that was created prior to the 2014-15 biennium but did not meet or supply advice to an agency during that time period.	
<b>Date Created:</b>	3/12/2012	<b>Date to Be Abolished:</b>	9/1/2020
<b>Budget Strategy (Strategies) (e.g. 1-2-4)</b>	N/A - SDSI Agency	<b>Strategy Title (e.g. Occupational Licensing)</b>	
<b>Budget Strategy (Strategies)</b>	N/A - SDSI Agency	<b>Strategy Title</b>	

<b>State / Federal Authority</b>	<b>Select Type</b>	<b>Identify Specific Citation</b>
State Authority	Admin Code	22 TAC 525.43
State Authority		
State Authority		
Federal Authority		
Federal Authority		
Federal Authority		

**Advisory Committee Costs: This section includes reimbursements for committee member costs and costs attributable to agency staff support.**

Committee Members' <u>Direct</u> Expenses	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Travel	\$0	\$0	\$0
Personnel	\$0	\$0	\$0
Number of FTEs	0.0	0.0	0.0
Other Operating Costs	\$0	\$0	\$0
<i>Total, Committee Expenditures</i>	\$0	\$0	\$0

Committee Members' <u>Indirect</u> Expenses	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Travel	\$0	\$0	\$0
Personnel	\$13,777	\$14,190	\$14,616
Number of FTEs	4.0	4.0	4.0
Other Operating Costs	\$0	\$0	\$0
<i>Total, Committee Expenditures</i>	\$13,777	\$14,190	\$14,616

Method of Financing	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Method of Finance	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
Expenses / MOFs Difference:	\$13,777	\$14,190	\$14,616

<b>Meetings Per Fiscal Year</b>	0	0	0
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<b>Committee Description:</b>	The Education Standards Advisory Committee exists to regularly review and revise curriculum standards, course content requirements and instructor certification requirements for qualifying and continuing education courses. This committee helps to improve and maintain high quality education for applicants and license holders. Better educated license holders results in better consumer protection.
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**SECTION B: ADDITIONAL COMMITTEE INFORMATION**

Committee Bylaws: Please provide a copy of the committee's current bylaws and most recent meeting minutes as part of your submission.

1. When and where does this committee typically meet and is there any requirement as to the frequency of committee meetings? The Committee typically meets quarterly at the Commission's Austin office, and is authorized to meet by teleconference. They have no requirement to meet, other than to continue to meet its mission of reviewing and updating education standards at TREC.

2. What kinds of deliverables or tangible output does the committee produce? If there are documents the committee is required to produce for your agency or the general public, please supply the most recent iterations of those.

The Committee is not required to produce any documents or other tangible output for either the Commission or the general public. The chair is required to provide a report to the Commission at least twice a year. Because of their subject matter expertise, the committee will submit its recommendations to the Commission in the form of proposed rules or proposed amendments relating to real estate license holder's education and real estate education providers and instructors, as well as other recommended actions to ensure a high degree of service to and protection of the public.

3. What recommendations or advice has the committee most recently supplied to your agency? Of these, which were adopted by your agency and what was the rationale behind not adopting certain recommendations, if this occurred?

The Committee recommended the following rule changes to the Commission: Qualification of instructors for adult education training courses, Guidelines for the Property Management and Real Estate Brokerage pre-qualifying courses, Distance course delivery criteria, implementation of legislative changes and examination passage rates for a provider, increasing the total hours required for continuing education from 15 to 18 hours for all real estate license holders, distance course delivery criteria, and, qualifying and CE instructor requirements. All were ultimately adopted by the Commission.

4a. Does your agency believe that the actions and scope of committee work is consistent with their authority as defined in its enabling statute and relevant to the ongoing mission of your agency?  Yes  No

4b. Is committee scope and work conducted redundant with other functions of other state agencies or advisory committees?  No

5a. Approximately how much staff time (in hours) was used to support the committee in fiscal year 2015?

5b. Please supply a general overview of the tasks entailed in agency staff assistance provided to the committee.

Agency staff assists the committee by preparing materials and reports for committee meetings, including course guideline draft proposals; helping the committee chair prepare the meeting agenda; posting the agenda and materials on the agency website and in the Texas Register; researching issues and providing documentation to answer questions from committee members; drafting proposed rules and procedures for consideration by the committee to implement policy directives; preparation of meeting minutes.

6. Have there been instances where the committee was unable to meet because a quorum was not present?  No  Please provide committee member attendance records for their last three meetings, if not already captured in meeting minutes. See attached minutes

7a. What opportunities does the committee provide for public attendance, participation, and how is this information conveyed to the public (e.g. online calendar of events, notices posted in Texas Register, etc.)?

Members of the public may attend committee meetings in person or they may participate by telephone in a committee meeting that is held by teleconference. Members of the public may also submit written comments for consideration by the committee. Information about upcoming committee meetings, including the agenda and materials that will be considered by the committee, is posted on the agency's website before the committee meeting. The agenda is also posted in the Texas Register in accordance with the Open Meetings Act. Additionally, meeting notices are published in the agency's newsletter, which is sent to license holders and posted on the agency's website prior to each meeting.

7b. Do members of the public attend at least 50 percent of all committee meetings?  Yes  No

7c. Are there instances where no members of the public attended meetings?  No

8. Please list any external stakeholders you recommend we contact regarding this committee.

Texas Association of Realtors and the Texas Real Estate Teachers Association.

9a. In the opinion of your agency, has the committee met its mission and made substantive progress in its mission and goals?  Yes

9b. Please describe the rationale for this opinion.

This committee has provided invaluable expertise and feedback on TREC's pre-licensure and continuing education programs. They have systematically reviewed almost all of TREC's pre-license courses and improved clarity of content for providers and students. They have made recommendations for rule changes that have improved the education of TREC's license holders, thereby improving the quality of Real Estate Agents and Brokers and which leads to greater consumer protection.

10. Given that state agencies are allowed the ability to create advisory committees at will, either on an ad-hoc basis or through amending agency rule in Texas Administrative Code:

10a. Is there any functional benefit for having this committee codified in statute?  No  10b. Does the scope and language found in statute for this committee prevent your agency from responding to evolving needs related to this policy area?  No

10c. If "Yes" for Question 10b, please describe the rationale for this opinion.

11a. Does your agency recommend this committee be retained, abolished or consolidated with another committee elsewhere (either at your agency or another in state government)?  Retain

11b. Please describe the rationale for this opinion.

This committee provides continuous review of TREC's educational programs and has improved its quality and efficacy. Were this committee to be abolished, no specific venue with the necessary subject matter expertise would exist to vet issues and questions related to the regulation of real estate education programs.

12a. Were this committee abolished, would this impede your agency's ability to fulfill its mission?  Yes

12b. If "Yes" for Question 12a, please describe the rationale for this opinion.

Due to its unique make up of providers, instructors and members of the public this committee provides a great service to TREC, education providers, license holders and consumers. This perspective gives the committee the ability to review courses and rules in depth and then make suggestions to the Commission on these very important issues. If the committee were eliminated, the Commission's job would be more difficult because eliminating the committee would eliminate an available resource of subject matter experts and stakeholders from the industry.

13. Please describe any other suggested modifications to the committee that would help the committee or agency better fulfill its mission.

ASSESSMENT OF ADVISORY COMMITTEES  
April, 2016  
329 - Texas Real Estate Commission

To assist in the process required by Chapter 2110, Texas Government Code, state agencies should submit an assessment of advisory committees using the format provided. Please submit your assessment for each advisory committee under your agency's purview. Include responses for committees created through statute, administrative code or ad-hoc by your agency. Include responses for all committees, whether ongoing or inactive and regardless of whether you receive appropriations to support the committee. Committees already scheduled for abolishment within the 2016-17 biennium are omitted from the scope of this survey. When submitting information for multiple advisory committees, right-click the sheet "Cmte1", select Move or Copy, select Create a copy and move to end.

NOTE: Only the items in blue are required for inactive committees.

SECTION A: INFORMATION SUBMITTED THROUGH ADVISORY COMMITTEE SUPPORTING SCHEDULE IN LEGISLATIVE APPROPRIATIONS REQUEST

<b>Committee Name:</b>	Texas Real Estate Inspector Committee		
<b>Number of Members:</b>	9		
<b>Committee Status (Ongoing or Inactive):</b>	Ongoing	Note: An Inactive committee is a committee that was created prior to the 2014-15 biennium but did not meet or supply advice to an agency during that time period.	
<b>Date Created:</b>	9/1/1991	<b>Date to Be Abolished:</b>	9/1/2019
<b>Budget Strategy (Strategies) (e.g. 1-2-4)</b>	N/A - SDSA Agency	<b>Strategy Title (e.g. Occupational Licensing)</b>	
<b>Budget Strategy (Strategies)</b>	N/A - SDSA Agency	<b>Strategy Title</b>	

State / Federal Authority	Select Type	Identify Specific Citation
State Authority	Statute	Tex. Occ. Code 1102.051-060
State Authority	Admin Code	22 TAC 535.206
State Authority		
Federal Authority		
Federal Authority		

Advisory Committee Costs: This section includes reimbursements for committee member costs and costs attributable to agency staff support.

Committee Members' Direct Expenses	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Travel	\$986	\$1,000	\$1,000
Personnel	\$0	\$0	\$0
Number of FTEs	0.0	0.0	0.0
Other Operating Costs	\$0	\$0	\$0
<i>Total, Committee Expenditures</i>	\$986	\$1,000	\$1,000
Committee Members' Indirect Expenses	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Travel	\$0	\$0	\$0
Personnel	\$9,178	\$9,450	\$9,740
Number of FTEs	9.0	9.0	9.0
Other Operating Costs	\$0	\$0	\$0
<i>Total, Committee Expenditures</i>	\$9,178	\$9,450	\$9,740
Method of Financing	Expended Exp 2015	Estimated Est 2016	Budgeted Bud 2017
Method of Finance	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
	\$0	\$0	\$0
Expenses / MOFs Difference:	\$10,164	\$10,450	\$10,740
Meetings Per Fiscal Year	0	0	0

**Committee Description:** The Texas Real Estate Inspector Committee (TREIC) is an advisory committee appointed by the Commission. It consists of 6 members who have been licensed as a professional inspector for at least 5 years and 3 public members. TREIC exists to recommend rules necessary for implementing Tex. Occ. Code Chapter 1102, including licensing, education, standards of practice and code of professional ethics and conduct.

**SECTION B: ADDITIONAL COMMITTEE INFORMATION**

Committee Bylaws: Please provide a copy of the committee's current bylaws and most recent meeting minutes as part of your submission.

1. When and where does this committee typically meet and is there any requirement as to the frequency of committee meetings?

2. What kinds of deliverables or tangible output does the committee produce? If there are documents the committee is required to produce for your agency or the general public, please supply the most recent iterations of those.  
The Committee is not required to produce any documents or other tangible output for either the Commission or the general public. The chair is required to provide a report to the Commission at least twice a year. Because of their subject matter expertise, the committee will submit its recommendations to the Commission in the form of proposed rules or proposed amendments relating to licensing inspectors in this state, as well as other recommended actions that to ensure a high degree of service to and protection of the public.

3. What recommendations or advice has the committee most recently supplied to your agency? Of these, which were adopted by your agency and what was the rationale behind not adopting certain recommendations, if this occurred?  
In FY2015, the Texas Real Estate Inspector Committee advised the Commission and suggested changes to certain rules affecting inspectors during the agency's quadrennial rule review, specifically regarding rules relating to education and experience requirements. Additionally, the committee made recommendations regarding the consumer notice language in the standard inspector report form. The Commission accepted all of these recommended changes.

4a. Does your agency believe that the actions and scope of committee work is consistent with their authority as defined in its enabling statute and relevant to the ongoing mission of your agency?  4b. Is committee scope and work conducted redundant with other functions of other state agencies or advisory committees?

5a. Approximately how much staff time (in hours) was used to support the committee in fiscal year 2015?

5b. Please supply a general overview of the tasks entailed in agency staff assistance provided to the committee.  
Agency staff assists the committee by preparing materials and reports for committee meetings; helping the committee chair prepare the meeting agenda; posting the agenda and materials on the agency website and in the Texas Register; researching issues and providing documentation to answer questions from committee members; drafting proposed rules and procedures for consideration by the committee to implement policy directives.

6. Have there been instances where the committee was unable to meet because a quorum was not present?  Please provide committee member attendance records for their last three meetings, if not already captured in meeting minutes.

7a. What opportunities does the committee provide for public attendance, participation, and how is this information conveyed to the public (e.g. online calendar of events, notices posted in Texas Register, etc.)?  
Members of the public may attend committee meetings in person or they may participate by telephone in a committee meeting that is held by teleconference. Members of the public may also submit written comments for consideration by the committee. Information about upcoming committee meetings, including the agenda and materials that will be considered by the committee, is posted on the agency's website before the committee meeting. The agenda is also posted in the Texas Register in accordance with the Open Meetings Act. Additionally, meeting notices are published in the agency's newsletter, which is sent to license holders and posted on the agency's website prior to each meeting.

7b. Do members of the public attend at least 50 percent of all committee meetings?  7c. Are there instances where no members of the public attended meetings?

8. Please list any external stakeholders you recommend we contact regarding this committee.  
Texas Association of Real Estate Inspector (TAREI) and Texas Professional Real Estate Inspector Association (TPREIA)

9a. In the opinion of your agency, has the committee met its mission and made substantive progress in its mission and goals?

9b. Please describe the rationale for this opinion.  
Since its creation, the Texas Real Estate Inspector Committee has considered various issues related to the regulation of inspectors and has advised the Commission on such issues. The Commission routinely refers matters affecting the regulation of inspectors to the Texas Real Estate Inspector Committee for review and recommendation.

10. Given that state agencies are allowed the ability to create advisory committees at will, either on an ad-hoc basis or through amending agency rule in Texas Administrative Code:

10a. Is there any functional benefit for having this committee codified in statute?  10b. Does the scope and language found in statute for this committee prevent your agency from responding to evolving needs related to this policy area?

10c. If "Yes" for Question 10b, please describe the rationale for this opinion.

11a. Does your agency recommend this committee be retained, abolished or consolidated with another committee elsewhere (either at your agency or another in state government)?

11b. Please describe the rationale for this opinion.  
The Texas Real Estate Inspector Committee provides recommendations to the Commission regarding the regulation of inspectors under Chapter 1102, Texas Occupations Code. Were this committee to be abolished in statute, no specific venue with the necessary subject matter expertise would exist to vet issues and questions related to the regulation of inspectors

12a. Were this committee abolished, would this impede your agency's ability to fulfill its mission?

12b. If "Yes" for Question 12a, please describe the rationale for this opinion.  
Without a venue for the public and inspectors to present issues to the Commission regarding the regulation of inspectors it would be more difficult for the Commission to carry out the stated purpose in Chapter 1102 Texas Occupations Code. The Commission's job would be more difficult because eliminating the committee would eliminate the available resource of subject matter experts and stakeholders from the industry.

13. Please describe any other suggested modifications to the committee that would help the committee or agency better fulfill its mission.