

OREGON REAL ESTATE AGENCY



2013-2015 GOVERNOR'S BALANCED BUDGET

**OREGON REAL ESTATE AGENCY
2013-15 GOVERNOR’S BALANCED BUDGET**

TABLE OF CONTENTS

<u>TAB TITLE & RELATED DOCUMENTS</u>	<u>PAGE</u>
INTRODUCTORY INFORMATION	
Table of Contents	i
Certification	iii
LEGISLATIVE ACTION	
2011-13 Budget Reports	1
AGENCY SUMMARY	
Agency Summary Narrative	
• Budget Summary Graphics	7
• Mission Statement and Statutory Authority	8
• Agency Plans	9
• Program Descriptions	10
• Environmental Factors.....	16
• Agency Initiatives.....	19
• Criteria for 2013-15 Budget Development.....	19
Summary of 2013-15 Budget	21
Prioritized Programs for 2013-15.....	29
Reductions Options	30
2011-13 Organization Chart.....	31
2013-15 Organization Chart.....	32
Agencywide Appropriated Fund Group	33
Agencywide Program Unit Summary	37
REVENUES	
Revenue Discussion and Forecast Graphic	39
Detail of Other Funds and General Fund Revenue	40
Detail of Other Funds Revenue (ORBITS Display)	41
Agencywide Revenues and Disbursements Summary	43

TAB TITLE & RELATED DOCUMENTS **PAGE**

PROGRAM UNITS

Essential and Policy Package Narrative and Fiscal Impact Summary

- Package 010 Non-Pics 45
- Package 022 Phase-Out 47
- Package 031 Std. Inflation & St. Gov't. Service Charges 49
- Package 091 Statewide Admin. Savings 52
- Package 092 PERS Taxation Policy 34
- Package 093 PERS Taxation Policy 56

SPECIAL REPORTS

Affirmative Action Report 59

Long Range Strategies & Goals 60

Development & Implementation of Programs 61

Summary Cross Ref. Listing and Packages 62

Policy Package List by Priority 63

Detail Revenues and Expenditures 64

Version/Column Comparison Report - Detail. 78

Package Comparison Report - Detail. 83

PICS Reports – Summary List by Pkg. 94

2011-12 Annual Performance Progress Report 98

CERTIFICATION

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numerical information has been verified.

Oregon Real Estate Agency

1177 Center Street NE Salem, Oregon 97301

AGENCY NAME

AGENCY ADDRESS

Real Estate Commissioner

SIGNATURE

TITLE

Notice: Requests of those agencies headed by a board or commission must be approved by those bodies of official action and signed by the board or commission chairperson. The requests of other agencies must be approved and signed by the agency director or administrator.

Agency Request

Governor's Balanced

Legislatively Adopted

Budget Page _____

BUDGET NARRATIVE

**76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 5544-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Huffman
Carrier – Senate: Sen. Nelson**

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 23 – 0 – 2

House – Yeas: Beyer, Buckley, Cowan, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant
– Nays:
– Exc: Freeman

Senate – Yeas: Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Verger, Whitsett, Winters
– Nays:
– Exc: Bates

Prepared By: D.J. Vogt, Department of Administrative Services

Reviewed By: Kim To, Legislative Fiscal Office

Meeting Date: May 6, 2011

Agency
Oregon Real Estate Agency

Budget Page
H-31

LFO Analysis Page
207

Biennium
2011-13

SB 5544-A
Page 1 of 4

BUDGET NARRATIVE

Budget Summary*

	2009-11 Legislatively Approved Budget (1)	2011-13 Current Service Level	2011-13 Governor's Budget	2011-13 Committee Recommendation	Committee Change from 2009-11 Leg Approved	
					\$ change	% change
Other Funds	\$ 8,377,812	\$ 8,279,954	\$ 7,876,904	\$ 6,998,460	\$ (1,379,352)	-16.5%

Position Summary

Authorized positions	31	31	30	30	(1)
Full-time equivalent positions (FTE)	30.63	30.63	30.00	30.00	(0.63)

(1) Includes adjustments through March 2011

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Oregon Real Estate Agency is funded entirely with fees paid for professional licenses, by brokers, principal brokers and property managers. Other revenues include registration, auditing and publication fees. The Agency is not requesting a change in fees for the 2011-13 biennium and has not increased fees since the mid-1990s. The Committee's recommended budget will leave a projected ending cash balance of approximately \$1.6 million, or five months of operating expenses.

Summary of Transportation and Economic Development Subcommittee Action

The Real Estate Agency provides quality protection for consumers of real estate, escrow and land development services. The Subcommittee approved a budget for the Real Estate Agency of \$6,998,460 Other Funds and 30.00 full-time equivalents. This is a 16.5 percent decrease from the 2009-11 Legislatively Approved Budget.

The Subcommittee approved package 086 and package 087, which eliminate inflation and decrease projected personal services costs by 5.5 percent.

BUDGET NARRATIVE

The Subcommittee approved package 101, Position Phase-out, a reduction of \$120,844 Other Funds. The package eliminates one permanent, part-time position created in the 2005-07 biennium, 0.63 full-time equivalent. The workload of this position has diminished since 2006. The position was originally created to assist with rewriting rules and proposing statutory changes that were occurring at the agency at the time. The work is complete and the function of the position no longer exists.

The Subcommittee approved package 102, Technology Advancement, at a cost of \$96,893 Other Funds. The package allows the agency to purchase hardware to implement server virtualization. Upon implementation, the agency will save on hardware costs and increase operational efficiency.

The Subcommittee approved package 810, LFO Adjustments, a reduction of \$100,000 Other Funds. The package represents postage \$(52,000) and publication \$(48,000) savings resulting from distributing the Oregon Real Estate News Journal (OREN-J) and other publications online.

The Subcommittee approved package 811, Pass-through Adjustment, a reduction of \$778,444 Other Funds. The agency has negotiated a new contract in which the vendor will provide examination and background check services and collect fees directly from the applicant at the test site. The package represents examination, fingerprinting and background check fees that will now go directly from applicant to vendor.

Summary of Performance Measure Action

See attached Legislatively Adopted 2011-13 Key Performance Measures form.

BUDGET NARRATIVE

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5544-A

Real Estate Agency
D.J. Vogt -- (503) 378-3117

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2009-11 Legislatively Approved Budget at March 2011 *	\$0	\$0	\$8,377,812	\$0	\$0	\$0	\$8,377,812	31	30.63
2011-13 ORBITS printed Current Service Level (CSL)*	\$0	\$0	\$8,279,954	\$0	\$0	\$0	\$8,279,954	31	30.63
2011-13 Governor's Recommended Budget *	\$0	\$0	\$7,876,904	\$0	\$0	\$0	\$7,876,904	30	30.00
<u>SUBCOMMITTEE ADJUSTMENTS (from GRB)</u>									
Package 810: LFO Adjustments									
Postage/distribution savings	0	0	(52,000)	0	0	0	(52,000)	0	0.00
Printing/publication savings	0	0	(48,000)	0	0	0	(48,000)	0	0.00
Package 811: Pass-through Fees									
Background check fee pass-through	0	0	(378,444)	0	0	0	(378,444)	0	0.00
Examination fee pass-through	0	0	(400,000)	0	0	0	(400,000)	0	0.00
TOTAL ADJUSTMENTS	\$0	\$0	(\$878,444)	\$0	\$0	\$0	(\$878,444)	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$0	\$0	\$6,998,460	\$0	\$0	\$0	\$6,998,460	30	30.00
% Change from 2009-11 Leg Approved Budget	0.0%	0.0%	-16.5%	0.0%	0.0%	0.0%	-16.5%	-3.2%	-2.1%
% Change from 2011-13 Current Service Level	0.0%	0.0%	-15.5%	0.0%	0.0%	0.0%	-15.5%	-3.2%	-2.1%
% Change from 2011-13 Governor's Recommended Budget	0.0%	0.0%	-11.2%	0.0%	0.0%	0.0%	-11.2%	0.0%	0.0%

* Excludes Capital Construction Expenditures

SB 5544-A
Page 4 of 4

BUDGET NARRATIVE

Legislatively Approved 2011-2013 Key Performance Measures

Agency: REAL ESTATE AGENCY

Mission: To provide quality protection for Oregon consumers of real estate, escrow and land development services, balanced with a professional environment conducive to a healthy real estate market.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
1 - Audits Completed – audits completed		Approved KPM	401.00	425.00	425.00
2 - Days to Complete Investigation File Processing – average number of days to complete investigation file processing.		Approved KPM	214.00	100.00	100.00
3 - Contested Case Actions resolved through settlement – percent of contested case actions that are resolved through informal settlement resolution and prior to a formal hearing before the Office of Administrative Hearings.		Approved KPM	97.00	95.00	95.00
4 - Successful Exam applicants – percentage of applicants who pass the qualifying examination on the first attempt.		Approved KPM	80.00	85.00	85.00
5 - Online License Renewals – percentage of online renewals compared to total renewal processed by agency.		Approved KPM	42.00	90.00	90.00
6 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	95.70	85.00	85.00
6 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	93.40	85.00	85.00
6 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	94.60	85.00	85.00
6 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	94.80	85.00	85.00

Print Date: 5/4/2011

Page 1 of 2

BUDGET NARRATIVE

Agency: REAL ESTATE AGENCY

Mission: To provide quality protection for Oregon consumers of real estate, escrow and land development services, balanced with a professional environment conducive to a healthy real estate market.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
6 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	95.50	85.00	85.00
6 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	95.70	85.00	85.00

LFO Recommendation:

LFO recommends approval of the Real Estate Agency’s existing KPM’s and related targets for the 20011-13 biennium.

The agency expects that meeting KPM#5 target will be an ongoing problem until the new, more robust online renewal system is in place. The agency is in the final phase of implementing this new system.

LFO recommends the following regarding KPM #1, #2, #3 and #4:

KPM #1 – Audits Completed: Currently, this target includes mail-in audits and in person reviews. LFO recommends the agency work with DAS and LFO to monitor mail-in audits and in-person reviews separately. Also, with reassignment of audit duties to the Education Division, LFO recommends the agency work with DAS and LFO to create a measure that would assess the agency’s strategies for licenses improvement rather than simply audit count.

KPM #2 – Average Number of Days to Complete Investigation: The agency indicates that case complexity and factors outside the agency’s control are factors impacting performance. LFO recommends the agency work with DAS and LFO during the interim to develop an improved investigation timeliness measure.

KPM #3 - Contested Case Actions - Consent agreements are the most efficient and cost-effective method of resolving disciplinary actions. However, it is not uncommon for licensees to decline consent agreements because they want the opportunity to present their position in administrative hearings. LFO recommends the agency work with DAS and LFO during the interim to monitor this measure to determine if it can be modified to provide more meaningful and valid information.

KPM #4 – Percent of Successful Exam Applicants: Whether an individual passes their qualifying exam will include many factors outside the agency’s control. LFO recommends the agency work with its new vendor, DAS and LFO during the interim to develop a measure that evaluate whether the exam adequately prepares a licensee for conducting real estate business, including appraising whether exam questions are clear and an appropriate assessment of information an applicant need to know in order to competently perform in a knowledgeable and ethical manner.

Sub-Committee Action:

Sub-Committee approved LFO recommendations.

Print Date: 5/4/2011

Page 2 of 2

BUDGET NARRATIVE

Real Estate Agency

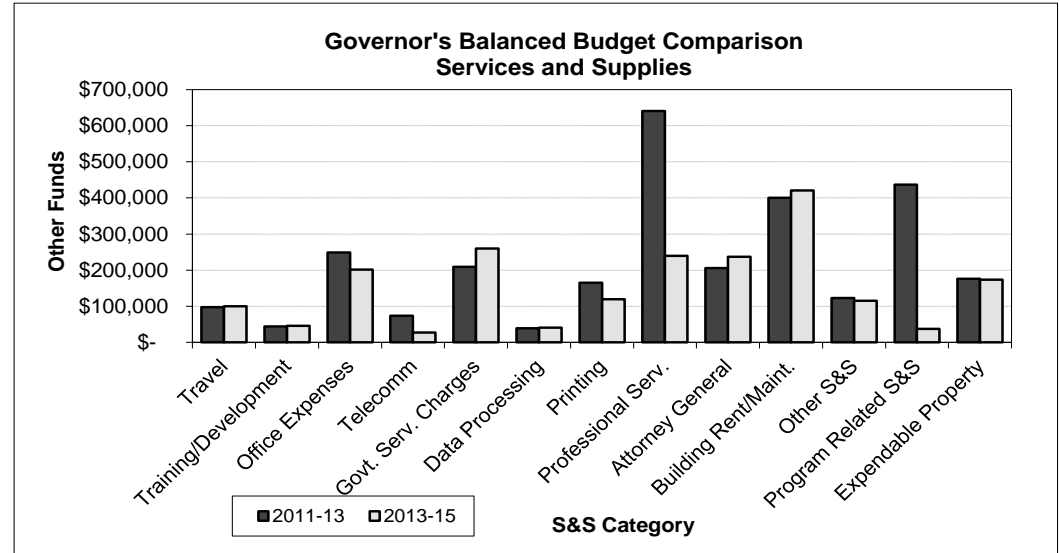
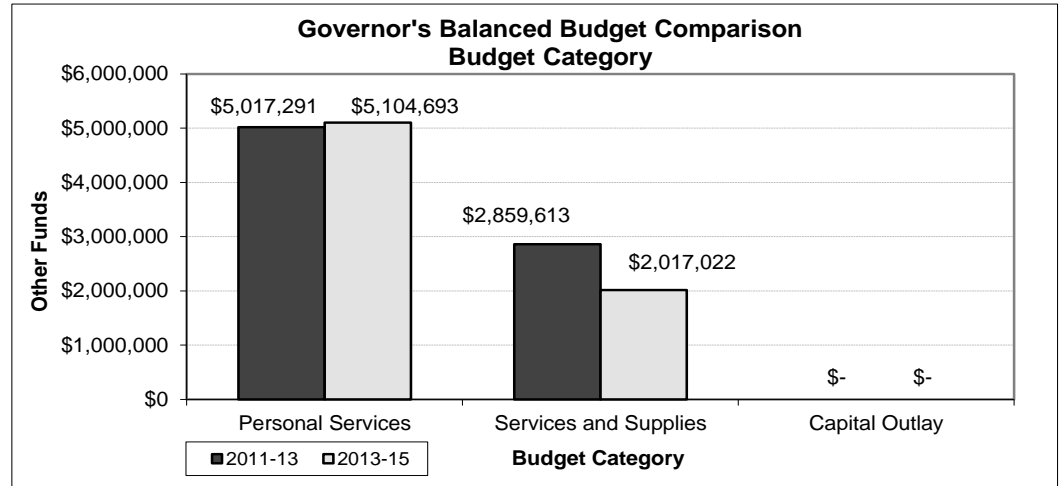
Governor's Balanced Budget Comparison (All Other Funds)

Budget Category

	2011-13	2013-15	Difference
Personal Services	\$ 5,017,291	\$ 5,104,693	\$ 87,402
Services and Supplies	\$ 2,859,613	\$ 2,017,022	\$ (842,591)
Capital Outlay	\$ -	\$ -	\$ -
Total	7,876,904	7,121,715	(755,189)

Services and Supplies

	2011-13	2013-15	Difference
Travel	\$ 97,294	\$ 99,629	\$ 2,335
Training/Development	\$ 44,358	\$ 45,422	\$ 1,064
Office Expenses	\$ 249,138	\$ 201,869	\$ (47,269)
Telecomm	\$ 74,016	\$ 26,814	\$ (47,202)
Govt. Serv. Charges	\$ 208,732	\$ 259,641	\$ 50,909
Data Processing	\$ 38,784	\$ 40,732	\$ 1,948
Printing	\$ 164,996	\$ 119,804	\$ (45,192)
Professional Serv.	\$ 640,513	\$ 239,625	\$ (400,888)
Attorney General	\$ 205,938	\$ 236,623	\$ 30,685
Building Rent/Maint.	\$ 400,681	\$ 421,009	\$ 20,328
Other S&S	\$ 122,510	\$ 115,312	\$ (7,198)
Program Related S&S	\$ 436,385	\$ 37,258	\$ (399,127)
Expendable Property	\$ 176,268	\$ 173,284	\$ (2,984)
Total	\$ 2,859,613	\$ 2,017,022	\$ (842,591)



BUDGET NARRATIVE

REAL ESTATE AGENCY

Agency Summary

Mission Statement & Statutory Authority

The mission of the Oregon Real Estate Agency is:

Provide quality protection for “Oregon Consumers” of real estate, escrow, and land development services, balanced with a professional environment conducive to a healthy real estate market.

The statutes and rules administered by the Agency are:

- Real Estate, Property Management, ORS 696.010 to 696.495, 696.710 to 696.785, 696.990 to 696.995
- Escrow, ORS 696.505 to 696.590 and 696.990
- Oregon Subdivision and Series Partition Control Statutes, ORS 92.305 to 92.990
- Condominiums, ORS 100.005 to 100.990
- Timeshare Estates, Membership Campgrounds, ORS 94.803 to 94.989
- Telemarketing Organizations, ORS 696.392, 696.600 to 696.785 and 696.995
- Administrative Rules, Chapter 863, Divisions 1-60

BUDGET NARRATIVE

Agency Plans

2013-15 Short-term Agency Plan

Over the past few years, the real estate market has slowed from the frantic pace of 2007 activity, where at the peak of the market, there were 24,612 individual real estate licensees in Oregon. In 2012, there are approximately 18,500. Current data shows that the number of persons seeking to enter the real estate industry has declined to levels that are more typical in a regular economy. Recent real estate market indicators in Oregon give the Agency reason to believe an upturn in the number of Oregon licensees is on the horizon. The Agency will continue its efforts to achieve its mission and service levels that lead to quality protection for Oregon consumers of real estate, escrow, and land development services, balanced with a professional environment conducive to a healthy real estate market. The Agency will put considerable emphasis on education and compliance along with its licensing and regulatory programs. The Agency will continue to work to audit more Clients' Trust Accounts into 2013. In addition, the Agency will strive to further improve its customer service efforts through its eLicense system; continually refining the system to meet the licensee and general public's needs.

2013-19 Long-term Agency Plan

Long term, the Agency will advance its mission to provide quality protection for Oregon consumers of real estate, escrow, and land development services, balanced with a professional environment conducive to a healthy real estate market. The Agency will do so by faithfully administering the laws and rules for which it is responsible: developing educational standards and providing educational services, issuing and renewing licenses to qualified persons, and protecting Oregon real estate consumers through prevention, education and enforcement. The Agency plans to measure its performance in several ways. With the Department of Administrative Services and Legislative input, the Agency recently identified three new measures of its effectiveness. The first captures the percent of property managers and principal brokers reviewed who meet compliance within 45 days of a mail-in compliance review. Success will be determined based on meeting at least a 90% compliance rate. This will measure how well the Agency prepares its licensees to comply with laws and rules. The second measure is also intended to capture the Agency's performance in preparing a licensee for conducting real estate business and thereby reducing potential harm to the consumer. The performance measurement here will be the percent of property managers and principal brokers who rate the Board-administered exam as "good" or "excellent" as an effective screen for competent and ethical professionals. Beginning in 2013, property managers and principal brokers will all be required to take an Advanced Practices course. The Agency will require course instructors to provide students information on how to complete a survey that gauges this information. This will allow real estate professionals at least two years in the profession to formulate a response. Success will be a positive response rate of at least 90%. Finally, the Agency plans to continue to measure the effectiveness of its regulatory program performance. The measurement is the percent of cases investigated within 150 days of receipt of complaint. Success is measured by attaining at least 60%. The Agency's long-term plan centers on improvements in this effort.

BUDGET NARRATIVE

Program Descriptions

The primary divisions and programs of the Real Estate Agency are:

- Office of the Real Estate Commissioner

The Real Estate Commissioner's office provides leadership and policy direction to the various divisions and programs of the Real Estate Agency. The Commissioner's office is responsible for the drafting of notices of intent and other administrative orders, final administrative actions taken, drafting of legislation and rules.

- Real Estate Board

The Board advises the Governor and the Real Estate Commissioner on real estate industry matters, reviews rulemaking proposals and oversees the Agency testing and examination of real estate applicants. The Board meets 6 times annually to review the business of the agency, hear requests for waivers and recommend new actions to the Agency and the Real Estate Commissioner.

- Real Estate Agency Divisions

Education Division

The Oregon Real Estate Agency established an Education Division after the 2007 Legislative Session. The purpose of this division is to research and implement means of providing educational information, including compliance review, to real estate licensees. The division collects and analyzes information about the educational needs of the real estate industry, develops educational materials for licensees and delivers the information in a variety of formats. The division collaborates with the Commissioner and the Board to improve the Agency's external communication and educational efforts. In addition, the division evaluates the educational needs of the Agency staff and helps provide the appropriate training to provide consistent information to the public and to improve customer service.

The Education Division carries out the Agency's mission by increasing the quality, format and number of educational opportunities for licensees that will, in turn, increase the professionalism among licensees. The division strives to provide excellent customer service and has the following goals:

- Create educational opportunities that meet the needs of the industry and the consumer
- Research and utilize technology and other tools to effectively deliver information
- Develop and implement effective licensing examinations
- Develop and publish educational information including website content, brochures, and publications
- Develop and publish forms that are consistent throughout the Agency

BUDGET NARRATIVE

Program Functions:

Education Services:

- certifies continuing education providers
- coordinates the development and periodic review of real estate educational guidelines
- approves pre-license courses and instructors
- reviews and approves post-license education courses
- maintains and promotes escrow education requirements

Examination Services:

- coordinates the development and maintenance of examinations and test items
- develops and maintains examination statistics

Compliance Services:

- conducts informational reviews of broker and property manager records
- develops courses and materials to meet the educational needs of licensees

Information Services:

- develops, monitors and publishes publications and brochures as needed
- develops, updates and maintains website content as needed
- develops, updates and maintains agency-wide forms

Business/Licensing Services Division

In 2012, the previously stand-alone licensing section combined with the Agency's Administrative Services Division. This Division manages business services for the agency, including:

- Budget/allotment preparation;
- Fiscal services, including inventory control, remittance processing of revenue, accounts payable and receivable, payroll, and travel coordination;
- Human resources coordination;
- Purchasing and contracting;
- Administrative support to the Board and Commissioner; and

BUDGET NARRATIVE

- Oversight of the Agency's Information Systems staff, who provide word, data processing, LAN administration, and telecommunications services.

The Division is also responsible for:

- Assisting real estate brokers, principal brokers, property managers and escrow agencies as they use the Agency's eLicense to manage their licenses;
- Assisting customers as they process registered business names and branch office registrations in eLicense;
- Registration of membership campground contract brokers;
- Completing license applicant criminal background checks investigations;
- Processing escrow licensing and security/bonding files;
- Maintaining all licensing history records, and the electronic processing of fees;
- Providing general reception and licensing specific information to the public.

Land Development Division

The Division is responsible for administering the Land Development Programs, which include subdivision, condominium, timeshare and campground registrations, telemarketing organization licensing, on-site inspections, and Public Report issuance and administering the Telemarketing Organizations Program, which licenses and regulates real estate telemarketing organizations.

Regulation Division

The Division investigates complaints made by the public, licensees, other governmental agencies, or upon its own motion, into the activities of real estate brokers, property managers, escrow agencies, subdivision, condominium, timeshare, campground developments, telemarketing organizations, and other governmental agency real estate-related investigations. Division staff acts as impartial investigators and gather facts surrounding an open complaint file. Division staff conducts stipulation processing (dispute resolution) to resolve matters without a contested case hearing. Investigators assist the Agency's Assistant Attorney General in the preparation of contested cases for hearing and, if necessary, assist other criminal justice agencies in investigations, court testimony, and case preparation. The Division processes and maintains escrow licensing and security/bonding files, land development records, audit and complaint files.

Purpose. The purpose of Agency programs is to achieve the Agency's mission to provide quality protection for Oregon Consumers of real estate, escrow, and land development services, balanced with a professional environment conducive to a healthy real estate market.

Customers. The Agency's customers include:

BUDGET NARRATIVE

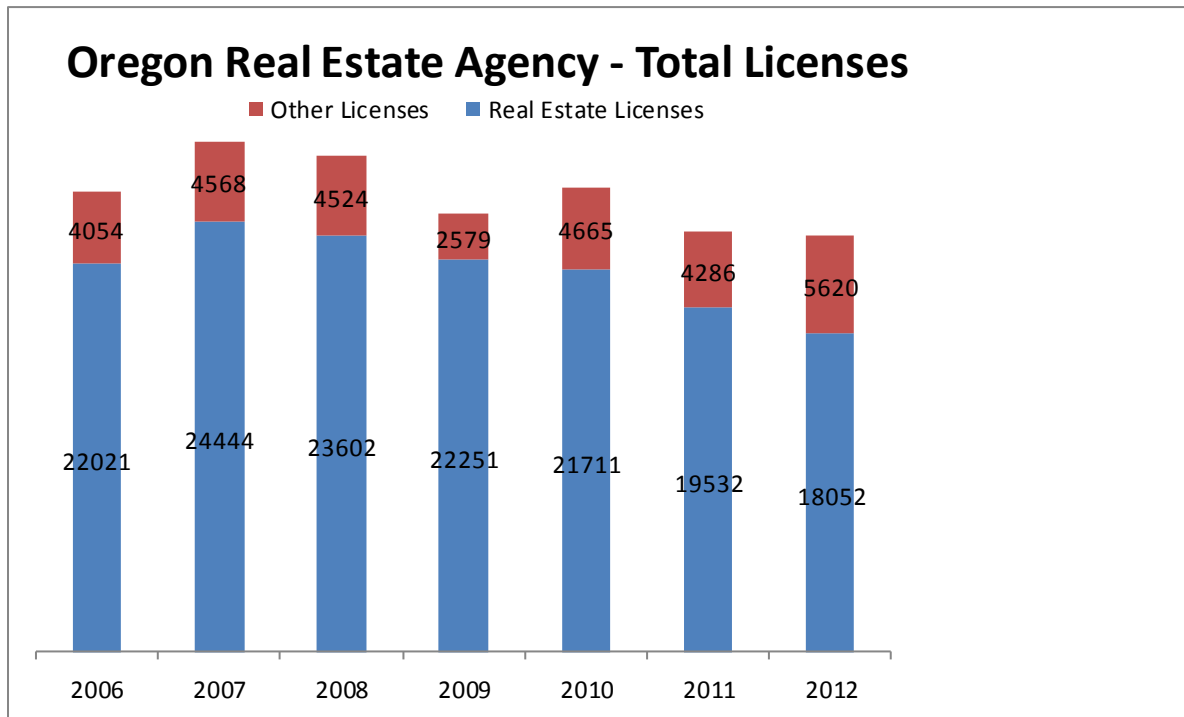
- General public involved in or having an interest in real estate, property management, escrow, and land development activities; as complainants against licensees and registrants; and for informational requests.
- Applicants for licensure.
- Licensees/registrants, including real estate brokers, property managers, organizations, escrow agents, escrow branch offices, campground brokers, and telemarketing organizations.
- Developers of subdivisions, condominiums, timeshare estates, and membership campgrounds.
- Attorneys representing members of the public, licensees, developers with questions on application of law or in matters of complaint and/or administrative sanction.
- Public and private schools offering pre- and post-license real estate courses.
- Professional organizations representing real estate, escrow, property management, home building, land development, timeshares, campground marketing, and educational interests.
- Governmental organizations including local District Attorneys, police, and land planning organizations; the Oregon Attorney General, Consumer Protection and Criminal Justice Divisions, State Police, Housing Agency, Department of Veterans' Affairs, Department of Administrative Services, and other state agencies, both in and out of Oregon; federal HUD, Department of Veterans' Affairs, Farm Home Loan Administration, FBI, FTC, IRS, and other enforcement agencies; and other state and provincial Real Estate Agencies.

Source of Funding. The Agency's revenue source is Other Funds derived primarily from licensing.

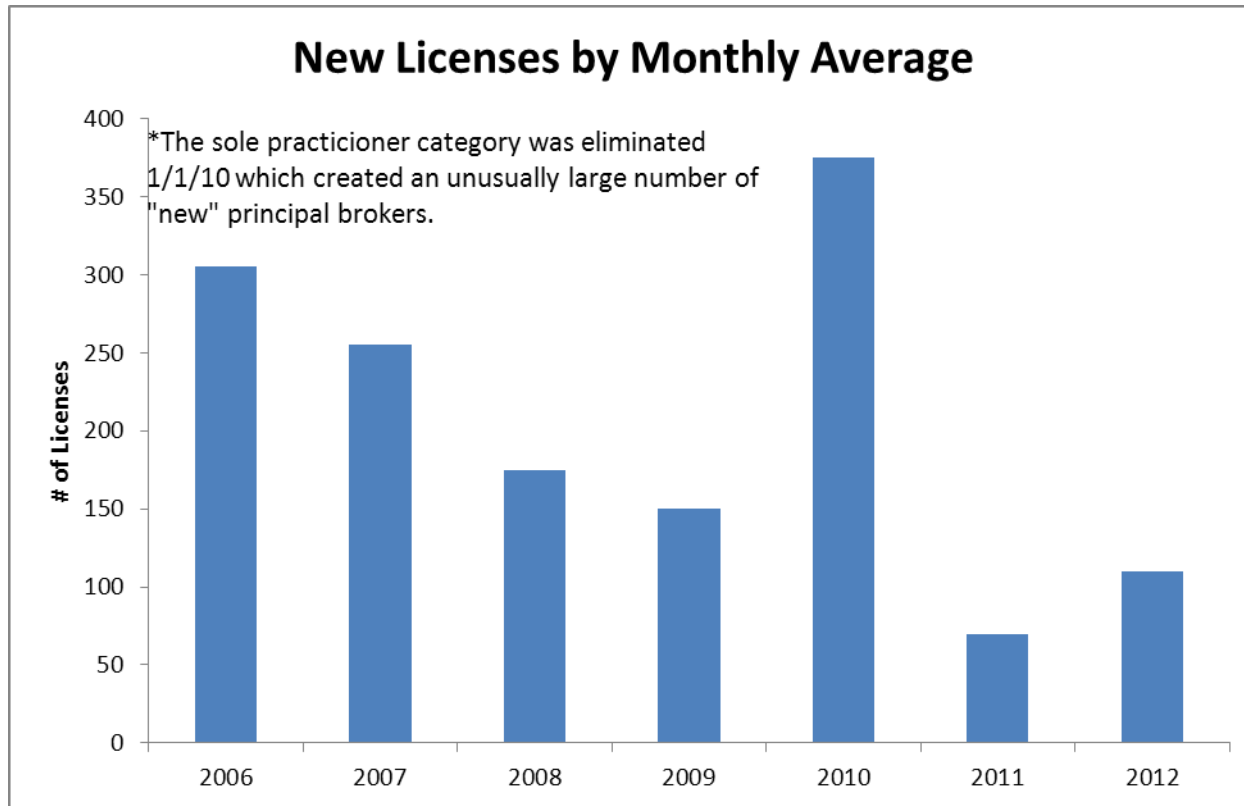
Expenditures. Other Funds expenditures requested in the Agency Request Budget for 2013-15 are \$7,333,608.

FTE. Full time equivalent positions authorized by the Agency's 2011-13 Legislative Adopted Budget and requested in the Agency's 2013-15 Agency Request Budget - 30.

BUDGET NARRATIVE



BUDGET NARRATIVE



BUDGET NARRATIVE

Environmental Factors

Industry Environment

A number of factors have been affecting the real estate industry over the past several years, and will cause the industry to evolve over the next few years. License totals continue to decline, but the decline has slowed. Indicators in several local markets bear good news for the real estate industry. Rising home prices in several key markets and the continuation of low interest rates point toward resurgence in the industry. Although growth in licensees is expected in the next year, it will likely come at a slow rate. The Agency's 2013-15 revenue projection is conservative, at \$5,623,695 Other Funds.

There are several factors that are currently influencing the real estate industry:

- Many national sources are suggesting an improvement in the housing market over the summer. In fact, the National Association of Realtors (NAR) reported rising home sales in June, 2012. The recovery is emerging slowly after the effects of the financial crisis. Recent data suggest that the housing market, which has suffered over the past six years, is perking up, with sales and prices becoming stable. We can see this in some of the local markets in Oregon. But home building now plays a much smaller economic role than it did before the 2007-2009 recession, and a turn for the worse in the broader economy could easily undo housing's incipient recovery.
- Many economists are reporting that the housing sector has turned a corner and demand will continue to improve. National data also underscores the fact that improvement will be gradual. The market continues to be constrained by unnecessarily tight lending standards and shrinking inventory supplies. What would help the housing sector would be a stronger economy, better job growth, and easier financing conditions.

Administrative Environment

Senate Bill 156 was introduced for the Real Estate Agency during the 2011 Legislative Session. It became law on May 27, 2011.

It is the result of collaborative work groups composed of real estate licensees, members of the real estate industry, members of the Real Estate Board and Real Estate Agency staff.

The primary purposes of the bill are to:

- Streamline regulation of principal broker licensing
- Streamline regulation through housekeeping changes to statutes for readability and clarity
- Establish affirmative duties property managers owe property owners which parallel the affirmative duties brokers owe their clients
- Allow fees for fingerprinting and examination services to be collected directly by the vendor from the license applicant

In addition to substantive amendments in the bill, there are a significant number of housekeeping and technical amendments for clarity and readability.

BUDGET NARRATIVE

Senate Bill 485 was introduced by Senator Bonomici on behalf of constituents during the 2011 Legislative Session. It became law on June 29, 2011.

The measure allows the Real Estate Agency to issue a cease and desist order, subject to the Administrative Procedures Act, and maintain action for an injunction against a person who engages or is about to engage in professional real estate activity without a license. It outlines items that must be included in a cease and desist order. It establishes that the order becomes effective after the date that it is issued, unless the individual requests a contested case hearing. Finally, it clarifies that the final cease and desist order is the order that is to be recorded into the County Clerk Lien record and enforced.

Internal Environment

Staffing

Job openings through retirements and turnover will continue to create challenges for the Agency in maintaining stable staffing levels in the next five years. The need for adequate staffing to improve service and to allow senior employees to use increasing vacation leave will also need to be addressed.

The Agency will continue to measure customer service delivery via monthly electronic surveys. The Agency will assess the existing talents and skills of employees as well as determine needed training to maximize efficiency and customer service.

The Agency is currently holding four vacant positions. The Agency has reorganized several times to decrease its spending levels and to ensure the coverage of existing workload. Agency employees continue to fulfill the requirement to take unpaid time off throughout the 2011-13 biennium due to the recession which has necessitated mandatory furlough days. The Agency will continue to strive to balance its current workload and customer service level with a reduced number of work days.

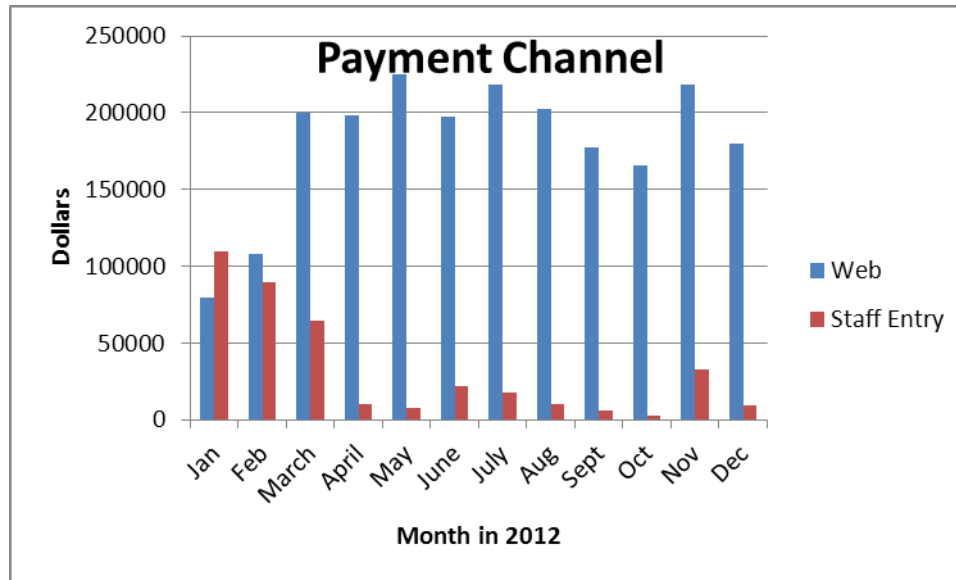
Technology and Systems

In September 2010, the Agency entered into a contract with CAVU (Iron Data, Inc.) to purchase a new licensing database that would broaden the services offered electronically to licensees and consumers. The previous system only allowed for limited online renewals (within the same status) and the ability for the public to look up license statuses. The new system was envisioned to automate several processes and enhance the features that were available to licensees, such as initial applications, transfers and information updates. A workload reduction in back office transactions was expected, as was the allowance for some redistribution of staff resources as efficiencies were recognized.

The Agency's eLicense system was successfully implemented on March 5, 2012. Eleven months into using eLicense, the impact of the efficiencies has exceeded expectations. All of the Agency's business transactions have moved to eLicense, replacing the manual input of licensee information by staff. Applications and other business transactions are no longer coming in by mail. Previously, approximately 1,200 transactions were received per

BUDGET NARRATIVE

month by mail, requiring manual input into the licensing system by staff. The illustration below provides historical data on web entered payments by licensees and applications and the associated payments that were manually processed by staff.



The workload reduction is abundantly clear. As licensees have embraced the new streamlined process, phone volume has also quickly declined. Calls focus less on system failure and error rates and more on technical support. A more thorough analysis of the call volume is expected to confirm the suspicion that a reduction in technically oriented calls will emerge as well.

The system now processes all business applications and revenue for the Oregon Real Estate Agency, with the exception of fees for public records, condominium filings, and civil penalty payments. Condominium filings (legal documents and declarations) must be reviewed by Agency staff, and the amount of actual cost is not usually determined until the review. The Agency is working on an invoice application for eLicense that will allow individuals to submit filing fees online.

The system has enabled the Agency to reduce spending significantly by reorganizing positions and maintaining vacancies in order to recognize major efficiencies. Most significantly, redundant data entry by licensees and staff is prevented and licensee information is kept current.

The following applications are now online and processed in eLicense:

1. New applications

BUDGET NARRATIVE

- a. Broker
 - b. Principal Broker
 - c. Property Manager
2. License Renewals
 3. License Transfers
 4. Change of Address/Update Personal Information
 5. Maintenance of Clients' Trust Account Information
 6. Activate/Inactivate License
 7. Registered Business Name Application
 8. Registered Branch Office Application
 9. Legal Name Change
 10. Requests of Certified License History

Online processing of all applications is required. The Agency accepts credit and debit card payment through Visa, MasterCard and Discover, and electronic checks. The Commissioner stringently enforces the Agency's policy of requiring the use of its eLicense system.

Consumer Protection

The Agency will review its effectiveness in protecting consumers via its education, licensing and enforcement roles. The Agency will strive for a competent licensed real estate community through the approval of courses and instructors, the development of licensing examinations, and the publishing of information.

Accountability

The Agency recently recommended changes to its performance measures to ensure that they are meaningful and reasonable, and to better reflect the Agency's goals and mission. With the recommendations provided by the Legislative Fiscal Office coming out of the 2011 Regular Session the Agency implemented these changes. The Agency will continue to work closely with BAM and LFO to monitor the new measures.

The Agency will continue to be prudent in exercising its expenditure authority. The Agency also remains committed to the principles of transparency and public accountability. All employee compensation, agency revenue and expenditure data is posted on a public website (the Oregon Transparency Website) through the Department of Administrative Services.

Agency Initiatives

The Agency continues to review the Oregon Revised Statutes and Oregon Administrative Rules that direct the agency's authority and procedures on an ongoing basis. Collaborative work groups will be formed in the 2013-15 biennium for this review process as needed. The work groups have

BUDGET NARRATIVE

historically included the Commissioner, Agency staff, board members, and industry representatives in the areas of real estate brokerage, property management, and escrow. The work groups are generally charged with conducting a review of the Administrative Rules resulting in clear and concise language for implementation of standards and regulation as well as developing Legislative Concepts

Criteria for 2013-15 Budget Development

The goals inherent in the Agency's mission are used as the basis to develop the budget proposal: to provide quality protection for Oregon consumers of real estate related services, regulate in a manner that supports a positive real estate market, and provide excellent customer service.

The Agency has experienced a decline in activity of the real estate market that which has resulted in a reduction in the number of applications for real estate licenses, however the number of renewals has not dropped significantly. To achieve its goals, the budget criteria are to:

- Maintain the existing licensing fees.
- Continue to keep the Board and industry actively involved with the Agency and the Commissioner.
- Provide adequate Attorney General, building rental, data processing services and office supplies limitation to maintain the current program level.
- Maintain an adequate ending balance by implementing cost reduction strategies to meet any unexpected revenue shortfall due to industry decline.

Major Information Technology Projects \$1,000,000+

Not applicable to the Real Estate Agency.

Information Technology Projects \$150,000+

Not applicable to the Real Estate Agency.

Sustainability

Not applicable to the Real Estate Agency.

Other Considerations - None.

BUDGET NARRATIVE

Summary of 2013-15 Budget 919 Real Estate Agency

	TOTALS			FUND TYPE					
	POS	FTE	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other	Federal
2011-13 LEGISLATIVELY ADOPTED BUDGET	30	30.00	7,461,430			7,461,430			
2011-13 Emergency Board Actions									
2011-13 Legislatively Approved Budget	30	30.00	7,461,430			7,461,430			
Base Budget Adjustments:									
Net Cost of Position Actions:									
Administrative, Biennialized E-Board, Phase-Out			267,003			267,003			
Estimated Cost of Merit Increase									
Base Debt Service Adjustment									
Base Nonlimited Adjustment									
Capital Construction Adjustment									
Subtotal: 2013-15 Base Budget	30	30.00	7,728,433			7,728,433			
Essential Packages:									
Package No. 010									
Vacancy Factor Decrease			(33,620)			(33,620)			
Non-PICS Personal Service Decrease			(884)			(884)			
Subtotal			(34,504)			(34,504)			
Package No. 021/022									
021 - Phased-In Programs Excl. One-Time Costs									
022 - Phase-Out Programs and One-Time Costs			(500,000)			(500,000)			
Subtotal			(500,000)			(500,000)			
Package No. 031/032/033									
Cost of Goods & Services Increase			29,673			29,673			
State Gov. Service Charges Increase			53,348			53,348			
Subtotal			83,021			83,021			

BUDGET NARRATIVE

Package No. 040										
Mandated Caseload Increase/Decrease										
Package No. 050										
Fund Shifts										
Package No. 060										
Technical Adjustments										
Subtotal: 2013-15 Current Service Level	30	30.00	7,276,950			7,276,950				
Subtotal: 2013-15 Modified Current Service Level	30	30.00	7,276,950			7,276,950				
Subtotal Emergency Board Packages										
Policy Packages										
091 – Statewide Admin. Savings			(36,058)			(36,058)				
092 – PERS Taxation Policy			(13,242)			(13,242)				
093 – Other PERS Adjustments			(105,935)			(105,935)				
Subtotal Policy Packages			(155,235)			(155,235)				
Total: 2013-15 Budget	30	30.00	7,121,715			7,121,715				

Percent Change From 2011-13 Leg. Approved	--%	--%	-4.60%	--%	--%	-4.60%	--%	--%	--%
Percent Change From 2013-15 Current Service Level	--%	--%	-2.10%	--%	--%	-2.10%	--%	--%	--%

BUDGET NARRATIVE

Summary of 2013-15 Biennium Budget

Real Estate Agency
Real Estate Agency
2013-15 Biennium

Governor's Budget
Cross Reference Number: 91900-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	30	30.00	7,461,430	-	-	7,461,430	-	-	-
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	30	30.00	7,461,430	-	-	7,461,430	-	-	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	267,003	-	-	267,003	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	30	30.00	7,728,433	-	-	7,728,433	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(33,620)	-	-	(33,620)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	(884)	-	-	(884)	-	-	-
Subtotal	-	-	(34,504)	-	-	(34,504)	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(500,000)	-	-	(500,000)	-	-	-
Subtotal	-	-	(500,000)	-	-	(500,000)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	29,673	-	-	29,673	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	53,348	-	-	53,348	-	-	-

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Page 1 of 6

BDV104 - Biennial Budget Summary
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BUDGET NARRATIVE

Summary of 2013-15 Biennium Budget

Real Estate Agency
 Real Estate Agency
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 91900-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	83,021	-	-	83,021	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2013-15 Current Service Level	30	30.00	7,276,950	-	-	7,276,950	-	-	-

BUDGET NARRATIVE

Summary of 2013-15 Biennium Budget

Real Estate Agency
Real Estate Agency
2013-15 Biennium

Governor's Budget
Cross Reference Number: 91900-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	30	30.00	7,276,950	-	-	7,276,950	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	30	30.00	7,276,950	-	-	7,276,950	-	-	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	(36,058)	-	-	(36,058)	-	-	-
092 - PERS Taxation Policy	-	-	(13,242)	-	-	(13,242)	-	-	-
093 - Other PERS Adjustments	-	-	(105,935)	-	-	(105,935)	-	-	-
Subtotal Policy Packages	-	-	(155,235)	-	-	(155,235)	-	-	-
Total 2013-15 Governor's Budget	30	30.00	7,121,715	-	-	7,121,715	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-	-	-4.60%	-	-	-4.60%	-	-	-
Percentage Change From 2013-15 Current Service Level	-	-	-2.10%	-	-	-2.10%	-	-	-

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Page 3 of 6

BDV104 - Biennial Budget Summary
BDV104

BUDGET NARRATIVE

Summary of 2013-15 Biennium Budget

Real Estate Agency
Real Estate Agency
2013-15 Biennium

Governor's Budget
Cross Reference Number: 91900-050-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	30	30.00	7,461,430	-	-	7,461,430	-	-	-
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	30	30.00	7,461,430	-	-	7,461,430	-	-	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	267,003	-	-	267,003	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	30	30.00	7,728,433	-	-	7,728,433	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(33,620)	-	-	(33,620)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	(884)	-	-	(884)	-	-	-
Subtotal	-	-	(34,504)	-	-	(34,504)	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(500,000)	-	-	(500,000)	-	-	-
Subtotal	-	-	(500,000)	-	-	(500,000)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	29,673	-	-	29,673	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	53,348	-	-	53,348	-	-	-

BUDGET NARRATIVE

Summary of 2013-15 Biennium Budget

Real Estate Agency
Real Estate Agency
2013-15 Biennium

Governor's Budget
Cross Reference Number: 91900-050-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	83,021	-	-	83,021	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2013-15 Current Service Level	30	30.00	7,276,950	-	-	7,276,950	-	-	-

BUDGET NARRATIVE

Summary of 2013-15 Biennium Budget

Real Estate Agency
Real Estate Agency
2013-15 Biennium

Governor's Budget
Cross Reference Number: 91900-050-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	30	30.00	7,276,950	-	-	7,276,950	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	30	30.00	7,276,950	-	-	7,276,950	-	-	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	(36,058)	-	-	(36,058)	-	-	-
092 - PERS Taxation Policy	-	-	(13,242)	-	-	(13,242)	-	-	-
093 - Other PERS Adjustments	-	-	(105,935)	-	-	(105,935)	-	-	-
Subtotal Policy Packages	-	-	(155,235)	-	-	(155,235)	-	-	-
Total 2013-15 Governor's Budget	30	30.00	7,121,715	-	-	7,121,715	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-	-	-4.60%	-	-	-4.60%	-	-	-
Percentage Change From 2013-15 Current Service Level	-	-	-2.10%	-	-	-2.10%	-	-	-

BUDGET NARRATIVE

Real Estate Agency 2013-15 Biennium														Agency Number: 91900				
Department-Wide Priorities for 2013-15 Biennium																		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Priority (ranked with highest priority first)	Dept. Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, F, or D)	
Dept	Program/Div																	
1			Licensing (applications, renewals, business and branch office registrations). Structurally, this section is now part of the Administrative Services division (prioritized below).	KPM 6 - customer service standards	3			1,466,722				\$ 1,466,722	2	2.00	N		One Operations and Policy Analyst 2 position is included.	
2			Regulation and Enforcement (Complaints, Investigations, Administrative Actions, Civil Penalty enforcement)	KPM 2 - Days to complete investigation. KPM 6 - customer service standards	3			2,933,444				\$ 2,933,444	16	16.00	N		One Investigator 2, one Financial Investigator 1, and one Compliance Specialist 3 position is included.	
3			Education - Licensee Outreach (mail-in compliance reviews, pre and post license education, exam development)	KPM 1 - % of property managers/principal brokers reviewed who meet compliance KPM 4 - % of property managers/principal brokers who rate the exam as effective KPM 5 - Customer Service Standards	7			1,100,041				\$ 1,100,041	3		N		N	
4			Land Development (Condo, timeshare, membership campgrounds registrations, Real Estate Marketing Organization licensing & regulation)	KPM 6 - Customer Service Standards	3			550,020				\$ 550,020	2	2.00	N		N	
			Board Support, Commissioner's Office, Administration and IT Staff (Commissioner and Deputy Commissioner's office, Budget, Accounting, Information Technology, Personnel & Payroll, Contracts & Procurement, Real Estate Board and Advisory Group Support, Administrative Rule Reviews and Legislative Concept Development)	KPM 6 - Customer Service Standards	4			1,263,381				\$ 1,263,381	8	8.00	N		N	
								7,333,608				\$ 7,333,608	30	30.00				

The Real Estate Agency is based on the statutory mandate to operate a licensing and regulatory agency. The statute finds that the activity of persons seeking to assist others, for compensation, to deal in real estate in the State of Oregon is a matter of public concern. The statutes assist in creating for the public a healthy real estate market and assure that professional real estate activity is conducted with high fiduciary standards. All of the Agency's activities promote this statutory mandate and are interrelated. The Agency has one detail cross reference level, which includes the costs for the Licensing, Regulation, Education and Land Development program, along with Administrative costs.

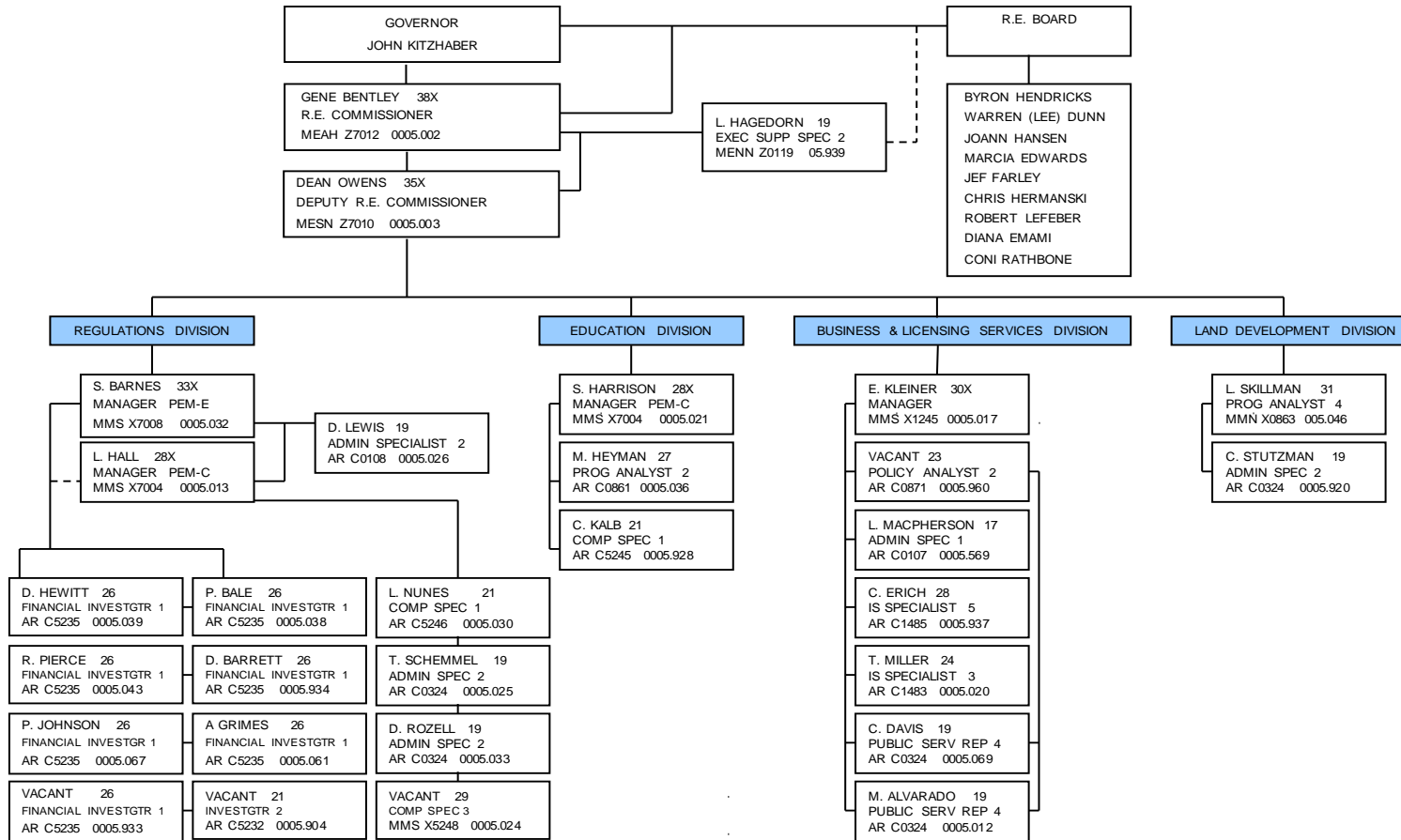
BUDGET NARRATIVE

10% Reduction Options (ORS 291.216)

ACTIVITY OR PROGRAM (WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	DESCRIBE REDUCTION (DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2013-15 AND 2015-17)	AMOUNT AND FUND TYPE (GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	RANK AND JUSTIFICATION (RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
1. Eliminate one Compliance Specialist 3 position (#0005924).	OTHER EXISTING AGENCY STAFF MEMBERS WILL BE REQUIRED TO PICK UP THESE DUTIES.	\$185,000 OTHER FUNDS	(1)
2. Eliminate one Operations and Policy Analyst 2 position (#0005960).	AGENCY-WIDE AND LICENSING PROCESS IMPROVEMENTS AND FURTHER DEVELOPMENT WITH THE AGENCY'S ELICENSE SYSTEM COULD BE DELAYED.	\$120,000 OTHER FUNDS	(2)
3. Eliminate one Investigator 2 position (#0005904).	INVESTIGATIONS COULD BE DELAYED. THE CONSUMERS RELY ON THE AGENCY TO INVESTIGATE COMPLAINTS IN A TIMELY MANNER. DELAYING COMPLETION WILL RESULT IN AN INCREASE IN PHONE CALLS AND COMPLAINTS.	\$120,000 OTHER FUNDS	(3)
4. Eliminate one Financial Investigator 1 position (#0005933).	EFFECTS LISTED ABOVE WOULD APPLY.	\$140,000 OTHER FUNDS	(4)
5. Reduce use of the Attorney General for legal advice and enforcement actions.	WITHOUT LEGAL ADVICE, THE AGENCY MIGHT INADVERTENTLY TAKE INCORRECT ACTIONS RESULTING IN COSTLY LITIGATION	\$118,360 OTHER FUNDS	(5)
6. Reduce use of instate and out-of-state travel.	AGENCY WOULD CONDUCT INVESTIGATIONS FROM OFFICE AND NOT HAVE THE SAME PRESENCE IN THE INDUSTRY. EMPLOYEES WOULD NOT BENEFIT FROM TRAINING OFFERED OUTSIDE OF SALEM AREA.	\$50,000 OTHER FUNDS	(6)
	TOTAL REDUCTIONS	\$733,360 OTHER FUNDS	

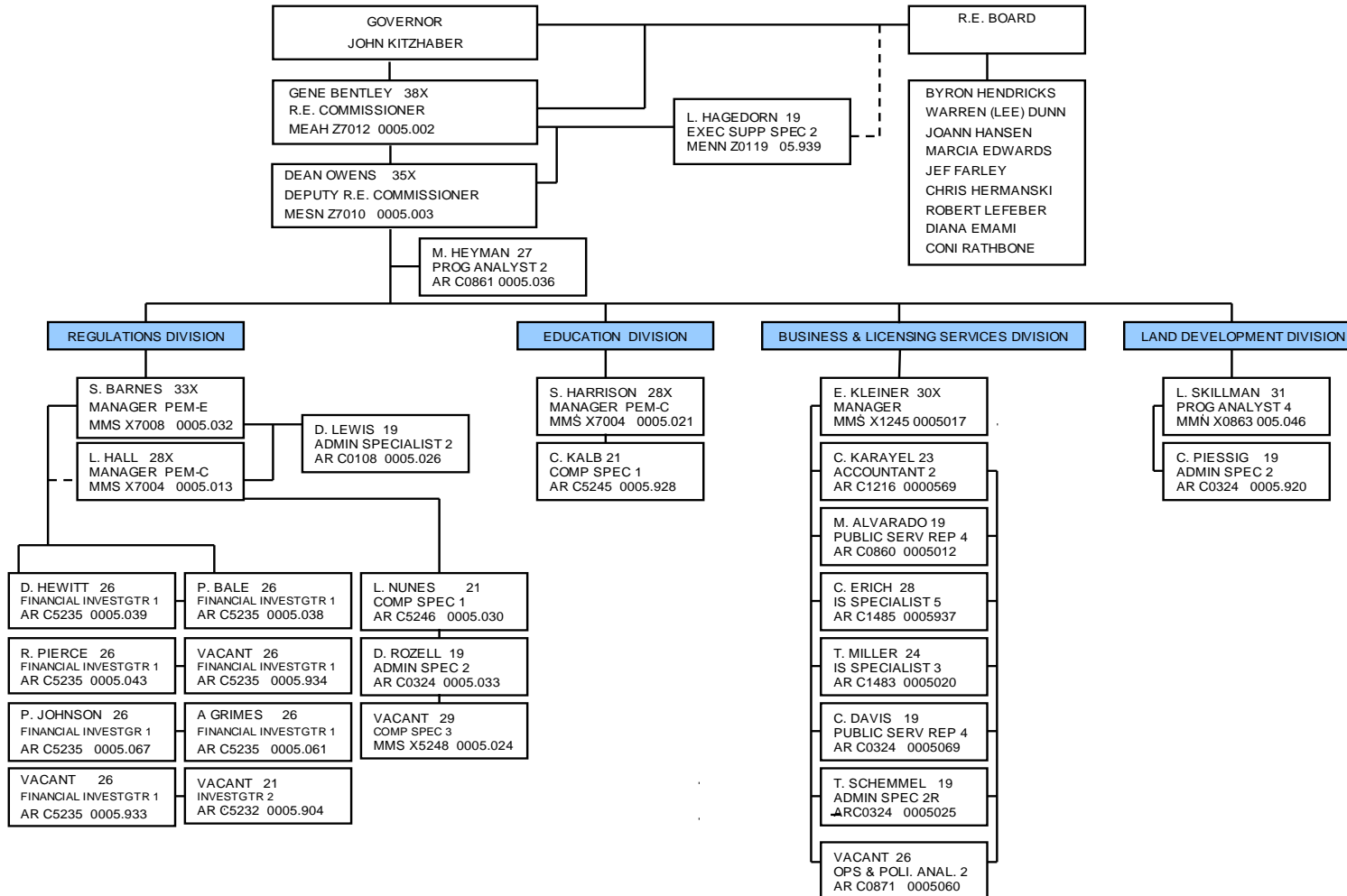
BUDGET NARRATIVE

2011-13 REAL ESTATE AGENCY ORGANIZATION CHART



BUDGET NARRATIVE

2013-15 REAL ESTATE AGENCY ORGANIZATION CHART



BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

**Agencywide Appropriated Fund Group
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
LIMITED BUDGET (Excluding Packages)						
Other Funds	6,772,329	7,461,430	7,461,430	7,750,281	7,728,433	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-
LIMITED BUDGET (Essential Packages)						
010-NON-PICS PSNL SVC / VACANCY FACTOR						
Other Funds	-	-	-	(34,503)	(34,504)	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
Other Funds	-	-	-	(500,000)	(500,000)	-
031-STANDARD INFLATION						
Other Funds	-	-	-	117,830	83,021	-
TOTAL LIMITED BUDGET (Essential Packages)						
Other Funds	-	-	-	(416,673)	(451,483)	-
LIMITED BUDGET (Current Service Level)						
Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,276,950	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-
LIMITED BUDGET (Policy Packages)						
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(36,058)	-
092-PERS TAXATION POLICY- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(13,242)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(105,935)	-

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Agencywide Appropriated Fund Group - BPR001

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

**Agencywide Appropriated Fund Group
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
TOTAL LIMITED BUDGET (Policy Packages)						
Other Funds	-	-	-	-	(155,235)	-
TOTAL LIMITED BUDGET (Including Packages)						
Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,121,715	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-
OPERATING BUDGET (Excluding Packages)						
Other Funds	6,772,329	7,461,430	7,461,430	7,750,281	7,728,433	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-
OPERATING BUDGET (Essential Packages)						
010-NON-PICS PSNL SVC / VACANCY FACTOR						
Other Funds	-	-	-	(34,503)	(34,504)	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
Other Funds	-	-	-	(500,000)	(500,000)	-
031-STANDARD INFLATION						
Other Funds	-	-	-	117,830	83,021	-
TOTAL OPERATING BUDGET (Essential Packages)						
Other Funds	-	-	-	(416,673)	(451,483)	-
OPERATING BUDGET (Current Service Level)						
Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,276,950	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-
OPERATING BUDGET (Policy Packages)						

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Agencywide Appropriated Fund Group - BPR001

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

**Agencywide Appropriated Fund Group
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(36,058)	-
092-PERS TAXATION POLICY- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(13,242)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(105,935)	-
TOTAL OPERATING BUDGET (Policy Packages)						
Other Funds	-	-	-	-	(155,235)	-
TOTAL OPERATING BUDGET (Including Packages)						
Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,121,715	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-
TOTAL BUDGET (Excluding Packages)						
Other Funds	6,772,329	7,461,430	7,461,430	7,750,281	7,728,433	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-
TOTAL BUDGET (Essential Packages)						
010-NON-PICS PSNL SVC / VACANCY FACTOR						
Other Funds	-	-	-	(34,503)	(34,504)	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
Other Funds	-	-	-	(500,000)	(500,000)	-
031-STANDARD INFLATION						
Other Funds	-	-	-	117,830	83,021	-
TOTAL BUDGET (Essential Packages)						

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Agencywide Appropriated Fund Group - BPR001

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

**Agencywide Appropriated Fund Group
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	-	-	-	(416,673)	(451,483)	-
TOTAL BUDGET (Current Service Level)						
Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,276,950	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-
TOTAL BUDGET (Policy Packages)						
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(36,058)	-
092-PERS TAXATION POLICY- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(13,242)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 050-00-00-00000						
Other Funds	-	-	-	-	(105,935)	-
TOTAL BUDGET (Policy Packages)						
Other Funds	-	-	-	-	(155,235)	-
TOTAL BUDGET (Including Packages)						
Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,121,715	-
AUTHORIZED POSITIONS	33	30	30	30	30	-
AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Agencywide Appropriated Fund Group - BPR001

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

**Agencywide Program Unit Summary
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
050-00-00-00000	Real Estate Agency						
	Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,121,715	-
TOTAL AGENCY							
	Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,121,715	-

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Agencywide Program Unit Summary - BPR010

BUDGET NARRATIVE

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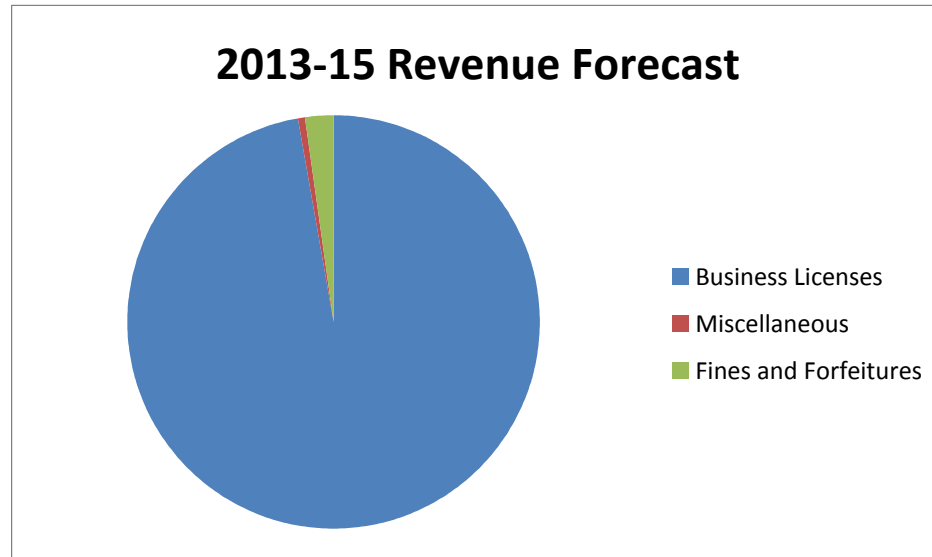
BUDGET NARRATIVE

Revenue Discussion

The Oregon Real Estate Agency is entirely self-supported through Other Fund (OF) revenues derived from licensing and other services. All civil penalties assessed by the Agency are transferred to the General Fund in accordance with statute. The fee structure is expected to remain the same as the current biennium; fees have not been raised since the mid-1990s. The Agency has been spending more than actual revenue received over the past several months, decreasing the ending balance. However, the Agency has implemented a cost reduction plan to close the gap that exists between expenditures and revenue. Savings from the Agency's four vacant positions have contributed greatly to reducing this gap. The Agency anticipates relative stability in its revenue stream and current market indicators are pointing to an impending increase in licensees in Oregon.

The following is a summary of fees:

- Licensing or reactivation exam, \$75 and applicant criminal background check, \$47, fees are paid directly to PSI, the Agency's exam vendor.
- Broker or Property Manager license - \$230,
- Renewal for Active Broker or Property Manager license - \$230,
- Renewal for Inactive Broker or Property Manager license - \$110,
- Notification of opening or closing of a branch, transfer or change of name or address of a broker - \$10,
- Duplicate license - \$20,
- Reactivation of inactive license for Broker or Property Manager - \$75, and
- Late Renewal - \$30.



BUDGET NARRATIVE

Detail of Other Funds Revenue

Source	Fund	ORBITS Revenue Acct	2009-2011 Actual	2011-13 Legislatively Adopted	2011-13 Estimated	2013-15		
						Agency Request	Governor's Recommended	Legislatively Adopted
Business Licenses	Other	205	\$5,459,202	\$5,809,037	\$5,206,637	\$5,466,968	\$5,466,968	
Miscellaneous*	Other	410	\$154,952	\$176,787	\$23,746	\$24,933	\$24,933	
Fines and Forfeitures	Other	505	\$112,180	\$299,892	\$125,517	\$131,794	\$131,794	
Total			\$5,726,334	\$6,285,716	\$5,355,900	\$5,623,695	\$5,623,695	
*The Agency no longer receives revenue from fingerprinting or examinations								

Agency Request

Governor's Recommended

Legislatively Adopted

Budget Page ____

BUDGET NARRATIVE

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Real Estate Agency
2013-15 Biennium

Agency Number: 91900
Cross Reference Number: 91900-000-00-00-00000

Source	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds						
Business Lic and Fees	5,575,878	5,809,037	5,809,037	5,466,968	5,466,968	-
Charges for Services	27,907	176,787	176,787	24,933	24,933	-
Fines and Forfeitures	130,690	299,892	299,892	131,794	131,794	-
Sales Income	7,358	-	-	-	-	-
Transfer to General Fund	(65,228)	(112,179)	(112,179)	(66,381)	(66,381)	-
Total Other Funds	\$5,676,605	\$6,173,537	\$6,173,537	\$5,557,314	\$5,557,314	-

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Detail of LF, OF, and FF Revenues - BPR012

BUDGET NARRATIVE

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Real Estate Agency
2013-15 Biennium

Agency Number: 91900
Cross Reference Number: 91900-050-00-00-00000

Source	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds						
Business Lic and Fees	5,575,878	5,809,037	5,809,037	5,466,968	5,466,968	-
Charges for Services	27,907	176,787	176,787	24,933	24,933	-
Fines and Forfeitures	130,690	299,892	299,892	131,794	131,794	-
Sales Income	7,358	-	-	-	-	-
Transfer to General Fund	(65,228)	(112,179)	(112,179)	(66,381)	(66,381)	-
Total Other Funds	\$5,676,605	\$6,173,537	\$6,173,537	\$5,557,314	\$5,557,314	-

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Detail of LF, OF, and FF Revenues - BPR012

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

**Agencywide Revenues and Disbursements Summary
2013-15 Biennium**

Version: Y-01-Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
Other Funds	4,164,252	3,160,366	3,160,366	1,872,473	1,872,473	-
0030 Beginning Balance Adjustment						
Other Funds	-	-	-	612,164	612,164	-
TOTAL BEGINNING BALANCE						
Other Funds	4,164,252	3,160,366	3,160,366	2,484,637	2,484,637	-
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
Other Funds	5,575,878	5,809,037	5,809,037	5,466,968	5,466,968	-
CHARGES FOR SERVICES						
0410 Charges for Services						
Other Funds	27,907	176,787	176,787	24,933	24,933	-
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
Other Funds	130,690	299,892	299,892	131,794	131,794	-
SALES INCOME						
0705 Sales Income						
Other Funds	7,358	-	-	-	-	-
TOTAL REVENUES						

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Agencywide Revenues and Disbursements Summary - BPR011

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

**Agencywide Revenues and Disbursements Summary
2013-15 Biennium**

Version: Y-01-Governor's Budget

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
Other Funds	5,741,833	6,285,716	6,285,716	5,623,695	5,623,695	-
TRANSFERS OUT						
2060 Transfer to General Fund						
Other Funds	(65,228)	(112,179)	(112,179)	(66,381)	(66,381)	-
AVAILABLE REVENUES						
Other Funds	9,840,857	9,333,903	9,333,903	8,041,951	8,041,951	-
EXPENDITURES						
Other Funds	6,772,329	7,461,430	7,461,430	7,333,608	7,121,715	-
ENDING BALANCE						
Other Funds	3,068,528	1,872,473	1,872,473	708,343	920,236	-

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Agencywide Revenues and Disbursements Summary - BPR011

BUDGET NARRATIVE

Real Estate Agency

Program Description

The Real Estate Agency has only one budget unit.

Essential Packages

010 Vacancy Factor and Non-PICS Personal Service

Package Description

This package includes general inflation of 2.4% on non-PICS items of temporaries, overtime, shift differentials, and unemployment compensation, including the OPE associated with them. This amount equals \$500. The Agency's vacancy factor has increased, resulting in a decrease in Personal Services of (\$33,620). Mass transit taxes also resulted in a decrease in Personal Services of (\$1,383). This package totals a decrease in Personal Services of (\$34,504), which is all Other Funds.

2015-17 Fiscal Impact

No impact.

BUDGET NARRATIVE

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Real Estate Agency

Cross Reference Name: Real Estate Agency

Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Number: 91900-050-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	340	-	-	-	340
Overtime Payments	-	-	63	-	-	-	63
All Other Differential	-	-	35	-	-	-	35
Public Employees' Retire Cont	-	-	19	-	-	-	19
Social Security Taxes	-	-	34	-	-	-	34
Unemployment Assessments	-	-	9	-	-	-	9
Mass Transit Tax	-	-	(1,383)	-	-	-	(1,383)
Vacancy Savings	-	-	(33,620)	-	-	-	(33,620)
Reconciliation Adjustment	-	-	(1)	-	-	-	(1)
Total Personal Services	-	-	(\$34,504)	-	-	-	(\$34,504)
Total Expenditures							
Total Expenditures	-	-	(34,504)	-	-	-	(34,504)
Total Expenditures	-	-	(\$34,504)	-	-	-	(\$34,504)
Ending Balance							
Ending Balance	-	-	34,504	-	-	-	34,504
Total Ending Balance	-	-	\$34,504	-	-	-	\$34,504

BUDGET NARRATIVE

022 Phase-out Program

Package Description

This package, totaling (\$500,000), includes budget adjustments to phase-out from the 2011-13 biennium budget. The Agency successfully launched its eLicense system in March, 2012. The payments associated with the new licensing system were made in 2012. Below is a breakdown of this package.

The 2011-2013 biennium included expenditure limitation for the Agency's eLicense system to be phased out for the 2013-2015 biennium.

Licensing System Replacement Package

<u>\$500,000</u>	4715 - IT Related Expendable Property
\$500,000	Phased Out
\$500,000	Total Phased Out

2015-17 Fiscal Impact

No impact.

BUDGET NARRATIVE

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Real Estate Agency

Cross Reference Name: Real Estate Agency

Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Number: 91900-050-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	-	-	(500,000)	-	-	-	(500,000)
Total Services & Supplies	-	-	(\$500,000)	-	-	-	(\$500,000)
Total Expenditures							
Total Expenditures	-	-	(500,000)	-	-	-	(500,000)
Total Expenditures	-	-	(\$500,000)	-	-	-	(\$500,000)
Ending Balance							
Ending Balance	-	-	500,000	-	-	-	500,000
Total Ending Balance	-	-	\$500,000	-	-	-	\$500,000

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

BUDGET NARRATIVE

031 Standard Inflation and State Government Service Charge

Package Description

This essential package reflects the projected inflation increases in goods and services, the published changes in pricing of government service charges, and above standard inflation totals.

The cost of goods and services increased by \$83,021. This is based on the biennial general inflation factor which is applied to most Services and Supplies and non-PICS Personal Services costs.

2015-17 Fiscal Impact

No impact.

BUDGET NARRATIVE

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Real Estate Agency
Pkg: 031 - Standard Inflation

Cross Reference Name: Real Estate Agency
Cross Reference Number: 91900-050-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	1,890	-	-	-	1,890
Out of State Travel	-	-	445	-	-	-	445
Employee Training	-	-	706	-	-	-	706
Office Expenses	-	-	4,731	-	-	-	4,731
Telecommunications	-	-	(47,202)	-	-	-	(47,202)
State Gov. Service Charges	-	-	53,348	-	-	-	53,348
Data Processing	-	-	4,155	-	-	-	4,155
Publicity and Publications	-	-	2,808	-	-	-	2,808
Professional Services	-	-	4,364	-	-	-	4,364
IT Professional Services	-	-	1,976	-	-	-	1,976
Attorney General	-	-	30,685	-	-	-	30,685
Employee Recruitment and Develop	-	-	156	-	-	-	156
Dues and Subscriptions	-	-	202	-	-	-	202
Facilities Rental and Taxes	-	-	20,232	-	-	-	20,232
Facilities Maintenance	-	-	96	-	-	-	96
Agency Program Related S and S	-	-	873	-	-	-	873
Other Services and Supplies	-	-	2,940	-	-	-	2,940
Expendable Prop 250 - 5000	-	-	616	-	-	-	616
Total Services & Supplies	-	-	\$83,021	-	-	-	\$83,021
Total Expenditures							
Total Expenditures	-	-	83,021	-	-	-	83,021
Total Expenditures	-	-	\$83,021	-	-	-	\$83,021

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

BUDGET NARRATIVE

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Real Estate Agency
Pkg: 031 - Standard Inflation

Cross Reference Name: Real Estate Agency
Cross Reference Number: 91900-050-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(83,021)	-	-	-	(83,021)
Total Ending Balance	-	-	(\$83,021)	-	-	-	(\$83,021)

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

BUDGET NARRATIVE

091 Statewide Administrative Savings

Package Description

The Governor's budget requires increased efficiency in the operation of state government, calls for additional savings in administrative expenditures, and allows for the reinvestment of some of the savings realized through efficiencies into agency programs or to other initiatives that will further improve the administrative operations of state government.

Package 091 was included in all agency budgets as a placeholder for administrative efficiencies to be found in Finance, IT, HR, Accounting, Payroll, and Procurement activities. The Improving Government subcommittee of the Enterprise Leadership Team will be identifying proposed efficiencies or changes in the delivery of service to meet the funding level in the Governor's budget, and will work with individual agencies on the impact to their budget, along with reinvestment opportunities.

2015-17 Fiscal Impact

No impact.

BUDGET NARRATIVE

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Real Estate Agency

Cross Reference Name: Real Estate Agency

Pkg: 091 - Statewide Administrative Savings

Cross Reference Number: 91900-050-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Undistributed (P.S.)	-	-	(25,920)	-	-	-	(25,920)
Total Personal Services	-	-	(\$25,920)	-	-	-	(\$25,920)
Services & Supplies							
Undistributed (S.S.)	-	-	(10,138)	-	-	-	(10,138)
Total Services & Supplies	-	-	(\$10,138)	-	-	-	(\$10,138)
Total Expenditures							
Total Expenditures	-	-	(36,058)	-	-	-	(36,058)
Total Expenditures	-	-	(\$36,058)	-	-	-	(\$36,058)
Ending Balance							
Ending Balance	-	-	36,058	-	-	-	36,058
Total Ending Balance	-	-	\$36,058	-	-	-	\$36,058

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

BUDGET NARRATIVE

092 PERS Taxation Policy

Package Description

This essential package includes policy change to limit tax relief calculations for PERS retirees that are Oregon residents. Non-residents will no longer receive the tax relief benefits.

2015-17 Fiscal Impact

No impact.

BUDGET NARRATIVE

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Real Estate Agency
Pkg: 092 - PERS Taxation Policy

Cross Reference Name: Real Estate Agency
Cross Reference Number: 91900-050-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(13,242)	-	-	-	(13,242)
Total Personal Services	-	-	(\$13,242)	-	-	-	(\$13,242)
Total Expenditures							
Total Expenditures	-	-	(13,242)	-	-	-	(13,242)
Total Expenditures	-	-	(\$13,242)	-	-	-	(\$13,242)
Ending Balance							
Ending Balance	-	-	13,242	-	-	-	13,242
Total Ending Balance	-	-	\$13,242	-	-	-	\$13,242

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

BUDGET NARRATIVE

093 PERS Taxation Policy

Package Description

This essential package includes another policy change that reduces the PERS employer rate by approximately 320 basis points.

2015-17 Fiscal Impact

No impact.

BUDGET NARRATIVE

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Real Estate Agency
Pkg: 093 - Other PERS Adjustments

Cross Reference Name: Real Estate Agency
Cross Reference Number: 91900-050-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
PERS Policy Adjustment	-	-	(105,935)	-	-	-	(105,935)
Total Personal Services	-	-	(\$105,935)	-	-	-	(\$105,935)
Total Expenditures							
Total Expenditures	-	-	(105,935)	-	-	-	(105,935)
Total Expenditures	-	-	(\$105,935)	-	-	-	(\$105,935)
Ending Balance							
Ending Balance	-	-	105,935	-	-	-	105,935
Total Ending Balance	-	-	\$105,935	-	-	-	\$105,935

____ Agency Request
2013-15 Biennium

____ Governor's Recommended
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

BUDGET NARRATIVE

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BUDGET NARRATIVE

AFFIRMATIVE ACTION PLAN FOR THE REAL ESTATE AGENCY

Background

The Real Estate Agency (REA) is a small agency (30.00 FTE) of 30 employees primarily made up of professional and managerial personnel specializing in the field of real estate. Of the 30 positions, 23 are at salary range 21 or above. Only seven positions can be classified as administrative specialist/support at salary ranges 17 - 19. So far during the 2011-13 biennium, we have had four vacancies due to individuals seeking other employment.

Analysis

Upper Management (SR 31+) Two of the four upper management positions (50%) are female; there are no minority employees and no disabled employees.

Middle Management (SR 28-30) All three of the middle management positions are female. There are no minorities or disabled employees.

Professional (SR 21-27) Five of the eleven in this group are female. There currently are no minority employees and no disabled employees. This group provides one of the best opportunities for the Agency to employ those from protected classes. However, the recruitment pool containing those from protected classes with real estate, escrow, or investigative backgrounds is relatively small.

Administrative Specialist/Support (SR 15-19) Eight of eight (100%) are female. This group has been relatively stable over the past few years. There is one minority employee in this group.

BUDGET NARRATIVE

LONG RANGE STRATEGIES & GOALS

The Agency continues to strive for parity in needed areas. However, one problem that tends to make reaching parity difficult is that REA attempts to hire Professional, Middle Management and Upper Management with a real estate background. Unfortunately, the real estate industry is not reflective of the parity goals as set out in our AA Analysis or AA Reports.

The Agency has and will continue to take steps to network with representatives of organizations advocating for people of color and the disabled prior to position openings. When possible, the Agency has and will continue to work closely with real estate training institution recruiters to contact and encourage more minority participation as students.

When and where possible, without discrimination, the Agency will continue to assist its employees in upward mobility through retention and career development efforts.

The Agency continues to make the work environment hospitable to persons of diverse background when they are added to its work place. In an effort to achieve this goal, the Agency will make planned efforts to obtain diversity training for staff from available sources.

BUDGET NARRATIVE

DEVELOPMENT & IMPLEMENTATION OF PROGRAMS

Training

The Agency has provided training to the IT staff that is necessary for maintaining the agency operating system, information security and reporting requirements. The Agency has also provided customer service training to the administrative staff to assist in dealing with the demands of public information. Financial Investigators are involved in training at the Department of Justice on an ongoing basis, and will also attend Association of Real Estate License Law Officials (ARELLO) Real Estate Investigator Training this biennium. The Agency will develop training and developmental plans for its employees.

Employee

The Agency continues to upgrade system furniture to meet the ergonomic needs of staff on an as-needed basis.

(ADA)

Dept. of Administrative Services (DAS) has modified employee and public restrooms to meet new ADA standards. When DAS modified employee/public restrooms to meet the ADA standards, it installed signs with raised Braille lettering to assist the visually impaired and fire alarm systems to warn those with disabilities.

Public Accommodation

The Agency has TTY services available for those with hearing impairment, should the public need the service when contacting the Agency. We also provide language interpreters when needed. Handicapped parking, automatic door opener at one entrance and accessible restrooms are available for all visitors to the Agency needing such services. Customer service staff-members are on hand to help licensees conduct business in eLicense. For walk-in customers, staff can walk through the various online application processes if requested.

Special arrangements have also been provided for those with visual impairment upon request. The Agency's examination vendor can accommodate those with special needs.

In general we believe the Real Estate Agency has met the needs and the new requirements of the disabled under the ADA and continues to work toward parity in minority, disabled and female hiring.

BUDGET NARRATIVE

Real Estate Agency

Summary Cross Reference Listing and Packages
2013-15 Biennium

Agency Number: 91900

BAM Analyst: Ball, Dustin

Budget Coordinator: Kleiner, Erica - (503)378-4009

<i>Cross Reference Number</i>	<i>Cross Reference Description</i>	<i>Package Number</i>	<i>Priority</i>	<i>Package Description</i>	<i>Package Group</i>
050-00-00-00000	Real Estate Agency	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
050-00-00-00000	Real Estate Agency	021	0	Phase-in	Essential Packages
050-00-00-00000	Real Estate Agency	022	0	Phase-out Pgm & One-time Costs	Essential Packages
050-00-00-00000	Real Estate Agency	031	0	Standard Inflation	Essential Packages
050-00-00-00000	Real Estate Agency	032	0	Above Standard Inflation	Essential Packages
050-00-00-00000	Real Estate Agency	033	0	Exceptional Inflation	Essential Packages
050-00-00-00000	Real Estate Agency	050	0	Fundshifts	Essential Packages
050-00-00-00000	Real Estate Agency	060	0	Technical Adjustments	Essential Packages
050-00-00-00000	Real Estate Agency	070	0	Revenue Shortfalls	Policy Packages
050-00-00-00000	Real Estate Agency	082	0	September 2012 E-Board	Policy Packages
050-00-00-00000	Real Estate Agency	083	0	December 2012 E-Board	Policy Packages
050-00-00-00000	Real Estate Agency	090	0	Analyst Adjustments	Policy Packages
050-00-00-00000	Real Estate Agency	091	0	Statewide Administrative Savings	Policy Packages
050-00-00-00000	Real Estate Agency	092	0	PERS Taxation Policy	Policy Packages
050-00-00-00000	Real Estate Agency	093	0	Other PERS Adjustments	Policy Packages

BUDGET NARRATIVE

Real Estate Agency

Policy Package List by Priority
2013-15 Biennium

Agency Number: 91900

BAM Analyst: Ball, Dustin

Budget Coordinator: Kleiner, Erica - (503)378-4009

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>
0	070	Revenue Shortfalls	050-00-00-00000	Real Estate Agency
	082	September 2012 E-Board	050-00-00-00000	Real Estate Agency
	083	December 2012 E-Board	050-00-00-00000	Real Estate Agency
	090	Analyst Adjustments	050-00-00-00000	Real Estate Agency
	091	Statewide Administrative Savings	050-00-00-00000	Real Estate Agency
	092	PERS Taxation Policy	050-00-00-00000	Real Estate Agency
	093	Other PERS Adjustments	050-00-00-00000	Real Estate Agency

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-000-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	4,164,252	3,160,366	3,160,366	1,872,473	1,872,473	-
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	-	-	612,164	612,164	-
BEGINNING BALANCE						
3400 Other Funds Ltd	4,164,252	3,160,366	3,160,366	2,484,637	2,484,637	-
TOTAL BEGINNING BALANCE	\$4,164,252	\$3,160,366	\$3,160,366	\$2,484,637	\$2,484,637	-
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	5,575,878	5,809,037	5,809,037	5,466,968	5,466,968	-
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	27,907	176,787	176,787	24,933	24,933	-
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
3400 Other Funds Ltd	65,462	187,713	187,713	65,413	65,413	-
8800 General Fund Revenue	65,228	112,179	112,179	66,381	66,381	-
All Funds	130,690	299,892	299,892	131,794	131,794	-
SALES INCOME						
0705 Sales Income						
3400 Other Funds Ltd	7,358	-	-	-	-	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-000-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
REVENUE CATEGORIES						
3400 Other Funds Ltd	5,676,605	6,173,537	6,173,537	5,557,314	5,557,314	-
8800 General Fund Revenue	65,228	112,179	112,179	66,381	66,381	-
TOTAL REVENUE CATEGORIES	\$5,741,833	\$6,285,716	\$6,285,716	\$5,623,695	\$5,623,695	-
TRANSFERS OUT						
2060 Transfer to General Fund						
8800 General Fund Revenue	(65,228)	(112,179)	(112,179)	(66,381)	(66,381)	-
AVAILABLE REVENUES						
3400 Other Funds Ltd	9,840,857	9,333,903	9,333,903	8,041,951	8,041,951	-
TOTAL AVAILABLE REVENUES	\$9,840,857	\$9,333,903	\$9,333,903	\$8,041,951	\$8,041,951	-
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	3,068,465	3,473,472	3,473,472	3,316,824	3,316,824	-
3160 Temporary Appointments						
3400 Other Funds Ltd	130,176	14,160	14,160	14,500	14,500	-
3170 Overtime Payments						
3400 Other Funds Ltd	3,080	2,619	2,619	2,682	2,682	-
3190 All Other Differential						
3400 Other Funds Ltd	14,288	1,458	1,458	1,493	1,493	-
SALARIES & WAGES						
3400 Other Funds Ltd	3,216,009	3,491,709	3,491,709	3,335,499	3,335,499	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-000-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
TOTAL SALARIES & WAGES	\$3,216,009	\$3,491,709	\$3,491,709	\$3,335,499	\$3,335,499	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	1,145	1,230	1,230	1,200	1,200	-
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	258,567	500,182	500,182	653,154	632,078	-
3221 Pension Obligation Bond						
3400 Other Funds Ltd	177,619	199,717	199,717	199,717	199,717	-
3230 Social Security Taxes						
3400 Other Funds Ltd	240,020	264,379	264,379	251,992	253,387	-
3240 Unemployment Assessments						
3400 Other Funds Ltd	18,093	366	366	375	375	-
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	1,516	1,770	1,770	1,770	1,770	-
3260 Mass Transit Tax						
3400 Other Funds Ltd	19,284	21,396	21,396	20,013	20,013	-
3270 Flexible Benefits						
3400 Other Funds Ltd	801,586	902,880	902,880	915,840	915,840	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	1,517,830	1,891,920	1,891,920	2,044,061	2,024,380	-
TOTAL OTHER PAYROLL EXPENSES	\$1,517,830	\$1,891,920	\$1,891,920	\$2,044,061	\$2,024,380	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-000-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
3400 Other Funds Ltd	-	(74,301)	(74,301)	(107,921)	(107,921)	-
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(292,037)	(292,037)	-	(2,168)	-
3470 Undistributed (P.S.)						
3400 Other Funds Ltd	-	-	-	-	(25,920)	-
3991 PERS Policy Adjustment						
3400 Other Funds Ltd	-	-	-	-	(119,177)	-
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(366,338)	(366,338)	(107,921)	(255,186)	-
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$366,338)	(\$366,338)	(\$107,921)	(\$255,186)	-
PERSONAL SERVICES						
3400 Other Funds Ltd	4,733,839	5,017,291	5,017,291	5,271,639	5,104,693	-
TOTAL PERSONAL SERVICES	\$4,733,839	\$5,017,291	\$5,017,291	\$5,271,639	\$5,104,693	-
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	62,403	78,754	78,754	80,644	80,644	-
4125 Out of State Travel						
3400 Other Funds Ltd	23,973	18,540	18,540	18,985	18,985	-
4150 Employee Training						
3400 Other Funds Ltd	43,083	29,413	29,413	30,119	30,119	-
4175 Office Expenses						
3400 Other Funds Ltd	103,962	197,138	197,138	201,869	201,869	-
4200 Telecommunications						

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-000-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
3400 Other Funds Ltd	99,237	74,016	74,016	30,893	26,814	-
4225 State Gov. Service Charges						
3400 Other Funds Ltd	214,479	206,293	206,293	285,423	259,641	-
4250 Data Processing						
3400 Other Funds Ltd	1,297	36,577	36,577	45,488	40,732	-
4275 Publicity and Publications						
3400 Other Funds Ltd	109,468	116,996	116,996	119,804	119,804	-
4300 Professional Services						
3400 Other Funds Ltd	346,183	162,716	162,716	167,272	167,080	-
4315 IT Professional Services						
3400 Other Funds Ltd	36,990	70,569	70,569	72,545	72,545	-
4325 Attorney General						
3400 Other Funds Ltd	216,266	205,938	205,938	236,623	236,623	-
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	773	6,511	6,511	6,667	6,667	-
4400 Dues and Subscriptions						
3400 Other Funds Ltd	16,961	8,434	8,434	8,636	8,636	-
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	388,953	396,700	396,700	416,932	416,932	-
4475 Facilities Maintenance						
3400 Other Funds Ltd	2,187	3,981	3,981	4,077	4,077	-
4575 Agency Program Related S and S						
3400 Other Funds Ltd	176,764	36,385	36,385	37,258	37,258	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-000-00-00-00000

2013-15 Biennium

Real Estate Agency

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
4650 Other Services and Supplies						
3400 Other Funds Ltd	62,564	122,510	122,510	125,450	125,450	-
4675 Undistributed (S.S.)						
3400 Other Funds Ltd	-	-	-	-	(10,138)	-
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	11,670	25,674	25,674	26,290	26,290	-
4715 IT Expendable Property						
3400 Other Funds Ltd	76,999	646,994	646,994	146,994	146,994	-
SERVICES & SUPPLIES						
3400 Other Funds Ltd	1,994,212	2,444,139	2,444,139	2,061,969	2,017,022	-
TOTAL SERVICES & SUPPLIES	\$1,994,212	\$2,444,139	\$2,444,139	\$2,061,969	\$2,017,022	-
CAPITAL OUTLAY						
5600 Data Processing Hardware						
3400 Other Funds Ltd	44,278	-	-	-	-	-
EXPENDITURES						
3400 Other Funds Ltd	6,772,329	7,461,430	7,461,430	7,333,608	7,121,715	-
TOTAL EXPENDITURES	\$6,772,329	\$7,461,430	\$7,461,430	\$7,333,608	\$7,121,715	-
ENDING BALANCE						
3400 Other Funds Ltd	3,068,528	1,872,473	1,872,473	708,343	920,236	-
TOTAL ENDING BALANCE	\$3,068,528	\$1,872,473	\$1,872,473	\$708,343	\$920,236	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	33	30	30	30	30	-
TOTAL AUTHORIZED POSITIONS	33	30	30	30	30	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-000-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	31.24	30.00	30.00	30.00	30.00	-
TOTAL AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	4,164,252	3,160,366	3,160,366	1,872,473	1,872,473	-
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	-	-	612,164	612,164	-
BEGINNING BALANCE						
3400 Other Funds Ltd	4,164,252	3,160,366	3,160,366	2,484,637	2,484,637	-
TOTAL BEGINNING BALANCE	\$4,164,252	\$3,160,366	\$3,160,366	\$2,484,637	\$2,484,637	-
REVENUE CATEGORIES						
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	5,575,878	5,809,037	5,809,037	5,466,968	5,466,968	-
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	27,907	176,787	176,787	24,933	24,933	-
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
3400 Other Funds Ltd	65,462	187,713	187,713	65,413	65,413	-
8800 General Fund Revenue	65,228	112,179	112,179	66,381	66,381	-
All Funds	130,690	299,892	299,892	131,794	131,794	-
SALES INCOME						
0705 Sales Income						
3400 Other Funds Ltd	7,358	-	-	-	-	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
REVENUE CATEGORIES						
3400 Other Funds Ltd	5,676,605	6,173,537	6,173,537	5,557,314	5,557,314	-
8800 General Fund Revenue	65,228	112,179	112,179	66,381	66,381	-
TOTAL REVENUE CATEGORIES	\$5,741,833	\$6,285,716	\$6,285,716	\$5,623,695	\$5,623,695	-
TRANSFERS OUT						
2060 Transfer to General Fund						
8800 General Fund Revenue	(65,228)	(112,179)	(112,179)	(66,381)	(66,381)	-
AVAILABLE REVENUES						
3400 Other Funds Ltd	9,840,857	9,333,903	9,333,903	8,041,951	8,041,951	-
TOTAL AVAILABLE REVENUES	\$9,840,857	\$9,333,903	\$9,333,903	\$8,041,951	\$8,041,951	-
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	3,068,465	3,473,472	3,473,472	3,316,824	3,316,824	-
3160 Temporary Appointments						
3400 Other Funds Ltd	130,176	14,160	14,160	14,500	14,500	-
3170 Overtime Payments						
3400 Other Funds Ltd	3,080	2,619	2,619	2,682	2,682	-
3190 All Other Differential						
3400 Other Funds Ltd	14,288	1,458	1,458	1,493	1,493	-
SALARIES & WAGES						
3400 Other Funds Ltd	3,216,009	3,491,709	3,491,709	3,335,499	3,335,499	-

12/26/12
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Page 9 of 14

BDV103A - Budget Support - Detail Revenues & Expenditures
BDV103A

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
TOTAL SALARIES & WAGES	\$3,216,009	\$3,491,709	\$3,491,709	\$3,335,499	\$3,335,499	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	1,145	1,230	1,230	1,200	1,200	-
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	258,567	500,182	500,182	653,154	632,078	-
3221 Pension Obligation Bond						
3400 Other Funds Ltd	177,619	199,717	199,717	199,717	199,717	-
3230 Social Security Taxes						
3400 Other Funds Ltd	240,020	264,379	264,379	251,992	253,387	-
3240 Unemployment Assessments						
3400 Other Funds Ltd	18,093	366	366	375	375	-
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	1,516	1,770	1,770	1,770	1,770	-
3260 Mass Transit Tax						
3400 Other Funds Ltd	19,284	21,396	21,396	20,013	20,013	-
3270 Flexible Benefits						
3400 Other Funds Ltd	801,586	902,880	902,880	915,840	915,840	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	1,517,830	1,891,920	1,891,920	2,044,061	2,024,380	-
TOTAL OTHER PAYROLL EXPENSES	\$1,517,830	\$1,891,920	\$1,891,920	\$2,044,061	\$2,024,380	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
3400 Other Funds Ltd	-	(74,301)	(74,301)	(107,921)	(107,921)	-
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	(292,037)	(292,037)	-	(2,168)	-
3470 Undistributed (P.S.)						
3400 Other Funds Ltd	-	-	-	-	(25,920)	-
3991 PERS Policy Adjustment						
3400 Other Funds Ltd	-	-	-	-	(119,177)	-
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(366,338)	(366,338)	(107,921)	(255,186)	-
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$366,338)	(\$366,338)	(\$107,921)	(\$255,186)	-
PERSONAL SERVICES						
3400 Other Funds Ltd	4,733,839	5,017,291	5,017,291	5,271,639	5,104,693	-
TOTAL PERSONAL SERVICES	\$4,733,839	\$5,017,291	\$5,017,291	\$5,271,639	\$5,104,693	-
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	62,403	78,754	78,754	80,644	80,644	-
4125 Out of State Travel						
3400 Other Funds Ltd	23,973	18,540	18,540	18,985	18,985	-
4150 Employee Training						
3400 Other Funds Ltd	43,083	29,413	29,413	30,119	30,119	-
4175 Office Expenses						
3400 Other Funds Ltd	103,962	197,138	197,138	201,869	201,869	-
4200 Telecommunications						

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
3400 Other Funds Ltd	99,237	74,016	74,016	30,893	26,814	-
4225 State Gov. Service Charges						
3400 Other Funds Ltd	214,479	206,293	206,293	285,423	259,641	-
4250 Data Processing						
3400 Other Funds Ltd	1,297	36,577	36,577	45,488	40,732	-
4275 Publicity and Publications						
3400 Other Funds Ltd	109,468	116,996	116,996	119,804	119,804	-
4300 Professional Services						
3400 Other Funds Ltd	346,183	162,716	162,716	167,272	167,080	-
4315 IT Professional Services						
3400 Other Funds Ltd	36,990	70,569	70,569	72,545	72,545	-
4325 Attorney General						
3400 Other Funds Ltd	216,266	205,938	205,938	236,623	236,623	-
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	773	6,511	6,511	6,667	6,667	-
4400 Dues and Subscriptions						
3400 Other Funds Ltd	16,961	8,434	8,434	8,636	8,636	-
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	388,953	396,700	396,700	416,932	416,932	-
4475 Facilities Maintenance						
3400 Other Funds Ltd	2,187	3,981	3,981	4,077	4,077	-
4575 Agency Program Related S and S						
3400 Other Funds Ltd	176,764	36,385	36,385	37,258	37,258	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
4650 Other Services and Supplies						
3400 Other Funds Ltd	62,564	122,510	122,510	125,450	125,450	-
4675 Undistributed (S.S.)						
3400 Other Funds Ltd	-	-	-	-	(10,138)	-
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	11,670	25,674	25,674	26,290	26,290	-
4715 IT Expendable Property						
3400 Other Funds Ltd	76,999	646,994	646,994	146,994	146,994	-
SERVICES & SUPPLIES						
3400 Other Funds Ltd	1,994,212	2,444,139	2,444,139	2,061,969	2,017,022	-
TOTAL SERVICES & SUPPLIES	\$1,994,212	\$2,444,139	\$2,444,139	\$2,061,969	\$2,017,022	-
CAPITAL OUTLAY						
5600 Data Processing Hardware						
3400 Other Funds Ltd	44,278	-	-	-	-	-
EXPENDITURES						
3400 Other Funds Ltd	6,772,329	7,461,430	7,461,430	7,333,608	7,121,715	-
TOTAL EXPENDITURES	\$6,772,329	\$7,461,430	\$7,461,430	\$7,333,608	\$7,121,715	-
ENDING BALANCE						
3400 Other Funds Ltd	3,068,528	1,872,473	1,872,473	708,343	920,236	-
TOTAL ENDING BALANCE	\$3,068,528	\$1,872,473	\$1,872,473	\$708,343	\$920,236	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	33	30	30	30	30	-
TOTAL AUTHORIZED POSITIONS	33	30	30	30	30	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

<i>Description</i>	<i>2009-11 Actuals</i>	<i>2011-13 Leg Adopted Budget</i>	<i>2011-13 Leg Approved Budget</i>	<i>2013-15 Agency Request Budget</i>	<i>2013-15 Governor's Budget</i>	<i>2013-15 Leg Adopted Budget</i>
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	31.24	30.00	30.00	30.00	30.00	-
TOTAL AUTHORIZED FTE	31.24	30.00	30.00	30.00	30.00	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Version / Column Comparison Report - Detail

Cross Reference Number:91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

Description	Agency Request Budget (V-01) 2013-15 Base Budget	Governor's Budget (Y-01) 2013-15 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	1,872,473	1,872,473	0	-
0030 Beginning Balance Adjustment				
3400 Other Funds Ltd	612,164	612,164	0	-
TOTAL BEGINNING BALANCE				
3400 Other Funds Ltd	2,484,637	2,484,637	0	-
REVENUE CATEGORIES				
LICENSES AND FEES				
0205 Business Lic and Fees				
3400 Other Funds Ltd	5,466,968	5,466,968	0	-
CHARGES FOR SERVICES				
0410 Charges for Services				
3400 Other Funds Ltd	24,933	24,933	0	-
FINES, RENTS AND ROYALTIES				
0505 Fines and Forfeitures				
3400 Other Funds Ltd	65,413	65,413	0	-
8800 General Fund Revenue	66,381	66,381	0	-
All Funds	131,794	131,794	0	-
TOTAL REVENUES				
3400 Other Funds Ltd	5,557,314	5,557,314	0	-
8800 General Fund Revenue	66,381	66,381	0	-
TOTAL REVENUES	\$5,623,695	\$5,623,695	0	-

TRANSFERS OUT

12/26/12

Page 1 of 5

ANA100A - Version / Column Comparison Report - Detail

9:26 AM

ANA100A

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Version / Column Comparison Report - Detail

Cross Reference Number:91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

Description	Agency Request Budget (V-01) 2013-15 Base Budget	Governor's Budget (Y-01) 2013-15 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
2060 Transfer to General Fund				
8800 General Fund Revenue	(66,381)	(66,381)	0	-
AVAILABLE REVENUES				
3400 Other Funds Ltd	8,041,951	8,041,951	0	-
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	3,316,824	3,316,824	0	-
3160 Temporary Appointments				
3400 Other Funds Ltd	14,160	14,160	0	-
3170 Overtime Payments				
3400 Other Funds Ltd	2,619	2,619	0	-
3190 All Other Differential				
3400 Other Funds Ltd	1,458	1,458	0	-
TOTAL SALARIES & WAGES				
3400 Other Funds Ltd	3,335,061	3,335,061	0	-
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	1,200	1,200	0	-
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	653,135	632,059	(21,076)	-3.23%
3221 Pension Obligation Bond				
3400 Other Funds Ltd	199,717	199,717	0	-

12/26/12

Page 2 of 5

ANA100A - Version / Column Comparison Report - Detail

9:26 AM

ANA100A

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Version / Column Comparison Report - Detail

Cross Reference Number:91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

Description	Agency Request Budget (V-01) 2013-15 Base Budget	Governor's Budget (Y-01) 2013-15 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3230 Social Security Taxes				
3400 Other Funds Ltd	251,958	253,353	1,395	0.55%
3240 Unemployment Assessments				
3400 Other Funds Ltd	366	366	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	1,770	1,770	0	-
3260 Mass Transit Tax				
3400 Other Funds Ltd	21,396	21,396	0	-
3270 Flexible Benefits				
3400 Other Funds Ltd	915,840	915,840	0	-
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	2,045,382	2,025,701	(19,681)	-0.96%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(74,301)	(74,301)	0	-
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(2,167)	(2,167)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(74,301)	(76,468)	(2,167)	-2.92%
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	5,306,142	5,284,294	(21,848)	-0.41%
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	78,754	78,754	0	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Version / Column Comparison Report - Detail

Cross Reference Number:91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

Description	Agency Request Budget (V-01) 2013-15 Base Budget	Governor's Budget (Y-01) 2013-15 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4125 Out of State Travel				
3400 Other Funds Ltd	18,540	18,540	0	-
4150 Employee Training				
3400 Other Funds Ltd	29,413	29,413	0	-
4175 Office Expenses				
3400 Other Funds Ltd	197,138	197,138	0	-
4200 Telecommunications				
3400 Other Funds Ltd	74,016	74,016	0	-
4225 State Gov. Service Charges				
3400 Other Funds Ltd	206,293	206,293	0	-
4250 Data Processing				
3400 Other Funds Ltd	36,577	36,577	0	-
4275 Publicity and Publications				
3400 Other Funds Ltd	116,996	116,996	0	-
4300 Professional Services				
3400 Other Funds Ltd	162,716	162,716	0	-
4315 IT Professional Services				
3400 Other Funds Ltd	70,569	70,569	0	-
4325 Attorney General				
3400 Other Funds Ltd	205,938	205,938	0	-
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	6,511	6,511	0	-
4400 Dues and Subscriptions				
3400 Other Funds Ltd	8,434	8,434	0	-

12/26/12

Page 4 of 5

ANA100A - Version / Column Comparison Report - Detail

9:26 AM

ANA100A

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Version / Column Comparison Report - Detail

Cross Reference Number:91900-050-00-00-00000

2013-15 Biennium

Real Estate Agency

Description	Agency Request Budget (V-01) 2013-15 Base Budget	Governor's Budget (Y-01) 2013-15 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	396,700	396,700	0	-
4475 Facilities Maintenance				
3400 Other Funds Ltd	3,981	3,981	0	-
4575 Agency Program Related S and S				
3400 Other Funds Ltd	36,385	36,385	0	-
4650 Other Services and Supplies				
3400 Other Funds Ltd	122,510	122,510	0	-
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	25,674	25,674	0	-
4715 IT Expendable Property				
3400 Other Funds Ltd	646,994	646,994	0	-
TOTAL SERVICES & SUPPLIES				
3400 Other Funds Ltd	2,444,139	2,444,139	0	-
TOTAL EXPENDITURES				
3400 Other Funds Ltd	7,750,281	7,728,433	(21,848)	-0.28%
ENDING BALANCE				
3400 Other Funds Ltd	291,670	313,518	21,848	7.49%
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	30	30	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	30.00	30.00	0	-

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Real Estate Agency

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

EXPENDITURES

PERSONAL SERVICES

SALARIES & WAGES

3160 Temporary Appointments

3400 Other Funds Ltd	340	340	0	0.00%
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3170 Overtime Payments

3400 Other Funds Ltd	63	63	0	0.00%
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3190 All Other Differential

3400 Other Funds Ltd	35	35	0	0.00%
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SALARIES & WAGES

3400 Other Funds Ltd	438	438	0	0.00%
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TOTAL SALARIES & WAGES	\$438	\$438	\$0	0.00%
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OTHER PAYROLL EXPENSES

3220 Public Employees Retire Cont

3400 Other Funds Ltd	19	19	0	0.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	34	34	0	0.00%
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3240 Unemployment Assessments

3400 Other Funds Ltd	9	9	0	0.00%
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BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
2013-15 Biennium
Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000
Package: Non-PICS Psnl Svc / Vacancy Factor
Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3260 Mass Transit Tax				
3400 Other Funds Ltd	(1,383)	(1,383)	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	(1,321)	(1,321)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	(\$1,321)	(\$1,321)	\$0	0.00%
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
3400 Other Funds Ltd	(33,620)	(33,620)	0	0.00%
3465 Reconciliation Adjustment				
3400 Other Funds Ltd	-	(1)	(1)	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	(33,620)	(33,621)	(1)	(0.00%)
TOTAL P.S. BUDGET ADJUSTMENTS	(\$33,620)	(\$33,621)	(\$1)	(0.00%)
PERSONAL SERVICES				
3400 Other Funds Ltd	(34,503)	(34,504)	(1)	(0.00%)
TOTAL PERSONAL SERVICES	(\$34,503)	(\$34,504)	(\$1)	(0.00%)
EXPENDITURES				
3400 Other Funds Ltd	(34,503)	(34,504)	(1)	(0.00%)
TOTAL EXPENDITURES	(\$34,503)	(\$34,504)	(\$1)	(0.00%)

12/26/12

Page 2 of 11

ANA101A - Package Comparison Report - Detail

9:27 AM

ANA101A

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail

Cross Reference Number: 91900-050-00-00-00000

2013-15 Biennium

Package: Non-PICS Psnl Svc / Vacancy Factor

Real Estate Agency

Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
ENDING BALANCE				
3400 Other Funds Ltd	34,503	34,504	1	0.00%
TOTAL ENDING BALANCE	\$34,503	\$34,504	\$1	0.00%

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
2013-15 Biennium
Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000
Package: Phase-out Pgm & One-time Costs
Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4715 IT Expendable Property				
3400 Other Funds Ltd	(500,000)	(500,000)	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	(500,000)	(500,000)	0	0.00%
TOTAL SERVICES & SUPPLIES	(\$500,000)	(\$500,000)	\$0	0.00%
EXPENDITURES				
3400 Other Funds Ltd	(500,000)	(500,000)	0	0.00%
TOTAL EXPENDITURES	(\$500,000)	(\$500,000)	\$0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	500,000	500,000	0	0.00%
TOTAL ENDING BALANCE	\$500,000	\$500,000	\$0	0.00%

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
2013-15 Biennium
Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000
Package: Standard Inflation
Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

EXPENDITURES

SERVICES & SUPPLIES

4100 Instate Travel

3400 Other Funds Ltd	1,890	1,890	0	0.00%
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4125 Out of State Travel

3400 Other Funds Ltd	445	445	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	706	706	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	4,731	4,731	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	(43,123)	(47,202)	(4,079)	(9.46%)
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4225 State Gov. Service Charges

3400 Other Funds Ltd	79,130	53,348	(25,782)	(32.58%)
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4250 Data Processing

3400 Other Funds Ltd	8,911	4,155	(4,756)	(53.37%)
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4275 Publicity and Publications

3400 Other Funds Ltd	2,808	2,808	0	0.00%
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4300 Professional Services

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
2013-15 Biennium
Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000
Package: Standard Inflation
Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	4,556	4,364	(192)	(4.21%)
4315 IT Professional Services				
3400 Other Funds Ltd	1,976	1,976	0	0.00%
4325 Attorney General				
3400 Other Funds Ltd	30,685	30,685	0	0.00%
4375 Employee Recruitment and Develop				
3400 Other Funds Ltd	156	156	0	0.00%
4400 Dues and Subscriptions				
3400 Other Funds Ltd	202	202	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	20,232	20,232	0	0.00%
4475 Facilities Maintenance				
3400 Other Funds Ltd	96	96	0	0.00%
4575 Agency Program Related S and S				
3400 Other Funds Ltd	873	873	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	2,940	2,940	0	0.00%
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	616	616	0	0.00%

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
 2013-15 Biennium
 Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000

Package: Standard Inflation

Pkg Group: ESS Pkg Type: 030 Pkg Number: 031

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SERVICES & SUPPLIES				
3400 Other Funds Ltd	117,830	83,021	(34,809)	(29.54%)
TOTAL SERVICES & SUPPLIES	\$117,830	\$83,021	(\$34,809)	(29.54%)
EXPENDITURES				
3400 Other Funds Ltd	117,830	83,021	(34,809)	(29.54%)
TOTAL EXPENDITURES	\$117,830	\$83,021	(\$34,809)	(29.54%)
ENDING BALANCE				
3400 Other Funds Ltd	(117,830)	(83,021)	34,809	29.54%
TOTAL ENDING BALANCE	(\$117,830)	(\$83,021)	\$34,809	29.54%

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
2013-15 Biennium
Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000
Package: Statewide Administrative Savings
Pkg Group: POL Pkg Type: 090 Pkg Number: 091

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

EXPENDITURES

PERSONAL SERVICES

P.S. BUDGET ADJUSTMENTS

3470 Undistributed (P.S.)

3400 Other Funds Ltd	-	(25,920)	(25,920)	100.00%
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P.S. BUDGET ADJUSTMENTS

3400 Other Funds Ltd	-	(25,920)	(25,920)	100.00%
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TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$25,920)	(\$25,920)	100.00%
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PERSONAL SERVICES

3400 Other Funds Ltd	-	(25,920)	(25,920)	100.00%
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TOTAL PERSONAL SERVICES	-	(\$25,920)	(\$25,920)	100.00%
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SERVICES & SUPPLIES

4675 Undistributed (S.S.)

3400 Other Funds Ltd	-	(10,138)	(10,138)	100.00%
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SERVICES & SUPPLIES

3400 Other Funds Ltd	-	(10,138)	(10,138)	100.00%
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TOTAL SERVICES & SUPPLIES	-	(\$10,138)	(\$10,138)	100.00%
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EXPENDITURES

3400 Other Funds Ltd	-	(36,058)	(36,058)	100.00%
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BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
 2013-15 Biennium
 Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000
 Package: Statewide Administrative Savings
 Pkg Group: POL Pkg Type: 090 Pkg Number: 091

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	-	(\$36,058)	(\$36,058)	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	36,058	36,058	100.00%
TOTAL ENDING BALANCE	-	\$36,058	\$36,058	100.00%

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
2013-15 Biennium
Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000
Package: PERS Taxation Policy
Pkg Group: POL Pkg Type: 090 Pkg Number: 092

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3991 PERS Policy Adjustment				
3400 Other Funds Ltd	-	(13,242)	(13,242)	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	(13,242)	(13,242)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$13,242)	(\$13,242)	100.00%
PERSONAL SERVICES				
3400 Other Funds Ltd	-	(13,242)	(13,242)	100.00%
TOTAL PERSONAL SERVICES	-	(\$13,242)	(\$13,242)	100.00%
EXPENDITURES				
3400 Other Funds Ltd	-	(13,242)	(13,242)	100.00%
TOTAL EXPENDITURES	-	(\$13,242)	(\$13,242)	100.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	13,242	13,242	100.00%
TOTAL ENDING BALANCE	-	\$13,242	\$13,242	100.00%

BUDGET NARRATIVE

Real Estate Agency

Agency Number: 91900

Package Comparison Report - Detail
 2013-15 Biennium
 Real Estate Agency

Cross Reference Number: 91900-050-00-00-00000
 Package: Other PERS Adjustments
 Pkg Group: POL Pkg Type: 090 Pkg Number: 093

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3991 PERS Policy Adjustment				
3400 Other Funds Ltd	-	(105,935)	(105,935)	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	(105,935)	(105,935)	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$105,935)	(\$105,935)	100.00%
<hr/>				
PERSONAL SERVICES				
3400 Other Funds Ltd	-	(105,935)	(105,935)	100.00%
TOTAL PERSONAL SERVICES	-	(\$105,935)	(\$105,935)	100.00%
<hr/>				
EXPENDITURES				
3400 Other Funds Ltd	-	(105,935)	(105,935)	100.00%
TOTAL EXPENDITURES	-	(\$105,935)	(\$105,935)	100.00%
<hr/>				
ENDING BALANCE				
3400 Other Funds Ltd	-	105,935	105,935	100.00%
TOTAL ENDING BALANCE	-	\$105,935	\$105,935	100.00%

BUDGET NARRATIVE

07/31/12 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
 AGENCY:91900 REAL ESTATE AGENCY
 SUMMARY XREF:050-00-00 000 Real Estate Agency

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

PAGE
 2013-15
 PROD FILE
 FICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AR	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	3,487.00		83,688			83,688
000	AR	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	3,837.00		92,088			92,088
000	AR	C0324	AA PUBLIC SERVICE REP 4	5	5.00	120.00	3,375.00		405,000			405,000
000	AR	C0861	AA PROGRAM ANALYST 2	1	1.00	24.00	5,342.00		128,208			128,208
000	AR	C0871	AA OPERATIONS & POLICY ANALYST 2	1	1.00	24.00	4,856.00		116,544			116,544
000	AR	C1483	IA INFO SYSTEMS SPECIALIST 3	1	1.00	24.00	3,681.00		88,344			88,344
000	AR	C1485	IA INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	5,355.00		128,520			128,520
000	AR	C5232	AA INVESTIGATOR 2	1	1.00	24.00	3,032.00		72,768			72,768
000	AR	C5235	AA FINANCIAL INVESTIGATOR 1	7	7.00	168.00	4,302.14		722,760			722,760
000	AR	C5246	AA COMPLIANCE SPECIALIST 1	2	2.00	48.00	3,256.00		156,288			156,288
000	B	Y7500	AE BOARD AND COMMISSION MEMBER		.00	.00	0.00		6,480			6,480
000	MEAHZ	7012	HA PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	10,612.00		254,688			254,688
000	MENNZ	0119	AA EXECUTIVE SUPPORT SPECIALIST 2	1	1.00	24.00	3,274.00		78,576			78,576
000	MESMZ	7010	AA PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	7,093.00		170,232			170,232
000	MMN	X5248	AA COMPLIANCE SPECIALIST 3	1	1.00	24.00	4,809.00		115,416			115,416
000	MMN	X7006	AA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	7,093.00		170,232			170,232
000	MMS	X1245	AA FISCAL ANALYST 3	1	1.00	24.00	6,134.00		147,216			147,216
000	MMS	X7004	AA PRINCIPAL EXECUTIVE/MANAGER C	2	2.00	48.00	4,694.50		225,336			225,336
000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	6,435.00		154,440			154,440
000				30	30.00	720.00	3,536.69		3,316,824			3,316,824
				30	30.00	720.00	3,536.69		3,316,824			3,316,824
				30	30.00	720.00	3,536.69		3,316,824			3,316,824

BUDGET NARRATIVE

07/31/12 REPORT NO.: PPDPLBUDCL
 REPORT: SUMMARY LIST BY PKG BY SUMMARY XREF
 AGENCY: 91900 REAL ESTATE AGENCY
 SUMMARY XREF: 050-00-00 000 Real Estate Agency

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

PAGE
 2013-15
 PROD FILE
 PICS SYSTEM: BUDGET PREPARATION

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
				30	30.00	720.00	3,536.69		3,316,824			3,316,824

BUDGET NARRATIVE

07/31/12 REPORT NO.: PPDPLAGYCL
 REPORT: SUMMARY LIST BY PKG BY AGENCY
 AGENCY: 91900 REAL ESTATE AGENCY

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2013-15
 FICS SYSTEM: BUDGET PREPARATION

PAGE
 PROD FILE

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AR	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	3,487.00		83,688			83,688
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000	MMN	X5248	AA COMPLIANCE SPECIALIST 3	1	1.00	24.00	4,809.00		115,416			115,416
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				30	30.00	720.00	3,536.69		3,316,824			3,316,824

BUDGET NARRATIVE

07/31/12 REPORT NO.: PPDPFLAGYCL
 REPORT: SUMMARY LIST BY PKG BY AGENCY
 AGENCY-91900 REAL ESTATE AGENCY

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2013-15
 PICS SYSTEM: BUDGET PREPARATION

PAGE
 PROD FILE

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
				30	30.00	720.00	3,536.69		3,316,824			3,316,824

BUDGET NARRATIVE

REAL ESTATE AGENCY

Annual Performance Progress Report (APPR) for Fiscal Year (2011-2012)

Original Submission Date: 2012

Finalize Date: 1/18/2013

BUDGET NARRATIVE

2011-2012 KPM #	2011-2012 Approved Key Performance Measures (KPMs)
1	Audits Completed – audits completed
2	Days to Complete Investigation File Processing – average number of days to complete investigation file processing.
3	Contested Case Actions resolved through settlement – percent of contested case actions that are resolved through informal settlement resolution and prior to a formal hearing before the Office of Administrative Hearings.
4	Successful Exam applicants – percentage of applicants who pass the qualifying examination on the first attempt.
5	Online License Renewals – percentage of online renewals compared to total renewal processed by agency.
6	CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.

BUDGET NARRATIVE

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2013-2015
NEW	<p>Title: Percent of property managers/principal brokers who rate the board-administered exam as “good” or “excellent” as an effective screen for competent and ethical professionals.</p> <p>Rationale: The original measure was Successful Exam Applicants - percentage of applicants who pass the qualifying examination on the first attempt. The Legislature directed the Agency to develop a measure that evaluates whether the exam adequately prepares a licensee for conducting real estate business, including appraising whether exam questions are clear and an appropriate assessment of information an applicant needs to know in order to competently perform in a knowledgeable and ethical manner. Property managers and principal brokers are required to take an Advanced Practices course beginning in 2013. The Agency proposes that it will require (by rule) course instructors to provide students information on how to complete a survey that gauges this information. The property managers and principal brokers will provide feedback on whether or not they feel like they were adequately prepared to conduct real estate business. This will allow real estate professionals some time in the profession (at least two years) so they can respond to whether they found the exam as an effective screen for their industry.</p>
NEW	<p>Title: Compliance Rate Achieved - Percent of property managers/principal brokers reviewed who meet compliance within 45 days of a mail-in compliance review.</p> <p>Rationale: The original measure was Audits Completed - ratio of audits completed to the number of offices. This measure only captured the number of audits completed by the Agency each year. The Legislature directed the Agency to create a measure that would assess the Agency's strategies for licensee improvement rather than simply audit count. The proposed measure will focus on how effective the Agency's efforts are to improve the compliance of licensees.</p>
NEW	<p>Title: Percent of cases investigated within 150 days of receipt of complaint.</p> <p>Rationale: The Agency's current investigation timeliness measure is Days to Complete Investigation File Processing – average number of days to complete investigation file processing. However due to case complexity and factors outside the Agency's control, the measure and target were not ideal. LFO directed the Agency to develop an improved investigation timeliness measure. During work sessions with DAS and LFO, the Agency reviewed the regulatory measures of other similarly positioned state agencies. Similar measures were identified and it was decided that the Agency would propose the addition of this measure in 2013-15.</p>

BUDGET NARRATIVE

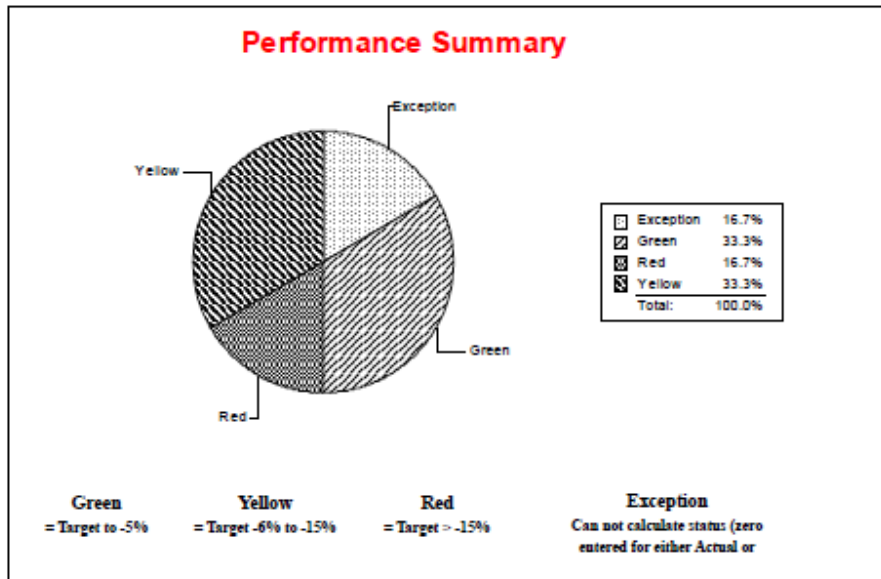
New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2013-2015
DELETE	<p>Title: Audits Completed – audits completed</p> <p>Rationale: Background: Legislative direction was to monitor mail-in audits and in-person reviews separately. However, the Agency no longer performs in-person compliance reviews. The Agency now reviews compliance using mail-in surveys. The Agency is tracking response rates, non-compliance category and qualitative data meant to provide the Agency with education direction and cultivate performance benchmarks. Proposed KPM: Percent of property managers/principal brokers reviewed who meet compliance within 45 days of a mail-in compliance review. Target – 90%</p>
DELETE	<p>Title: Days to Complete Investigation File Processing – average number of days to complete investigation file processing.</p> <p>Rationale: The Agency currently measures the average number of days to complete an investigation. However due to case complexity and factors outside the Agency's control, the measure and target are not ideal. LFO directed the Agency to develop an improved investigation timeliness measure, which has since been developed and is proposed for addition in 2013-15.</p>
DELETE	<p>Title: Successful Exam applicants – percentage of applicants who pass the qualifying examination on the first attempt.</p> <p>Rationale: Legislative direction was to develop a measure related to the examinations that evaluates whether the exams adequately prepare a licensee for conducting real estate business; including appraising whether the exam questions are clear and an appropriate assessment of information an applicant needs to know in order to competently perform in a knowledgeable and ethical manner. The Agency worked with DAS and LFO during the interim and has proposed a new measurement of the Agency's efforts to prepare licensees to conduct real estate business.</p>
DELETE	<p>Title: Online License Renewals – percentage of online renewals compared to total renewal processed by agency.</p> <p>Rationale: On March 5, 2012 the Agency successfully launched its eLicense system. The former system, L2K, would only allow for limited online renewals (active to active or inactive to inactive) and the ability to look up a licensee's status by the public. The new system automated several processes over a period of time to enhance the features that were available to licensees, such as initial applications, transfers and information updates. All of the Agency's major licensing transactions are now conducted online with a 100% electronic renewal rate (as well as, many other application types). This is no longer a useful measurement as the Agency's eLicense system mandated that licensing transactions be conducted online.</p>

BUDGET NARRATIVE

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2013-2015
DELETE	<p>Title: Contested Case Actions resolved through settlement – percent of contested case actions that are resolved through informal settlement resolution and prior to a formal hearing before the Office of Administrative Hearings.</p> <p>Rationale: Consent agreements are the most efficient and cost-effective method of resolving disciplinary actions. However, it is not uncommon for licensees to decline consent agreements because they want the opportunity to present their position in administrative hearings. The Agency worked with DAS and LFO during the interim to determine if this measure could be modified to provide more meaningful information. A replacement measure was not determined over the course of these discussions; all parties (DAS, LFO and the Agency) agreed that this measure should be deleted.</p>

BUDGET NARRATIVE

REAL ESTATE AGENCY	I. EXECUTIVE SUMMARY
Agency Mission: To provide quality protection for Oregon consumers of real estate, escrow and land development services, balanced with a professional environment conducive to a healthy real estate market.	
Contact: Erica Kleiner	Contact Phone: 503-378-4409
Alternate:	Alternate Phone:



I. SCOPE OF REPORT

The Real Estate Agency is responsible for the licensing, education and enforcement of Oregon's real estate laws applicable to brokers, property managers, real estate marketing organizations, registration and regulation of escrow businesses, subdivisions, condominiums, timeshares, campgrounds, registration, and public report issuance. The performance measures are used as management tools in directing resources and responding to the needs of the industry and the Oregon consumer. Key Performance Measures capture Agency responsiveness to the industry's needs, as well as our ability to provide customer service to both the real estate industry and the Oregon consumer.

BUDGET NARRATIVE

2. THE OREGON CONTEXT

The Oregon Real Estate Agency licenses and regulates the Oregon Real Estate Industry. The Agency's performance measures are linked to the Agency mission, not to benchmarks.

3. PERFORMANCE SUMMARY

The Agency has worked with LFO and DAS to improve its Key Performance Measures by proposing new measures in all cases except the standard customer satisfaction measure. The proposed measures will allow the Agency to use data that is relevant to its internal business functions and the KPMs will serve as a tool to better the Agency's business processes.

4. CHALLENGES

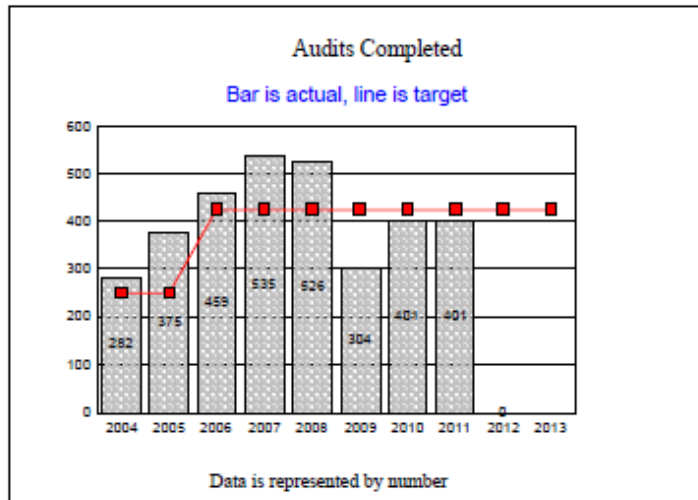
The improvement and implementation of new processes present challenges in most of the measures. The Agency licenses approximately 18,000 individuals. The Agency fields about 33,500 calls annually and approximately 6,900 public inquiries. The ability to respond to customers needs in a responsive and knowledgeable manner is key to the Agency's success. This challenge can be met with staff that is trained on how to deliver high quality service and retained to prevent the loss of knowledge associated with frequent turnover.

5. RESOURCES AND EFFICIENCY

The Agency's Legislatively Approved Budget for 2011-13 is \$7,461,430 Other Funds. The approved budget included \$500,000 of expenditure limitation to procure the Agency's new licensing replacement system, eLicense.

BUDGET NARRATIVE

REAL ESTATE AGENCY		II. KEY MEASURE ANALYSIS
KPM #1	Audits Completed – audits completed	2004
Goal	Consumer Protection - Provide quality protection for Oregon consumers of real estate related service	
Oregon Context	N/A	
Data Source	Oregon Real Estate Agency Education and Regulation Division records of the number of compliance reviews and audits completed each quarter	
Owner	OREA; Regulations Division; Selina Barnes, Manager; 503-378-4637	



I. OUR STRATEGY

The performance measure data reported in 2009 and after is exclusively comprised of Clients' Trust Account Audits. Prior to 2009, the data was a combination of the audits and on-site compliance reviews.

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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Clients' Trust Account Audit process: To conduct the audits going forward, staff-members will be pulling a report from the new licensing system, eLicense, on a monthly basis. This process was formerly comprised of a quarterly random pull of records from the Agency's former licensing database. The implementation of eLicense in March, 2012 afforded the Agency the opportunity to reallocate staff and devote a portion of the efforts of two staff-members to conducting the audits. Fifty clients' trust account audits per month will now be reviewed, instead of one-hundred per quarter.

A review of the audit process: The Agency requests licensees' records to be mailed to the Agency for audit. The records are then audited and usually fall into one of three categories: 1.) all records are in compliance, 2) some education is needed to correct minor areas of non-compliance, and 3) records indicate non-compliance that warrants further investigation. The results of the audit are communicated to the licensee. The audit process seeks to examine the vulnerability of client trust funds through the compliance of holders.

Compliance review process: In addition to clients' trust account audits, the Agency conducted on-site compliance reviews until May, 2008. During the 2007 Legislative Session, the Agency was charged with finding a more cost-effective alternative to the in-person compliance reviews. In response, the Agency implemented a self-administered compliance review program which replaces the in-person audit process.

A review of the compliance process: The Agency now approaches all principal brokers and property managers by county. The process was offered in the smallest counties first, in order to test and adjust the program as needed. On a volunteer basis, a licensee conducts a self-assessment and reports the results back to the Education Division. This process allows the Education Division to focus resources on educational opportunities that the industry is lacking.

During the 2011 Regular Legislative session, LFO recommended the Agency work with DAS and LFO to create a measure that would assess the Agency's strategies for licensee improvement rather than simply audit count. In response to this directive, the Agency has proposed a new key performance measure (one that is separate from the clients' trust account audit) that assesses the Agency's strategies for licensee improvement.

2. ABOUT THE TARGETS

The target has evolved from the implementation of the measure in 2004 with the changes to the program.

3. HOW WE ARE DOING

Over the last couple of biennia, Agency workload has permitted 100 clients' trust account audits quarterly. During Fiscal Year 2011-2012 Agency resources were tied to the success of the implementation of eLicense. Although the audits weren't completed during this time, the successful eLicense launch resulted in a reallocation of staff to the Regulations Division, enabling an increase in staff capacity to complete the audits on a more frequent basis. The Agency will now be

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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auditing fifty clients' trust accounts per month.

As for compliance reviews, in 2012 the Agency completed approximately 52 property manager compliance reviews and 60 principal broker reviews. The Agency did not complete any reviews during the last quarter due to the new exam implementation and the new course approval process.

As the compliance review process progresses in the new format, the Education Division will determine rates of compliance by category, shaping education directives.

4. HOW WE COMPARE

The Association of Real Estate and Licensing Law Official's Digest of Real Estate License Laws provides comparative complaint data for all states and other real estate licensing jurisdictions, but does not include data regarding the ratio of audits to offices.

5. FACTORS AFFECTING RESULTS

Two staff-members were reallocated from licensing efforts to regulatory functions, including the audit process. The 2012-2013 Fiscal Year will see audit data that exceeds the previous reporting years.

6. WHAT NEEDS TO BE DONE

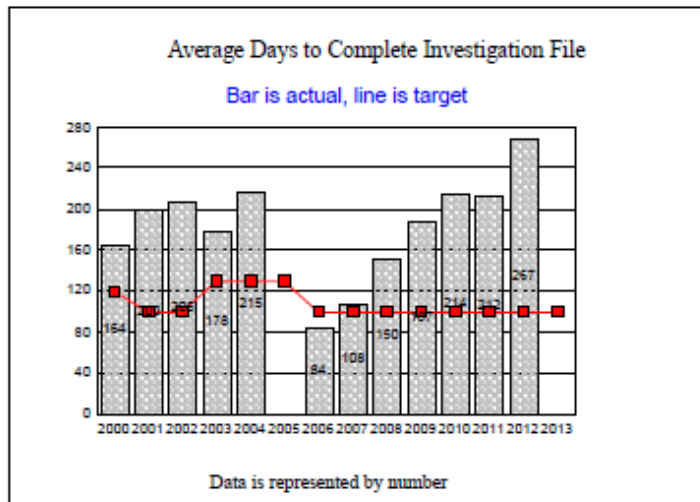
In response to Legislative Fiscal Office recommendations, the Agency has proposed a new key performance measure under the Education Division. The Agency needs to determine which survey questions will most accurately assess the Agency's strategies for licensee improvement. The Agency has already identified the targeted audience (brokers, principal brokers and property managers in a given time period after initial licensing) and the method (survey distributed by the Agency).

7. ABOUT THE DATA

This data is being reported on the Oregon Fiscal Year basis. The Agency received a total of 851 complete survey responses in 2012.

BUDGET NARRATIVE

REAL ESTATE AGENCY		II. KEY MEASURE ANALYSIS
KPM #2	Days to Complete Investigation File Processing – average number of days to complete investigation file processing.	2000
Goal	Consumer Protection - Provide quality protection for Oregon consumers of real estate related service	
Oregon Context	N/A	
Data Source	Oregon Real Estate Agency, Regulation Division records of the number of days to complete an investigation, average for the reporting period.	
Owner	OREA, Regulation Division; Selina Barnes, Manager, 503-378-4637	



1. OUR STRATEGY

The Financial Investigators within the Regulations Division were redistributed to focus solely on investigations. The Agency reallocated two positions from licensing efforts to focus on administrative and support functions for the Investigators. Lower level violations are also determined at the onset and an education

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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letter is sent out if certain criteria are met. This prevents the need for time and resources for a full investigation in cases that would most likely result in an education letter anyway. The Regulations Division also implemented a “fast track cases” method in which cases that meet certain criteria are immediately followed by a brief investigation. The former process used was that cases were all worked in the order they were received and now if they are expected to be quicker they are moved up in order.

2. ABOUT THE TARGETS

The measure changed from the 2003-05 Biennium “average number of days to close a formal complaint” to “average number of days to complete investigation file processing” in the 2005-07 Biennium. Processing of a formal complaint involved several stages, including investigation of the complaint by agency investigator/auditor staff, a potential settlement process, and legal procedures outside the agency’s control (e.g., contested case hearing request/referral to the Hearing Officer Panel, appeal to courts, etc.). The modification was intended to more accurately measure the time the Agency takes to complete the investigation procedures it controls. The Agency acknowledges this measure and the target should be restructured and the Agency has proposed a new measure in response to legislative directive.

3. HOW WE ARE DOING

In 2006, the KPM goal was changed to 100 days. The Agency data indicated that the actual average number of days was 84. However, in 2006 the database was migrated to a new system. This system increased the number of data points so the agency could more accurately reflect the time for investigation. The old system only recorded the date the file was opened and the most recent action. Hence, the Agency’s ability to measure investigation time accurately is limited to the data entered since 2006. The averages were taken from the new database system, L2K, and therefore only show a portion of 2006 rather than an entire twelve month period. In 2007, the Agency completed a full twelve month tracking period. Prior to 2009, the averages included background check investigations for license applicants, which take significantly shorter time frames to complete than complaint driven investigations.

In 2010, the Agency had an average of 214 days. In recent years, the average number of days to complete an investigation has continued to exceed the Agency’s target. However the number of investigators has declined due to staff turnover. Over the past year, two Financial Investigators and one Investigator position have been vacant. The Agency submitted an exception request to the hiring freeze committee implemented by DAS in January, 2012, however the request was denied by the committee. The Agency posted two recruitments for Financial Investigators to the State Jobs page on January 14, 2013. With the addition of two Financial Investigators, the Agency is confident it can cut down on the average number of days to complete an investigation. Going forward, cases that have been open for more than 200 days will be prioritized.

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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4. HOW WE COMPARE

ARELLO's Digest of Real Estate License Laws provides comparative complaint data for all states and other real estate licensing jurisdictions, but does not include data regarding the length of investigations.

5. FACTORS AFFECTING RESULTS

Retaining adequate staffing for investigations is an ongoing issue. Staff with the knowledge and expertise to investigate complex cases involving financial and real estate transactions is vital to meet a performance measure. There are also factors beyond the Agency's control, such as unavailable witnesses or information.

6. WHAT NEEDS TO BE DONE

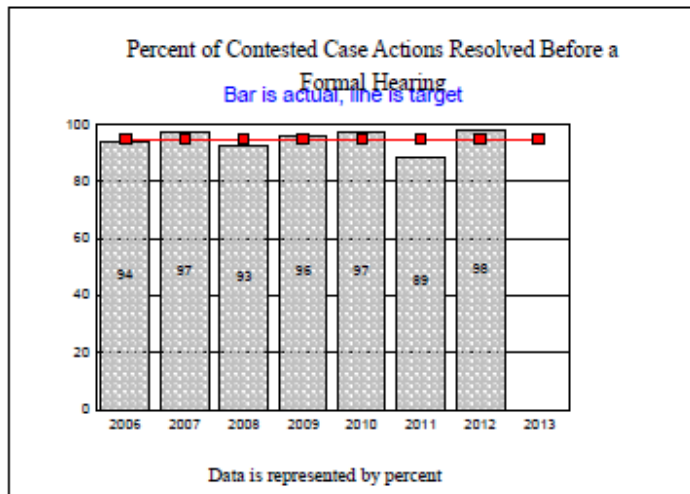
This measure helps guide resource and workload distribution. Certain types of investigations may require a longer period of time to complete. There may also be cases that have been in process for a longer period of time due to unavailability of information or witnesses. The manager can't assume that all cases take close to the same amount of time. However, tracking the time to complete the investigation could more closely align the types of investigations with the expertise of the investigators. It can also highlight the areas that cause a stall in the process and help with an effective resolution. The Agency has proposed a new performance measure to more accurately reflect the timeliness of investigations without accounting as much for factors outside of the Agency's control.

7. ABOUT THE DATA

This data is being reported on the Oregon Fiscal Year basis. The wording change from "average days to close a formal complaint" to "average number of days to complete investigation file processing" more accurately measures the workload that the Agency can control.

BUDGET NARRATIVE

REAL ESTATE AGENCY		II. KEY MEASURE ANALYSIS
KPM #3	Contested Case Actions resolved through settlement – percent of contested case actions that are resolved through informal settlement resolution and prior to a formal hearing before the Office of Administrative Hearings.	2006
Goal	Excellent Customer Service	
Oregon Context	N/A	
Data Source	Regulation's Division statistics - total settled contested case actions to total contested case actions	
Owner	OREA, Regulation Division Selina Barnes, Manager 503-378-4637	



1. OUR STRATEGY

Continue promoting mediation through stipulation process.

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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2. ABOUT THE TARGETS

The measure was added in 2005 and a target of 95% was set for FY 2006 through 2009. The administrative hearing process is expensive and lengthy and overall impacts other regulatory services. Efficient resolution of disciplinary actions saves both sides of the regulatory action the time and enormous expense of attorney representation in preparation for and attendance at a hearing. The Agency realizes that a prudent measure leaves room for those cases where a hearing is strongly desired by the respondent.

3. HOW WE ARE DOING

In 2010-11, 89% of administrative orders were settled without a contested case hearing, which didn't meet the 95% target. However in 2011-12, 98% of administrative orders were settled without a contested case hearing, which exceeded the Agency's target.

4. HOW WE COMPARE

The Board of Accountancy has a similar performance measure (CONTESTED CASES RESOLVED BY CONSENT- Percentage of contested cases resolved by consent agreement prior to formal hearing). Their goal for 2007 was to achieve 60%, and the actual was 65%. The Oregon Board of Nursing had a similar measure (MINIMAL CONTESTED CASE HEARINGS - Percentage of complaints that were resolved via stipulated agreement or default on notices in lieu of contested case hearing) however this measure was deleted due to this not being outcome based and the Board has no control over the results. Their target was 97%, which they achieved in 2003 & 2004, and dropped to 96% in 2005 & 2006.

5. FACTORS AFFECTING RESULTS

The Agency continues to value the importance of the stipulation process in the resolution of disciplinary actions. The respondent has the opportunity to meet with the Regulations Division Manager after each investigation is complete to go through the settlement process. This allows each party to better understand each other, thus improving the number of cases settled without a formal administrative hearing. A higher number of cases that are taken to the formal hearing process would require training additional staff in the preparation and administrative functions necessary to represent the Agency. This would also increase costs to the Agency significantly for each hearing as well as increased workload for the Office of Administrative Hearings.

6. WHAT NEEDS TO BE DONE

The Agency needs to maintain efforts to propose disciplinary actions that are an appropriate resolution for the regulation of the statutes and administrative rules

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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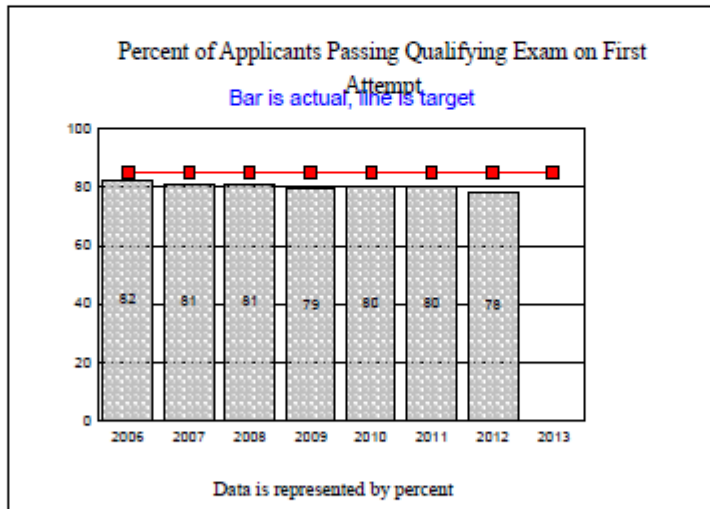
that OREA is responsible for, whether the resolution is by consent or through an administrative hearing.

7. ABOUT THE DATA

This data is being reported on the Oregon Fiscal Year basis.

BUDGET NARRATIVE

REAL ESTATE AGENCY		II. KEY MEASURE ANALYSIS
KPM #4	Successful Exam applicants – percentage of applicants who pass the qualifying examination on the first attempt.	2005
Goal	Excellent Education	
Oregon Context	N/A	
Data Source	Psychological Services, Inc (PSI) monthly exam numbers supplied from database	
Owner	Education Division; Stacey Harrison, Manager; 503-378-4585	



1. OUR STRATEGY

Education and information – The Agency will continue to work with its vendor, PSI, and review test questions for clarity. The Agency will periodically review

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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educational material with the OREA Board and licensees for content.

2. ABOUT THE TARGETS

The target of 85% was set using prior year's data as a baseline. With the exams being administered by a contracted vendor, the Agency continues to monitor the target for appropriateness.

3. HOW WE ARE DOING

For 2011, OREA shows a passing rate for first time applicants at 80%, which is level with 2010. The result declined to a 78% first time passing rate in 2012.

4. HOW WE COMPARE

The Oregon Board of Nursing had a similar measure; however it was deleted because the results were out of the Board's control. Their measure (RN EXAM PASS RATE - Percentage of RN programs with a passing rate above 85% on the national exam) set a goal of 100% of applicants taking exam pass on the first attempt.

5. FACTORS AFFECTING RESULTS

Ability of educators to remain up to date on pertinent topics and educational material for instructing students when preparing for the exams.

6. WHAT NEEDS TO BE DONE

There are many topics outside the authority of OREA that are needed to adequately prepare a licensee for conducting real estate business such as ethics, Landlord Tenant Law, and mortgage lending. The Agency and the OREA Board have joined with the real estate industry in evaluating the educational requirements and delivery of pertinent education under the Agency's authority. They will evaluate not only the content of the educational materials but ways to improve testing performance. The Agency has proposed a new measure to quantify the effectiveness of the Agency's educational efforts.

The Agency entered into a new contract with its examination vendor, PSI, on July 1, 2011. The vendor has been tasked with developing and administering the examinations. There have been significant benefits in having the vendor develop the content of the examinations. The provider has used experts in exam development and the exams are legally defensible.

BUDGET NARRATIVE

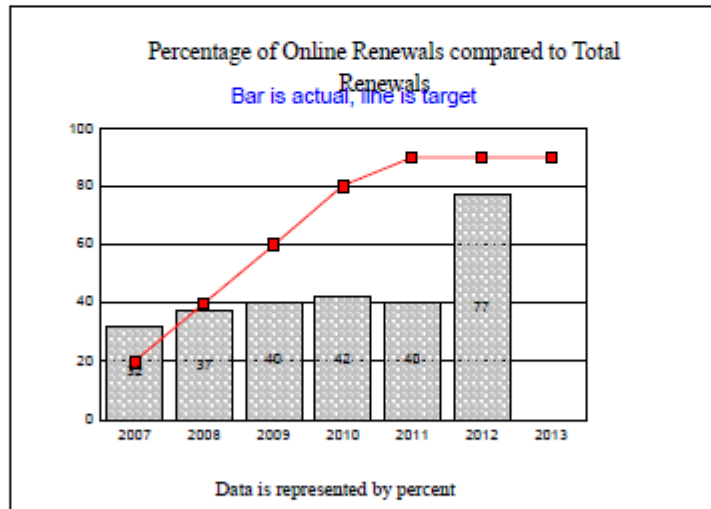
REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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7. ABOUT THE DATA

This data is being reported on the Oregon Fiscal Year basis

BUDGET NARRATIVE

REAL ESTATE AGENCY		II. KEY MEASURE ANALYSIS
KPM #5	Online License Renewals – percentage of online renewals compared to total renewal processed by agency.	2007
Goal	Excellent Customer Service	
Oregon Context	N/A	
Data Source	License 2000 (database until 3/4/12) and eLicense (system that launched 3/6/2012); total number of renewals total number of online renewals	
Owner	OREA; Business and Licensing Services Division; Erica Kleiner, Manager; 503-378-4409	



1. OUR STRATEGY

The strategy before mandating online renewals was to develop and follow a strategic marketing plan, including surveys, advertisement and possible incentives.

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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2. ABOUT THE TARGETS

The first year measurement of 20% with 20% increase annually comes from other agencies that have offered online license renewals. The growth rate can be gradual.

3. HOW WE ARE DOING

The Agency launched the online license renewal system with its License 2000 system in spring of 2007. In the first three complete months of renewal, April through June, the Agency averaged 32% online renewal of all eligible timely renewals. Since then Agency has seen a leveling off of the number licensees that renew online at approximately 40%. The Agency did experience an uptick when it stopped mailing out the physical renewal forms. The Agency implemented its online licensing system, eLicense, on March 6th, 2012. Upon launch of the new system, the Agency mandated online renewals. The Agency changed its administrative rules to support this mandate.

4. HOW WE COMPARE

Although there is no collective data for on-line licensing published in the Real Estate License Laws, it took Idaho four years to achieve a 44% license renewal rate and Utah achieved 66% in two years. Utah is known for their governmental licensing efforts. For Oregon agencies, achievement varies by service. Oregon Health Licensing Agency launched their online license renewals in 2006. Goals were set at 50% in 2006 and increasing to 65% in 2007. OHLAs actual online renewal rate for 2007 was 21%, citing lack of computer use among OHLA-regulated professions as a primary factor. The Oregon Board of Nursing began measuring results of online license renewals in 2005, with a target of 50% and an actual participation of 30%. In 2006, the target was 80% while participation climbed to over 80% and still increasing. OREA has been in contact with the Board of Nursing to study lessons learned, marketing strategies and implementation schedules, hoping to avoid mistakes while utilizing the expertise of a successful agency.

5. FACTORS AFFECTING RESULTS

Since mandating online renewals, feedback from the industry has been positive. The Agency has also pursued the use of e-commerce for all licensing transactions. License transfer, address changes, and a number of other transactions are now processed online.

6. WHAT NEEDS TO BE DONE

Continue system refinement so the customer experiences a streamlined process.

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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7. ABOUT THE DATA

This data is being reported on the Oregon Fiscal Year basis.

BUDGET NARRATIVE

REAL ESTATE AGENCY		II. KEY MEASURE ANALYSIS
KPM #6	CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	2006
Goal	To improve customer satisfaction through excellent customer service.	
Oregon Context	N/A	
Data Source	Survey Monkey. The Agency’s Business and Licensing Services Manager sends the customer satisfaction survey out to all of the individuals that use eLicense. The Agency maintains an active email address for all Brokers, Principal Brokers, and Property Managers.	
Owner	OREA, Commissioner’s Office; Dean Owens, Deputy Commissioner; 503-378-4407	



1. OUR STRATEGY

OREA is committed to providing high-quality, low-cost customer service. The goal is to deliver effective and efficient service to licensees and other stakeholders. The customer satisfaction surveys will help to determine areas of strength and needed improvement. OREA management will make strategic decisions based on the results to place resources and effort where improvement is needed.

BUDGET NARRATIVE

REAL ESTATE AGENCY	II. KEY MEASURE ANALYSIS
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2. ABOUT THE TARGETS

Based on initial results of this measure, targets are set at 85%, with the exception of Accuracy, where the expectations will continue to be 90%.

3. HOW WE ARE DOING

The "good" and "excellent" responses decreased slightly across response categories. The Agency suspects this comes as a result of the implementation of the eLicense system in March of 2012 and the dramatic changes to the Agency's licensing processes. Nearly every licensing process changed for the Agency and licensees this past March. An adjustment period for licensees to get used to the new system and way the Agency conducts business is expected. The Agency is now focused on refining the eLicense user experience, which is expected to increase the overall customer satisfaction level of licensees. The in-depth customer satisfaction survey which will go out in 2013 will gauge specifically where licensees may experience challenges when using the eLicense system.

4. HOW WE COMPARE

Comparisons to other agencies were not included in the data from Survey Monkey. However, the Agency reviewed data reported by six agencies that conduct licensing or board duties and completed the Annual Performance Report for 2008. The averages for these agencies were: Overall: 90%; Timeliness: 91%; Accuracy: 90%; Helpfulness: 87%; Expertise: 87%; and Availability of Information: 88%. OREA is at or above these averages in each category.

5. FACTORS AFFECTING RESULTS

Real estate licensees are, in general, mindful of regulatory requirements and seek information both on the website and from office staff. Office policies and procedures encourage staff members to provide excellent customer service in the performance of their duties.

6. WHAT NEEDS TO BE DONE

A follow-up survey will be sent out in 2013 seeking additional feedback regarding how the Agency can improve. The Agency will seek comments in the following areas: customer service, how to streamline/expedite processing, and eLicense system refinement/improvement.

7. ABOUT THE DATA

This data is being reported on the Oregon Fiscal Year basis.

BUDGET NARRATIVE

REAL ESTATE AGENCY	III. USING PERFORMANCE DATA
Agency Mission: To provide quality protection for Oregon consumers of real estate, escrow and land development services, balanced with a professional environment conducive to a healthy real estate market.	
Contact: Erica Kleiner	Contact Phone: 503-378-4409
Alternate:	Alternate Phone:

The following questions indicate how performance measures and data are used for management and accountability purposes.	
1. INCLUSIVITY	<ul style="list-style-type: none"> * Staff : Assists with regular review of performance measure results and development of meaningful measures. * Elected Officials: Provide input and approve key performance measures through DAS and Legislative members. * Stakeholders: Assists the Agency in setting realistic goals and directing the content of the performance measures by providing feedback through general discussions. * Citizens: The Agency also provides opportunity for feedback through phone contact and via email, analyzing the information provided to determine the Agency's performance achievements.
2 MANAGING FOR RESULTS	Agency management tracks performance measures quarterly and some are tracked monthly. Results are communicated to Agency staff through the Agency's intranet. Management solicits input from staff on performance goal achievement, and takes into account the feedback from staff that will help strengthen the performance of the Agency. Managers make decisions to allocate resources, both staff time and funding, based on quarterly results. The Agency will closely examine performance measures to determine if they are accurately measuring the impact of the Agency's business practices with the interest of government and key stakeholders.
3 STAFF TRAINING	In the past year, staff have been trained on how to use eLicense. The Public Service Representatives have had in-house training on providing excellent customer service, and employee position descriptions include customer service as a primary function and responsibility. The Agency and each division within the Agency has set customer service standards.
4 COMMUNICATING RESULTS	* Staff : Performance measurements are a frequent topic of discussion, both directly and indirectly, during management, division, and staff meetings to assure compliance with the initiatives. The Regulation Division Manager and the Business and Licensing Services Manager both discuss division workload at the division staff meetings, and process improvement suggestions are continuously encouraged. Division staff meet as needed to discuss workload

BUDGET NARRATIVE

	<p>and process improvement.</p> <p>* Elected Officials: The Agency includes the Annual Performance Progress Report in each budget document for review by elected officials.</p> <p>* Stakeholders: The Agency will include the annual progress report each year on the Agency website in order to solicit feedback from the industry and the consumer. The report will be provided to the Oregon Real Estate Board biennially for their review and input.</p> <p>* Citizens: The Agency's performance measures and annual report are posted on the Agency's website: http://www.rea.state.or.us.</p>
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