

## FY21 Budget Performance Review

### Real Estate Commission - 58800

Lead Administrator: Sherry Kueffler

Lead Financial Officer: Bailey Crotty

#### Agency Mission

Safeguard the public interest and provide quality services by assisting and providing resources; encouraging and requiring high standards of knowledge and ethical practices of licensees; investigating and sanctioning licensed activities; and through the prosecution of any unlicensed person who violates the Oklahoma License Code and Rules.

#### Division and Program Descriptions

*Note: Please define any acronyms used in program descriptions.*

##### 0100001 - Administration

*Admin - The administration department provides general support for the agency's education, investigation, and recovery programs. Processes consist of answering phone calls, maintaining file systems, processing licensees requests, maintaining documents, advising the agency on policies and procedures, and processing internal financial services.*

*Licensing - Our licensing department issues license to individuals, corporations, entities, and sole proprietors. Our agency currently maintains over 21,000 licenses. Our licensing staff assists licensees with the following requests: monthly renewals, releases from different companies, transfers to different companies, change of addresses, and general license inquiries.*

##### 0200001 - Education Program

*Our education department maintains school information including course outlines and materials taught in realty schools throughout Oklahoma . The education department also holds instructor seminars to help instructors maintain a high standard of education and informs instructors of updates to various topics. The education department works hand in hand with different schools and instructors affirm that compliance and consistency is achieved throughout the state. The department additionally answers questions of licensees or prospective licensees on course requirements and continuing education requirements.*

##### 0300001 - Recovery Program

*The recovery program is funded through license issuance and renewals. The recovery program is also funded through fines collected from licensees who have violated the Real Estate License Code and Rules. If a member of the public has been financially harmed due to a defendant's actions that person may make a claim to the recovery fund for retribution. The claim is then reviewed and judgement is provided by the appointed commissioners to decide if the claimant is due any funds, and if so how much funds need to be distributed by the recovery fund.*

##### 8800001 - Administration Info Tech

*The Administration Info Tech program provides IT support, maintence and advisement on any and all technology concerns, projects, and software that the real estate commission operates.*

#### FY'20 Budgeted Department Funding By Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
0100001	Administration			1,691,085			\$1,691,085
0200001	Education Program			39,250			\$39,250
0300001	Recovery Program			50,004			\$50,004
8800001	Administration Info Tech			184,340			\$184,340
							\$0
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$1,964,679</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,964,679</b>

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable for each departm

#### FY'19 Carryover by Funding Source

	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
Carryover	\$0	\$0	\$802,607	\$0	\$0	\$802,607
	\$0					\$0

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable:

#### What changes did the agency make between FY'19 and FY'20?

##### 1.) Are there any services no longer provided because of budget cuts?

Yes, the agency no longer provides for travel and investigators do not conduct office inspections or interviews in the field.

##### 2.) What services are provided at a higher cost to the user?

None.

##### 3.) What services are still provided but with a slower response rate?

Prior to July of 2018, our issuance of candidate IDs and applications were provided with a slower response rate. Beginning in July of 2018, processes were changed to have all requests worked faster.

##### 4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

Yes, one agency employee had a career progression - they were promoted to supervisor and their salary was adjusted for the addition of new supervisory duties.

#### FY'21 Requested Funding By Department and Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Other <sup>1</sup>	Total	% Change
0100001	Administration	\$0	\$0	\$1,691,085	\$0	\$1,691,085	0.00%
0200001	Education Program	\$0	\$0	\$39,250	\$0	\$39,250	0.00%
0300001	Recovery Program	\$0	\$0	\$50,004	\$0	\$50,004	0.00%
8800001	Administration Info Tech	\$0	\$0	\$184,340	\$0	\$184,340	0.00%
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$1,964,679</b>	<b>\$0</b>	<b>\$1,964,679</b>	<b>0.00%</b>

1. Please describe source(s) and % of total of "Other" funding for each department:

#### FY'21 Top Five Operational Appropriation Funding Requests

Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1: N/A		#REF!
Top Five Request Subtotal:		#REF!
Total Increase above FY-20 Budget (including all requests)		#REF!

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Difference between Top Five requests and total requests:	
	#REF!
Does the agency have any costs associated with the Pathfinder retirement system and federal employees?	
Yes, new employees utilize Pathfinder. There are no federal employees on staff.	

How would the agency be affected by receiving the same appropriation for FY '21 as was received in FY '20? (Flat/ 0% change)
Agency is non-appropriated.
How would the agency handle a 2% appropriation reduction in FY '21?
Not applicable.

Is the agency seeking any fee increases for FY '21?			
		Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1	Increase Provisional Sales Associate License Fee from \$70 to \$95	\$95	No
Increase 2	Increase Original / Renewal License Fee for Sales Associates from \$150 for three year license to \$200 for three year license	\$200	No
Increase 3	Increase Inactive Sales Associate Renewal Fee From \$95 to \$125	\$125	No
Increase 4	Increase Inactive Sales Associate Remaining Renewal Fee from \$100 to \$135	\$135	No
Increase 5	Increase Original / Renewal License Fee for Broker Associates from \$180 for three year license to \$245 for three year license	\$245	No
Increase 6	Increase Inactive Broker Associate Renewal Fee From \$110 to \$150	\$150	No
Increase 7	Increase Inactive Broker Associate Remaining Renewal Fee from \$115 to \$155	\$155	No
Increase 8	Increase Original / Renewal License Fee for Brokers from \$210 for three year license to \$280 for three year license	\$280	No
Increase 9	Increase Inactive Broker Renewal Fee From \$125 to \$160	\$160	No
Increase 10	Increase Inactive Broker Remaining Renewal Fee from \$130 to \$165	\$165	No
Increase 11	Increase Original / Renewal License Fee for Entities from \$210 for three year license to \$280 for three year license	\$280	No
Increase 12	Increase Original / Renewal License Fee for Branch Offices from \$125 for three year license to \$170 for three year license	\$170	No
Increase 13	Addition of Sales Associate Payment of Commissions Fee of \$50.00	\$50	No
Increase 14	Increase Instructor Registration from \$10 to \$50	\$50	No
Increase 15	Update Course Registration from \$70 to \$25 per course	\$25	No
Increase 16	Increase Activation or Transfer Requests from \$25 to \$40	\$40	No
Increase 17	Addition of one-time Application Processing Fee of \$35	\$35	No

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?		
Description of request in order of priority	Appropriated	Submitted to LRCPC?
Priority 1    None.		

Federal Funds					
None.					

Federal Government Impact
1.) How much federal money received by the agency is tied to a mandate by the Federal Government?
Not applicable.
2.) Are any of those funds inadequate to pay for the federal mandate?
Not applicable.
3.) What would the consequences be of ending all of the federal funded programs for your agency?
Not applicable.
4.) How will your agency be affected by federal budget cuts in the coming fiscal year?
Not applicable.
5.) Has the agency requested any additional federal earmarks or increases?
Not applicable.

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FY'20 Budgeted FTE							
Division #	Division Name	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
0100001	Administration	4	11	4	1	11	3
<b>Total</b>		<b>4</b>	<b>11</b>	<b>4</b>	<b>1</b>	<b>11</b>	<b>3</b>

FTE History						
Division #	Division Name	2020 Budgeted	2019	2018	2016	2011
0100001	Administration	17.0	15.0	12.0	13.0	
0200001	Education Program				1.0	
<b>Total</b>		<b>17.0</b>	<b>15.0</b>	<b>12.0</b>	<b>14.0</b>	<b>0.0</b>

Performance Measure Review					
	FY 19	FY 18	FY 17	FY 16	FY 15
<b>Program Name</b>					
<b>0100001 - Administration</b>					
The administration program currently uses the statewide AMANDA licensing system to maintain and issue licenses. The AMANDA system currently is not setup to measure various KPI's needed to measure the real estate commission's performance. The real estate commission is actively working with OMES to utilize the new statewide licensing system (okgovdelivery). In the future the real estate commission hopes to measure the following items as performance measures: license and candidate ID issuance time, lapse rates, and measure the number of requests outstanding per staff member					
<b>0300001 - Recovery Program</b>					
The recovery program is funded not only through the collection of fees for newly issued or renewed licenses but also through fines collected from real estate licensees found to have violated the Real Estate License Code and Rules. We are now sending out collection notices and final orderes within 5 days of Commission approval. The new statewide licensing system will allow us to improve tracking all fines collected and the status of open investigations. In the future the commission plans to track the following KPI's to measure performance: fine letter issuance time, time to collect fines, time spent on investigations.					

Revolving Funds (200 Series Funds)			
<i>Please provide fund number, fund name, description, and revenue source</i>	FY'17-19 Avg. Revenues	FY'17-19 Avg. Expenditures	June '19 Balance
<b>20000 - Revolving Funds</b>			
	\$1,469,987	\$1,562,451	\$466,050
<b>21000 - Okla R.E. Educ &amp; Recov. Fund</b>			
	\$127,680	\$75,028	\$336,558