

## FY23 Budget Performance Review

## Agency Name and Number

Lead Administrator: Grant Cody

Lead Financial Officer: Bailey Crotty

## Agency Mission

The mission of the Oklahoma Real Estate Commission is to safeguard public interest and provide quality services to our customers 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 Real Estate License Code and Rules".

## Division and Program Descriptions

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

## Division or Program Number and Name

Division or Program Description

## 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, maintenance and advisement on any and all technology concerns, projects, and software that the real estate commission operates.*

## FY'22 Budgeted Department Funding By Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
0100001	Administration			\$1,350,459			\$1,350,459
0200001	Education Program			\$45,500			\$45,500
0300001	Recovery Program			\$50,000			\$50,000
8800001	Administration Info Tech			\$123,064			\$123,064
						\$0	\$0
						\$0	\$0
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$1,569,023</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,569,023</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 department:

## FY'21 Carryover by Funding Source

Class Fund #	Carryover Class Fund Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
20000	Revolving Fund			\$1,622,452			\$1,622,452
21000	Okla R.E. Educ & Recov. Fund			\$482,143			\$482,143
							\$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'21 and FY'22?

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

N/A

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

N/A

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

N/A

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

N/A

## FY'23 Requested Funding By Department and Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Other <sup>1</sup>	Total	% Change
0100001	Administration	\$0	\$0	\$1,350,459	\$0	\$1,350,459	0.00%
0200001	Education Program	\$0	\$0	\$45,500	\$0	\$45,500	0.00%
0300001	Recovery Program	\$0	\$0	\$50,000	\$0	\$50,000	0.00%
8800001	Administration Info Tech	\$0	\$0	\$123,064	\$0	\$123,064	0.00%
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$1,569,023</b>	<b>\$0</b>	<b>\$1,569,023</b>	<b>0.00%</b>

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

## FY'23 Top Five Operational Appropriation Funding Requests

Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1:		
Request 2:		
Request 3:		

Request 4:	
Request 5:	
	Top Five Request Subtotal: \$0
Total Increase above FY-22 Budget (including all requests)	\$ -
Difference between Top Five requests and total requests:	\$0

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?
No

How would the agency be affected by receiving the same appropriation for FY '23 as was received in FY '22? (Flat/ 0% change)
N/A
How would the agency handle a 2% appropriation reduction in FY '23?
N/A

Is the agency seeking any fee increases for FY '23?	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1		
Increase 2		
Increase 3		

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?	Appropriated Amount (\$)	Submitted to LRCPC? (Yes/No)
Description of request in order of priority		
Priority 1		
Priority 2		
Priority 3		

Federal Funds						
CFDA	Federal Program Name	Agency Dept. #	FY 22 budgeted	FY 21	FY 20	FY 19

Federal Government Impact
1.) How much federal money received by the agency is tied to a mandate by the Federal Government?
None
2.) Are any of those funds inadequate to pay for the federal mandate?
N/A
3.) What would the consequences be of ending all of the federal funded programs for your agency?
N/A
4.) How will your agency be affected by federal budget cuts in the coming fiscal year?
N/A
5.) Has the agency requested any additional federal earmarks or increases?
N/A

FY'22 Budgeted FTE							
Division #	Division Name	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
0100001	Administration	2	9	1	3	7	2
0200001	Education Program						
Total		2	9	1	3	7	2

FTE History						
Division #	Division Name	2022 Budgeted	2021	2020	2018	2013
0100001	Administration	12.0	12.0	15.0	13.0	15.0
0200001	Education Program		1.0			
Total		12.0	13.0	15.0	13.0	15.0

Performance Measure Review					
Program Name	FY 21	FY 20	FY 19	FY 18	FY 17
0100001 - Administration					
Exam pass rate - first attempt salesperson exam pass rate for a given year	52%	50%	50%	48%	55%
Fine collections* - The Commission collected a substantial increase in fines during FY20 as a result of a new Executive Director and Deputy Director joining the Commission and performing a review of past disciplinary cases in which assessed fines were never collected by the prior regime. Additionally, the new leadership at the Commission was able to resolve a backlog of cases for prosecution, leading to increased collections.					
Number of complaints reviewed	\$128,809.42 236	\$255,282* 192	\$5,250 183	\$17,041	\$44,355

Lapse rate - Average percentage of licensees that allow their license to lapse in a given year	17%	20%	22%	20%	20%
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Revolving Funds (200 Series Funds)			
Please provide fund number, fund name, description, and revenue source	FY'19-21 Avg. Revenues	FY'19-21 Avg. Expenditures	June '21 Balance
<b>Fund number: Fund name</b>			
<i>Describe fund purpose and revenue source</i>			
<b>20000 - Ok Real Estate Commission Revolving Fund</b>			
The fund shall consist of all monies received by the Oklahoma Real Estate Commission other than the Oklahoma Real Estate Education and Recovery Fund fees.	\$1,576,481	\$431,611	\$1,268,147
<b>21000 - Okla R.E. Educ &amp; Recov. Fund</b>			
The fund shall consist of monies received by the Oklahoma Real Estate Commission as fees assessed for the Oklahoma Real Estate Education and Recovery Fund. Monies in the fund shall be used to reimburse any claimant who has been awarded a judgment by a court of competent jurisdiction to have suffered monetary damages by an Oklahoma real estate licensee in any transaction for which a license is required under The Oklahoma Real Estate License Code because of an act constituting a violation of The Oklahoma Real Estate License Code.	\$244,647	\$38,148	\$436,874