

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 ¹ | Other ² | 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 |
| Total | | \$0 | \$0 | \$1,569,023 | \$0 | \$0 | \$1,569,023 |

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 ¹ | Other ² | Total |
|--------------|---|----------------|---------|-------------|--------------------|--------------------|-------------|
| 20000 | Revolving Fund | | | \$1,622,452 | | | \$1,622,452 |
| 21000 | Oklahoma Real Estate Educ & Recov. Fund | | | \$482,143 | | | \$482,143 |

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 ¹ | 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% |
| Total | | \$0 | \$0 | \$1,569,023 | \$0 | \$1,569,023 | 0.00% |

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: | | | | | | | |
| Total Increase above FY-22 Budget (including all requests) | Top Five Request Subtotal: | | | | | | |
| 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? | | | | | | | |
| Increase 1 | Fee Increase Request (\$) | | | | | | |
| Increase 2 | Statutory change required? (Yes/No) | | | | | | |
| Increase 3 | | | | | | | |
| What are the agency's top 2-3 capital or technology (one-time) requests, if applicable? | | | | | | | |
| Description of request in order of priority | | Appropriated Amount (\$) | Submitted to LRCPC? (Yes/No) | | | | |
| Priority 1 | | | | | | | |
| Priority 2 | | | | | | | |
| Priority 3 | | | | | | | |
| Federal Funds | | | | | | | |
| CFDA | Federal Program Name | Agency Dept. # | FY 22 budgeted | FY 21 | FY 20 | FY 19 | |
| | | | | | | FY 18 | |
| 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 - \$\$\$ |
| 010001 | Administration | 2 | 9 | 1 | 3 | 7 | 2 |
| 020001 | Education Program | | | | | | |
| Total | | 2 | 9 | 1 | 3 | 7 | 2 |
| FTE History | | | | | | | |
| Division # | Division Name | 2022 Budgeted | 2021 | 2020 | 2018 | 2013 | |
| 010001 | Administration | 12.0 | 12.0 | 15.0 | 13.0 | 15.0 | |
| 020001 | 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 | | |
| 010001 - 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. | \$128,809.42 236 | \$255,282* 192 | \$5,250 183 | \$17,041 | \$44,355 | | |
| Number of complaints reviewed | | | | | | | |

| | | | | | |
|---|-----|-----|-----|-----|-----|
| Lapse rate - Average percentage of licensees that allow their license to lapse in a given year | 17% | 20% | 22% | 20% | 20% |
|---|-----|-----|-----|-----|-----|

| Revolving Funds (200 Series Funds) | | | | | |
|---|-------------------------------|-----------------------------------|-------------------------|--|--|
| <i>Please provide fund number, fund name, description, and revenue source</i> | FY'19-21 Avg. Revenues | FY'19-21 Avg. Expenditures | June '21 Balance | | |
| Fund number: Fund name | | | | | |
| Describe fund purpose and revenue source | | | | | |
| 20000 - Ok Real Estate Commission Revolving Fund | \$1,576,481 | \$431,611 | \$1,268,147 | | |
| 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. | | | | | |
| 21000 - Okla R.E. Educ & Recov. Fund | \$244,647 | \$38,148 | \$436,874 | | |
| 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. | | | | | |