



TALCB Board Members

Jamie S. Wickliffe  
Chair

Laurie C. Fontana  
Vice Chair

Mark A. McAnally  
Secretary

Jesse Barba, Jr.

Walker R. Beard

Clayton P. Black

Patrick M. Carlson

Luis F. De La Garza, Jr.

Brian L. Padden

Douglas E. Oldmixon  
Commissioner

**POLICY MEMORANDUM**

Date: November \_\_, 2014

**RE: Work performed by a person licensed, certified, registered, or approved under the Texas Appraiser Licensing and Certification Act on behalf of another person for the purposes a property tax protest.**

This memorandum confirms that the Texas Appraiser Licensing and Certification Board (Board) revokes the policy memorandum previously adopted on November 9, 2012, and adopts this revised policy.

Pursuant to Texas Occupation Code §1103.002, the Board asserts jurisdiction over work performed after May 27, 2011 by a person licensed, certified, registered, or approved under the Texas Appraiser Licensing and Certification Act (Act) on behalf of another person for the purposes of protesting an unequal appraisal under Subchapter C, Chapter 41, Tax Code, or Subchapter B, Chapter 42 of the Tax Code, if that work is performed solely under the authority granted to appraiser under the Act. Due to the Board's delay in fully asserting its jurisdiction, the Board will take the following actions:

- Work Performed after December 1, 2012:

For all work performed after December 1, 2012 by an appraiser who is also a certified property tax consultant or property tax professional, the Board will require the appraiser to provide the USPAP disclaimer required by 22 TAC §155.2 (USPAP disclaimer) anytime that appraiser performs work for the purpose of a property tax protest solely under his or her authority as a property tax consultant or property tax professional.

The Board will require any work performed and presented in connection with property tax consulting services signed by an appraiser operating solely under the authority of the Act must be USPAP compliant and must include the appraiser's license number. The Board will accept and investigate any complaints alleging violations of USPAP in connection with property tax consulting services performed after December 1, 2012 and signed by an appraiser operating solely under the authority of the Act.

- Work Performed Prior to May 27, 2011:

The Board will dismiss all complaints sent to the Board alleging violations of USPAP in connection with property tax consulting services performed prior to May 27, 2011 with a written notice explaining:

1. Any work performed and presented in connection with services provided by a property tax consultant or property tax professional and signed by an appraiser operating solely under the authority of the Act must be USPAP compliant; and
2. Any work performed and presented in connection with property tax consulting services signed by an appraiser operating solely under a current property tax consultant or property tax professional certification must include the USPAP Disclaimer.

- Work Performed after May 27, 2011, but prior to December 1, 2012:

The Board will dismiss all complaints sent to the Board alleging violation of USPAP in connection with services provided by a property tax consultant or property tax professional and performed after May 27, 2011, but prior to December 1, 2012, with a WARNING LETTER stating that all valuation related work done by an appraiser must comply with USPAP. Additionally, the WARNING LETTER will provide notice that:

1. Any work performed and presented in connection with services provided by a property tax consultant or property tax professional and signed by an appraiser operating solely under the authority of the Act must be USPAP compliant; and
2. Any work performed and presented in connection with services provided by a property tax consultant or property tax professional and signed by an appraiser operating solely under a current property tax consultant or property tax professional certification must include the USPAP Disclaimer.

- Agency Outreach:

1. Staff will widely publicize the recommended policy clarification and anticipated rule update, including a copy of the proposed rule with all U&E related correspondence; and
2. Staff will publish an FAQ on the Board's website to provide appraisers insight into the kind of USPAP lapses observed by the Board's investigators when reviewing complaints in connection with property tax consulting services performed by appraisers, and guidance for appraisers seeking to comply.

Approved by the Board and signed this \_\_\_\_ day of November, 2014.

---

Jamie Wickliffe, Chair  
Texas Appraiser Licensing and Certification Board



**TALCB Board Members**

- Jamie S. Wickliffe  
Chair
- Laurie C. Fontana  
Vice Chair
- Mark A. McAnally  
Secretary
- Jesse Barba, Jr.
- Walker R. Beard
- Clayton P. Black
- Patrick M. Carlson
- Luis F. De La Garza, Jr.
- Brian L. Padden
- Douglas E. Oldmixon  
Commissioner

**POLICY MEMORANDUM**

Date: November 9, 2014

**RE: Work performed by a person licensed, certified, registered, or approved under the Texas Appraiser Licensing and Certification Act on behalf of another person for the purposes a property tax protest.**

This memorandum ~~confirms to confirm~~ that the Texas Appraiser Licensing and Certification Board (Board) revokes the policy memorandum previously adopted on November 9, 2012, and adopts this revised policy.

Pursuant to Texas Occupation Code §1103.002, asserts jurisdiction over work performed after May 27, 2011 by a person licensed, certified, registered, or approved under the Texas Appraiser Licensing and Certification Act (~~Act~~appraiser) on behalf of another person for the purposes of protesting an unequal appraisal under Subchapter C, Chapter 41, Tax Code, or Subchapter B, Chapter 42 of the Tax Code, if that work is performed solely under the authority granted to an appraiser under the Act. Due to the Board's delay in fully asserting its jurisdiction, the Board will take the following actions:

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For all work performed after December 1, 2012 by an appraiser who is also a certified property tax consultant or property tax professional, the Board will require the appraiser to provide the USPAP disclaimer required by 22 TAC §155.2 (USPAP disclaimer) anytime that appraiser performs work for the purposes a property tax protest solely under his or her authority as a property tax consultant or property tax professional.

The Board will require any work performed and presented in connection with property tax consulting services signed by an appraiser operating solely under the authority of the Act must be USPAP compliant and must include the appraiser's license number. The Board will accept and investigate any complaints alleging violations of USPAP in connection with property tax consulting services performed after December 1, 2012 and signed by an appraiser operating solely under the authority of the Act.

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The Board will dismiss all complaints sent to the Board alleging violations of USPAP in connection with property tax consulting services performed prior to May 27, 2011 with a written notice explaining:

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- 1. ~~Any~~ work performed and presented in connection with services provided by a property tax consultant or property tax professional and property tax consulting services signed by an appraiser operating solely under the authority of the Act must be USPAP compliant; and
  - 2. Any work performed and presented in connection with property tax consulting services signed by an appraiser operating solely under a current property tax consultant or property tax professional certification must include the USPAP Disclaimer.
- Work Performed after May 27, 2011, but prior to December 1, 2012:

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The Board will dismiss all complaints sent to the Board alleging violation of USPAP in connection with services provided by a property tax consultant or property tax professionaling services- and performed after May 27, 2011, but prior to December 1, 2012, with a WARNING LETTER stating that all valuation related work done by an appraiser must comply with USPAP ~~requirements~~. Additionally, the WARNING LETTER will provide notice that:

- 1. ~~Any~~ work performed and presented in connection with services provided by a property tax consultanting services or property tax professional and signed by an appraiser operating solely under the authority of the Act must be USPAP compliant; and
- 2. ~~Any~~ work performed and presented in connection with services provided by a property tax consultanting services or property tax professional and signed by an appraiser operating solely under a current property tax consultant or property tax professional certification must include the USPAP Disclaimer.

• Agency Outreach:

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- 1. Staff will widely publicize the recommended policy clarification and anticipated rule update, including a copy of the proposed rule with all U&E related correspondence; ~~and-~~
- 2. Staff will publish an FAQ on the Board's website to provide appraisers insight into the kind of USPAP lapses observed by the Board's investigators when reviewing complaints in connection with property tax consulting services performed by appraisers, and guidance for appraisers seeking to comply.

Approved by the Board and signed this 9<sup>th</sup> day of November, 20124.

Jamie Wickliffe~~Luis De La Garza~~, Chairperson  
Texas Appraiser Licensing and Certification Board



TEXAS

APPRAISER LICENSING & CERTIFICATION BOARD

TALCB Board Members

Luis F. De La Garza, Jr  
Chair

Walker Beard  
Vice Chair

Sheryl R. Swift  
Secretary

Keith Kidd

Laurie C. Fontana

Mark A. McAnally

Shannon K. McClendon

Donna J. Walz

Jamie S. Wickliffe

Douglas E. Oldmixon  
Commissioner

**POLICY MEMORANDUM**

**Date:** November 9, 2012

**RE:** Agreed Order Guidelines

This memorandum is to confirm that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for all Agreed Orders brought to the Board for execution:

- Experience logs will be due after completion of any ordered education;
- There will be clear and specific date deadlines set out for delivery of evidence of compliance with terms and conditions contained in the order;
- If a respondent fails to comply with any of the terms with a stated due date in the order within the time allotted, the sanction shall be automatic suspension until respondent is in full compliance with the order and an administrative penalty of \$ 1,000.00.

This policy is effective as of November 9, 2012 and remains in effect until and unless changed or revoked by the Board.

Approved by the Board and signed this 9<sup>th</sup> day of November, 2012.

\_\_\_\_\_  
Luis De La Garza, Chairperson  
Texas Appraiser Licensing and Certification Board

TEXAS



APPRAISER LICENSING &amp; CERTIFICATION BOARD

TALCB Board MembersLuis F. De La Garza, Jr  
ChairWalker Beard  
Vice ChairSheryl R. Swift  
Secretary

Keith Kidd

Laurie C. Fontana

Mark A. McAnally

Shannon K. McClendon

Donna J. Walz

Jamie S. Wickliffe

Douglas E. Oldmixon  
Commissioner**POLICY MEMORANDUM****Date:** February 15, 2013**RE:** Agreed Order Guidelines Part 2

This memorandum is to confirm that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for Agreed Orders with probated suspension or revocation provisions and for notices regarding failure to comply with an Agreed Order:

- If a respondent is placed on probated suspension or probated revocation, the Agreed Order will state that failure to comply with the terms and conditions of the Agreed Order will result in automatic revocation of the probation and the full term of the suspension or the revocation will take effect;
- If a respondent fails to comply with any of the terms or conditions of an Agreed Order that will result in automatic suspension or revocation, at least three (3) days prior to the effective date of the suspension or revocation, Board staff will send a written notice to the respondent via e-mail stating that respondent is in violation of the Agreed Order and respondent will be suspended or revoked as of the effective date set out in the notice unless, respondent can provide evidence of having previously submitted evidence of timely compliance with the Agreed Order. This policy is being put in place as a safeguard against mistakenly suspending or revoking a respondent who was actually in compliance and not as a method for a respondent to comply with terms or conditions after being notified of the violation.

This policy is effective as of February 15, 2013 and remains in effect until and unless changed or revoked by the Board.

Approved by the Board and signed this 15 day of February, 2013.

Walker R. Beard, Chairperson  
Texas Appraiser Licensing and Certification Board

TEXAS



APPRAISER LICENSING &amp; CERTIFICATION BOARD

TALCB Board MembersWalker Beard  
ChairJamie S. Wickliffe  
Vice ChairLaurie C. Fontana  
Secretary

Clayton Black

Luis F. De La Garza, Jr

Keith Kidd

Mark A. McAnally

Shannon K. McClendon

Sheryl R. Swift

Douglas E. Oldmixon  
Commissioner**POLICY MEMORANDUM****Date:** May 17, 2013**RE:** Final Order Guidelines

This memorandum is to confirm that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for Final Orders regarding compliance with a Final Order of the Board:

- Experience logs will be due after completion of any ordered education;
- There will be clear and specific date deadlines set out for delivery of evidence of compliance with terms and conditions contained in the Order;
- In an Order where a respondent is not placed on probated suspension or probated revocation, if a respondent fails to comply with any of the terms with a stated due date in the Order within the time allotted, the Order shall contain a provision setting out a sanction of automatic suspension until respondent is in full compliance with the Order and an administrative penalty of \$1,000.00.
- In an Order where a respondent is placed on probated suspension or probated revocation, the Order will state that failure to comply with the terms and conditions of the Order will result in automatic revocation of the probation and the full term of the suspension or the revocation will take effect;
- If a respondent fails to comply with any of the terms or conditions of an Order that will result in automatic suspension or revocation, at least three (3) days prior to the effective date of the suspension or revocation, Board staff will send a written notice to the respondent via e-mail stating that respondent is in violation of the Order and respondent will be suspended or revoked as of the effective date set out in the notice unless, respondent can provide evidence of having previously submitted evidence of timely compliance with the Order. This policy is being put in place as a safeguard against mistakenly suspending or revoking a respondent who was actually in compliance and not as a method for a respondent to comply with terms or conditions after being notified of the violation.

This policy is effective as of May 17, 2013 and remains in effect until and unless changed or revoked by the Board.

Approved by the Board and signed this 31 day of May, 2013.

Walker R. Beard, Chairperson  
Texas Appraiser Licensing and Certification Board



TEXAS

APPRAISER LICENSING & CERTIFICATION BOARD

TALCB Board Members

Jamie S. Wickliffe  
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Patrick M. Carlson

Luis F. De La Garza, Jr.

Brian L. Padden

Douglas E. Oldmixon  
Commissioner

**BOARD MEMORANDUM**

**Date:** May 9, 2014

**RE:** Board Orders

This memorandum is to confirm that the Texas Appraiser Licensing and Certification Board (Board) approved the following changes to Board orders:

- Change “certified funds” to “cashier’s check or money order”; and
- Include the category of property that is the subject of the appraisal in the Board order.

This policy is effective as of May 9, 2014 and remains in effect unless and until changed or revoked by the Board.

Approved by the Board and signed this 9 day of May, 2014.

Jamie Wickliffe, Chair  
Texas Appraiser Licensing and Certification Board

TEXAS



APPRAISER LICENSING & CERTIFICATION BOARD

TALCB Board Members

Luis F. De La Garza, Jr  
Chair

Walker Beard  
Vice Chair

Sheryl R. Swift  
Secretary

Malachi Boyuls

Laurie C. Fontana

Mark A. McAnally

Shannon K. McClendon

Donna J. Walz

Jamie S. Wickliffe

Douglas E. Oldmixon  
Commissioner

**POLICY MEMORANDUM**

**Date:** August 17, 2012

**RE:** Delegation of Authority to Sign Final Default Orders

This memorandum is to confirm that the Texas Appraiser Licensing and Certification Board (Board) pursuant to Texas Occupation Code §1103.101 (b), hereby delegates authority to the Commissioner to sign any Final Default Order on behalf of the Board. This delegation is effective as of August 17, 2012 and remains in effect until and unless changed or revoked by the Board.

Approved by the Board and signed this 17<sup>th</sup> day of August, 2012.

A handwritten signature in blue ink, appearing to read "Luis De La Garza", written over a horizontal line.

Luis De La Garza, Chairperson  
Texas Appraiser Licensing and Certification Board



**TALCB Board Members**

Jamie S. Wickliffe  
Chair

Laurie C. Fontana  
Vice Chair

Mark A. McAnally  
Secretary

Walker R. Beard

Clayton P. Black

Patrick M. Carlson

Luis F. De La Garza, Jr.

Brian L. Padden

Jesse Barba, Jr.

Douglas E. Oldmixon  
Commissioner

**POLICY MEMORANDUM**

Date: November \_\_\_\_, 2014

RE: Board Order Guidelines

This memorandum confirms that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for all Agreed and Final Orders of the Board.

- Experience logs will be due after completion of any ordered education;
- There will be clear and specific dates set out as deadlines for delivery of evidence of compliance with terms and conditions contained in the Order;
- In an Order where a respondent is not placed on probated suspension or probated revocation, if a respondent fails to comply with any of the terms with a stated due date in the Order within the time allotted, the Order shall contain a provision setting out a sanction of automatic suspension until respondent is in full compliance with the Order and an administrative penalty of \$1,000.00.
- In an Order where a respondent is placed on probated suspension or probated revocation, the Order will state that failure to comply with the terms and conditions of the Order will result in automatic revocation of the probation and the full term of the suspension or the revocation will take effect;
- If a respondent fails to comply with any of the terms or conditions of an Order that will result in automatic suspension or revocation, at least three (3) days prior to the effective date of the suspension or revocation, Board staff will send a written notice to the respondent via e-mail stating that respondent is in violation of the Order and respondent will be suspended or revoked as of the effective date set out in the notice unless, respondent can provide evidence of having previously submitted evidence of timely compliance with the Order. This policy is being put in place as a safeguard against mistakenly suspending or revoking a respondent who was actually in compliance and not as a method for a respondent to comply with terms or conditions after being notified of the violation;
- Use the term “cashier's check or money order” instead of “certified funds” in all Agreed or Final Orders; and
- Include the category of property that is the subject of the appraisal in the Order.

## AGENDA ITEM 2

The Board revokes the previous memoranda entitled Agreed Order Guidelines, adopted November 9, 2012; Agreed Order Guidelines Part 2, adopted February 15, 2013; Final Order Guidelines, adopted May 17, 2013; and Board Orders, adopted May 9, 2014.

This policy is effective as of November \_\_\_\_, 2014 and remains in effect unless and until changed or revoked by the Board.

Approved by the Board and signed this \_\_\_\_ day of November, 2014.

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Jamie Wickliffe, Chair  
Texas Appraiser Licensing and Certification Board



**TALCB Board Members**

- Jamie S. Wickliffe  
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- Patrick M. Carlson
- Luis F. De La Garza, Jr.
- Brian L. Padden
- Jesse Barba, Jr.
- Douglas E. Oldmixon  
Commissioner

**POLICY MEMORANDUM**

Date: November 9, 2012

RE: ~~Board Order~~ Agreed Order Guidelines

This memorandum ~~confirms~~ is to confirm that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for all Agreed and Final Orders of the Board. ~~Agreed Orders brought to the Board for execution:~~

- Experience logs will be due after completion of any ordered education;
- There will be clear and specific dates ~~deadlines~~ as deadlines for delivery of evidence of compliance with terms and conditions contained in the ~~Order~~;
- In an Order where a respondent is not placed on probated suspension or probated revocation, if a respondent fails to comply with any of the terms with a stated due date in the Order within the time allotted, the Order shall contain a provision setting out a sanction of automatic suspension until respondent is in full compliance with the Order and an administrative penalty of \$1,000.00. If a respondent fails to comply with any of the terms with a stated due date in the order within the time allotted, the sanction shall be automatic suspension until respondent is in full compliance with the order and an administrative penalty of \$1000.00.

~~This policy is effective as of November 9, 2012 and remains in effect until and unless changed or revoked by the Board.~~

~~Approved by the Board and signed this 9th day of November, 2012.~~

**POLICY MEMORANDUM**

Date: ~~February 15, 2013~~

RE: ~~Agreed Order~~ Guidelines Part 2

~~This memorandum is to confirm that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for Agreed Orders with probated suspension or revocation provisions and for notices regarding failure to comply with an Agreed Order:~~

- ~~In an Order where a respondent is placed on probated suspension or probated revocation, the Order will state that failure to comply with the terms and conditions of the Order will result in automatic revocation of the probation and the full term of the suspension or the revocation will take effect.~~  
If a respondent is placed on probated suspension or probated revocation, the Agreed Order will state that failure to comply with the terms and conditions of the Agreed Order will result in automatic revocation of the probation and the full term of the suspension or the revocation will take effect;
- If a respondent fails to comply with any of the terms or conditions of an ~~Agreed Order~~Order that will result in automatic suspension or revocation, at least three (3) days prior to the effective date of the suspension or revocation, Board staff will send a written notice to the respondent via e-mail stating that respondent is in violation of the ~~Agreed Order~~Order and respondent will be suspended or revoked as of the effective date set out in the notice unless, respondent can provide evidence of having previously submitted evidence of timely compliance with the ~~Agreed Order~~Order. This policy is being put in place as a safeguard against mistakenly suspending or revoking a respondent who was actually in compliance and not as a method for a respondent to comply with terms or conditions after being notified of the violation.;

~~This policy is effective as of February 15, 2013 and remains in effect until and unless changed or revoked by the Board.~~

~~Approved by the Board and signed this 15th day of February, 2013.~~

**POLICY MEMORANDUM**

Date: ~~May 17, 2013~~

RE: ~~Final Order Guidelines~~

~~This memorandum is to confirm that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for Final Orders regarding compliance with a Final Order of the Board:~~

- ~~Experience logs will be due after completion of any ordered education;~~
- ~~There will be clear and specific date deadlines set out for delivery of evidence of compliance with terms and conditions contained in the Order;~~
- ~~In an Order where a respondent is not placed on probated suspension or probated revocation, if a respondent fails to comply with any of the terms with a stated due date in the Order within the time allotted, the Order shall contain a provision setting out a sanction of automatic suspension until respondent is in full compliance with the Order and an administrative penalty of \$1,000.00.~~

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~~• In an Order where a respondent is placed on probated suspension or probated revocation, the Order will state that failure to comply with the terms and conditions of the Order will result in automatic revocation of the probation and the full term of the suspension or the revocation will take effect;~~

~~• If a respondent fails to comply with any of the terms or conditions of an Order that will result in automatic suspension or revocation, at least three (3) days prior to the effective date of the suspension or revocation, Board staff will send a written notice to the respondent via e-mail stating that respondent is in violation of the Order and respondent will be suspended or revoked as of the effective date set out in the notice unless, respondent can provide evidence of having previously submitted evidence of timely compliance with the Order. This policy is being put in place as a safeguard against mistakenly suspending or revoking a respondent who was actually in compliance and not as a method for a respondent to comply with terms or conditions after being notified of the violation.~~

~~This policy is effective as of May 17, 2013 and remains in effect until and unless changed or revoked by the Board.~~

~~Approved by the Board and signed this 21st day of May, 2013.~~

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**BOARD MEMORANDUM**

Date: May 9, 2014

RE: Board Orders

This memorandum is to confirm that the Texas Appraiser Licensing and Certification Board (Board) approved the following changes to Board orders:

- Use the term~~Change "certified funds" to "~~"cashier's check or money order"~~" instead of "certified funds" in all Agreed or Final Orders;~~ and
- Include the category of property that is the subject of the appraisal in the ~~Board order~~Order.

The Board revokes the previous memoranda entitled Agreed Order Guidelines, adopted November 9, 2012; Agreed Order Guidelines Part 2, adopted February 15, 2013; Final Order Guidelines, adopted May 17, 2013; and Board Orders, adopted May 9, 2014.

This policy is effective as of ~~November~~May 9, 2014 and remains in effect unless and until changed or revoked by the Board.

Approved by the Board and signed this ~~\_\_\_~~9th day of ~~November~~May, 2014.

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Jamie Wickliffe, Chair  
Texas Appraiser Licensing and Certification Board



Douglas B. Foster  
Commissioner

# TEXAS

DEPARTMENT OF SAVINGS &  
MORTGAGE LENDING

AGENDA ITEM 2 ORIGINAL OK

RECEIVED

AUG 15 2008

August 14, 2008

Texas Real Estate Commission

Devon V. Bijansky  
Assistant General Counsel  
Texas Real Estate Commission  
P.O. Box 12188  
Austin, Texas 78711-2188

Via interagency mail

Re: Memorandum of Understanding between SML, TDI, TREC, and TALCB

Dear Devon:

Enclosed please find the two executed copies of the above referenced Memorandum. As instructed, I have retained one copy for my records.

I appreciate your efforts with regard to this Memorandum. Please let me know if we can assist you with anything further.

Sincerely,

A handwritten signature in cursive script that reads "Jane M. Black".

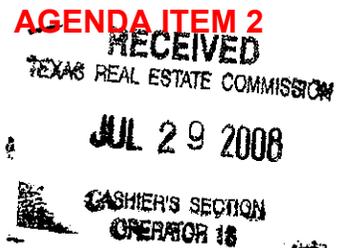
Jane M. Black  
General Counsel

Enc.



## Texas Department of Insurance

Legal Services Division, Mail Code 110-1A  
333 Guadalupe • P. O. Box 149104, Austin, Texas 78714-9104  
512-475-1821 telephone • www.tdi.state.tx.us



July 25, 2008

Devon V. Bijansky  
Assistant General Counsel  
Texas Real Estate Commission  
P. O. Box 12188  
Austin, TX 78711-2188

Re: Memorandum of Understanding (MOU)

Dear Ms. Bijansky:

Enclosed are three signed copies of the proposed Memorandum of Understanding between the Texas Department of Insurance (TDI), Texas Appraiser Licensing and Certification Board, Texas Department of Savings and Mortgage Lending, and the Texas Real Estate Commission. After the copies of MOU have been signed by the other parties, please return one original signed copy to TDI for its records.

If you have any questions or comments, please do not hesitate to contact me by telephone at (512) 463-6102 or by email at [cynthia.villarreal-reyna@tdi.state.tx.us](mailto:cynthia.villarreal-reyna@tdi.state.tx.us).

Sincerely,

A handwritten signature in black ink that reads "Cynthia Villarreal-Reyna".

Cynthia Villarreal-Reyna  
Agency Counsel Section Chief

Enclosures

**MEMORANDUM OF UNDERSTANDING**

The parties to this Memorandum of Understanding (MoU) are the following agencies: Texas Appraiser Licensing and Certification Board, Texas Department of Insurance, Texas Department of Savings and Mortgage Lending, and Texas Real Estate Commission.

In order to promote more efficient state government and more effective consumer protection, each agency that is a party to this MoU hereby agrees with each and all of the other parties as follows:

**1. Forwarding of Complaints**

When an agency ("the forwarding agency") receives a consumer complaint that is not within its jurisdiction but alleges facts that may indicate a complaint within another party agency's jurisdiction, it will forward the complaint to that other agency ("the receiving agency") and advise the complainant that this has been done.

**2. Contact information**

Each party agency will keep all other party agencies advised on a current basis of the name, telephone number, and email address of a person to whom enforcement and/or complaint-related questions may be directed.

**3. Cooperation**

Each party agency will cooperate with each other party agency as requested, to the fullest extent permitted by law, regarding the coordination of investigative and enforcement actions of common licensees.

**4. Open Records**

If a party agency receives a Public Information Act (PIA) request for information that the agency forwarded to or received from another party agency, the agency to which the PIA request was submitted will immediately notify the other agency of the request. The other agency will promptly review the request to determine whether grounds exist to withhold any of the requested documents.

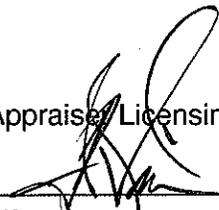
**Requests Submitted by Member of the Public to Forwarding Agency**

If the receiving agency determines that grounds exist to withhold documents, the receiving agency will, not later than the fifth business day following notice by the forwarding agency, notify the forwarding agency of the exceptions to the Public Information Act that apply and will, not later than the tenth business day following notice by the forwarding agency, provide to the forwarding agency written comments stating the reasons why the stated exceptions apply.

**Requests Submitted by Member of the Public to Receiving Agency**

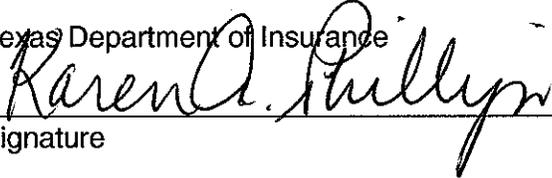
If the forwarding agency determines that grounds exist to withhold documents, the forwarding agency will, not later than the fifth business day following notice by the receiving agency, notify the receiving agency of the exceptions to the Public Information Act that apply. If the forwarding agency wishes to withhold records that the receiving agency did not independently wish to withhold and is notified of such by the receiving agency, the forwarding agency will also provide to the receiving agency, not later than the tenth business day following notice by the receiving agency, written comments stating the reasons why the stated exceptions apply.

Texas Appraiser Licensing and Certification Board

Signature  Date 8/5/2008  
Name (Print) TIMOTHY K. IRVINE Title COMMISSIONER

TALCB Enforcement contact: Name: DELORIS KRAFT-LONGORIA  
Title: DIRECTOR OF ENFORCEMENT  
Phone number: 465-3956  
E-mail address: deloris.kraft-longoria@talcb.state.tx.us

Texas Department of Insurance

Signature  Date 7/22/08  
Name (Print) Karen A. Phillips Title Chief of Staff

TDI Enforcement contact: Name: Catherine Reyer  
Title: Associate Commissioner  
Phone number: (512) 322-4346  
E-mail address: Catherine.Reyer@tdi.state.tx.us

Texas Department of Savings and Mortgage Lending

Signature  Date 13 Aug 08  
Name (Print) DOUGLAS B FOSTER Title COMMISSIONER

TDSML Enforcement contact: Name: Chris Schneider  
Title: Chief Enforcement Attorney  
Phone number: (512) 475-0980  
E-mail address: cschneider@smi.state.tx.us

Texas Real Estate Commission

Signature  Date 8/5/2008  
Name (Print) TIMOTHY K. IRVINE Title ADMINISTRATOR

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**Memorandum of Understanding  
Texas Real Estate Commission  
and  
Texas Appraiser Licensing & Certification Board**

**I. Introduction and Background.** The Texas Real Estate Commission (TREC) is an executive branch agency of the State of Texas, and the Texas Appraiser Licensing & Certification Board (TALCB) is an independent regulatory subdivision of TREC. As part of the continuation of TREC for an additional 12-year period, the 80<sup>th</sup> Texas Legislature in 2007 required that TALCB be integrated with TREC to the fullest extent possible while retaining TALCB's identity as an independent regulatory body. To implement that requirement, TREC and TALCB entered into a Memorandum of Understanding in 2007 that was amended in 2010 to more fully describe the roles and responsibilities of each party. As of September 1, 2011, the parties have achieved self-directed, semi-independent status, which removes the agency from the legislative appropriations process and modifies the manner in which the agency collects and spends funds. This Memorandum of Understanding (Agreement) replaces all prior Agreements.

**II. Parties.** The Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing & Certification Board (TALCB) are the parties to this Agreement.

**III. Purpose.** The purpose of this Agreement is to delineate:

- a. The roles and responsibilities of each party;
- b. The administrative and support services that TREC will provide to TALCB at no cost;
- c. The allocation of resources between TREC and TALCB; and
- d. The costs and expenses for which TALCB is directly responsible for payment.

**IV. General Agreements.** Under Texas Occupations Code Section 1103.101, the TREC Administrator serves as the TALCB Commissioner. The Commissioner is responsible for supervision of all TALCB staff and oversight of all TALCB expenditures within the parameters of a TALCB-approved budget and any legislative appropriations. The Commissioner reports to and performs these duties under the policy direction of the TALCB and is ultimately responsible to TALCB for the board's operations. A portion of the Administrator/Commissioner's exempt salary is allocated from TALCB resources.

The Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing & Certification Board (TALCB) agree to the following.

A. TREC will provide, at no cost to TALCB, administrative services and support to TALCB, including but not limited to the following.

1. Staff Services in accordance with TREC operating procedures as follows:
  - a) Human Resources;
  - b) Budgeting, accounting and reporting;

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- c) Purchasing and contracting;
  - d) Cashier and mail room;
  - e) Payroll; and
  - f) Facilities management
2. Technology Services;
  3. Telephone System;
  4. Personnel training programs involving no charges to TREC;
  5. Use of meeting rooms on a space available basis;
  6. Texas Register Liaison services; and
  7. Governmental and public relations services.

B. TALCB-appropriated FTEs working in Licensing, Education, and Communications are subject to the day-to-day supervision of the TREC Director(s) and Managers who oversee those areas of activity. TALCB Enforcement staff report to the TALCB Enforcement Director who is supervised by the Commissioner or his designee.

C. TALCB bears the lawfully payable or reimbursable amounts of all costs incurred by the Board other than those TREC-provided support services enumerated in Part IV.A of this Agreement, including, but not limited to:

1. All direct and indirect costs salary and benefits for TALCB FTEs;
2. Rent and overhead expenses for space occupied by TALCB and a pro-rata percentage of common area expenses
3. Services provided by the State Office of Administrative Hearings;
4. Services provided by the Office of the Attorney General;
5. Services provided by the State Auditor's Office;
6. Equipment, supplies, services, or other goods;
7. Travel, meals, and lodging;
8. Dues and subscriptions;
9. Personnel training and continuing professional education; and
10. Database service modifications primarily benefiting TALCB.

D. Portions of staff salaries are allocable and payable as further described in Exhibit A to this Agreement and may be temporarily reallocated as necessary by the Commissioner to ensure the efficient provision of administrative and support services to TALCB, with notice to the Chairs of both governing bodies as soon as reasonably practicable.

E. TALCB is allocated its *pro rata* portion of the contribution to General Revenue required by SB 1000, 82<sup>nd</sup> Legislative Session.

F. The Administrator/Commissioner, at his discretion, may determinate that TREC will provide additional administrative support services as necessary to ensure the smooth operation of the entire agency.

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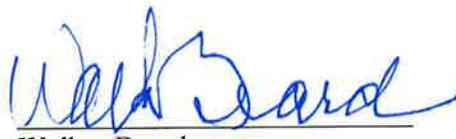
G. The Administrator/Commissioner may direct the transfer of funds between the parties as necessary to maintain the financial soundness of each, informing the Chairs of both governing bodies as soon as reasonably practicable and proposing a plan for repayment.

**V. Term of Agreement.** This Agreement become effective as of September 1, 2013 and remains in effect for fiscal years 2014 and 2015 unless amended by mutual written agreement of the parties. This Agreement terminates and supersedes any other memorandum of understanding or agreement entered into between the parties before the effective date of this Agreement. Either party may withdraw from this Agreement by written notice to the Chair of the other governing body of the other party with 365 days prior notice.

The execution and performance of this Agreement has been authorized by each respective governing body.

This Memorandum of Understanding shall not be construed to create any additional liability or obligation for either party.

  
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Avis Wukasch  
Chair  
Texas Real Estate Commission

  
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Walker Beard  
Chair  
Texas Appraiser Licensing &  
Certification Board

August 12, 2013

\_\_\_\_\_  
Date

August 16, 2013

\_\_\_\_\_  
Date

Exhibit A

1. Effective September 1, 2013, portions of the following TREC salaries are allocable to and payable by TALCB:

- A. TREC Administrator/TALCB Commissioner – 20%
- B. TREC Deputy General Counsel/TALCB General Counsel – 50%

2. Effective September 1, 2013, portions of the following TALCB salaries are allocable to and payable by TREC:

- TALCB Education & Licensing Supervisor – 25%

**Approved Budget Development Policies for TALCB****Adopted as of 15 Feb 13**

Like all state agencies, TALCB's fiscal year is from 1 Sep to 31 Aug. The Commissioner and agency staff are responsible for preparing a draft budget for the Board's consideration each year, and after approval by the Board, to administer the budget within the parameters set by the Board.

The Board meets for regular quarterly sessions in February, May, August and November each year. The budget must be finalized each year at the Board's August meeting in order to be in effect for each new fiscal year commencing Sep 1. To ensure adequate preparation, appropriate Budget Committee and Board review, and timely final approval, the Board adopts the following policy guidance for staff:

**PROCESS - TIMELINES & DUTIES:**

The Board's Budget Committee and its Chair are appointed by the Board Chair in February of each year and will consist of not more than 3 members of the Board. By interpreting and detailing the Board's policies, the Budget Committee is responsible to provide necessary direction to agency staff to enable them to meet these responsibilities. This memo provides the procedures that will guide this process.

The Budget Committee will meet prior to the regularly scheduled Board meetings in May and August to review the current draft budget, receive explanations for any staff recommendations, and provide any needed direction for additional details, emphasis or presentation issues. This first draft budget prepared by staff and sent to the Committee by April 15 will also contain the last year's budget for comparison, with notes for any recommended variances or historical anomalies. The staff will also provide the most current year to date financial statement for both revenues and expenditures as a resource document with each draft budget. The Budget Committee will review the first draft budget and provide any comments or direction to the staff prior to April 30<sup>th</sup>, allowing sufficient time for revisions prior to the May Board meeting. The Budget Committee Chair will present the Committee's report on its activities to the Board meeting in May. Staff will be available as needed to answer any questions posed by Board members.

Staff will take the direction and guidance of the Budget Committee and any revisions requested by the Board at its May meeting and incorporate these consensus recommendations into the second draft budget. By June 1<sup>st</sup>, a second draft will be sent to the Budget Committee members for review and comment not later than June 30<sup>th</sup>. Staff will take the direction and guidance of the Budget Committee members prior to July 15<sup>th</sup> and incorporate additional recommendations into the third and final draft budget and distribute it to all Board members. At the discretion of its Chair, the Budget Committee may be called into a special meeting to address any major issues which arise during this draft budget development and review process.

The Budget Committee will meet again immediately prior to the Board meeting in August to complete its final review of the third draft and make any final recommendations for the Board budget. The

Committee Chair will present the Committee's report to the Board at its regular August meeting. Staff will be available as needed to answer any questions posed by Board members.

### POLICIES:

In compiling each draft budget, the staff will adhere to these specific policy guidelines:

1. Each budget will be compiled with a 5 year data set of revenues and expenses to support it – two full completed prior years, the current fiscal year “to date” and “projected” through fiscal year end, and the upcoming fiscal year as proposed, plus the next fiscal year to follow. The proposed budget and next fiscal year following will also show a monthly ‘cash-flow” projection. Because of the 2 year license period and the seasonal cycle of renewals, it is prudent to see the expected cycle of revenue fluctuations over this extended 2 year period.
2. In addition to covering anticipated expenses for each year, including capital expenses for any needed technology maintenance and/or necessary upgrade, and excluding any amount carried over from the prior year to account for predictable revenue spikes (e.g. AMC registration fees), the Board aims to accumulate and maintain an Operating Reserve totaling not less than 3 months average operating expenses, excluding all “pass through” expense items, as a tool to manage unexpected cash flow fluctuations and for any unanticipated contingencies.
3. Once the target Operating Reserve is achieved, if a specific revenue surplus (amount to be determined) is prudently accumulated, it is the Board's policy to prepare a proposed plan for the possibility of a fee reduction for licensees. Staff will make conservative recommendations for the specific conditions that would allow for any such fee reduction, the proposed category and amount, the appropriate time frame for its commencement and termination, and a forecast for the overall effect on the Board's revenue. The Board will specifically approve each proposed fee reduction by the normal rule process.
4. The final decisions on all budget matters rest clearly with the Board. The Commissioner will carry out the directions and policies of the Board in administering the approved budget. At each quarterly meeting, the Commissioner will provide a report on the current state of the budget with a detailed report of the budget vs. actual revenues and expenditures and answer the questions of the Board. Any variance of significance will also have a written note of explanation.

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD  
RESERVE FUNDS INVESTMENT POLICY

OBJECTIVE

The investment objective of the TALCB Reserve Funds is to invest available cash in securities, which provide both safety and liquidity to meet the ongoing needs of the fund and to demonstrate compliance with appropriate governing laws.

INVESTMENT STRATEGIES

The investment strategy for the Reserve Funds is to maintain a 'laddered' approach to portfolio management. Having a relatively even distribution of securities maturing each year helps to eliminate extreme interest rate exposure. The maximum allowable stated maturity of investments is ten years.

Cash is held in the Texas Treasury Safekeeping Trust Company (Trust Company). It is fully invested at all times and reinvested by the Trust in authorized investments for state funds. Interest is compounded daily with earnings being credited daily.

PERMISSIBLE INVESTMENTS

Permissible investments include primarily, but are not limited to, Direct Obligations of the United States Treasury (i.e., Treasury Bills, Notes, and bonds). From time to time, Indirect Obligations of the Treasury or Agency Securities may be considered as an appropriate investment (for example, Federal National Mortgage Association - FNMA). This will be considered on a case by case basis.

All investment transactions must be settled on a delivery versus payment basis. The securities are held by the Texas Treasury Safekeeping Trust Company as trustee. The Trust Company monitors the market price of investments and updates them daily. The Trust Company invests cash as described in Texas Govt. Code, Sections 404.024 and 404.106 using prudent investment standards.

REPORTING AND ANNUAL REVIEW

The TALCB will receive quarterly investment reports and will annually review the investment policy making any changes necessary by adoption. The TALCB's Budget & Finance Committee will make periodic recommendations for specific Reserve Fund target balances and potential uses for funds in excess of such balances (for example – use for specific fee reductions).

(Approved February 15, 2013; Reapproved February 21, 2014)