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REGULATORY BOARD REVIEW

REAL ESTATE COMMISSION

AUDIT OVERVIEW

The West Virginia Real Estate Commission Has Complied With Some Chapter 30 Requirements, But Its Complaint Records Are Fundamentally Inaccessible, and It Needs Stronger Internal Controls for Financial Management.

The United States Department of Justice Contends That a Statutory Provision in the Real Estate Commission's Enabling Statute Limits Consumer Choice by Reducing Competition in the Real Estate Brokerage Industry; However, the Commission Disagrees.

The Website for the Real Estate Commission Needs Improvements to Enhance User-Friendliness and Transparency.



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EXECUTIVE SUMMARY

The Performance Evaluation and Research Division (PERD) within the Office of the Legislative Auditor conducted a Regulatory Board Review of the West Virginia Real Estate Commission (Commission) pursuant to West Virginia Code §4-10-10(b)(9). Objectives of this audit were to assess the Commission's compliance with provisions of Chapter 30 and other applicable laws, and evaluate the Commission's website for user-friendliness and transparency. The issues of this report are highlighted below.

Frequently Used Acronyms in this Report:

PERD - Performance Evaluation and Research Division

DOJ – United States Department of Justice

Report Highlights:

Issue 1: The West Virginia Real Estate Commission Has Complied with Some Chapter 30 Requirements, But Its Complaint Records Are Fundamentally Inaccessible and It Does Not Consistently Have Documentation to Demonstrate that It Provided Due Process, And It Needs Stronger Internal Controls for Financial Management.

- The Commission complies with some Chapter 30 requirements by meeting at least once annually, promulgating procedural rules specifying the investigation of complaints, establishing continuing education requirements, and maintaining financial self-sufficiency.
- The Commission's annual reports only indicate complaints by complaint number however, its electronic database is only searchable by licensee name or number. Furthermore, the Commission was unable to identify which licensees were associated with all complaints. Additionally, the Commission has not documented that complainants were kept informed of the complaint status within some complaint files.
- Improvement of internal controls are needed. Only two of the five commission employees were responsible for control over the receipt of revenues. The Commission did not deposit revenue within 24 hours as dictated by state code. This resulted in cash and checks in excess of \$290,000 being held within the office for as long as 30 days.
- The Commission could have eliminated or reduced the amount spent on some expenditures for lodging expenses, mileage reimbursements from home locations for commission employees, and attendance to national conferences.

Issue 2: The United States Department of Justice States a Statutory Provision in the Real Estate Commission’s Enabling Statute Limits Consumer Choice by Reducing Competition in the Real Estate Brokerage Industry; However, the Commission Disagrees.

- The United States Department of Justice’s (DOJ) Antitrust Division lists West Virginia as a state that limits choice of brokerage services because W.Va. Code §30-40-26 requires licensees to promptly deliver every written offer received.
- The DOJ states that the State’s code is a minimum service requirement that reduces consumer choice by forcing consumers to purchase real estate services they may not want and leading brokers to add more services and charge higher prices.
- The Real Estate Commission does not believe this is a mandatory, non-waivable requirement, but instead views the provision as protection.

Issue 3: The Website for the Real Estate Commission Needs Improvements to Enhance User-Friendliness and Transparency.

- The Commission’s website is simple to navigate and understand, but could use some user-friendly features such as a search tool, foreign language accessibility, and an FAQ section.
- The Commission’s website could benefit from additional transparency features such as the Commission’s budget, performance measures and outcomes, and a calendar of events.

PERD’s Response to the Agencies’ Written Response

The Office of the Legislative Auditor’s Performance Evaluation and Research Division received the Commission’s response to the draft copy of regulatory board review on November 9th, 2016. The Commission’s response can be found in Appendix D. The Commission concurs with PERD’s review and is in the process of implementing the proposed recommendations.

Recommendations

1. *The Commission should maintain a record of the licensee numbers and names associated with complaint numbers.*
2. *The Commission should send status updates when complaints are open longer than six months in compliance with W.Va. Code §30-1-5(c).*
3. *The Commission should consider having hotels direct bill it rather than reimbursing commission members to claim the exemption of state and local taxes.*
4. *The Commission should consider not reimbursing the costs of lodging that exceed GSA rates.*

5. *The Commission should comply with West Virginia Purchase Division Travel Rules and reimburse travel from its office to the destination.*
6. *The Commission should segregate duties for the collection of fees to provide adequate internal controls.*
7. *The Commission should consider proposing legislation that would remove the provision in W.Va. Code §30-40-9(a) regarding the deposit of funds collected by the Commission.*
8. *The commission's chairperson or executive director should attend the State Auditor Orientation Session annually.*
9. *Each commission member should attend at least one State Auditor orientation session during each term in office.*
10. *The Commission should consider enhancing the user-friendliness and transparency of its website by incorporating more of the website elements identified.*

ISSUE1

The West Virginia Real Estate Commission Has Complied With Some Chapter 30 Requirements, But Its Complaint Records Are Fundamentally Inaccessible, and It Needs Stronger Internal Controls for Financial Management.

Issue Summary

The Real Estate Commission (Commission) has complied with some Chapter 30 requirements. It is financially self-sufficient, meets at least once annually, and has established continuing education requirements. However, as PERD has indicated in previous reviews, the Commission continues to have deficiencies with regard to the complaint process and in the resolution of complaints. The Commission has made some inappropriate and imprudent expenditures in regard to travel, lodging, and mileage reimbursements. The Commission does not have sufficient internal controls because it does not segregate financial duties among commission employees.

The Real Estate Commission is in satisfactory compliance with some of the general provisions of Chapter 30 of West Virginia Code.

The West Virginia Real Estate Commission Has Complied With Some General Provisions of Chapter 30.

The Real Estate Commission is in satisfactory compliance with some of the general provisions of Chapter 30 of West Virginia Code. These provisions are important for the effective operation of regulatory boards and commissions. The Commission complies with the following provisions:

- adopt an official seal (§30-1-4),
- meet at least once annually (§30-1-5(a)),
- promulgate rules specifying the investigation and resolution procedures of all complaints (§30-1-8(k)),
- ensure that the address and telephone number are included every year in the state government listings of the Charleston area telephone directory ((§30-1-12(c)),
- establish continuing education requirements (§30-1-7a),
- submit an annual report to the Governor and Legislature describing transactions for the preceding two years (§30-1-12(b)),
- prepare and maintain a roster of all licensees that includes names and office addresses (§30-1-13), and
- maintain financial self-sufficiency in carrying out its responsibilities (§30-1-6(c)).

However, the Commission is in partial compliance with the following provisions:

- attend an annual orientation session conducted by the State Auditor (§30-1-2a(c)(2));
- send status reports to complainants for complaints that went beyond six months (§30-1-5(c); §30-1-8); and
- maintain a register of all applicants (§30-1-12(a)).

The Commission's chairperson or executive director did not attend the State Auditor orientation in three of the five years that cover the scope of the audit, the Commission did not provide documentation to demonstrate it always provided statutorily-required status updates to complainants for complaints that went beyond six months, and the Commission does not have a register of all applicants, but does maintain most of the information required by code for all licensees.

The Commission Should Make Complaints Accessible and It Should Tighten Adherence to Complaint Procedures.

In the last three regulatory board reviews of the Commission, the Legislative Auditor has identified issues of concern related to performance in complaint accessibility, providing due process in the complaint process and the resolution of complaints. The Legislative Auditor finds that there continues to be concerns related to accessibility and complaint resolutions.

In the 2005 review, the Legislative Auditor reported that the commission's complaint process lacked appropriate internal controls and was inconvenient and inaccessible to the public. Then, in the 2006 review, the Legislative Auditor found that the Commission had not always provided licensees the statutorily required opportunity to respond to complaints filed against them before determining probable cause and agreeing to a consent decree. Most recently, in the 2009 review the Legislative Auditor found that the Commission was not providing the statutorily required status reports in cases longer than six months.

The Disposition of the Commission's Complaints Are in Effect Inaccessible.

The Commission maintains its complaints in an electronic database which is only searchable by licensee number or name. The annual report and meeting minutes' list complaints only by complaint number never referencing a licensee name or license number. The disposition of any complaint cannot be determined. W.Va. Code §30-1-5(d) states,

The Commission maintains its complaints in an electronic database which is only searchable by licensee number or name. The Commission's annual report and meeting minutes' list complaints only by complaint number never referencing a licensee name or license number.

Every board shall provide public access to the record of the disposition of the complaints which it receives . . .

Furthermore, the Commission could not identify for PERD which licensees were associated with the received complaints. PERD requested any documentation that might indicate the names or license numbers associated with the complaint numbers. A commission member was able to provide some information she had retained from commission meetings. This information contained licensee identifiable information. Using this information, in conjunction with some deposit data, PERD was able to identify 67 percent of the complaints the Commission received during the five-year scope of this review. We describe our review of those complaints in subsequent sections of this issue. **In order for the Commission to provide public access to the record of the disposition of complaints it receives, the Commission should maintain a record of the licensee numbers and names associated with complaint numbers.**

The Commission's Complaint Files Lack Documentation to Indicate Complainants Were Kept Informed of the Status of the Complaint.

PERD reviewed 123 of the 183 complaints the Commission received during the 5-year scope of this review. The average time to resolve complaints over the five-year period was four months. The most frequent complaints were for alleged misconduct or unprofessional behavior. The Commission also received complaints about advertisement, continuing education, failure to renew, and unlicensed practice. The public made 70 percent of all complaints, and the remaining complaints were made by the Commission, licensees, or organizations. The complaints made by the public that resulted in a disciplinary action were for misconduct or unprofessional behavior. The nature of the complaints initiated by the Commission that resulted in disciplinary action were mostly in regards to insufficient continuing education and failure to renew a license.

Table 1 summarizes the complaints received by the Commission from FY 2011 through FY 2015. PERD identified one complaint that took longer than 18 months to resolve; however, 19 complaints had no evidence that the Commission sent the initiating party status updates when the complaint took longer than six months to resolve. According to W.Va. Code §30-1-5(c), each Chapter 30 regulatory board

. . . has a duty to investigate and resolve complaints which it receives and shall, within six months of the complaint being filed, send a status report to the party filing the complaint by certified mail with a signed return receipt and within one year of the status report's return receipt date issue a final ruling, unless the party filing the complaint and the board agree in writing to extend the time for the final ruling.

In order for the Commission to provide public access to the record of the disposition of complaints it receives, the Commission should maintain a record of the licensee numbers and names associated with complaint numbers.

The average time to resolve complaints over the five-year period was four months. The most frequent complaints were for alleged misconduct or unprofessional behavior.

PERD identified one complaint that took longer than 18 months to resolve; however, 19 complaints had no evidence that the Commission sent the initiating party status updates when the complaint took longer than six months to resolve.

Table 1
Disposition of Identified Complaints
FY 2011 through FY 2015

Fiscal Year	Number of Complaints Received	Number of Complaints Reviewed by PERD	Number of Complaints Closed Within 18 Months	Number of Complaints Exceeding 6 Months	Average Number of Days to Decision
2011	42	16	16	6	175
2012	36	24	24	3	89
2013	30	21	20	7	164
2014	44	36	36	9	140
2015	31	26	26	1	90
Total	183	123	122	26	132

Source: PERD calculations based on information in Real Estate Commission's Annual Reports FY 2011 through FY 2015 and reviewed complaint files.

Therefore, the Legislative Auditor recommends the Commission send status updates when complaints are open longer than six months in compliance with W.Va. Code §30-1-5(c).

The Commission Is Unable to Provide Documentation That It Received Complaint Forms for 12 Complaints.

PERD identified 12 complaint files that did not have complaint forms filled out by the individual initiating the complaint. Commission Rule §174-4-4.2 states,

The Commission will consider complaints of alleged violations of W.Va. Code 30-40-1, et seq., and the rules promulgated thereunder, only when they are submitted in writing on forms supplied by the Commission . . .

PERD identified 12 complaint files that did not have complaint forms filled out by the individual initiating the complaint.

Complaint forms contain information including the complaint number, description of the complaint, and a date for the initiation of the complaint. Consequently, we do not know who initiated some of the complaints, when they were filed and potentially the nature of the complaint.

The Commission Is Financially Self-Sufficient But It Needs Stronger Financial Management Controls and It Has Made Some Imprudent Expenditures.

As shown in Table 2, the Commission maintains an end-of-year cash balance that is in excess of one year of expenditures. As such, the

Legislative Auditor finds that the Commission is compliant with W.Va. Code §30-1-6(c) which requires regulatory boards to be self-sufficient. The annual revenues primarily stem from application, renewal, and examination fees. The annual disbursements include expenditures for commission member and employee travel, telecommunications, office rental space, parking space rental, continuing education trainings, and other operating expenses.

Table 2
Budget Information
FY 2011 through FY 2015

Fiscal Year	Beginning Cash Balance	Disbursements	Revenue	Ending Cash Balance
2011	\$1,417,661	\$559,617	\$474,526	\$1,332,571
2012	\$1,345,489	\$623,932	\$527,405	\$1,248,962
2013	\$1,253,944	\$556,819	\$355,473	\$1,052,598
2014	\$1,052,598	\$573,597	\$622,166	\$1,101,167
2015	\$1,097,078	\$629,310	\$796,077	\$1,263,845

**Beginning Cas Balance Reflects 13th month revenues.*

Dollar amounts are rounded to the nearest whole dollar.

Source: State Auditor's Office data as compiled in the Digest of Revenue Sources FY 2011 through FY 2015 and OASIS.

Although the cash balances are at a satisfactory level, its internal controls are deficient, particularly in the area of segregation of control duties. During the scope of this audit, only two of five commission employees were responsible for opening mail to receive revenues, recording the payments, and depositing the payments at the bank¹. This is a problem because the risk of fraud is high when there is a lack of segregation of duties.

One of the five components of internal controls according to the Government Accountability Office (GAO) is risk assessment. To have adequate internal controls, management should do the following:

Management should define objectives clearly to enable the identification of risks and define risk tolerances. Management should identify, analyze, and respond to risks related to achieving the defined objectives. Management should consider the potential for fraud when identifying, analyzing, and responding to risks.

By the Commission only having two employees responsible for control activities over the collection of fees, the Commission was not fulfilling the requirements of risk assessment over internal controls.

During the scope of this audit, only two of five commission employees were responsible for opening mail to receive revenues, recording the payments, and depositing the payments at the bank.

¹ When the Real Estate Commission hired an interim executive director in December of 2015, the Commission divided tasks associated with the collection of fees among three employees.

Therefore, the Legislative Auditor recommends the Commission segregate duties for the collection of fees among several employee members to provide adequate internal controls.

Another control duty, the depositing of revenues, was also deficient. During the scope of the audit, the Commission routinely did not deposit its revenues within one business day as required by W.Va. Code §12-2-2(a) which states,

*All officials and employees of the state authorized by statute to accept moneys on behalf of the state of West Virginia shall keep a daily itemized record of moneys received for deposit in the State Treasury and **shall deposit within one business day** with the State Treasurer all moneys received or collected by them for or on the behalf of the state for any purpose whatsoever. [emphasis added]*

PERD found it was not uncommon for the Commission to make deposits weeks apart and in deposit amounts that exceed \$100,000. These deposits included both cash and checks. On one occasion, 13 days lapsed before a deposit in excess of \$290,000 was made. By not depositing funds promptly, the Commission does not process checks in a timely manner and makes itself vulnerable to loss or theft. The Commission had applied its enabling statute to mean that it did not have to deposit more than once a month. As stated in W.Va. Code §30-40-9(a),

*All fees and other moneys, except administrative fines, received by the commission shall be deposited into the treasury of the state, **at least once each month**, into a special revenue fund known as the “real estate license fund” which is continued. [emphasis added]*

The Commission has stated it has been depositing funds daily since April. However, **the Legislative Auditor recommends that the provision in W.Va. Code §30-40-9(a) regarding the deposit of funds collected by the Commission be stricken.**

In addition to segregating duties among employees, the Commission could improve financial controls over revenue collection by using the State Treasurer’s Office lockbox operation; whereby, daily a Treasury employee will pick up payments from a post office box, then open, sort, image, deposit, and forward the information to the Commission. Use of the lockbox operation helps mitigate the risk of fraud. The Commission could also consider allowing licensees to renew online to limit the amount of cash and checks received by commission employees.

Given the limited segregation of duties of the Commission, which created inadequate internal control, the Legislative Auditor assessed the

By not depositing funds promptly, the Commission does not process checks in a timely manner and makes itself vulnerable to loss or theft.

Use of the lockbox operation helps mitigate the risk of fraud.

Commission's risk of fraud in the areas of procurement and in handling of revenue. In order to assess the risk of fraud and gain reasonable assurance that fraud had not occurred, PERD examined revenues and expenditures. For revenue, PERD calculated the minimum expected revenue for the Commission by multiplying annual fees by the number of licensees for FY 2011 through FY 2015. Table 3 provides a comparison of actual and expected revenues for the Commission. The actual revenues were less than expected in two of the five years. In those two years, the less than expected revenues are likely due to the renewal deadline being at the end of the fiscal year. However, the overall balance over a five-year period exceeds the expected revenue; therefore, the Legislative Auditor deems the likelihood of fraud having occurred on the revenue side as relatively low.

Table 3
Expected Revenue and Actual Revenue
FY 2011 through FY 2015

Fiscal Year	Actual Revenue	Expected Revenue	Difference Between Expected and Actual Revenue
2011	\$474,586	\$513,275	-\$38,689
2012	\$527,405	\$486,975	\$40,430
2013	\$355,473	\$469,925	-\$114,452
2014	\$622,166	\$457,550	\$164,616
2015	\$796,077	\$651,125	\$144,952
Total	\$2,775,707	\$2,578,850	\$196,857

Sources: Real Estate Commission's annual reports FY 2011 through FY 2015, legislative rule CSR 174-2, and data from the State Auditor's Financial Information Management System and Our Advanced Solution with Integrated Systems FY 2011 through FY 2015.

PERD also assessed the risk of fraud on the expenditure side. The Legislative Auditor's opinion is that when expenditures for expected and required purchases are 90 percent or more of the total annual expenditures, the likelihood of fraud having occurred on the expenditure side is relatively low. As seen in Table 4, the percentage of expenses for expected and required purchases reached, or exceeded 90 percent or above for all fiscal years examined.

Table 4
Percentage of Expected or Required Expenditures
FY 2011 through FY 2015

Fiscal Year	Percentage of Expected and Required Expenditures
2011	93%
2012	92%
2013	92%
2014	90%
2015	93%

Source: PERD calculations based on data from the State Auditor's Financial Information Management System and Our Advanced Solution with Integrated Systems FY 2011 through FY 2015.

The Commission was unable to locate or provide any of its purchasing invoices or receipts. PERD was able to exam supporting documentation for invoices from April 2011 forward because the documentation was available through the State Auditor's Office. However, none of the documentation for procurement card purchases totaling more than \$53,000 were available for PERD review. In reviewing the invoices, PERD noted that the Commission could eliminate or reduce the amount of some expenditures.

The Commission was unable to locate or provide any of its purchasing invoices or receipts.

In-State and Out-of-State Lodging

During the five-year scope of this review, the Commission reimbursed its members out-of-state lodging costs that exceeded the General Services Administration (GSA) lodging rates by nearly \$8,000. Over the same five-year period, the Commission reimbursed its members \$3,000 over the GSA rates for lodging within West Virginia. The Legislative Auditor recommends that in the future the Commission ensure that it is not paying in excess of GSA lodging rates.

During the five-year scope of this review, the Commission reimbursed its members out-of-state lodging costs that exceeded the General Services Administration (GSA) lodging rates by nearly \$8,000.

Additionally, the Commission would have been exempt from paying about \$3,000 in state and local taxes over this five-year period if, rather than reimbursing commission members and employees for lodging costs, the Commission had hotels bill it for in-state lodging. **Therefore, the Legislative Auditor recommends the Commission directly pay the hotel for lodging for commission members and employees so it can claim the exemption from payment of state and local taxes.**

Mileage Reimbursement for Commission Employees from Home Locations

State travel rules permit agencies to reimburse employees from their homes rather than their work site when it will reduce the total

amount of miles traveled. However, the Commission reimbursed two former commission employees for mileage from their homes even though this meant it was reimbursing for an additional 600 miles over what the mileage would have been if mileage from the commission office. While the \$300 expended is modest, such expenditure is unnecessary. **Therefore, the Legislative Auditor recommends the Commission comply with West Virginia Purchasing Division Travel Management Office Rules regarding mileage reimbursement.**

Travel to a National Organization Convention on Average Every Two Months.

The Commission attended 38 conferences from April 2011 to April 2016, of which 25 were to attend the Association of Real Estate License Law Officials (ARELLO) conferences. **At least one commission member or employee attended an ARELLO conference on average once every 56 days over the scope of the audit.** The Legislative Auditor questions the benefit such frequent attendance at ARELLO meetings provides to the state of West Virginia. Workshop presentations, as documented on the ARELLO website, provided information on federal regulations directly impacting licensees, advocated for ARELLO exam accreditation, and case law. The workshops that directly impact the Commission do not provide much beyond what the State Auditor Annual Training does. Table 5 shows the amount of travel reimbursements, locations of travel, and associated dates.

However, the Commission reimbursed two former commission employees for mileage from their homes even though this meant it was reimbursing for an additional 600 miles over what the mileage would have been if mileage from the commission office.

The Commission attended 38 conferences from April 2011 to April 2016, of which 25 were to attend the Association of Real Estate License Law Officials (ARELLO) conferences.

Table 5
Commission Travel Reimbursements to ARELLO Meetings
April 2011 through April 2016

Date of Travel	Number of Commission Members or Employees in Attendance	Location of Travel	Total Reimbursements for Meeting Attendance
April 2011	1	Colorado Springs, CO	\$1,784
April 2011	1	Sandestin, FL	\$1,630
August 2011	1	Seattle, WA	\$2,410
August 2011	3	Orange Beach, AL	\$4,819
October 2011	2	Baltimore, MD	\$4,850
January 2012	2	Ft. Meyers, FL	\$1,723
April 2012	4	Austin, TX	\$7,519
June 2012	2	Rapid City, SD	\$3,566
September 2012	3	Halifax, NS	\$9,506
January 2013	2	San Diego, CA	\$2,899
April 2013	2	Scottsdale, AZ	\$4,320
June 2013	2	Biloxi, MI	\$2,559
September 2013	4	Seattle, WA	\$10,344
December 2013	1	Chicago, IL	\$758
April 2014	2	San Diego, CA	\$5,138
June 2014	2	Omaha, NE	\$2,228
September 2014	3	Philadelphia, PA	\$7,278
October 2014	1	Columbus, OH	\$1,292
January 2015	2	Miami, FL	\$2,268
April 2015	2	Albuquerque, NM	\$4,628
June 2015	2	Little Rock, AR	\$3,114
September 2015	4	Washington, DC	\$8,251
January 2016	2	Tampa Bay, FL	\$1,369
April 2016	1	Atlanta, GA	\$2,187
Total Dollar Expended for ARELLO meetings			\$96,440*

Source: PERD calculations based on data from the State Auditor's Financial Information Management System and Our Advanced Solution with Integrated Systems FY 2011 through partial FY 2016.

**Amount could be higher; with no invoice documentation it is uncertain how much of the expenditures for travel in FY 2011 could have been to attend ARELLO meetings.*

The Commission's Current Fees Are Not Comparable to Surrounding States.

Table 6 provides the fee schedules of similar boards in surrounding states. On an annual basis, West Virginia's fees are higher than those in surrounding states. This may be attributable to West Virginia's surrounding states having significantly more licensees to support the cost of administering a board. Additionally, other than Kentucky, the surrounding states administratively connected their boards to other governmental agencies which also may contribute to cost efficiencies.

On an annual basis, West Virginia's fees are higher than those in surrounding states.

Table 6
Real Estate Commission Licensure Fees in
West Virginia and Surrounding States

State	Salesperson		Broker/Firm		Renewal Cycle
	Initial License Fee	Renewal Fee	Initial License Fee	Renewal Fee	
Ohio	\$60	\$25	\$100	\$25	Annual
Kentucky	\$60	\$60	\$30-\$60	\$60	Annual
Maryland	\$90	\$70	\$190	\$170	Biennial
Virginia	\$150	\$65	\$190-\$250	\$80-\$160	Biennial
Pennsylvania	\$20-\$25	\$96	\$65-\$75	\$126	Biennial
West Virginia	\$100	\$75	\$175	\$150	Annual

Sources: State licensure board websites and statutes.

The Commission Has Established the Number of Continuing Education Hours Required For Renewal But Had Not Established How It Would Perform Continuing Education Compliance Audits.

The Commission has established continuing education requirements for licensees by requiring both brokers and licensees to complete seven hours of continuing education per year. Table 7 shows how the Commission compares to surrounding states. Ohio requires the most continuing education hours on an annual basis, followed by Virginia.

Table 7
Continuing Education Requirements in
West Virginia and Surrounding States

State	Continuing Education Hours Required	Renewal Period
Kentucky	6	Annual
Maryland	15	Biennial
Ohio	30	Triannual
Virginia	16-30	Biennial
Pennsylvania	14	Biennial
West Virginia	7	Annual

Source: State licensure board websites and statutes

The Commission has supplied partial documentation supporting how it enforces compliance with continuing education. During the scope of this audit, the Commission did not have written procedures for how continuing education was enforced. According to the Commission, each year it would select for instance every 8th licensee from a list of all licensees. However, the Commission provided records that do not consistently correlate with established selection patterns. For example, in 2015 the list indicates that the Commission purposefully selected some licensees rather than systematically sampling. In sampling continuing education audits, it would be expected to be a random process. The documentation indicates the Commission did not vary the system from year to year and that the Commission did not vary the order of the list of licensees. As a result, during the five-year scope of this audit 19 percent of the licensees audited were selected two or more times despite the fact that only 5 to 8 percent of licensees are selected for auditing every year.

During the scope of the audit, the Commission had no written procedures for how it conducted continuing education compliance audits and had no established standards for how sampling occurs. If the goal with continuing education audits is to ensure all licensees have acquired the required seven hours of continuing education, it needs to randomly select licensees, and establish clear rules for how it conducts continuing education audits. Table 8 below shows the number of licensees selected for continuing education audits throughout a five-year period.

During the scope of this audit, the Commission did not have written procedures for how continuing education was enforced.

During the five-year scope of this audit 19 percent of the licensees audited were selected two or more times despite the fact that only 5 to 8 percent of licensees are selected for auditing every year.

Table 8
Continuing Education Audits of Real Estate Commission Licensees
FY 2011 through FY 2015

Fiscal Year	Number of Licensees Sampled	Total Number of Licensees for Indicated Fiscal Year	Percentage of Licensees Sampled
2011	444	8,222	5%
2012	457	7,796	6%
2013	514	7,455	7%
2014	583	7,246	8%
2015	472	6,955	7%

Sources: PERD calculations based on information in the Real Estate Commission Continuing Education Audit documents and annual reports.

Conclusion

The Commission needs to make several improvements to be in compliance with all provisions of Chapter 30. The Commission should ensure that the disposition of all complaints are accessible to the public and that all procedures for complaints are followed. Additionally, the Commission needs to ensure all purchases are made for appropriate services as indicated through W.Va. Code and other applicable rules. The Commission could benefit financially by reducing the number of times it attends national conference meetings. Finally, the Commission needs to establish written continuing education audit procedures.

Recommendations

1. *The Commission should maintain a record of the licensee numbers and names associated with complaint numbers.*
2. *The Commission should send status updates when complaints are open longer than six months in compliance with W.Va. Code §30-1-5(c).*
3. *The Commission should consider having hotels direct bill it rather than reimbursing commission members to claim the exemption of state and local taxes.*
4. *The Commission should consider not reimbursing the costs of lodging that exceed GSA rates.*

5. *The Commission should comply with West Virginia Purchase Division Travel Rules and reimburse travel from its office to the destination.*
6. *The Commission should segregate duties for the collection of fees to provide adequate internal controls.*
7. *The Commission should consider proposing legislation that would remove the provision in W.Va. Code §30-40-9(a) regarding the deposit of funds collected by the Commission.*
8. *The Commission's chairperson or executive director should attend the State Auditor Orientation Session annually.*
9. *Each Commission member should attend at least one State Auditor orientation session during each term in office.*

ISSUE 2

The United States Department of Justice Contends That a Statutory Provision in the Real Estate Commission’s Enabling Statute Limits Consumer Choice by Reducing Competition in the Real Estate Brokerage Industry; However, the Commission Disagrees.

Pursuant to W. Va. Code real estate brokers and salespersons are required to deliver to his or her client every written offer received. Furthermore, W.Va. Codes states that a licensee who does not provide written, genuine offers can have their license suspended or revoked. W.Va. Code §30-40-26 requires that,

*Every broker, associate broker and salesperson owes certain inherent duties to the consumer which are required by virtue of the commission granting a license under this article. The duties include, but are not limited to: . . .
(e) Every licensee shall promptly deliver to his or her principal, every written offer received.*

According to the United States Department of Justice (DOJ), this statutory provision is a minimum service requirement. The DOJ contends that minimum service requirements reduce consumer choice by forcing consumers to purchase real estate services they may not want. However, the Commission does not believe this is a minimum service requirement, but instead it is waivable and views the provision as protection.

According to the DOJ’s Antitrust Division, West Virginia, 11 other states², and the District of Columbia require consumers to purchase more services than they may want with no option to waive the extra services. In regards to a similar provision in Idaho, the DOJ wrote a letter to the Chairman of the Commerce and Human Resources Committee in Idaho regarding proposed legislation that requires brokers “receive and timely present all written offers and counteroffers.” In this letter, the DOJ says that this provision is a “minimum service requirement” that would be in conflict with what some Idaho consumers would prefer and impose extra costs on some brokers that will likely be passed on to the clients. The DOJ says that consumers may want to have written sale offers made directly to them and they negotiate rather than require their brokers receive offers and negotiate on their behalf.

The Legislative Auditor is providing this information to the Legislature and does not present it as a performance issue.

Pursuant to W. Va. Code real estate brokers and salespersons are required to deliver to his or her client every written offer received.

The Commission does not believe this is a minimum service requirement, but instead it is waivable and views the provision as protection.

The DOJ says that consumers may want to have written sale offers made directly to them and they negotiate rather than require their brokers receive offers and negotiate on their behalf.

² Those states are Alabama, Idaho, Illinois, Indiana, Iowa, Kansas, Missouri, Oregon, Texas, Utah, and Washington. An additional eight states have minimum service requirements, but allow consumers to waive those extra services. Those states are Delaware, Florida, Nevada, New Mexico, Ohio, Pennsylvania, Tennessee, and Wisconsin.

ISSUE 3

The Website for the Real Estate Commission Needs Improvements to Enhance User-Friendliness and Transparency.

Issue Summary

The Office of the Legislative Auditor conducted a literature review on assessments of governmental websites and developed an assessment tool to evaluate West Virginia's state agency websites (see Appendix C). The assessment tool lists several website elements. Some elements should be included in every website, while other elements such as social media links, graphics, and audio/video features may not be necessary or practical for some state agencies. Table 9 indicates the Commission integrates 36 percent of the checklist items in its website. The measure shows the Commission needs to make more improvements in user-friendliness and transparency of its website.

Table 9
Real Estate Commission
Website Evaluation Score

Substantial Improvement Needed	More Improvement Needed	Modest Improvement Needed	Little or No Improvement Needed
0-25%	26-50%	51-75%	76-100%
	36%		

Source: The Legislative Auditor's review of the Real Estate Commission's website on April 18, 2016.

The Commission's Website Scores Relatively Low in User-Friendliness and Transparency.

In order to actively engage with an agency online, citizens must first be able to access and comprehend the information on government websites. Therefore, agencies should design their websites to be user-friendly. A user-friendly website is understandable and easy to navigate from page to page. Government websites should also provide transparency of an agency's operation to promote accountability and trust.

PERD reviewed the Commission's website for both user-friendliness and transparency. As illustrated in Table 10, the website requires improvement to increase its user-friendliness and transparency. The Commission should consider making website improvements to provide a better online experience for the public and for its licensees.

The Commission should consider making website improvements to provide a better online experience for the public and for its licensees.

Table 10
Website Evaluation Score for the Real Estate Commission

Category	Possible Points	Agency Points	Percentage (%)
User-Friendly	18	5	28%
Transparency	32	13	41%
Total	50	18	36%

Source: The Legislative Auditor's review of the Commission's website as of April 18th, 2016.

The Commission's Website Is Navigable But Need Additional User-Friendly Features.

The Commission's website is easy to navigate, as there is an area to click on links to find forms; however, the website lacks a search tool on every page that acts as an index for the entire website. According to the Flesch-Kincaid Reading Test, an acceptable readability score for the general public should aim for grade level eight. The readability of the Commission's website is 9th grade, only slightly above the accepted level.

User-Friendly Considerations

The following are attributes that the Commission's website lacks that would increase user-friendliness:

- **Search Tool**—A search box on every page.
- **Help Link**—A link that clearly indicates that the user can find assistance by clicking the link (i.e. "How do I . . .", "Questions?" or "Need assistance?").
- **Foreign Language Accessible**—A link to translate all webpages into language other than English.
- **FAQ Section**—A page that lists the agency's most frequently asked questions and responses.
- **Navigation**—Every page should be linked to the agency's homepage and should have a navigation bar at the top of every page.
- **Feedback Options**—A page where users can voluntarily submit feedback about the website or particular section of the website.

The readability of the Commission's website is 9th grade, only slightly above the accepted level.

The Website Has Some Good Transparency Features, But Some Improvements Can Be Made.

A website that is transparent should promote accountability and provide information for citizens about what the agency is doing, as well as encouraging public participation. The Commission's website has 41

percent of those core elements that are necessary for a general understand of the Commission’s mission and performance. The Commission’s website contains important transparency features such as email contact information, its office address, and its telephone number.

Transparency Considerations

The Commission should consider providing additional elements to the website to improve the Commission’s transparency. The following are a few attributes that would increase transparency:

- **Budget**—Budget data is available at the checkbook level and ideally in a searchable database.
- **Calendar of Events**—Information on events, meetings, ideally imbedded using a calendar program.
- **FOIA information**—Information on how to submit a FOIA request, ideally with an online submission form.
- **Performance measures and outcomes**—A page linked to the homepage explaining the agencies performance measures and outcomes.
- **Website updates**—The website should have a website update status on screen and ideally for every page.

The Commission’s website contains important transparency features such as email contact information, its office address, and its telephone number.

Conclusion

The Legislative Auditor finds that Commission’s website needs improvements in the areas of user-friendliness and transparency. The website can benefit from incorporating several common features. The Commission has pertinent public information on its website, including its rules and regulations. The Commission’s homepage has the location of the office, a telephone number, and an email address. However, providing website users with additional elements and capabilities, as suggested in the report, would greatly improve user-friendliness and transparency.

Recommendation

10. *The Commission should consider enhancing the user-friendliness and transparency of its website by incorporating more of the website elements identified.*

Appendix A Transmittal Letter

WEST VIRGINIA LEGISLATURE *Performance Evaluation and Research Division*

Building 1, Room W-314
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0610
(304) 347-4890
(304) 347-4939 FAX



John Sylvia
Director

October 4, 2016

Jerry Forren, Executive Director
West Virginia Real Estate Commission
300 Capitol Street, Suite 400
Charleston WV 25301

Dear Mr. Forren,

This letter is to transmit a draft copy of the Regulatory Board Review of the West Virginia Real Estate Commission. This report is tentatively scheduled to be presented at either the December 4-6, 2016 or January 9-11, 2017 interim meetings of the Joint Committee on Government Operations and the Joint Committee on Government Organization. We will inform you of the exact time and location once the information becomes available. It is expected that a representative from your agency be present at the meeting to orally respond to the report and answer any questions committee members may have during or after the meeting.

We need to schedule an exit conference to discuss any concerns you may have with the report. We would be available for a meeting as early as October 12, 2016. Please notify us to schedule an exact time and day. In addition, we need your written response by November 1, 2016. If your agency intends to distribute additional material to committee members at the meeting, please contact the House Government Organization staff by either Thursday, December 1, 2016 or Thursday, January 5, 2017 (depending on the interim meeting at which the report is presented) at 304-340-3192 to make arrangements.

We request that your personnel not disclose the report to anyone not affiliated with your agency. Thank you for your cooperation.

Sincerely,

A handwritten signature in blue ink that reads "John Sylvia".

John Sylvia

Joint Committee on Government and Finance

Appendix B

Objectives, Scope and Methodology

The Performance Evaluation and Research Division (PERD) within the Office of the Legislative Auditor conducted this Regulatory Board Review of the West Virginia Real Estate Commission (Commission) as required and authorized by Chapter 4, Article 10 of the West Virginia Code. The purpose of the Commission, as established in West Virginia Code §30-40-1, is to protect the public interest from the unauthorized, unqualified and unregulated practice of real estate brokerage.

Objectives

The objectives of this review are to assess the Commission's compliance with the general provisions of Chapter 30, Article 1 of the West Virginia Code, the Commission's enabling statute, and other applicable rules and laws, such as the Open Governmental Proceedings Act (West Virginia Code §6-9A), purchasing requirements, and travel rules. In addition, this review reports that the United States Department of Justice contends that a statutory provision in the Real Estate Commission's enabling statute limits consumer choice by reducing competition in the real estate brokerage industry. Finally, it is also the objective of this review to assess the Commission's website for user-friendliness and transparency.

Scope

The scope of the review includes fiscal years 2011 through 2016. PERD reviewed Commission invoice documentation from mid-April 2011 through mid-April 2016 when the documentation was available from the State Auditor's Office. The evaluation included a review of the Commission's internal controls, legislative rules, policies and procedures, meeting minutes, annual reports, and continuing education compliance audit documentation. PERD reviewed 126 of 183 complaint files. The scope also included a review of the Commission's website on April 18, 2016.

Methodology

PERD gathered and analyzed several sources of information and conducted audit procedures to assess the sufficiency and appropriateness of the information used as audit evidence. The information gathered and audit procedures are described below.

PERD staff visited the Commission's office in Charleston and met with its staff and one commission member. Testimonial evidence was gathered and confirmed through written statements and in some cases, by corroborating evidence. PERD collected and analyzed the Commission's meeting minutes, budget information, procedures for collecting fees, expenditures, continuing education, travel reimbursements, and complaint files. PERD also obtained information regarding licensure fees and continuing education requirements from equivalent boards and commissions in Kentucky, Maryland, Ohio, Virginia, and Pennsylvania. This information was assessed against statutory requirements of West Virginia Code as well as the Commission's enabling statute to determine compliance with such laws. PERD used some information as supporting evidence to determine the sufficiency and appropriateness of the overall evidence.

PERD examined the travel reimbursements for the Commission and compared the rates for meals, lodging, and mileage to the United States General Services Administration's rates from partial fiscal year 2011 through partial fiscal year 2016. PERD reviewed the Commission's travel reimbursements for compliance with the West Virginia State Travel Management Office's rules.

PERD compared the Commission's actual revenues to expected revenues in order to assess the risk of fraud, and to obtain reasonable assurance that revenue figures were sufficient and appropriate. PERD approximated expected revenues by applying licensee fees and exam fees to the number of licensees and

number of exams given for the period of fiscal years 2011 through 2015. Our evaluation of expected and actual revenue allowed us to conclude that the risk of fraud on the revenue side was at a reasonable level and would not affect the audit objectives.

PERD also tested the Commission's expenditures for fiscal year 2011 through 2015 to assess risk of fraud on the expenditure side. The test involved determining if expected and required expenditures were at least 90 percent of total expenditures. Expected and required expenditures are such items as salaries and benefits, travel reimbursement, office rent, utilities and several other spending categories. An analysis of expenditures showed expected and required expenditures were at acceptable levels.

In order to evaluate the Commission's website, PERD conducted a literature review of government websites, reviewed top-ranked government websites, and reviewed the work of groups that rate government websites in order to establish a master list of essential website elements. The Brookings Institute's "2008 State and Federal E-Government in the United States" and the Rutgers University's 2008 "U.S. States E-Governance Survey (2008): An Assessment of State Websites" helped identify the top ranked states in regards to e-government. PERD identified three states (Indiana, Maine and Massachusetts) that were ranked in the top 10 in both studies and reviewed all 3 states' main portals for trends and common elements in transparency and open government. PERD also reviewed a 2010 report from the West Virginia Center on Budget and Policy that was useful in identifying a group of core elements from the master list that should be considered for state websites to increase their transparency and e-governance. It is understood that not every item listed in the master list is to be found in a department or agency website because some of the technology may not be practical or useful for some state agencies. Therefore, PERD compared the Commission's website to the established criteria for user-friendliness and transparency so that the Commission can determine if it is progressing in step with the e-government movement and if improvements to its website should be made.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards required that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C

Website Criteria Checklist and Points System

Website Criteria Checklist and Points System			
User-Friendly	Description	Total Points Possible	Total Agency Points
Criteria	The ease of navigation from page to page along with the usefulness of the website.	18	5
		Individual Points Possible	Individual Agency Points
Search Tool	The website should contain a search box (1), preferably on every page (1).	2 points	0 points
Help Link	There should be a link that allows users to access a FAQ section (1) and agency contact information (1) on a single page. The link's text does not have to contain the word help, but it should contain language that clearly indicates that the user can find assistance by clicking the link (i.e. "How do I...", "Questions?" or "Need assistance?")	2 points	2 points
Foreign language accessibility	A link to translate all webpages into languages other than English.	1 point	0 points
Content Readability	The website should be written on a 6 th -7 th grade reading level. The Flesch-Kincaid Test is widely used by Federal and State agencies to measure readability.	No points, see narrative	
Site Functionality	The website should use sans serif fonts (1), the website should include buttons to adjust the font size (1), and resizing of text should not distort site graphics or text (1).	3 points	1 point
Site Map	A list of pages contained in a website that can be accessed by web crawlers and users. The Site Map acts as an index of the entire website and a link to the department's entire site should be located on the bottom of every page.	1 point	1 point
Mobile Functionality	The agency's website is available in a mobile version (1) and/or the agency has created mobile applications (apps) (1).	2 points	1 point
Navigation	Every page should be linked to the agency's homepage (1) and should have a navigation bar at the top of every page (1).	2 points	0 points

Website Criteria Checklist and Points System			
FAQ Section	A page that lists the agency's most frequent asked questions and responses.	1 point	0 points
Feedback Options	A page where users can voluntarily submit feedback about the website or particular section of the website.	1 point	0 points
Online survey/poll	A short survey that pops up and requests users to evaluate the website.	1 point	0 points
Social Media Links	The website should contain buttons that allow users to post an agency's content to social media pages such as Facebook and Twitter.	1 point	0 points
RSS Feeds	RSS stands for "Really Simple Syndication" and allows subscribers to receive regularly updated work (i.e. blog posts, news stories, audio/video, etc.) in a standardized format.	1 point	0 points
Transparency	Description	Total Points Possible	Total Agency Points
Criteria	A website which promotes accountability and provides information for citizens about what the agency is doing. It encourages public participation while also utilizing tools and methods to collaborate across all levels of government.	32	13
		Individual Points Possible	Individual Agency Points
Email	General website contact.	1 point	1 point
Physical Address	General address of stage agency.	1 point	1 point
Phone Number	Correct phone number of state agency.	1 point	1 point
Location of Agency Headquarters	The agency's contact page should include an embedded map that shows the agency's location.	1 point	1 point
Administrative officials	Names (1) and contact information (1) of administrative officials.	2 points	1 point
Administrator(s) biography	A biography explaining the administrator(s) professional qualifications and experience.	1 point	1 point

Website Criteria Checklist and Points System			
Privacy policy	A clear explanation of the agency/state's online privacy policy.	1 point	1 point
Public Records	The website should contain all applicable public records relating to the agency's function. If the website contains more than one of the following criteria the agency will receive two points: <ul style="list-style-type: none"> • Statutes • Rules and/or regulations • Contracts • Permits/licensees • Audits • Violations/disciplinary actions • Meeting Minutes • Grants 	2 points	1 point
Complaint form	A specific page that contains a form to file a complaint (1), preferably an online form (1).	2 points	1 point
Budget	Budget data is available (1) at the checkbook level (1), ideally in a searchable database (1).	3 points	0 points
Mission statement	The agency's mission statement should be located on the homepage.	1 point	1 point
Calendar of events	Information on events, meetings, etc. (1) ideally imbedded using a calendar program (1).	2 points	0 points
e-Publications	Agency publications should be online (1) and downloadable (1).	2 points	0 points
Agency Organizational Chart	A narrative describing the agency organization (1), preferably in a pictorial representation such as a hierarchy/organizational chart (1).	2 points	1 point
Graphic capabilities	Allows users to access relevant graphics such as maps, diagrams, etc.	1 point	1 point
Audio/video features	Allows users to access and download relevant audio and video content.	1 point	0 points
FOIA information	Information on how to submit a FOIA request (1), ideally with an online submission form (1).	2 points	0 points

Website Criteria Checklist and Points System

Performance measures/outcomes	A page linked to the homepage explaining the agencies performance measures and outcomes.	1 point	0 points
Agency history	The agency's website should include a page explaining how the agency was created, what it has done, and how, if applicable, has its mission changed over time.	1 point	1 point
Website updates	The website should have a website update status on screen (1) and ideally for every page (1).	2 points	0 points
Job Postings/links to Personnel Division website	The agency should have a section on homepage for open job postings (1) and a link to the application page Personnel Division (1).	2 points	0 points

Appendix D Agency Response



CHERYL L. DAWSON, CHAIRMAN
HURRICANE

KATHRYN L. MARTIN, VICE
CHAIRMAN
MORGANTOWN

KATHY J. ZAFERATOS, SECRETARY
BECKLEY

STATE OF WEST VIRGINIA REAL ESTATE COMMISSION

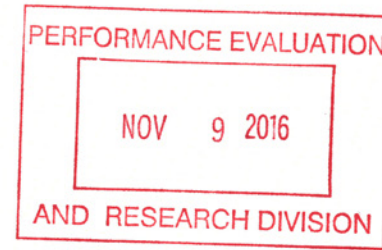
300 CAPITOL STREET, SUITE 400
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DENSIL L. NIBERT
SHENANDOAH JUNCTION

JOE L. ELLISON
LEWISBURG

JERRY A. FORREN
EXECUTIVE DIRECTOR

November 9, 2016



Dear Mr. Sylvia:

Please accept this letter as our response to the recent audit by the Performance Research and Evaluation Division (PERD). I would like to thank you for spending time with us to review the draft report on October, 25, 2016.

As you know, I was not employed here during the time frame under audit. However, I am committed to operating the West Virginia Real Estate Commission (WVREC) in a manner that complies with all applicable state laws and regulations.

Many of the issues that were in the audit report did not come as a surprise to the WVREC. I became the Executive Director of the WVREC in late April of this year and many of your findings are issues that I had already begun to address. In fact, upon the retirement of its long-term Executive Director, and while working with an Interim Executive Director, I understand the Commission notified your agency requesting that the audit scheduled for some time in 2016 commence at PERD's earliest opportunity so that any issues could be discovered and resolved as expeditiously as possible.

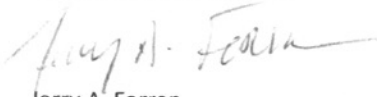
To ensure that the members of the legislative oversight committee reading this report have a clear understanding of what our position is, I will address each recommendation:

1. *The Commission should maintain a record of licensee numbers and names associated with complaint numbers. The Commission agrees. While we currently track 95 % of this information, it isn't in an easy-to-access system. In the short term, we are in the process of creating a tracking system for this information. In the long term, we will be implementing a new database application that will fully address this issue.*
2. *The Commission should send status updates when complaints are open longer than 6 months in compliance with W. Va. Code §30-1-5(c). Beginning in January of 2016, a Complaint Matrix was put into service. On this Matrix, all important updates and milestones are tracked. While we do not intend to go backward, we will have this information available going forward.*
3. *The Commission should consider having hotels direct bill it rather than reimbursing commission members to claim the exemption of state and local taxes. The Commission agrees and is in the process of implementing this recommendation.*
4. *The Commission should consider not reimbursing the costs of lodging that exceed GSA rates. The Commission agrees and will implement this whenever possible.*
5. *The Commission should comply with West Virginia Purchase Division Travel Rules and charge travel from the commission office to the destination. The Commission agrees and will comply.*
6. *The Commission should segregate duties for the collection of fees to provide adequate internal controls. We are a very small, 5-person office. We have implemented new procedures to ensure that we are separating the duties as much as we possibly can.*
7. *The Commission should consider proposing legislation that would remove the provision in W.Va. Code §30-40-9 (a) regarding the deposit of funds collected by the Commission. The Commission agrees. As of May 1, 2016 we have implemented a procedure to make deposits daily. The provision in the code that calls for a monthly deposit is very outdated and we intend to propose legislation in the future.*
8. *The Commission's chairperson or executive director should attend the State Auditor Orientation Session annually. The Commission agrees and will comply.*
9. *Each Commission member should attend at least one State Auditor orientation session during each term in office. The Commission agrees and will comply.*
10. *The Commission should consider enhancing the user-friendliness and transparency of its website by incorporating more of the website elements identified. The Commission agrees. This was identified very early on and a new website has been created and will be launched very soon. The new website will provide much more information and will greatly improve the availability of information to the public.*

Along with the changes we have addressed above, the WVREC is also in the process of replacing a very old mainframe database application that will house the agency's licensee information, implementing an on-line licensing and application system, and transitioning from a paper testing system to an on-line examination service.

As we hope is clear, the Commission has been working very hard to improve our service and systems and will continue to do so. We very much appreciate the time and attention given to our agency by your legislative staff.

Respectfully submitted,



Jerry A. Forren
Executive Director

Cc: Cheryl L. Dawson, Chairman
Debra L. Hamilton, Deputy Attorney General

Member - Association of Real Estate License Law Officials
E.E.O./Affirmative Action Employer



WEST VIRGINIA LEGISLATIVE AUDITOR

PERFORMANCE EVALUATION & RESEARCH DIVISION

Building 1, Room W-314, State Capitol Complex, Charleston, West Virginia 25305

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