Notice of Agenda
OREGON REAL ESTATE BOARD
Regular Meeting Agenda
Monday, June 1, 2015
Oregon Real Estate Agency
1177 Center St. NE
Hearings Room

NOTE: The board plans to meet from 10 a.m. until 1:30 p.m., including a “working lunch” period.

I. BOARD BUSINESS – Chair Hendricks
   A. Call to Order
   B. Roll Call/Chair Hendricks comments
   C. Approval of the Agenda and Order of Business
   D. Approval of 4.6.15, regular meeting minutes
   E. Date of the Next Meeting: August 3, 2015 to begin at 10am in Klamath Falls, location to be determined.

II. PUBLIC COMMENT
   • This time is set aside for persons wishing to address the Board on matters not on the agenda. Speakers will be limited to five minutes.
   • The Board Chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting.
   • Action will not be taken at this meeting on citizen comments. The Board, however, after hearing from interested citizens, may place items on a future agenda so proper notice may be given to all interested parties.
   • If no one wishes to comment, the next scheduled agenda item will be considered.

III. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Approval of petition log.
   A. Charles J. Hunt, Jr will appear in person.
   B. Mitchell (Mitch) C. Wilcox will appear in person.
   C. Simplify LLC, (John Mandeville) will appear by phone.

IV. COMMUNICATIONS – Administrative Actions Summary

V. REPORTS
   A. Commissioner Gene Bentley
   B. Agency division reports-Deputy Commissioner Dean Owens
      1. Regulation Division – Selina Barnes
2. Education Division – Stacey Harrison
3. Land Development Division – Michael Hanifin
4. Business and Licensing Services Division – Erica Kleiner

VI. ANNOUNCEMENTS – Next board meeting 8.3.15 to begin at 10 a.m. in Klamath Falls, location to be determined.

VII. ADJOURNMENT

Interpreter services or auxiliary aids for persons with disabilities are available upon advance request.
Regular Meeting Minutes

OREGON REAL ESTATE BOARD

Monday, April 6, 2015

BOARD MEMBERS: Byron Hendricks, Chair
Bob LeFeber, Vice-Chair
Warren (Lee) Dunn
James (Jef) Farley
Chris Hermanski
Coni Rathbone
Marcia Edwards

ABSENT: Joann Hansen

OREA STAFF: Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Selina Barnes, Regulations Division Manager
Michael Hanifin, Land Development Division Manager
Erica Kleiner, Business and Licensing Services Division Manager
Mesheal Heyman, Communications Coordinator
Leandra Hagedorn, Board Liaison

GUESTS: David Tangvald, Premiere Property Group
Jim Eystad, Belfor Property Restoration
Patricia Ihnat
Marcia Gohman, Golden Goose Consulting

I. BOARD BUSINESS – Chair Hendricks
   A. Call to Order. Chair Hendricks called the board meeting to order at 10am. He also asked the board liaison for roll call and introduced Pat Inhat as a potential new board member.
   B. Roll Call/Chair Hendricks comments. Chair Hendricks explained the role of the board members and OREA staff.
   C. Approval of the Agenda and Order of Business. The agenda was approved as submitted.
   D. Approval of 2.2.15, regular meeting minutes. The 2.2.15 regular board meeting minutes were approved as submitted.

MOTION TO APPROVE 2.2.15 FINAL MEETING MINUTES AS SUBMITTED BY MARCIA EDWARDS
SECOND BY CONI RATHBONE
MOTION CARRIED BY UNANIMOUS VOTE

   E. Date of the Next Meeting: June 1, 2015 to begin at 10am at the Oregon Real Estate Agency, 1177 Center St. NE, Salem, OR, 97301.

II. PUBLIC COMMENT
E. Date of the Next Meeting: June 1, 2015 to begin at 10am at the Oregon Real Estate Agency, 1177 Center St. NE, Salem, OR, 97301.

II. PUBLIC COMMENT
- This time is set aside for persons wishing to address the Board on matters not on the agenda. Speakers will be limited to five minutes.
- The Board Chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting.
- Action will not be taken at this meeting on citizen comments. The Board, however, after hearing from interested citizens, may place items on a future agenda so proper notice may be given to all interested parties.
- If no one wishes to comment, the next scheduled agenda item will be considered.

III. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Approval of petition log.
A. BELFOR Property Restoration will appear in person. Jim Eystad appeared in person and explained the course he intends to offer will cover risk management and conflict resolution. Discussion: Marcia Edwards stated that Mr. Eystad should proceed as an instructor rather than a provider. Chair Hendricks explained that Mr. Eystad should rely on providers to keep records and issue certificates to students. Mr. Eystad withdrew his petition.
B. Marcia Gohman Golden Goose Consulting will appear in person. Ms. Gohman appeared in person and explained that she has been a real estate education provider for many years. She also explained the classes that she offers cover the following topics: Law review (ORA), resident selection, and fair housing. Discussion: Chair Hendricks suggested that Ms. Gohman petition as an individual rather than an entity.

MOTION TO APPROVE MARCIA GOHMAN’S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY CONI RATHBONE
SECOND BY BOB LEFEBER
MOTION CARRIED BY UNANIMOUS VOTE

IV. COMMUNICATIONS – Administrative Actions Summary

V. REPORTS
A. Commissioner Gene Bentley. Commissioner Bentley announced that Diana Emami resigned from the OREA board and encouraged all board members to enroll in the direct deposit program to support the Agency in cost reduction efforts. He also asked for input from board regarding sanctions for licensees who are found in technical violation. Chris Hermanski replied that the audit process beneficial and also asked if it was possible to see how many CTA’s are associated with each license. Deputy Commissioner Owens replied that principal brokers and/or property managers have access to view this information in the eLicense system.

Commissioner Bentley reported that OREA budget was presented to the Ways and Means committee on February 10, 2015 and a work session is scheduled for this afternoon at 3pm. He also explained that the Agency continues to explore ways to reduce costs. Commissioner Bentley stated he and several of the OREA managers will be attending the ARELLPO MID-YEAR Conf. in New Mexico and he summarized licensee counts.

B. Agency division reports-Deputy Commissioner Dean Owens
1. Regulation Division – Selina Barnes. Ms. Barnes reviewed the statistics provided in the handout included in the board packet and she also summarized the process involved in appointing a receiver in certain cases.

2. Education Division – Stacey Harrison. Deputy Commissioner Owens reviewed statistics provided in the report included in the board packet and stated that Ms. Harrison is currently reviewing various courses.

3. Land Development Division – Michael Hanifin. Mr. Hanifin reviewed the statistics provided in the handout included in the board packet.

4. Business and Licensing Services Division – Erica Kleiner. Ms. Kleiner reviewed the statistics provided in the handout included in the board packet she also reported that the Agency will be relocating to another building as soon as negotiations have concluded in order to continue the cost reductions strategies and she also explained that although the launch of new version of eLicense has happened, there are still issues that are being worked out and a launch date should be coming soon.

VI. ANNOUNCEMENTS – Next board meeting 6.1.15 to begin at 10 a.m. at the Oregon Real Estate Agency, 1177 Center St. NE, Salem, OR 97301.

VII. ADJOURNMENT. 11:49

Respectfully submitted:

 online meeting software

Respectfully submitted:

______________________________  ______________________________
GENE BENTLEY, OREA COMMISSIONER    BYRON HENDRICKS, BOARD CHAIR
<table>
<thead>
<tr>
<th>Date</th>
<th>Name</th>
<th>Status</th>
<th>Facts</th>
<th>Discussion</th>
<th>Motion</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.2.15</td>
<td>The Seminar Group</td>
<td>Approved</td>
<td>Chris Terp and Elizabeth Skirving both appeared by phone and explained their company has been providing continuing education to realtors for 18 years which cover the following acceptable course topics: real estate law, regulation, marketing. Chair Hendricks pointed out that Mr. Terp could provide continuing education as an instructor. Mr. Terp responded that customers would have a better perception of him as a provider.</td>
<td><strong>MOTION TO APPROVE THE SEMINAR GROUP’S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY CONI RATHBONE</strong>  SECOND BY ROBERT LEFEBER  MOVION CARRIED BY UNANIMOUS VOTE</td>
<td></td>
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<tr>
<td>2.2.15</td>
<td>Right Now Home Services Inc.</td>
<td>Denied</td>
<td>Mr. Brockway appeared by phone and explained that he was asked to provide continuing education to realtors covering the following course topics: radon, electrical code changes, risk management, fire/water damage, and dealing with insurance companies. Mr. Farley asked Mr. Brockway if he had experience in providing classes. Mr. Brockway replied that he had not provided any classes.</td>
<td><strong>DISCUSSION:  Coni Rathbone, Chair Hendricks, and Warren (Lee) Dunn all stated that Mr. Brockway should provide continuing education as an instructor because there are providers looking for the content he offers.</strong></td>
<td></td>
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<tr>
<td>4.6.15</td>
<td>BELFOR Property Restoration</td>
<td>Withdrawn</td>
<td>Jim Eystad appeared in person and explained the course he intends to offer will cover risk management and conflict resolution.</td>
<td><strong>DISCUSSION:</strong> Marcia Edwards stated that Mr. Eystad should proceed as an instructor rather than a provider. Chair Hendricks explained that Mr. Eystad should rely on providers to keep records and issue certificates to students. Mr. Eystad withdrew his petition.</td>
<td></td>
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<tr>
<td>4.6.15</td>
<td>Marcia Gohman Golden Goose Consulting</td>
<td>Approved</td>
<td>Ms. Gohman appeared in person and explained that she has been a real estate education provider for many years. She also explained the classes that she offers cover the following topics: Law review (ORA), resident selection, and fair housing.</td>
<td><strong>DISCUSSION:</strong> Chair Hendricks suggested that Ms. Gohman petition as an individual rather than an entity.  <strong>MOTION TO APPROVE MARCIA GOHMAN’S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY CONI RATHBONE</strong>  SECOND BY BOB LEFEBER  MOTION CARRIED BY UNANIMOUS VOTE</td>
<td></td>
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<tr>
<td>6.1.15</td>
<td>Charles J. Hunt Jr.</td>
<td></td>
<td></td>
<td><strong>FACTS:</strong></td>
<td><strong>DISCUSSION:</strong></td>
</tr>
<tr>
<td>6.1.15</td>
<td>Mitchell (Mitch) C. Wilcox</td>
<td></td>
<td></td>
<td><strong>FACTS:</strong></td>
<td><strong>DISCUSSION:</strong></td>
</tr>
<tr>
<td>6.1.15</td>
<td>Simplify (John Mandeville)</td>
<td></td>
<td></td>
<td><strong>FACTS:</strong></td>
<td><strong>DISCUSSION:</strong></td>
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</table>
INSTRUCTIONS

To petition the Real Estate Board for approval of qualifications to become an applicant for certification as a continuing education provider, the petitioner must complete this form and submit it via mail or fax to the Agency at least 21 days before the next scheduled Board meeting at which the applicant wishes the Board to act. OAR 863-020-0025

IMPORTANT:
› If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.
› All information and documents submitted as part of this petition become part of the Board Packet, and therefore, public record.
› Petitioners will need to appear before the Board. Once the Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board meeting the petitioner will need to attend.

If the Board approves this petition, the Agency will mail a letter to the petitioner, at the mailing address provided, confirming the Board's approval. The petitioner may then apply for certification as a continuing education provider under OAR 863-020-0030.

PETITIONER

Name Charles J. Hunt, Jr. Phone Number 949-285-7711

Physical Address 176 Petterson Street Address Cont. ______________________________

City Ashland State OR Zip Code 97520 County Jackson

E-mail charles.hunt@pepperdine.edu

Mailing Address PO Box 1000 Address Cont. ______________________________

City Ashland State OR Zip Code 97520 County Jackson

AUTHORIZED CONTACT PERSON

Prefix Mr. □ First Name Charles Last Name Hunt

Phone Number 949-285-7711 E-mail charles.hunt@pepperdine.edu

Provide the name of the individual that will appear in person on behalf of the Petitioner: Charles J. Hunt, Jr.

AGENCY USE ONLY

Approved by Board YES NO

Review Date __________________________
PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

QUALIFICATION INFORMATION

Provide below sufficient information about the petitioner to allow the Board to determine whether the petitioner qualifies for certification. If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.

Information MUST include one or both of the following:

- Petitioner's demonstrated expertise and experience in providing educational courses to real estate licensees.
- Petitioner's demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.

You may attach up to three (3) additional pages if necessary.

I have expertise and experience in the following Courses proscribed under OAR863-020-0035:

- (d) Agency Relationships; (e) Misrepresentation; (f) Real Estate Contracts; (g) Business Ethics; (h) Dispute Resolution;
- (z) Homeowners Associations; (gg) Negotiation.

I have over 40 years experience as a private Lawyer, corporate Counsel and Business Manager. I have extensive trial and transactional experience, in the areas of tort litigation, real estate, securities, contracts, leases, insurance, labor negotiations, state PUC and ICC issues, employment law and legislative advocacy. I am a member of the State Bar of California, Washington State Bar, United States Supreme Court, Ninth Circuit Court of Appeals. Held a Real Estate Broker's Licenses in California for many years. I have done extensive private mediation and arbitration and have been a Judge Pro Tem, Arbitrator and Mediator for the Superior Courts in 5 counties in California.

I have a Juris Doctorate from Golden Gate University, and Master of Business Administration Degree from Pepperdine University, School of Business and Management, and a Master of Laws Degree in Dispute Resolution from Pepperdine University School of Law. I am also an Emeritus Professor of Business Law at the Grazziadio School of Business and Management, Pepperdine University where I taught Business Law, Negotiation, Dispute Resolution, Business Ethics, and Advanced Law subjects for 30 years.

AUTHORIZATION AND ATTESTATION

- I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- I acknowledge that petitioner, or authorized individual on petitioner's behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.
- I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.
- I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.

Charles J. Hunt, Jr.  
Date April 20, 2015

Printed Name of Authorized Individual  
Signature of Authorized Individual

Page 2 of 2
CHARLES J. HUNT, JR.
(Curriculum Vitae)

GENERAL INFORMATION

Email: charles.hunt@pepperdine.edu

Home Address and Telephone

PO Box 1000
Ashland, OREGON 97520
Tel: 949-285-7711

EDUCATION AND TRAINING

L.L.M., Dispute Resolution, Straus Institute for Dispute Resolution, Pepperdine University, School of Law, 2005

M.B.A., Pepperdine University, School of Business and Management, 1978.

J.D., Golden Gate University, School of Law, 1958, cum laude.

Certificate in Taxation, University of Southern California, School of Law, 1965.

Seminars and short courses of approximately 150 hours in Advanced Mediation Techniques, various venues, including State Bar, Universities and Continuing Legal Education offerings, 1995 to 2004.

ACADEMIC EXPERIENCE

At Pepperdine University, Graziadio School of Business and Management, (formerly School of Business and Management).

Teaching Experiences:

Professor Emeritus, Special Assignments = 2011 to December, 2013.
Professor of Business Law, September 1999 to 2011
Associate Professor of Business Law, September 1990 to August 1999.
Assistant Professor of Business Law, September 1982 to August 1990.
Adjunct Professor, January 1982 to August 1982.

Courses Taught

Master's Degree Level: Political, Regulatory, Ethical and Legal Issues of Business; Negotiation and Dispute Resolution; Executive MBA legal lectures.
Bachelor of Science Level: Legal Environment of Business; Ethics; Advanced Legal Topics.

At Pepperdine University, School of Law, Straus Institute for Dispute Resolution

Teaching Experience

Adjunct Professor of Law, August 2005

Courses Taught

Strategic Issues in Dispute Resolution, Employment Law

These 28 years of teaching involved approximately 4000 students, in class sizes of 15-30, some 6 classes per year for 23 years, and 3 classes per year for 5 years while acting as Chairperson. Teaching methodology included lectures, cases studies, problems, critical thinking exercises, group presentations, role-plays, classroom discussions, individual reports and research and textbook assignments. Grading was based on tests, attendance, participation, and assignment completion. Over the years student evaluation of overall effectiveness has been 4.3 to 4.6, where 5 is the highest on a 1-5 scale.

Academic Chair, Finance and Law Disciplines, September 2003 to 2005

Chairperson responsibilities include staffing all discipline classes with full time and adjunct professors. This involved managing some 12 to 25 full time faculty, and 40 plus adjunct faculties per year. It includes annual evaluation of all faculty, recruiting new full time and adjunct faculty, handling student and faculty discipline problems, holding discipline meetings, working with the Academic Dean, Dean and other Chairpersons on various school concerns.

Founding Chairman, and member GSBM Faculty Council, 1992-1999. This Council was established as a 7-member faculty governance body to work in the interests of faculty and administration communication and consulting. Its Charter gave it certain responsibilities for faculty activity.

Committee memberships:
BSM, 1982-84.
New Programs, 1982.  
PKE, 1983-84, 1985-87  
International PKE, 1985-87.  
Petitions, 1988-91.  
Faculty Organization Executive Committee, 1989-91  
Chair, Ad Hoc Professional Conduct Review, 1996.  
University Grievance Committee, (several years)  
Chair, FEMBA Program Committee, 2006-present.

PRESENTATIONS AND PUBLICATIONS


Discrimination in the Workplace; Published in The Journal of Global Business Management, Vol 4, Number 2, October 2008, p 60.


Litigate or Arbitrate? A Quandary Both Domestically and Internationally for Parties Engaged in Commercial Disputes; Published in Graziadio Business Report, Fall 2004, Pepperdine University.

Slips, Trips and Falls: A Primer for Business on Premises Liability; Published in Graziadio Business Report, Spring 2004, Pepperdine University.

Mediate, Arbitrate or Litigate? Alternative Dispute Resolution Catching On; Published in Graziadio Business Report, Summer 2002, Pepperdine University.

AGENDA ITEM NO.
III. B.

PETITION TO QUALIFY AS A
CONTINUING EDUCATION PROVIDER
Rev. 7/2011

Real Estate Agency
1177 Center Street NE
Salem OR 97301
Phone: 503-378-4170
Fax: 503-378-2491
www.rea.state.or.us

INSTRUCTIONS

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If the Board approves this petition, the Agency will mail a letter to the petitioner, at the mailing address provided, confirming the Board's approval. The petitioner may then apply for certification as a continuing education provider under OAR 863-020-0030.

PETITIONER

Name Mitchell (Mitch) C. Wilcox
Phone Number 541-550-2990

Physical Address 250 NW Franklin Ave #102
Address Cont.

City Bend State OR Zip Code 97701 County Deschutes

E-mail mitch.wilcox@summitfunding.net

Mailing Address (if different)
Address Cont.

City State Zip Code County

AUTHORIZED CONTACT PERSON

Prefix Mr. First Name Mitch Last Name Wilcox

Phone Number 541-550-2990 E-mail mitch.wilcox@summitfunding.net

Provide the name of the individual that will appear in person on behalf of the Petitioner: Mitch Wilcox

AGENCY USE ONLY

Approved by Board YES NO

Review Date

Rec'd by Fax
APR 30 2015
Real Estate Agency
continued on page 2

RECEIVED NO. 1942 04/30/2015/THU 02:18PM State of Oregon RBA
PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

QUALIFICATION INFORMATION

Provide below sufficient information about the petitioner to allow the Board to determine whether the petitioner qualifies for certification. If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.

Information MUST include one or both of the following:
- Petitioner’s demonstrated expertise and experience in providing educational courses to real estate licensees.
- Petitioner’s demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.

You may attach up to three (3) additional pages if necessary.

I received my Oregon Real Estate license in 1977, and was a licensed agent for 6 years. I became a licensed mortgage Loan Originator in 1999. For my entire career, I have worked in Oregon and have been involved in educating Oregon real estate licensees. I’ve taught classes strictly for licensee learning opportunities, as well as for continuing education credit while sponsored by CE Providers. I’ve trained hundreds of licensees in ORS CE qualified real estate topics.

I am a graduate of numerous formal programs in business management, executive leadership, public speaking, and have specialized secondary education including business law, finance, accounting, economics, and a number of real estate and lending educational programs. I have long provided, via blog and direct information methods, market commentary that includes real estate and lending activity, trends, and forecasts. Based on education and experience, I qualify to educate per ORS 863-020-0035 in multiple topics, including property management, consumer protection, commercial real estate, contracts, taxation, property evaluation, fair housing, ethics, risk management, finance, title, escrow, condominiums, water rights, time-shares, economics, negotiation, and more. I am a detailed and organized individual that recognizes the extreme importance of record-keeping.


AUTHORIZATION AND ATTESTATION

- I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- I acknowledge that petitioner, or authorized individual on petitioner’s behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.
- I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.
- I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.

Mitch Wilcox

Printed Name of Authorized Individual

Date April 30, 2015

Signature of Authorized Individual
INSTRUCTIONS

To petition the Real Estate Board for approval of qualifications to become an applicant for certification as a continuing education provider, the petitioner must complete this form and submit it via mail or fax to the Agency at least 21 days before the next scheduled Board meeting at which the applicant wishes the Board to act. OAR 863-020-0025

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- Petitioners will need to appear before the Board. Once the Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board meeting the petitioner will need to attend.

If the Board approves this petition, the Agency will mail a letter to the petitioner, at the mailing address provided, confirming the Board's approval. The petitioner may then apply for certification as a continuing education provider under OAR 863-020-0030.

PETITIONER

Name: Simplify CE, LLC
Phone Number: 814-730-5610

Physical Address: 37 Backwith Dr
Address Cont.:
City: Russell
State: PA
Zip Code: 16345
County: Warren

E-mail: johnman13@gmail.com

Mailing Address (if different)
Address Cont.
City:
State:
Zip Code:
County:

AUTHORIZED CONTACT PERSON

Prefix: Mr.
First Name: John
Last Name: Mandeville
Phone Number: 814-730-5610
E-mail: johnman13@gmail.com

Provide the name of the individual that will appear in person on behalf of the Petitioner: Per Stacey Harrison, John Mandeville will attend via phone

AGENCY USE ONLY

Approved by Board: YES NO
Review Date: 

RECEIVED

MAY 06, 2015
REAL ESTATE AGENCY
SALEM OREGON

Page 1 of 2
Continue on page 2
PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

**QUALIFICATION INFORMATION**

Provide below sufficient information about the petitioner to allow the Board to determine whether the petitioner qualifies for certification. **If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.**

Information **MUST** include one or both of the following:
- Petitioner's demonstrated expertise and experience in providing educational courses to real estate licensees.
- Petitioner's demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.

You may attach up to **three (3)** additional pages if necessary.

Simplify CE is a continuing education school/provider being opened and operated by John and Tiffany Mandeville. John Mandeville will be acting as School Administrator. Tiffany Mandeville will be acting as Director of Curriculum and Instructional Design. Lynnell Morgan will be acting as Subject Matter Expert, Author and Instructor. Details of our qualifications are attached.

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**AUTHORIZATION AND ATTESTATION**

- I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- I acknowledge that petitioner, or authorized individual on petitioner’s behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.
- I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.
- I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.

John Mandeville
Printed Name of Authorized Individual

Date 5/6/2015

Signature of Authorized Individual
Qualifications and Experience – Simplify CE:

To receive board approval as an applicant for certification as a continuing education provider under OAR 863-020-0025 of the Oregon Administrative Rules, one must demonstrate the experience necessary to administer such a school as well as an understanding of provider responsibilities related to course, record keeping and instructor requirements outlined under OAR 863-020-0050.

In full understanding of the aforementioned requirements, please consider and accept our team’s varied experiences as unique qualifications for our petition to qualify as a real estate distance continuing education provider.

Team Members:

- **John Mandeville (School Administrator)** – Over 8 years of experience in real estate continuing education administration with an additional 10 years in business administration experience in a related field.
- **Tiffany Mandeville (Director of Curriculum and Instructional Design)** – State certified teacher with a Masters of Education in Curriculum and Instruction and over 19 years of experience in classroom instruction, instructional design and curriculum development.
- **Lynnell Morgan, CDEI (SME/Author/Instructor)** – Certified Distance Education Instructor with 23 years of experience in real estate, course authoring and instruction.

Initial Course Offerings:

- 2014-2015 LARRC
- Contracts
- Listing Agreements
- Fair Housing
- Short Sales
- Common Mistakes
- Valuation
- Finance
- Risk Management
- Ethics

Additional Details of Team Member Qualifications and Experience:

**John Mandeville (School Administrator)**

In executing the various administrative responsibilities listed below with McKissock Education, success was in large part due to the ability of my team and I to clearly and effectively understand, communicate, execute and comply with various jurisdictional laws and regulations while also developing and delivering quality content and service. As an operator of my own school, it will be that same attention to detail, quality and service that I am dedicated to delivering to Oregon licensees for the ultimate benefit of the residents of Oregon.

1. **Real Estate Regulatory Compliance and Curriculum Development Operations Management**

From 2013 through 2015, I was charged with oversight of our real estate course development nationally as well as the reporting and maintenance of course, school, instructor and student documentation in compliance with state and national standards. Relative responsibilities included:
A. Regulatory and Compliance Operations
   - Responsible for compliance with ARELLO standards as well as state jurisdictional laws and regulations
     - New and renewal applications (Provider, Instructor and Course)
     - Reporting and record keeping
       - Initial roster submissions (Course Completion Verification)
       - Required document maintenance

B. Curriculum Development Operations
   - Responsible for compliance with ARELLO standards as well as state jurisdictional laws and regulations in the development of continuing education courses
     - Course development process and project manager oversight
     - Instructor acquisition
     - Quality assurance in course development
     - Student and instructor interaction
     - Ongoing quality control standards and course updates

2. Real Estate and Appraisal Business and Market Development Management
   From 2010 through 2013, I was charged with managing development of new real estate and appraisal markets and products in compliance with state and national regulatory standards. Relative projects included:
   A. Real Estate New Market Development
      This particular project required the development, approval and implementation of a comprehensive continuing education program for New Jersey's inaugural continuing education cycle in 2013. For all the pieces of the program listed below, I was responsible for working closely with the commission to ensure courses were developed and delivered in accordance with all New Jersey laws and regulations. This program elevated New Jersey from 48th to our 3rd largest state for student enrollments and our 1st in course rating and customer satisfaction. The comprehensive roll-out included:
        - New curriculum plan
          - 4 delivery methods which included online, onsite (new), webinar (new) and correspondence (new)
        - New website landing page
        - New marketing campaign
        - New education consultant team
        - New B2B outside sales force
   B. Appraisal Onsite Development
      At the point I accepted this assignment; our onsite appraisal program had focused on major metropolitan areas. With this project, I was charged with onsite expansion into medium to small markets across the country. Steps included the acquisition of local instructors and refinement of our logistics operations to meet the needs of rural students while reducing overhead. The instructors brought on during this program currently account for 1/3 of Mckissock's appraisal instructors and onsite offerings. Relative responsibilities included:
        - Onsite Instructor Acquisition
          - Research and understand instructor requirements
          - Locate qualified instructors
          - Interview, hire and on-board the most qualified
          - Monitor and maintain performance standards for each instructor
3. **Real Estate and Appraisal Education Partnership Development Management**

   From 2007 through 2010, I was charged with the development of education partnerships and programs with state and local Realtor Associations as well as local real estate schools. During my time on this project, we created and implemented over 100 new education partnerships/programs. Relative responsibilities included:

   A. **Association Education Partnerships**
      - Collaboration with Association Executives, Education Directors and Education Committees to develop programs specific to member needs
      - Coordination of curriculum, regulatory, IT and marketing teams in order to implement education programs, member portals and co-branded marketing plans according to jurisdictional regulations

4. **Additional Administrative Experience**

   A. **Business management**
      - Managerial responsibilities for P&L, home construction sales, staffing, inventory and general operations
        - Regal Lumber Company
        - 84 Lumber Company
      - Staff accountant performing audits, tax preparations and accounting services for public and private organizations
        - Caruso and Caruso, Certified Public Accountants

5. **Education Background**

   Bachelor of Business Administration in Accounting

**Tiffany Mandeville (Director of Curriculum and Instructional Design)**

Tiffany Mandeville holds a Masters of Education in Curriculum and Instruction from Gannon University, a Bachelor of Science in Secondary Education from Slippery Rock University and a Bachelor of Arts in Communications and Literature from Grove City College. She has 19 years of experience in the field of education and currently works as an English teacher at Warren Area High School where she serves as the head of the English department. In addition, she has operated as an independent contractor editing various real estate continuing education courses. Tiffany develops course and unit plans as well as daily instructional designs that combine student-centered techniques with teacher and state driven expectations. She has been instrumental in mapping and curriculum design for core and elective courses and her experiences in the classroom have helped shaped her understanding of curriculum planning and how to provide the best experiences for her students.

**Lynnell Morgan, CDEI (SME/Author/Instructor)**

With over 23 years of real estate experience, in both California and Washington, Ms. Morgan is a SME (Subject Matter Expert) and advisor for Washington State real estate course providers. She is certified to teach courses live in Washington. She is the author of many elective and mandatory continuing education courses such as Oregon Law and Rule Required Course (LARRC), Washington Real Estate Law, Washington Advanced Real Estate Law, Real Estate Fundamentals, Real Estate Practices, Risk Management, Fair Housing, Anti-Trust Issues, Brokerage Management, Business Management, and the Washington Residential CORE Course. She writes pre-licensure courses for Oregon, Texas, Kansas, Tennessee and other states. She also holds a Certificate for Distance Education Instruction and is a certified instructor in 33 states. Ms. Morgan is also a Certified Professional to perform time studies for ARELLO (Association of Real Estate License Law Officials). She was the managing broker for many firms including RE/MAX and several real estate start-up companies. She is currently the compliance officer for The Force Realty and owner of Morgan Real Estate Consulting. Ms. Morgan’s professional education includes a degree in Business Management from the University of Oregon. Ms. Morgan was also one of the first agents to implement the concept of buyer representation (buyer’s agency) in Washington State.
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of

TERRY S. SHOCKLEY

ORDER ON DEFAULT

1.

1.1 On February 4, 2015, the Real Estate Commissioner issued a notice of intent to revoke the real estate principal broker’s license of Terry S. Shockley (Shockley). The notice of intent was served by personal service by Oregon Real Estate Agency (OREA) Regulations Manager, Selina Barnes (Barnes). Barnes served the notice of intent to Shockley on February 4, 2014.

1.2 On February 11, 2015, OREA received Shockley’s request for a hearing through his attorney James Mountain.

1.3 A hearing was scheduled for May 29, 2015. On April 15, 2015, the Department of Justice received a withdrawal of request for hearing and relinquishment of real estate license from attorney James Mountain on behalf of Shockley. Shockley is therefore in default.

1.4 Copies of the entire investigation file are designated as the record for purposes of default, including any submission from respondent and all information in the administrative file relating to the mailing of notices and any responses received.

2.

Based upon the foregoing and upon a review of the above described investigation reports, documents and files, the Real Estate Commissioner makes the following:

FINDINGS OF FACT

AND

CONCLUSIONS OF LAW

2.1 At all times mentioned herein, Shockley was licensed as a principal broker doing business under the registered business name of Property Management Concepts (PMC),
which is an assumed business name for TS Property Management Inc., registered with the
Oregon Secretary of State. Shockley also conducted real estate business under the name
Eugene Rentals. Eugene Rentals is an assumed business name for TS Property Management
Inc., registered with the Oregon Secretary of State.

2.2 Shockley was selected for a mail-in clients’ trust account (CTA) audit on
February 5, 2013, and was required to send OREA the three-way reconciliation and supporting
documents for the month of December 2012 for CTA ending in #6014 at Umpqua Bank. From
the review of the reconciliation documents submitted, Shockley’s audit was cleared.

2.3 As part of the December 2012 CTA audit, the December 2012 bank statement
submitted by Shockley for the CTA ending in #6014, showed a closing balance of
$1,988,567.24. According to the December 2012 reconciliation documents provided for the
audit, there was $1,079,742.15 in outstanding/unpresented checks, causing the adjusted bank
balance to be $908,825.09.

2.4 On November 3, 2014, OREA received a complaint from Ronald D. Smetana
(Smetana) alleging two checks issued by PMC were returned due to insufficient funds.

2.5 Smetana alleged that the checks were issued from PMC’s CTA. The first check,
#47211, was issued on October 16, 2014, from the CTA ending in #6014, for the amount of
$2,002.00, for Smetana’s owner draw. Smetana complained to PMC, and a second check,
#47406, was issued by PMC on October 27, 2014, also from the CTA ending in #6014, in the
amount of $2,014.00 to cover Smetana’s owner draw and the fee of the returned check. The
second check was also returned for insufficient funds.

2.6 On January 5, 2015, OREA opened an investigation.

2.7 On January 23, 2015, Shockley provided to OREA bank statements, for account
ending in #6014, including a bank statement for January 2013. The opening balance on the
January 2013 bank statement was $112,020.83.

2.8 Based on the balance of the January 2013 bank statement, OREA reviewed the
records Shockley submitted for the December 2012 CTA audit. The review revealed the
closing balance of $1,988,567.24 listed on the bank statement was incorrect and appeared to
have been altered.
2.9 On January 28, 2015, a December 2012 bank statement for CTA ending in
#6014 was obtained from Umpqua Bank, with an end of the month balance of $112,020.83 for
December 2012. This confirmed the December 2012 bank statement submitted by Shockley
for the CTA audit was incorrect and had been altered.

2.10 During his interview on January 27, 2015, with OREA investigator, Peter Bale
(Bale), Shockley took responsibility for what happened and acknowledged he was the “author”
of the altered bank statement which he submitted with the 2012 CTA reconciliation. Shockley
said he altered the bank statement so he could send to OREA, “something you would like to
see.”

Violation: By presenting an altered bank statement that he knew was inaccurate for the
December 2012 CTA audit, Shockley violated ORS 696.301(12) (2013 Edition), which states a
licensee may be subject to discipline if they have demonstrated incompetence or
untrustworthiness in performing any act for which the licensee is required to hold a license.
Additionally, by his actions Shockley committed an act of fraud or engaged in dishonest
conduct substantially related to the fitness of the applicant or licensee to conduct professional

2.11 Later, in his interview on January 27, 2015, with Bale, Shockley said it was a long
time since he had completed a three-way reconciliation of the CTA. He later said he could not
remember ever doing one, and that it must have been over 20 years since he had last done
one.

Violation: By failing to complete the required three-way reconciliations, Shockley
violated ORS 696.301(3) (2007, 2009, 2011 and 2013 Editions) as it incorporates: OAR 863-
025-0025(20) (11-14-08, 1-1-09, 6-15-10, 4-15-11, 9-1-11, 9-14-12, 4-1-13, 5-15-14, Editions),
which states a property manager must reconcile each clients’ trust account within 30 calendar
days of the date of the bank statement, requiring three components for the reconciliation; OAR
863-025-0025(19) (3-12-07, 4-13-07, 8-15-07, 11-15-07), which states a property manager
shall reconcile each clients’ trust account at least once a month; and OAR 863-025-0025(5) (9-
15-06 Edition), which states a property manager shall prepare and reconcile all property
management clients’ trust accounts at least once each month. Also, by failing to complete the
required reconciliations, Shockley demonstrated incompetence per ORS 696.301(12) (2007,
2009, 2011 and 2013 Editions), which states a licensee can be subject to discipline if they
have demonstrated incompetence or untrustworthiness in performing any act for which the
licensee is required to hold a license.

2.12 On January 20, 2015, PMC staff supplied Bale with owner statements for
November 2014. An estimate of the tenants' security deposits and owner reserves for
November 2014 combined, prepared from these statements totaled $945,369.80. The CTA
ending in #6014 at Umpqua Bank, containing owners' funds and tenants' security deposits
showed a balance of $9,172.33 on November 30, 2014.

2.13 On January 28, 2015, the balance on the CTA ending in #6014, as reported by
Umpqua Bank was $982.96.

2.14 During his interview on January 27, 2015, with Bale, Shockley acknowledged a
shortfall, saying it was a 26 year problem, not one that involved a check written to him taking
money out of the account. Shockley also stated he was terrible at bookkeeping.

Violation: By causing and/or allowing funds in the CTA ending in #6014 to be
depleted and unaccounted for, Shockley violated ORS 696.301(12) (2013 Edition), which
states a real estate licensee is subject to discipline if they have demonstrated incompetence or
untrustworthiness in performing any act for which the licensee is required to hold a license.
Additionally, by his actions Shockley committed an act of fraud or engaged in dishonest
conduct substantially related to the fitness of the applicant or licensee to conduct professional
real estate activity, without regard to whether the act or conduct occurred in the course of

3.

3.1 Based on these findings, OREA is revoking Shockley's principal broker license.
A revocation of Shockley's real estate license is appropriate for violations of ORS 696.301(12)
appropriate under ORS 696.396(2)(c)(A), (B), and (C). According to ORS 696.396, OREA
may revoke a real estate license if the material facts establish a violation of a ground for
discipline under ORS 696.301 that results in significant damage or injury, exhibits
incompetence in the performance of professional real estate activity, or exhibits dishonesty or
fraudulent conduct.
3.2 OREA reserves the right to investigate or pursue additional complaints that may be received in the future regarding this licensee.

ORDER

IT IS HEREBY ORDERED that Shockley's principal broker license is revoked.

Dated this 28th day of April, 2015.

OREGON REAL ESTATE AGENCY

GENE BENTLEY
Real Estate Commissioner

DATE of service: 4-28-2015

NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by filing a petition for review within 60 days from the date of service of this order. Judicial review is pursuant to the provisions of ORS 183.482.
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License
of
JOHN ALAN LEIBY

STIPULATED FINAL ORDER

The Oregon Real Estate Agency (OREA) and John Alan Leiby (Leiby) do hereby agree and stipulate to the following:

FINDINGS OF FACT
&
CONCLUSIONS OF LAW

1.
1.1 At all times mentioned herein, Leiby was licensed as a principal broker with Bison Properties.
1.2 On March 21, 2014, OREA received a complaint from Matthew C. Williams (Williams) alleging that Leiby systematically stole money and stamps from the Bison Properties office. OREA opened an investigation.
1.3 OREA investigator Philip Johnson (Johnson) interviewed Leiby on August 22, 2014. Leiby said he worked for Matthews for about six years and in that time he had also worked with Williams as his managing principal broker. Leiby said he was working in the role of managing principal broker for a little over a year up to March 21, 2014.
1.4 Leiby said he took money from the petty cash as reimbursements for copies and mailings that he had made as part of his real estate activity. Leiby said he had also used stamps from the office for the same reasons. He said all his use of the petty cash fund and/or stamps was strictly related to business related correspondence and never for personal use.
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1 of 4 – Stipulated Final Order- John Alan Leiby
1.5 Leiby told Johnson during his interview, upon reflection, the biggest mistake he probably made was not keeping and submitting receipts for printing, copying and scanning of documents from outside the office. Johnson asked Leiby during his interview if it would be typical, given his personal experience in the real estate industry, for a brokerage to provide either appropriate copy related equipment and/or reimburse for copy related expenses to licensees. Leiby said he had seen it work both ways.

1.6 The investigation found that there was no written record of petty cash amounts maintained in the office. Additionally, there was no verbal or written company policies for the office regarding the proper use of the petty cash or stamps.

1.7 On January 8, 2014, after eight instances of money and stamps were missing from the office, Williams installed CCTV cameras in the office without the knowledge of anyone else in the office. The surveillance camera footage shows an instance of Leiby coming into the office, walking over to the desk where the petty cash and stamps were, and taking money and/or stamps from the desk and leaving the office.

1.8 Williams notified the Portland Police and filed a report on March 21, 2014, as soon as he was aware Leiby was taking stamps and petty cash.

1.9 Leiby said, "There were stamps all over the office, there was no tracking system in place or person you would go to get new stamps, it just wasn’t that kind of environment."

1.10 Leiby said he offered to pay Williams back and Williams refused to settle.

1.11 Leiby said he pled guilty to the charges and was charged with Theft 2 in Multnomah County Circuit Court. He said the only reason he pled guilty to the charge, was because he could not financially afford representation for a not guilty plea. Leiby was sentenced to 24 months of bench probation, 64 hours of community service, pay restitution to Williams in the amount of $419.26 and a court fine of $100.00, plus a bench probation fee of $100.00.

Violation: By being charged with stealing postage stamps and petty cash from Bison Properties, pleading guilty to the charge of Theft II, and being sentenced on that charge, Leiby violated ORS 696.301(11) (2013 Edition), which states a licensee can be disciplined if they have been convicted of a felony or misdemeanor substantially related to the licensee’s trustworthiness or competence to engage in professional real estate activity. Additionally,
Leiby violated ORS 696.301(14) (2013 Edition), which states a licensee can be disciplined if they have committed an act of fraud or engaged in dishonest conduct substantially related to the fitness of the applicant or licensee to conduct professional real estate activity, without regard to whether the act or conduct occurred in the course of professional real estate activity.

1.12 Leiby provided OREA with multiple character references. One in particular was a letter from Wallace Ashby (Ashby). Ashby is a broker who previously worked at Bison Properties with Leiby. Ashby stated in his letter, “The office itself had no policy in regards to use of company supplies and equipment. The computers / printer / and other supplies were open for people to use with no expectation of reimbursement or logs to know who used what supplies. Things like stamps, pens, pads of paper, etc were lying around and available for anyone to use.”

1.13 Ashby also stated, “I don’t agree with Matt levying the charges as there were no policies in place nor there ever was [sic] while I was working there.”

2. The forgoing violation is grounds for discipline pursuant to ORS 696.301. Based on the violation, a suspension is appropriate under ORS 696.396(2)(c)(C) (2013 Edition). According to ORS 696.396, OREA may suspend a real estate license if the material facts establish a violation of a ground for discipline under ORS 696.301 that exhibits dishonesty or fraudulent conduct.

2.2 OREA reserves the right to investigate and pursue additional complaints that may be received in the future regarding this licensee.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by OREA and further, the order which follows hereafter. I understand that the findings of fact, conclusions of law and this stipulation and waiver embody the full and complete agreement and stipulation between OREA and me. I further understand that if I do not agree with this stipulation I have the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. Hearings are conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily

3 of 4 – Stipulated Final Order- John Alan Leiby
waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
judicial review of this matter.

I hereby agree and stipulate to the above findings of fact and conclusions of law and
understand that the order which follows hereafter may be completed and signed by the Real
Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
amended notice of intent may be issued in this matter. I understand that, in accordance with
the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
Estate News Journal.

ORDER

IT IS HEREBY ORDERED that Leiby's principal broker license be suspended for 60
(sixty) days. The suspension will be effective on June 30, 2015.

IT IS SO STIPULATED:

JOHN ALAN LEIBY

Date 03/13/15

IT IS SO ORDERED:

GENE BENTLEY
Real Estate Commissioner
Date 3/26/15

DATE of service: 3/26/2015
REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Real Estate License of MELISSA MARIE CLEMO ORDER ON DEFAULT

1.

1.1 On February 20, 2015, the Real Estate Commissioner issued, by certified mail, a notice of intent to reprimand the real estate property manager license of Melissa Marie Clemo (Clemo) and levy civil penalty. The Oregon Real Estate Agency (OREA) sent the notice of intent to Clemo’s last known address of record with the OREA. The notice of intent was also mailed to Clemo by regular first class mail in a handwritten envelope.

1.2 The certified mailing of the notice of intent and the first class mailing were sent to Clemo at 974 NE Francis Ct, Bend, OR 97701. No mailings have been returned to OREA. No return receipt was received by OREA for the certified mailing.

1.3 Over twenty (20) days have elapsed since the mailing of the notice issued in this matter and no written request for hearing has been received.

1.4 Copies of the entire investigation file are designated as the record for purposes of default, including any submission from respondent and all information in the administrative file relating to the mailing of notices and any responses received.

2.

Based upon the foregoing and upon a review of the above described investigation reports, documents and files, the Real Estate Commissioner finds:

2.1 Oregon Administrative Rule 863-001-0006 states, in part, that a notice of intent is properly served when deposited in the United States mail, registered or certified mail, addressed to the real estate licensee or to any other person having an interest in a proceeding before the Commissioner at the licensee’s or other person’s last known address of record with OREA.
2.2 Clemo’s last known address of record with OREA was 974 NE Francis Ct, Bend, OR 97701.

2.3 A certified mailing of the notice of intent was mailed to Clemo at her last known address of record on February 20, 2015.

2.4 The mailing in the handwritten envelope has not been returned to OREA. In accordance with ORS 40.135(1)(q), there is a presumption that the mailing properly addressed and placed with the U.S. Postal Service was delivered. That presumption has not been overcome by any evidence.

2.5 Over twenty (20) days have elapsed since the mailing of the notice and no written request for a hearing has been received.

FINDINGS OF FACT

&

CONCLUSIONS OF LAW

3.

3.1 Clemo was licensed as a property manager doing business under the registered business name of Accounted for Homes, LLC.

3.2 On September 9, 2013, OREA received a complaint from Thomas Moore (Moore) and Robert Blair (Blair). The complaint made several allegations, including that Clemo, who was the property manager for the house they had rented, was not licensed.

3.3 On September 12, 2012, Moore and Blair signed a lease on 81048 Larkspur Loop, Bend Oregon (subject property). Clemo signed as the “Owner/Agent” on the lease.

3.4 OREA licensing records showed that Clemo’s license expired on June 1, 2012. Clemo renewed her license on October 10, 2012. In her renewal application Clemo answered “No” to the following question: “During any period of time when your license has been inactive or expired, have you conducted professional real estate activity?”

3.5 In her interview on February 6, 2014, Clemo acknowledged that she managed the business while her license was inactive.

3.6 When Clemo renewed her license on October 10, 2012, she failed to attach her license to her company, which caused her license to be in inactive status.

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3.7 On September 3, 2013, Lindsey Nunes, a compliance specialist with OREA, wrote to Clemo advising her that her license was inactive due to it not being attached to her company. On September 5, 2013, Clemo contacted OREA and had her license associated with Accounted for Homes, LLC.

3.8 Clemo stated in an email to OREA on February 3, 2014, “In regards to my license. In [sic] found out in September of 2012 that my license didn’t get renewed. I spoke with my assistant at the time and she wasn’t sure what happened. I contact [sic] the RE office and thought we got it all straightened out and then found out via email last fall that something didn’t happen in the end but it was straightened out that time and reactivated. I never meant to work without an active license.”

**Violation:** By conducting professional real estate activity over the course of 131 days after Clemo’s license expired and before renewing it (time period between June 1, 2012-October 9, 2012), Clemo violated ORS 696.020(2) (2011 Edition), which states, an individual may not engage in, carry on, advertise or purport to engage in or carry on professional real estate activity, or act in the capacity of a real estate licensee, within this state unless the individual holds an active license as provided for in this chapter. The above violation is subject to discipline or civil penalty pursuant to ORS 696.990(4) and (9) (2011 Edition).

3.9 Clemo maintained a separate Clients’ Trust Account (CTA) for each owner. Clemo did not maintain a CTA for tenants’ security deposits. Clemo said that the majority of the tenants’ security deposits were held by the property owner, but a few were held by her. The ones that were held by Clemo went into the owner’s CTA.

3.10 The property management agreement between Accounted for Homes, LLC and Kevin Tucker and Lara Mathews, owners of the subject property, contained the following paragraph:

“3. In accordance with OAR 863-10-0131, [sic] all conditionally refundable deposits collected from tenants by Agent shall be deposited into a non-interest bearing client trust account. All funds deposited into said account shall be maintained in said account until disposition by the Agent as required by “Landlord and Tenant Law” and as described in OAR 863-010-220(5).” [sic]

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Violation: By failing to open and maintain a security deposit clients' trust account, Clemo violated ORS 696.301(3) (2011 and 2013 Editions) as it incorporates OAR 863-025-0025(4) (9-14-2012 and 4-1-2013 Editions), which states except as provided in section (7) of this rule, a property manager who receives security deposits on behalf of an owner must open and maintain a security deposits account, as defined in OAR 863-025-0010, that is separate from the property manager's clients' trust account.

Violation: By holding tenants' security deposits in the owner's clients' trust account, instead of a security deposits clients' trust account, Clemo violated ORS 696.301(3) (2011 and 2013 Editions) as it incorporates OAR 863-025-0025(5) (9-14-2012 and 4-1-2013 Editions) which states, except as provided in section (7) of this rule and OAR 863-025-0030, a property manager who receives a security deposit on behalf of an owner must deposit the security deposit into the property manager's security deposits account within five days after receipt.

3.11 In her interview, Clemo said she co-ownedAccounted for Homes, LLC with her husband, Mark Clemo (M. Clemo).
3.12 Clemo said that she and M.Clemo used employees of Accounted for Homes, LLC for cleaning and maintenance. Clemo said the property management agreements did not reflect this policy. In the copy of the property management agreement provided by Clemo, there was no reference made to charging owners for work done by employees of Accounted for Homes, LLC.

Violation: By using Accounted for Homes, LLC's employees for the cleaning and maintenance of owners' properties and failing to disclose this in the property management agreements, Clemo violated ORS 696.301(3) as it incorporates OAR 863-025-0020(2)(i) (9-1-2011 Edition), which states, a property management agreement must include: disclosure of the use of employees or a business in which the property manager has a pecuniary interest at the time of execution of the property management agreement, that will provide services for the owner's property.
Violation: By failing to include a statement in the property management agreements concerning written disclosure to property owners regarding any planned use of employees or business or a business in which Clemo had a pecuniary interest, Clemo violated ORS 696.301(3) (2011 Edition) as it incorporates OAR 863-025-0020(2)(j) (9-1-2011 Edition), which states a property management agreement must include a statement that the property manager will disclose to the owner, in writing, the property manager’s planned use of any employees or a business in which the property manager has a pecuniary interest to provide services for the owner’s property, if such employees or business were not disclosed in the property management agreement.

3.13 A review of the OREA licensing system on February 5, 2014, showed no CTA’s recorded for Accounted for Homes, LLC.

Violation: By failing to notify OREA of the CTAs, Clemo violated ORS 696.301(3) as it incorporates ORS 696.241 (2011 Edition) which states, within 10 business days after the date a clients’ trust account is opened, a licensed property manager shall file with the Real Estate Agency, on forms approved by the agency, the following information about the clients’ trust account: (a) the name of the bank, (b) the account number, (c) the name of the account, (d) the date the account was opened; and (e) a statement by the property manager authorizing the Real Estate Commissioner or commissioner’s representative to examine the clients’ trust account at such times as the commissioner may direct.”

3.14 A settlement letter was sent to Clemo regarding the above violations. On September 10, 2014, Clemo called OREA and accepted the settlement offer.

3.15 On November 18, 2014, stipulated orders were mailed out to Clemo for her signatures. Clemo failed to return the stipulated orders to OREA. Several attempts by OREA were made to contact Clemo regarding the stipulated orders. As of the date of this order, Clemo failed to return the stipulated orders signed to the OREA.

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ORDER

IT IS HEREBY ORDERED that Melissa Marie Clemo's property manager license be, and hereby is reprimanded.

IT IS FURTHER ORDERED, pursuant to pursuant to ORS 696.990 and based upon the violation set forth above, Clemo pay a civil penalty in the sum of $3,500, said penalty to be paid to the General Fund of the State Treasury by paying the same to OREA. The dates of unlicensed activity were from June 1, 2012 through October, 9 2012, for a total 131 days. Each month of unlicensed activity is considered a violation. In this instance there were four months of unlicensed activity.

Dated this 7th day of April, 2015.

OREGON REAL ESTATE AGENCY

GENE BENTLEY
Real Estate Commissioner

DATE of service: 4-7-2015

NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by filing a petition for review within 60 days from the date of service of this order. Judicial review is pursuant to the provisions of ORS 183.482.
REAL ESTATE BOARD
REGULATION DIVISION REPORT
June 1, 2015

Regulation Division Manager:  Selina Barnes
Compliance Specialist 3 (Compliance Coordinator):  Deanna Hewitt
Financial Investigators (Investigator-Auditor):  Peter Bale, Jeremy Brooks, Aaron Grimes,
Frances Hlawatsch, Philip Johnson, Meghan Lewis, Rob Pierce
Compliance Specialist 2:  Carolyn Kalb
Compliance Specialists 1:  Denise Lewis, Lindsey Nunes, Danette Rozell
Administrative Specialist:  Vacant

Division Overview

The Regulation Division receives complaints and determines validity and assignment for
investigation. Investigators gather facts (from interviews and documents), prepare a detailed
written report and submit to the Manager for review. The Manager determines whether the
evidence supports charging a person with a violation of Agency statutes or administrative rules,
as well the appropriate resolution. The Manager conducts settlement conferences to resolve
cases without a contested case hearing. If a hearing is requested, the investigator works with
the Assistant Attorney General in preparing for and presenting the case at hearing.

The Compliance Specialists are responsible for conducting: mail-in audits of licensee’s clients’
trust accounts (CTA), continuing education (CE) audit investigations, expired activity
investigations, background checks and self-administered compliance reviews. They also
respond to inquiries regarding regulations and filing complaints from the public, licensees, and
other governmental agencies.

Workload and Activity Indicators

A minimum of 50 CTA mail-in audits are initiated each month. Of these, 80% are focused on
Security Deposit CTAs, with the remaining 20% on any type of CTA.

In preparation for the office moving to a new location, the Division is working to reduce our
onsite file storage. This will be accomplished by converting documents we access regularly to
electronic files, along with archiving the original documents and closed case files.

Update:  Terry Shockley withdrew his hearing request on the revocation of his license. A
Default Order was issued revoking his license.

Christy Davis (Regulation Admin Specialist) has resigned effective May 15, 2015. A recruitment
will be done for her replacement.

For information on investigations resulting in administrative actions, please review the
“Administrative Actions Summary” section of the Board packet.
Manager: Stacey Harrison

**Division Overview**

This division carries out the Agency’s mission by providing for the advancement of education and research in connection with the educational requirements for the securing of licenses for real estate licensees. The division does this by approving pre-license and post-license courses, certifying continuing education providers, developing and maintaining exams and test items, developing informational publications and providing customer services via phone and electronic mail.

**Workload and Activity Indicators**

<table>
<thead>
<tr>
<th>Exams Administered</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
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<td>ALL LICENSING EXAMS Total</td>
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<td>306</td>
<td>332</td>
<td>342</td>
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<td>Principal Broker</td>
<td>63</td>
<td>50</td>
<td>69</td>
<td>60</td>
<td>63</td>
<td>49</td>
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</table>

Year to date examination totals for April 2015 showed a 15% increase in the number of examinations administered for the same period in 2014.

**Pass Rates**

PSI, the Agency’s examination provider, implemented the following new examinations on January 1, 2013:

- Broker State: 50 items, Broker National: 80 items
- Principal Broker State: 50 items, Principal Broker National: 80 items
- Property Manager: 130 items

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<tr>
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<td>79</td>
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<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
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<tr>
<td>Principal Broker State (post 1/1/13)</td>
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<td>61</td>
<td>62</td>
<td>68</td>
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<td>71</td>
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<td>Principal Broker National(post 1/1/13)</td>
<td>n/a</td>
<td>86</td>
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<td>86</td>
<td>84</td>
<td>71</td>
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<tr>
<td>Property Manager</td>
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<td>61</td>
<td>55</td>
<td>65</td>
<td>67</td>
<td>50</td>
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</tbody>
</table>

*Pass rate statistics include exam candidates from all schools. Exam candidates may have completed the course prior to the new course requirements effective January 1, 2013.

The division is processing pre-license provider renewal applications. Agency approval expires June 30, 2015 for educators offering courses in pre-license education, Brokerage Administration and Sales Supervision, Broker Advanced Practices and Property Manager Advanced Practices.

This summer, the division will hold a meeting with a small number of stakeholders to discuss the Law and Rule Required Course. The revised course outline will be presented to the Board at the October 2015 meeting.
Division Manager: Michael Hanifin

Administrative Specialist: Colleen Peissig

Section Overview: The Land Development Division reviews filings made with the agency related to condominiums, timeshares, subdivisions and membership campgrounds. The section reviews the foundational documents creating these properties, as well as later amendments to those documents, to verify compliance with statutory requirements. We also issue the Disclosure Statement or Public Report (depending on the type of filing) which summarizes the nature of the interest being offered for sale to consumers.

Workload and Activity Indicators: Filing activity in 2015 has been slower than last year. We are not aware of any decisive issue causing the slower filing rate.

Program Changes:
After review, it was determined that having portions of each timeshare filing in the office was not providing significant value to the agency, and such files have now been relocated to the State Archives. We receive very few inquiries from consumers regarding timeshares in any given year. The types of inquiries we do receive regarding timeshares are not of a time sensitive nature, where the answer hinges on information contained in the files stored at Archives. This program change reduces the section's footprint, which benefits the agency by allowing more room for other agency activities and reducing the amount of material required to be moved to the new agency location.

Current Projects:
We have begun the process of adjusting the hourly fee charged for review of condominium filings (the current hourly fee for review is 46 dollars per hour, and was set some years ago). To support this effort, section costs were calculated and analyzed, providing an updated hourly cost for use in setting the new hourly fee. Our analysis was provided to the Department of Administrative Services (DAS) for review and input. The initial reaction we received was positive and we are waiting for DAS to assign an analyst to our agency so we can continue the process.
Section Overview
The Business and Licensing Services Division acts as support to the Agency. This division manages budget/allotment preparation, accounting, purchasing and contracting, inventory control, facilities, payroll, special projects, Information Technology (IT), and licensing services.

Licensing services include assisting real estate brokers, principal brokers, property managers and escrow agencies as they manage their licenses using eLicense, assisting customers as they process registered business names and branch office registrations in eLicense, registering membership campground contract brokers, completing license applicant criminal background check investigations, processing escrow licensing and security/bonding files, maintaining all licensing history records, electronic processing of fees, and providing general reception services. Please see related statistics on the following page.

2015 Budget Update
Personal Services: No estimated remaining limitation;
• The Agency is fully staffed and no vacancies are expected for the remainder of the biennium.
• The Agency’s Information Systems Specialist 3 position is eliminated in the 2015 budget.
• Services & Supplies: Estimated remaining limitation of $558,049.
• Agency Budget – total savings of $535,703 of our limitation.

Revenue: A conservative revenue estimate for this biennium is **$5.75 million**. As of April 2015, the Agency is still on target to bring in this level of revenue. The Agency began the biennium with a balance of **$1.9 million** (cash reserves). Five months of operating expenses would total approximately $1.2 million. The Agency estimates that it will close the biennium with a $1.2 million ending balance.

Updates/Future Advancements
• New office building update and move timeline.
• The Agency continues to work with its eLicense system vendor, Iron Data, to upgrade to the new version of eLicense. The system will include a modernized look and feel as well enhanced capabilities for ongoing system enhancements. Regression testing and debugging are ongoing.
• The functionality to allow the “anytime” entry of continuing education credits is expected to closely follow the launch of the new version of eLicense.
### Licensing Statistics

#### Total Licenses:

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#### New Licenses:

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<td>Expected Total Expenditures for Biennium (current)</td>
<td>Expected Remaining Limitation at end of Biennium</td>
<td>Notes</td>
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<td>Server support &amp; data processing (ie customer service survey</td>
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<td>processing and email subscription service)</td>
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<td>Includes database contracts and maintenance agreements (including</td>
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<td>maint. agmt for licensing system)</td>
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<tr>
<td><strong>Totals</strong></td>
<td>7,653,979</td>
<td>6,497,230</td>
<td>556,749</td>
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