

The background of the page features a large, faint watermark of the Seal of the State of Arkansas. The seal is circular and contains the text "GREAT SEAL OF THE STATE OF ARKANSAS" around its perimeter. In the center, it depicts a figure holding a scale and a sword, with a shield below and a banner at the bottom that reads "REPUBLICAN POPULUS".

ARKANSAS REAL ESTATE COMMISSION
OFFICE EXAMINATIONS
JANUARY 5, 2018

TABLE OF CONTENTS

ARKANSAS REAL ESTATE COMMISSION OVERVIEW 3

 Regulatory Responsibilities of AREC 3

 Oversight and Enforcement Parameters 3

 Best Practices in Regulating 3

COMPLIANCE POLICIES AND PROCEDURES: OFFICE EXAMINATIONS AND MONITORING 4

 Audits vs. Office Examinations 4

 Office Examination Policies and Procedures - Order of Priority 4

 Processes for Conducting Office Visits 5

COMPLIANCE POLICIES AND PROCEDURES: COMMON TRANSACTIONS 5

COMPLIANCE POLICIES AND PROCEDURES: PROPERTY MANAGERS 6

 Property Management Oversight 6

 Property Management Office Examinations 6

COMPLIANCE POLICIES AND PROCEDURES: REAL ESTATE EDUCATION 7

 AREC Education Oversight 7

 School Visits 7

 School Visit Policies and Procedures 7

APPENDICES 8

Regulatory Responsibilities of AREC

AREC is responsible for regulating the licensing requirements and brokerage activities of real estate brokers and salespersons as well as the licensing and approval requirements and education activities of real estate education courses, instructors and schools. In addition, AREC is responsible for regulating time-share activities. These regulatory responsibilities are detailed in A.C.A. § 17-42-101, et. al.; A.C.A. § 18-14-101, et. al.; and Commission Regulations Sections 1-16. (See www.arec.arkansas.gov)

Oversight and Enforcement Parameters

AREC strives to regulate in the least burdensome manner possible. We place high value on an individual's right to practice their chosen profession free of unnecessary government interference. Put simply, our oversight and enforcement parameters are the law and regulations. We are constantly evaluating whether or not proposed policies, processes and solutions truly lie within the scope of our authority as outlined in the law and regulations. In this regard, any proposed processes falling outside the scope of our authority are not considered options, viable or otherwise.

AREC works to keep consumer protection at the forefront of all we do. Just as individuals have the right to practice their chosen professions free of unnecessary government interference, consumers have the right to utilize the real estate brokerage and/or education services of those individuals with confidence and trust. We take this into consideration in all of our oversight and enforcement parameters.

Best Practices in Regulating

AREC is constantly working to keep our lines of communication with licensees and the public open. We have an open-door policy for licensees and the public alike that encourages them to visit, email or call us whenever they have questions or feedback to share. We also make a point to meet with small and large groups in various locations across the state, where attendees are invited to share their thoughts with the Commission.

Commissioners and staff members of AREC are the first to question how and why we do what we do. We strive to make sound decisions that are based on solid data and feedback, are supportive of our mission of protecting the public and are well within the scope of our authority. AREC also routinely evaluates existing programs and services for efficacy while also looking for new ways of serving licensees and the public. In addition, we continually review our regulations for relevance, clarity and necessity to decrease regulatory burden on licensees and improve consumer protection.

COMPLIANCE POLICIES AND PROCEDURES: OFFICE EXAMINATIONS AND MONITORING

Audits vs. Office Examinations

AREC conducts reviews of the financial records, transaction files, licensing records and education records of real estate firms and schools. Using the term “audit”, especially in conjunction with any sort of financial review, can prove problematic, as an audit is a formal and thorough evaluation of an organization’s books of account, internal processes and controls. Audits are typically performed by an independent third party with no connection to the organization being audited, and those individuals usually hold very specific certifications and qualifications. For this reason, we refer to our review of real estate firms as “office examinations” or “firm examinations”. Less formally, we sometimes refer to these reviews as an office or firm “visit”.

Office Examination Policies and Procedures - Order of Priority

AREC performs office examinations for a variety of reasons. First priority will always be given to those situations where AREC learns there may be a current situation in which consumers are eminently imperiled and possibly subject to financial loss.

AREC will also perform office visits or examinations whenever documents are needed to address an immediate situation being encountered by Commission staff. For example, such situations may exist whenever documents have not been provided to AREC to change a firm address, transfer a real estate license, approve a real estate course, register a trust account, close a real estate firm, etc.

Most often however, office examinations are performed as part of a complaint investigation that requires a review of a broker’s transaction files and/or trust account records. Complaints involving property management activities are given high priority, particularly when those activities are ongoing and/or the investigation reveals a probability that consumers have suffered or may continue to suffer financial damage.

Note: All of the above office examinations will be tailored and customized to the specific situation. Seldom will any of these situations mirror each other. For that reason, AREC does not restrict the above reviews to an inflexible method just to ensure the appearance of consistency as that may defeat the purpose and intent of the examination. Conversely, the office examination and visits referred to below as well as the monitoring of educational classes will involve greater consistency through methods developed by the staff of the Commission often in collaboration with real estate brokers, salespersons, educators and other stakeholders.

When resources are available and workload allows, the Commission will perform “new office examinations” within the first year of a new firm’s establishment. Such office visits are approached in an educational manner to ensure new brokerages are operating in compliance with real estate license law and regulations.

Second to new office visits, AREC may conduct random office examinations on existing firms if resources are available and workload allows. These office visits are also approached in an educational manner to ensure existing brokerages are operating in compliance with real estate license law and regulations.

Unfortunately, new office examinations and random office examinations were previously suspended due to staffing levels and complaint workload. Over time, the impact of state and federal background checks on entry to licensure and AREC’s increased oversight of real estate education have greatly reduced the staff resources

available to conduct new and random office examination programs. Although the need for those programs will always exist in some capacity, we are reviewing less burdensome methods for conducting these examinations by utilizing available technology such as video conferencing.

Although this is not a frequent occurrence, an office examination can be performed at the request of a Principal Broker. One might wonder what would prompt a broker to invite the regulator to review the firm's financials and transaction files; however, we take these invitations as an encouraging sign that brokers truly desire to serve and protect their clients and customers, and they view the Commission as a partner in that endeavor.

Processes for Conducting Office Visits

Prior to an office visit, it is always preferable for an AREC investigator to contact the Principal Broker of the firm to schedule a time for the office examination. However, if there are extenuating circumstances and it is deemed advantageous to protecting consumers, an office examination may be conducted without advance notice.

Office examinations involve a detailed look at recordkeeping and transaction files. During an office visit, an investigator will review any escrow/trust account bank statements, cancelled checks and deposit slips to ensure the statements are being reconciled monthly and that there are no NSF charges or other unauthorized disbursements or deposits. The investigator also reviews the firm's checkbook register or ledger to determine whether checks and deposit slips are posted and balances are maintained and agree with the trust account bank statement and pending transaction balances.

COMPLIANCE POLICIES AND PROCEDURES – COMMON TRANSACTIONS

The investigator reviews pending and closed real estate transaction files to determine whether funds have been deposited in the trust account timely, contracts are signed properly and agency disclosures have been made as required. Regarding closed transaction files, the investigator will review the file for completion. AREC maintains specific forms to aid investigators in performing office examinations (See Appendix A).

Investigators, if feasible, will review all pending transaction files so that the trust account reconciliation can be completed to ensure that any funds involved are being held as required. If the number of pending transactions is such that Investigators cannot feasibly review all files, the Investigator will select a random assortment of files, based on the firm's current volume. In these cases, the Principal Broker may be asked to provide a record of all pending transactions and monies being held for each. Investigators then review each selected file for the documentation required by regulation (i.e., agency representation agreements and disclosures, real estate sales contracts and addenda, documents acknowledgement forms, cash receipts and disbursements). Specific components of the required documents are inspected, and any omissions are noted.

As for closed files, if volume is sufficient the Investigator will select a random assortment of files, based on the firm's current volume. In other cases the Investigator may request the Principal Broker to help select the files to be reviewed. This may help ensure that files are selected that represent a more comprehensive review of

documents. Investigators then review each selected file for the documentation required by regulation (i.e., agency representation agreements and disclosures, real estate sales contracts and addenda, documents acknowledgement forms, cash receipts and disbursements, closing statements, broker instructions to closing agents) and perform a reconciliation of all funds received and disbursed by the broker. Specific components of the required documents are inspected, and any omissions are noted.

If an investigator finds more than one error or issue in reviewing these pending or closed transaction files, they are required to pull an additional 5-10%, but no fewer than two, of the original number of files reviewed to determine whether a pattern of noncompliance may be present. In those cases where there are multiple issues of noncompliance a follow-up visit will be scheduled or additional training can be provided or recommended.

After the investigator has performed the necessary reviews, the broker will have an opportunity to ask questions regarding the law and regulations as well as possible next steps. The investigator will also provide any information that may be helpful to the broker such as the Agency Representation Brochure, 8 and 10 Quick Reference Guide, Consumer and Licensee Guide, Broker's Self-Evaluation Guide and Trust Account Record Keeping Guide (www.arec.arkansas.gov/booklets). Following the office examination, a report of the findings of the office examination is provided to the Principal Broker of the firm.

COMPLIANCE POLICIES AND PROCEDURES: PROPERTY MANAGERS

Property Management Oversight

AREC does not require a separate license for those real estate brokers or salespersons who wish to perform property management activities; however, the law and regulations do address property management activities and certain requirements necessary for consumer protection.

In 2014, the Commission promulgated a set of regulations targeted toward property management, specifically in the area of record keeping, in an effort to help licensees know how to keep sound records and hopefully avoid some of the more costly pitfalls the Commission has seen. In conjunction with the promulgation of these regulations, AREC began offering Property Management Workshops and continues to do so.

Property Management Office Examinations

In addition to the standard office examination policies and procedures, property management office examinations involve a detailed look at recordkeeping and management files. Investigators will select a random assortment of property management files, usually around 5-10% of the firm's current volume but no fewer than five files. Investigators then review each file for the documentation required by regulation (i.e., property management agreements, lease agreements, agency representation disclosures, property owner ledgers, tenant ledgers, cash receipts, original vendor receipts for repairs or services and final accounting statements to owners). (See Appendix A)

If an investigator finds more than one error or issue in reviewing these files, they are required to pull an additional 5-10%, but no fewer than two files to see if a pattern of noncompliance may be present. Specific components of the required documents are inspected, and any omissions are noted. Once the file review is complete, the investigator performs a review of the firm's trust accounts as in a standard office examination. In those cases where there are multiple issues of noncompliance a follow-up visit will be scheduled or additional training can be provided or recommended.

After the investigator has performed the necessary reviews, the broker will have an opportunity to ask questions regarding the law and regulations as well as possible next steps. The investigator will also provide any information that may be helpful to the broker such as the Agency Representation Brochure, 8 and 10 Quick Reference Guide, Consumer and Licensee Guide, Broker's Self-Evaluation Guide and Trust Account Record Keeping Guide (www.arec.arkansas.gov/booklets). Following the office examination, a report of the findings of the office examination is provided to the Principal Broker of the firm.

COMPLIANCE POLICIES AND PROCEDURES: REAL ESTATE EDUCATION

AREC Education Oversight

In the 2013 legislative session, real estate education oversight was transferred from the State Board of Private Career Education to the Real Estate Commission. Our long-standing position on maintaining a collaborative relationship with real estate educators and emphasizing the importance of their role in acting as a conduit for the Commission's communication with licensees was a major contributing factor to this change. AREC has long provided resources, funding and training in support of real estate education, beginning with the initial implementation of continuing education in 1988.

School Visits

As discussed in the previous section regarding office examinations, AREC avoids using the term "audit" in regard to performing on-site reviews of real estate schools or firms. For this reason, the real estate education equivalent of a broker's office examination is referred to as a school visit.

School Visit Policies and Procedures

Many of the same policies and procedures apply to school visits as they do to office examinations. For example, school visits are typically triggered by a complaint or by potential issues observed by the Commission, most often through erroneous education reporting and/or lack of response for documents needed to maintain a school or instructor's compliance with the law and regulations. Admittedly, AREC has yet to receive a request from an educator to perform a school visit, although we are frequently invited to attend and address their classes. While AREC may make brief appearances, staff is reluctant to involve themselves in an instructor capacity as Commission resources are not available to do so for all schools. As a matter of policy, school visits are conducted as workload allows or in the course of a complaint investigation.

During a school visit, investigators may review student and class records, including but not limited to: registration forms, instructor and guest speaker rosters, attendance and sign-in sheets, course start and end dates, course titles and numbers and course locations. Investigators may also observe the school facility and classroom(s) for compliance with regulations. Investigators may also review school policies and interview with the Principal and Associate Instructors regarding school policies and procedures. (See Appendix B)

As with real estate brokerage office examinations if an investigator finds more than one error or issue in reviewing education files, they are required to pull an additional 5-10% of the original number of files reviewed to determine whether a pattern of noncompliance may be present.

At the conclusion of a school visit, the Principal and Associate Instructors will have the opportunity to meet with the Investigator to discuss questions or concerns they have. The Investigator will provide any information that may be helpful to the Principal Instructor and will send a follow-up report to the school with any issues noted that require corrective action.

Because AREC considers educators to be a conduit for the Commission's communication with licensees, we also seek to engage with educators regularly through email with announcements and newsletters regarding education issues, updates and upcoming deadlines.

AREC has worked to develop a class monitoring plan to help instructors self-evaluate and hone their skills in the classroom. The AREC Education and Instruction Specialist visits classes and reviews the instructor and course based on a specific set of criteria. (See Appendix B)

Additionally, AREC has recently begun surveying students regarding their education experiences in an effort to receive unfiltered responses from students regarding course quality and delivery, instructor organization, etc. A sample of the most recent responses can be found in Appendix C.

APPENDICES

Appendix A

Office Visit Forms and Documents

Appendix B

School Monitoring Forms and Documents

Appendix C

Student Survey Samples



STATE OF ARKANSAS REAL ESTATE COMMISSION

612 South Summit Street Little Rock AR 72201-4740 Phone: (501) 683-8010 www.arec.arkansas.gov

COMMISSIONERS Tony Moore, Chair Bob Walker, Vice Chair Linda Prunty Jessica "Dee" Holcomb Doyle Yates

COMMISSION STAFF Gary C. Isom Executive Director Andrea S. Alford Deputy Executive Director

COMPANY NAME _____

PRINCIPAL BROKER'S NAME: _____

ADDRESS: _____

TELEPHONE: _____ DATE: _____

- 1. Is the company sign the same as depicted by the photograph(s) on file with the Real Estate Commission?
2. Are the licenses of the Principal Broker and any others licensed with the Company displayed?
3. Is the Trust/Escrow account information the same as on file with the Real Estate Commission?
4. Is a Checkbook balance maintained for the firm's Trust/Escrow Account's?
5. Is/Are the firm's Trust/Escrow account(s) bank statement(s) reconciled at least monthly?
6. Is the reconciliation balanced to the total amount of trust funds deposited in the account which have not yet been disbursed?
7. Were any transaction records reviewed as part of this examination?

(INVESTIGATOR)

(BROKER)

This was an Office Visit and Trust Account Reconciliation. The AREC does not do accounting reviews or audits.

Documents to keep in Transaction Files

Required by Regulation 10.7

Agency Contract
Listing Contract
Offer(s) to purchase
Appropriate Addendums
Closing Statement (if available)
Written Closing Instructions to third party closing the transaction 10.42(2)
Termination Contracts when applicable
Lead Based Paint Disclosure when applicable

Additional documents to make a complete record:

Agency Representation Disclosure
MLS Sheet
Seller Disclosure
Receipts for earnest money (monies deposited into escrow, remitted to title companies, other real estate offices, or sellers)
Repair and Survey Addendum and sign off that all repairs stated in the addendum have been done, or waivers to do so.
Original Receipts from vendors for all repairs or services performed on rental properties

Property Management Files 10.10, 10.18-10.24

Property Management Agreements
Agency Representation Disclosure
Lease Agreements
Lead Based Paint Disclosure when applicable
Property Owner Ledger
Tenant Ledger
Property Management Cash Receipts
Final Accounting Statements to owners

Additional documents to make a complete record:

Original Receipts from vendors for all repairs or services performed on rental properties
If not using the contracts provided by the Arkansas Realtors Association,
ALL CONTRACTS MUST BE APPROVED BY AN ARKANSAS LICENSED ATTORNEY. A letter from the attorney who approved the contracts must be kept on file for inspection by the Arkansas Real Estate Commission.

Property Management Office Visit Procedures

Before the visit make a copy of the sign that was submitted to AREC for Approval, make a copy of active licensees with the firm, and record the trust account information provided to AREC.

At the office verify the sign is in compliance per Regulation 7.3 which states a sign must be permanently attached and bear the name under which the principal broker conducts his/her business.

Check that the licenses of the principal broker and all licensees employed by or associated with him or her per **ARKANSAS LICENSE LAW 17-42-310(C)** are **CONSPICUOUSLY** displayed in his or her place of business. Verify all licenses are current.

A side note regarding licenses: Licenses should be retained by the principal broker. Licenses are issued to the firm with whom the agent is associated, and they are returned to AREC when that association terminates. **ARKANSAS LICENSE LAW 17-42-310 (D) (1) states:** Upon the termination of a licensee's employment by or association with a principal broker, **THE LICENSEE** shall promptly deliver his or her pocket card to the principal broker, and the **PRINCIPAL BROKER** shall promptly notify the commission of the termination **AND RETURN TO THE COMMISSION THE LICENSE AND POCKET CARD** of the terminated licensee, which shall automatically inactivate the license. (2) If the pocket card is unavailable, the principal broker shall promptly so notify the commission in writing. (e) A license inactivated under this section may be transferred to another principal broker upon application of the licensee, payment of the relevant fee, **AND SUBMISSION OF A STATEMENT THAT HE OR SHE IS NOT TAKING ANY LISTINGS, MANAGEMENT CONTRACTS, APPRAISALS, LEASE AGREEMENTS, OR COPIES OF ANY SUCH DOCUMENTS OR ANY OTHER PERTINENT.**

How long does a Principal Broker have to return the license and pocket card?

Regulation 7.5 (a) states: Within **seven (7) days** after the employment or association of a licensee with a principal broker ends. If the license and packet card is not returned within seven days, who is out of compliance and could have a disciplinary action taken against them?

Randomly pull 5-10% of property management files, but no fewer than five files. If just a dozen or so properties you might review all of the files. Verify that all of the required documentation is in the file per **REGULATIONS 10.10 AND 10.18 THROUGH 10.24** that would include:

- Property Management Agreements
- Agency Representation Disclosures
- Lease Agreements
- Lead Based Paint Disclosures when applicable
- Property Owner Ledgers
- Tenant Ledgers
- Property Management Cash Receipts

Final Accounting Statements to owners

as well as **Additional documents to make a complete record which might include:**

Original Receipts from vendors for all repairs or services performed on rental properties

If no errors or issues of compliance from the first random sample are found, the investigator is usually done. However, if more than one issue is found, you should pull an additional 5-10%. If another error is found in that sampling, the investigator will pull an additional 5-10%.

Look to see if the firm is using the contracts provided by the Arkansas Realtors Association, if not, see that the contracts the firm is using have been approved by an **ARKANSAS LICENSED ATTORNEY per Regulation 10.10(c)**. If the later is the case request to see documentation from the attorney who approved the contracts. That approval letter should be kept on file for inspection by the Arkansas Real Estate Commission.

Verify all required documents are in the files. Review the Property Management Agreements and Tenant Agreements to see if they contain all of the information required to be on the respective Agreements pursuant to **REGULATIONS 10.19 AND 10.20**.

If a property management agreement with an owner allows the property manager to use funds collected for one property to apply to expenses of another property owned by the same owner, that needs to spelled out in the Property Management Agreement per **REGULATION 10.22(f)**.

Hopefully after seeing that the Property Management Agreement and the Rental Lease Agreement have been correctly executed and signed by all parties, compare Owner Ledgers, and Tenant Ledgers to see that they agree and are in compliance with **Regulations 10.22 and 10.23**: Verify there is at least one separate owner's ledger for each property management agreement that has been prepared and is maintained for all monies received and disbursed, and at least one tenant's ledger for each unit from whom the property manager has received any funds under a property management agreement, whether or not the tenant has executed a written rental or lease agreement at the time of payment of funds to the property manager.

In the case a property is utilized for nightly rentals, verify a separate ledger account is maintained for that property with each occupant of the property identified, including the dates of occupancy and amounts paid. Or if a property manager has access to a separate banking or escrow account owned or controlled by the property owner pursuant to a property management agreement, the property manager may maintain either a record of receipts and disbursements, or a check register in lieu of an owner's ledger.

Verify an overall compilation/accounting is being or has been prepared for the property owner and that at a minimum, once each month, a report showing all receipts and disbursements for the account of the owner is being or has been provided to the owner with a copy or electronic version of each such report available through the property manager's records system.

Verify that All Owner and Tenant Ledgers contain:

- (1) The amount of funds received;
 - (2) The purpose of the funds and identity of the person who tendered the funds;
 - (3) The check number, cash receipt number or a unique series of letters and/or numbers that establish an audit trail to the receipt of funds;
 - (4) The date the funds were deposited; and
 - (5) The balance of each recorded entry.
- (e) For each disbursement of funds, all owner ledgers must contain the following information:
- (1) The date the funds were disbursed;
 - (2) The amount of funds disbursed;
 - (3) The check number or bank-generated electronic tracking number;
 - (4) The payee of the disbursement;
 - (5) The purpose of the disbursement; and
 - (6) The balance after each recorded entry.

Once satisfied that the Property Management Agreements and the corresponding Tenant Agreements are properly completed, move on to verify Accounting and Record keeping are in compliance. **PER REGULATION 10.21**, having already verified that all records are maintained in a manner in which they are traceable to the owners' and tenants' ledgers, look to see if the property manager disclosed to the owner, in writing, the property manager's use of any employees or a business in which the property manager or any persons licensed under him has a pecuniary interest to provide billable services to the owner's property if applicable.

Then it's time to actually trace the monies. Verify deposits and disbursements on the General Ledger, with the Owner and Tenant Ledgers, and verify the deposits and disbursements on the bank statements.

TRUST FUNDS

Verify trust funds are being handled pursuant to Commission Regulations as follows:

REGULATION 10.8 (c) A principal broker who receives trust funds shall either maintain a separate trust account or shall have an escrow agent for all such trust funds.

REGULATION 10.8(e) With regard to each separate trust account, the principal broker shall submit to the Commission in writing the following:

- (1) Name and number of the account.
- (2) Name and address of the bank.
- (3) Date the account was opened.

REGULATION 10.8 (h)(1) All security deposits made under a rental or lease agreement shall be deposited in the principal broker's trust account, including those deposits made on property owned by any licensee licensed under the principal broker unless the licensee who owns the property has

a written agreement with the tenant providing that the licensee may keep the security deposit in the licensee's separate account. A copy of any such agreement shall be furnished to the principal broker by the licensee.

REGULATION 10.9(b) Except as otherwise authorized by Regulation 10.8(d), the balance of a principal broker's trust account shall at all times equal the total of the trust funds received for which the broker is accountable.

NEW OFFICE VISIT WORKSHEET		
Name of Office:		
Principal or Executive Broker:		
Sign:	NO	YES
<small>Law 17-42-309; Regulation 7.3</small>		
License(s) displayed:		
<small>Law 17-42-310 (c)</small>		
Escrow or Trust on Checks:		
<small>Regulation 10.8</small>		
Escrow Account(s) reported to AREC:		
<small>Regulation 10.8</small>		

NEW OFFICE VISIT WORKSHEET		
Name of Office:		
Principal or Executive Broker:		
Sign:	NO	YES
<small>Law 17-42-309; Regulation 7.3</small>		
License(s) displayed:		
<small>Law 17-42-310 (c)</small>		
Escrow or Trust on Checks:		
<small>Regulation 10.8</small>		
Escrow Account(s) reported to AREC:		
<small>Regulation 10.8</small>		

ARKANSAS REAL ESTAE COMMISSION
OFFICE EXAM WORK SHEET FOR TRUST ACCOUNT RECONCILLIATION

DATE: _____

COMPANY: _____

REGULATION 10.8 INFORMATION RECEIVED BY AREC? YES _____ NO _____

BANK STATEMENTS RECONCILED MONTHLY? YES _____ NO _____

NAME OF BANK: _____

STYLE OF ACCOUNT: _____

ACCOUNT NUMBER: _____

Bank Statement Balance as of _____ \$ _____
(Date)

Add Outstanding Deposits \$ _____

TOTAL ... \$ _____

Subtract Outstanding Checks \$ _____

A. Adjusted Bank Balance ... \$ _____

B. Balance per Checkbook ... \$ _____

If A. and B. above do not agree:

Bank balance exceeds checkbook balance by \$ _____

Or

Checkbook balance exceeds bank balance by \$ _____

1. Total amount of pending transactions (E.M.) \$ _____

2. Property management funds:

a. Security Deposits \$ _____

b. Rents \$ _____

TOTAL (add 2.a. & 2.b.) \$ _____

3. Broker's funds in account \$ _____

4. Total liabilities (add 1., 2., & 3.) \$ _____

5. Total funds held in trust \$ _____

(COMPARE THIS AMOUNT WITH ADJUSTED BANK BALANCE)

If 4. and A. above do not agree:

Liabilities exceed adjusted bank balance by \$ _____

Or

Adjusted bank balance exceeds liabilities by \$ _____

DATE: _____

COMPANY: _____

Pending Transactions – Earnest Money
(List Separately)

Amount

1.	_____	\$	_____
2.	_____	\$	_____
3.	_____	\$	_____
4.	_____	\$	_____
5.	_____	\$	_____
6.	_____	\$	_____
7.	_____	\$	_____
8.	_____	\$	_____

TOTAL . . . \$ _____

Property Management Funds – Security Deposits
(List Separately)

Amount

1.	_____	\$	_____
2.	_____	\$	_____
3.	_____	\$	_____
4.	_____	\$	_____
5.	_____	\$	_____
6.	_____	\$	_____
7.	_____	\$	_____
8.	_____	\$	_____

TOTAL . . . \$ _____

Rents
(List Separately)

Amount

1.	_____	\$	_____
2.	_____	\$	_____
3.	_____	\$	_____
4.	_____	\$	_____
5.	_____	\$	_____
6.	_____	\$	_____
7.	_____	\$	_____
8.	_____	\$	_____

Education Evaluation

Person Completing Monitoring: _____ School Attended: _____

Date of Course: _____ Course Attended: _____

Instructor(s) of Course: _____ Guest speaker(s)? _____

Starting time for course: _____ End of class: _____ Length of lunch break: _____

Within the following questions please comment as necessary and rate the statements:

1=strongly disagree 2=disagree 3=neutral 4=agree 5=strongly agree N/O (not observed)

Instructor displays a strong knowledge base of the subject matter						Notes/comments
Facts and materials presented are accurate.	1	2	3	4	5	N/O
Facts and materials presented are current.	1	2	3	4	5	N/O
Opinions are clearly distinguished from facts/course material.	1	2	3	4	5	N/O
Presentation is free of statements or examples that cause confusion.	1	2	3	4	5	N/O

APPENDIX B

Instructor displays a strong knowledge base of the subject matter (cont'd)						
	1	2	3	4	5	N/O
Avoided skipping or broad –brush treatment of subjects due to time mismanagement.						
Instructor uses correct terminology.	1	2	3	4	5	N/O
Instructor logically and correctly answers questions from students about the subject matter.	1	2	3	4	5	N/O
Instructor acknowledges when he/she does not know the answer to a question (and directs the student to resources to find the answer/offers to find the answer)	1	2	3	4	5	N/O

APPENDIX B

Instructor displays effective presentation skills						
Instructor states learning objectives at outset of each topic or section as appropriate.	1	2	3	4	5	N/O
Instructor uses a variety of presentation methods Role Play Simulations Small group activities Case studies Other (describe) Other (describe) Other (describe)	1	2	3	4	5	N/O
Instructor follows the approved course outline.	1	2	3	4	5	N/O
Instructor calls students by name.	1	2	3	4	5	N/O
Instructor uses tactics to engage all students (describe).	1	2	3	4	5	N/O

APPENDIX B

Instructor displays effective presentation skills (cont'd)

Instructor uses concise, simple, and normal speech patterns.	1	2	3	4	5	N/O	
Instructor speaks with sufficient volume and enunciates clearly.	1	2	3	4	5	N/O	
Tone of voice and choice of words indicate respect and tolerance for all students.	1	2	3	4	5	N/O	

Instructor employs a variety of teaching aids

Printed materials and visual aids such as PowerPoint presentations, marker boards, maps, etc. are legible and free of spelling and grammatical errors.	1	2	3	4	5	N/O	
Instructor arranges the student learning space to avoid physical obstructions.	1	2	3	4	5	N/O	

APPENDIX B

Instructor provides a learning environment which facilitates a positive student experience						
Instructor is prepared and begins on time.	1	2	3	4	5	N/O
Interruptions are kept to a minimum and handled quickly.	1	2	3	4	5	N/O
Instructor is groomed and dressed in a manner which is conducive to student learning.	1	2	3	4	5	N/O
Instructor consistently attends to the physical climate and arrangement of the room.	1	2	3	4	5	N/O
Instructor physically moves about the learning space.	1	2	3	4	5	N/O
Instructor monitors the energy level of the students and adjusts presentation as necessary.	1	2	3	4	5	N/O

Was an instructor present for the majority of class instruction time?: _____

If not please give additional information: _____

How is the instructor measuring effectiveness of learning objectives?: _____

January-July 2017 Student Survey

Course Name	I found the content of this course to be up-to-date.	The course content was well organized and easy to follow along.	I found the material to be relevant to my own work as a real estate professional.	How do you rate the overall course?	How do you rate the instructor(s)?	Please write down any additional comments about the course or other course topic suggestions.
Supervising Broker CE	4	3	4	4	3	Did not encourage student participation. In fact became agitated when students wanted to pursue a particulate issue. Would dwell too long on some basic issues and not spend time on more complex issues. Ran out of time and only spent 35 minutes on safety.
Brokers Course	5	5	5	5	5	I found this class to be very informative and the subjects covered were timely
Contracts & Agency	5	5	5	5	5	I prefer to learn new things and not review that which I already know. I really enjoy a live classroom experience. However, I find with the additional hour of safety the courses offered were not educationally expansive. I am all for safety class but I wonder if this could be offered by the boards separately as it was before this year and be more active with role playing or actual defensive move practices. Those classes from the previous years were super helpful. Perhaps the instructors with more fresh topics would then come and teach here in AR again.
Real Estate Negotiation Expert	5	5	5	5	4	I have nine designations or certifications and RENE is now one of my favorites! The SRES class is also great information on a generational level.
BOMA	5	5	5	5	5	Enjoyable
how to work with real estate investors	4	4	1	2	2	These courses are ok but the fact that if you are able to finish the course early and you comprehend the material but have to "SIT" in the class and let the computer run out the clock is pretty petty. We are all business people with business to handle and the fact that we have to waste time while a course clock ticks is extremely frustrating

APPENDIX C

January-July 2017 Student Survey

Course Name	I found the content of this course to be up-to-date.	The course content was well organized and easy to follow	I found the material to be relevant to my own work as a real	How do you rate the overall course?	How do you rate the instructor(s)?	Please write down any additional comments about the course or other course topic suggestions.
Contracts?	5	5	5	5	5	[INSTRUCTOR] does an excellent job with teaching responsibilities of agents to be knowledgeable and protect ourselves by abiding by AREC rules and regs.
RESPONSIBILITIES OF THE PRINCIPAL BROKER FOR OPERATING A REAL	5	5	5	5	5	ALLS GOOD
Agency and Safety	5	5	5	5	5	convenient, included lunch, comfortable setting, instructor was very knowledgeable
Broker Management	5	5	5	5	5	I would love to see some new courses developed. I am so tired of taking Agency and Contracts to Close
3 BROKER SPECIFIC HOURS+ 1 HR REALTOR SAFETY	1	1	1	1	1	This was a total waste of time. For the past 10 years, I have done online classes and learned a little but this was a useless waste of time. There was zero good info. It was a BS session all day to just "get my hours". This is an example of what CE is not supposed to be. If you are going to require brokers to go to these mandatory courses then make them useful. Otherwise, let us do them online to just get through the CE requirement.
Continuing Education	5	5	4	5	5	[INSTRUCTOR] makes every attempt to include the necessary License Require materials and relate it in interesting ways to the Property Management business.
Broker Continuing Ed	5	5	4	5	5	[INSTRUCTOR] is always detailed and gives good content
Supervising Broker course	5	5	4	5	5	the reason for the four stars for question #7 is because i do commercial real estate only
Required CE	3	1	3	1	1	Sign in disorganized - to much wasted time
Safety Guidelines & Best Practices: 2017 Supervising Broker	5	5	5	5	5	Instructor was knowledgeable and very informative.

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Broker Ce with safety	5	5	5	5	5	Instructor provided videos were attention getters and fun.
Broker's and License Renewal	5	5	5	5	5	Facility very open....hard to hear with echo.
2017 Supervising Brokers Course, Agency & Disclosure 2, Real Estate Safety	4	4	4	4	4	Topics where well delivered
Supervisor Broker Course	3	3	3	3	3	Having the course requirements on screen where the instructor read from was not engaging. Felt that it was presented poorly.
SUPERVISING BROKERS COURSE,ETHICS & SAFETY	4	4	4	4	4	[INSTRUCTOR] always does a great job! I think in a broker's course supervising NEW agents needs to be stressed as a major concern. I think we are going to see problems in our industry if this is not addressed.
Broker Specific Training	5	5	5	4	4	8 and 10 are always eye opening
Real Estate Investing: Beyond the Basics	5	5	5	5	5	This was an online course of similar quality to many other courses I have taken for the 17 states that I am a licensed Real Estate Broker.
Supervising Broker CE Class	4	4	3	4	4	Would like ALOT more time spent on actual issues that get brokers/salespeople in trouble as reminders. Many agents do not realize what they are doing is incorrect.
Broker CE	5	5	5	5	5	Obviously nothing new but always good to refresh ourselves

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Unauthorized Practice of Law, Fair Housing, Code of Ethics.	5	5	5	5	5	These 2 courses, and these 2 instructors, were my favorites by far. Stayed on track, no personal chatting about themselves that it became a distraction. Felt like I really learned something. Felt the discussions were extremely relevant and of excellent content to relate to real-world experiences. Plain spoken, interesting, reliable, valuable.
Supervising Broker CE	5	5	5	5	5	Not enough time to cover it all
principle broker ce	5	5	5	5	5	[INSTRUCTOR] was great. He is very knowledgeable and engaging. I actually enjoyed the class.
AREC Law	4	4	5	4	5	I took this class last year also
Continuing Education	4	2	3	2	2	Disappointed this year. The safety portion was good. The rest dragged on.
Continuing Education Real Estate Class	5	5	5	5	5	[INSTRUCTOR] puts on a very relevant and interesting class. It keeps your attention the entire time.
Real estate	5	5	5	4	5	Even after you have taken the course, you can still get help from the instructor.
Brokers	5	4	5	5	4	To much info for alloyed time
Ethics, Safety & Form Usage	5	5	5	5	5	Class was very informative and enjoyable.
Broker Pre and Post License	5	4	5	5	5	The sequential organization of material would improve the manuals.
Real Estate Contracts	5	5	5	5	5	The 6 hours and the safety 1hr were excellent!
7 hour Continuing Education for real estate	5	4	5	5	5	Our teacher was fantastic and very knowledgeable.

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Brokers CE	4	4	4	4	4	Less instruction and do and don't showing listing Lock up, lights off, etc
Supervising & Principal Broker CE	4	4	3	4	3	Good general overview, but not a lot of "actionable" items. Given how many small brokerages exist in AR, it would be really nice if after saying "do you think you should have a policy about agent-owned rental properties at your firm?", after everyone nods or
Broker CE	5	5	5	5	5	Broker CE is worthwhile course and long overdue.
supervising broker course		3	2	2	2	It was pretty boring, instructor pretty much read everything to us. He didn't like class participation.
Supervisor Broker Course	5	5	5	5	5	[INSTRUCTOR] did a great job in keeping the course interesting by injecting real life stories to make certain points.
Broker CE	3	2	2	3	2	Boring too many stories