

TEXAS BOARD OF ARCHITECTURAL EXAMINERS

Board Meeting Agenda

The William P. Hobby Jr. Bldg., Tower III, Room 102

333 Guadalupe Street

Austin, Texas

Thursday, November 15, 2018

9:00 a.m. – Conclusion

1. Preliminary Matters

- A. Call to order Debra Dockery
- B. Roll call Jennifer Walker
- C. Excused and unexcused absences Debra Dockery
- D. Determination of a quorum
- E. Recognition of guests
- F. Chair's opening remarks
- G. Public comments

2. Introduction of New Board Members (Information)

Debra Dockery

Rosa G. Salazar, Registered Interior Designer
(Appointed Term: Jul 26, 2018 – Jan 31, 2023)

Joyce J. Smith, Public Member
(Appointed Term: Jul 26, 2018 – Jan 31, 2023)

Fernando Trevino, Public Member
(Appointed Term: Jul 26, 2018 – Jan 31, 2019)

3. Approval of August 21, 2018 Board Meeting Minutes (Action)

Debra Dockery

4. Executive Director Report (Information)

Julie Hildebrand

- A. Summary of Executive Accomplishments
- B. Operating Budget/Scholarship Fund: Presentation on 4th Quarter FY 2018 Expenditures/Revenues
- C. Report on the Annual Financial Report (AFR)
- D. Report on the Training and On-Boarding of New Board Members
- E. **Report on Conferences and Meetings (Information)**
 - 2018 CLARB Annual Meeting – Sep 27-29
 - 2018 LRGV-AIA BCC Conference – Sep 28-29
 - NCARB Licensing Advisors Retreat – Oct 1-2
 - NCARB Member Board Chairs/Member Board Executives Leadership Summit – Oct 12
 - TxA Conference – Nov 8-10
 - 2018 CIDQ Council of Delegates Meeting – Nov 8-10

5. Report on the 86th Legislative Session (Information)

Julie Hildebrand

6. Trend Analysis Presentation on Agency Performance and Operations (Information)

Julie Hildebrand

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7. **Enforcement Cases** (*Action*) Lance Brenton
Review and possibly adopt ED's recommendation in the following enforcement cases:

A. Non-Registrant Cases:

Garcia, Mario T. (#296-18N)

Vu, Anthony (#066-16N)

B. TDLR Cases:

Goelzer, Matthew (#404-18A)

C. CE Cases:

Fields, Suzy M. (#429-18I)

German, David R. (#428-18A)

Gustin, Wesley (#417-18A)

Hagmann, Gregory G. (#459-18A)

Kohutek, Robert C. (#298-18A)

Massouh, Craig G. (#421-18A)

Munoz, Sylvia (#476-18I)

Slavik, William B. (#189-18A)

The Board may meet in closed session pursuant to TEX. GOV'T CODE ANN. §551.071(1) to confer with legal counsel

8. **Board Committee Assignments** (*Action*) Debra Dockery
Rules Committee
Legislative Review Committee

9. **Upcoming Board Meetings** (*Information*) Debra Dockery
February 21, 2019
June 13, 2019
August 13, 2019
November 19, 2019

10. **Chair's Closing Remarks** Debra Dockery

11. **Adjournment** Debra Dockery

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NOTE:

- ◆ *Items may not necessarily be considered in the order they appear on the agenda.*
- ◆ *Executive session for advice of counsel may be called regarding any agenda item under the Open Meetings Act, Government Code §551.*
- ◆ *Action may be taken on any agenda item.*

NOTICE OF ASSISTANCE AT PUBLIC MEETINGS

Persons with disabilities who plan to attend this meeting and who need auxiliary aids or services are required to call (512) 305-8548 at least five (5) work days prior to the meeting so that appropriate arrangements can be made.

FREQUENTLY USED ACRONYMS

ACSA	Association of Collegiate Schools of Architecture
ADA	Americans with Disabilities Act
AIA	American Institute of Architects
AREFAF	Architect Registration Examination Financial Assistance Fund (Scholarship)
ASID	American Society of Interior Designers
ASLA	American Society of Landscape Architects
ARE	Architect Registration Examination
BOAT	Building Officials Association of Texas
CACB	Canadian Architectural Certification Board
CIDA	Council for Interior Design Accreditation (Formerly FIDER)
CLARB	Council of Landscape Architectural Registration Boards
GAA	General Appropriations Act
GRF	General Revenue Fund
IDCEC	Interior Design Continuing Education Council
IDEC	Interior Design Educators Council
IDP	Intern Development Program
IIDA	International Interior Design Association
LARE	Landscape Architect Registration Examination
MBA	Member Board Administrator (within NCARB)
NAAB	National Architectural Accreditation Board
NCARB	National Council of Architectural Registration Boards
CIDQ	Council for Interior Design Examination
OAG	Office of the Attorney General
SOAH	State Office of Administrative Hearings
SORM	State Office of Risk Management
TAID	Texas Association for Interior Design
TAS	Texas Accessibility Standards
TASB	Texas Association of School Boards
TBPE	Texas Board of Professional Engineers
TxA	Texas Society of Architects
TSPE	Texas Society of Professional Engineers

New Board Member Biography

Rosa G. Salazar joins the Board as a Registered Interior Designer member, for a term concluding January 31, 2023. Ms. Salazar is a practicing Registered Interior Designer for a firm in her home town of Lubbock, and previously has held leadership positions with the Texas Association for Interior Design, the International Interior Design Association, the American Society of Interior Designers, the City of Lubbock Permits & Licensing Appeals Board, the Westex Federal Credit Union Supervisory Committee, and Fiestas del Llano. Ms. Salazar is a graduate Magna Cum Laude of Texas Tech University and holds NCIDQ certificate number 027351. First registered by TBAE in 2010, Ms. Salazar holds registration number 11041.

Joyce J. Smith, CPA, CGMA joins the Board as a Public Member, for a term concluding January 31, 2023. Ms. Smith is a retired partner of the Austin Accounting firm of Atchley & Associates, LLP and graduated Cum Laude from North Carolina State University. She continues to be actively involved in her professional organizations and her community and currently serves as a Director of the Texas Society of Certified Public Accountants (TSCPA), a Director of Amplify Credit Union in Austin, Chairman/Trustee on the Board of the Better Business Bureau Educational Foundation and an Emergency Service District Commissioner for ESD No. 5 in Burnet County. As a Rotarian for many years, she currently serves as Treasurer of the Rotary Club of Marble Falls Foundation. She is also a Leadership Austin (Essential Class) graduate and has served on the American Institute of Certified Public Accountants (AICPA) Council, which is the governing body of the national organization.

Joyce has served on several committees for TSCPA and is currently serving on the TSCPA Tax Institute Committee.

Her commitment to the community and profession has included serving on various boards in leadership roles such as TSCPA Executive Committee member, TSCPA Secretary, Austin Chapter President, Chairman of the BBB of Austin, and as an Assistant Governor of Rotary District 5870. She has received recognition awards from the Austin CPA Chapter as CPA of the Year and the Distinguished Service Award.

Joyce and her husband, Rick, live a short distance from Austin on Lake Buchanan. They enjoy playing golf, traveling and spending time with their two children and five grandchildren.

Fernando Trevino joins the Board as a Public Member, for a term concluding January 31, 2019. Mr. Trevino is the second of the two new Public Members appointed by Governor Abbott. Mr. Trevino is Broker/Owner of RE/MAX Alamo Realty in San Antonio, TX and is married to Rebekah, and has two sons, Fernando Jr., and Adrian, and two daughters Katherine and Elizabeth. He has 31 years' experience as a real estate agent/broker, and started his real estate career in Austin, Texas with Bill Milburn New Homes and Real Estate Brokerage in 1987. Fernando moved back to his hometown of Del Rio, Texas to help with his family's construction company, started by his father Ramon Trevino, Sr., along with his brothers Ramon Jr, Eduardo and Sergio. Upon moving back to Del Rio, Fernando purchased a RE/MAX real estate franchise to offer professional real estate services.

Nineteen years ago, Fernando relocated to San Antonio and opened RE/MAX Alamo Realty. He also builds and remodels homes as his family once did. His company has been involved in over 3,500 Commercial and Residential real estate transactions in Texas.

His wide variety of knowledge of construction practices, residential and commercial real estate, and customer service will serve him well as he works with the Texas Board of Architectural Examiners.

TEXAS BOARD OF ARCHITECTURAL EXAMINERS
Minutes of August 21, 2018 Board Meeting
 William P. Hobby Jr. Building, 333 Guadalupe Street
 Tower III, Conference Room 102
 Austin, TX 78701
 9:00 a.m. until completion of business

AGENDA ITEMS

DESCRIPTIONS

**1A.
Call to Order**

Ms. Dockery called the meeting to order at 9:00 a.m.

**1B.
Roll Call**

Ms. Walker called the roll.

Present Board Members

Debra Dockery	Chair, Architect Member
Michael (Chad) Davis	Vice-Chair, Landscape Architect Member
Jennifer Walker	Secretary-Treasurer, Architect Member
Charles (Chuck) Anastos	Architect Member
Chase Bearden	Public Member
Robert (Bob) Wetmore	Architect Member

**1C.
Excused and Unexcused
absences**

None.

**1D.
Determination of a
Quorum**

A quorum was present.

**1E.
Recognition of Guests**

Ms. Dockery acknowledged the following guests and members of TBAE staff: Julie Hildebrand, Executive Director; Lance Brenton, General Counsel; Glenn Garry, Communications Manager; Glenda Best, Operations Manager; Christine Brister, Human Resources Specialist; Kenneth Liles, Finance Manager; Jack Stamps, Managing Investigator; Dale Dornfeld, IT Manager; Mike Alvarado, Registration Manager; Julio Martinez, Network Specialist; Katherine Crain, Legal Assistant, and Donna Vining, Executive Director for the Texas Association for Interior Design. Tim Bargainer, Texas Landscape Architect #1787 arrived later during the meeting.

**1F.
Chair’s Opening Remarks**

Ms. Dockery thanked the Board and welcomed the audience. She began by discussing the keynote speech at the recent NCARB annual meeting in Detroit. This year the keynote speaker was futurist Jack Ulldrich and his presentation was titled “The Big AHA – Regulating the Future of Architecture.” Ms. Dockery noted that many have been contemplating impending changes in the design profession in light of the development of building information modeling and a 3D virtual world. For example, where and when in a 3D environment, in which a contractor, an engineer, an

architect and an owner are all feeding in information at the same time, do you sign and seal a drawing? Ms. Dockery asked, in a true integrated project delivery approach where it is agreed to share liability at the beginning between the parties, does it matter?

According to Ms. Dockery, Mr. Uldrich discussed a number of topics with the audience, including artificial intelligence, robotics, 3D printing, and block chain technology, and how these issues might affect the regulatory environment. For one example, Ms. Dockery noted that architects regularly utilize software programs to determine whether building envelopes meet code requirements, but who is checking the program to make sure it is right? She said that she has heard of programs that are being developed now to scan BIM models to see if it is code compliant. If the AI is doing that, what is the architect's role? She was recently made aware of a program that if you plug in a given set of parameters, it will produce an ideal design solution, which she thinks is a little scary.

The "A H A" in Mr. Uldrich's speech refers to awareness, humility and action. She concluded her remarks by noting that, though this was a discussion of the "future" of architecture, these issues are very much becoming a part of current events, and it is likely we will be dealing with the implications for regulation sooner than we may have expected. Overall, she thought it was a very enlightening discussion.

**1G.
Public Comments**

None.

**2.
Approval of Board
Meeting Minutes**

A MOTION WAS MADE AND SECONDED (Davis/Wetmore) TO APPROVE THE MAY 22, 2018 BOARD MEETING MINUTES. THE MOTION PASSED UNANIMOUSLY. (Mr. Anastos abstained from voting as he was absent from the May meeting.)

**3.
Executive Director's
Report**

Ms. Hildebrand stated that her report begins on page 14 of the notebook, but first she directed the Board to page 26 to discuss a letter from the Governor's Office.

**3C.
Review of Agency's
Notice of Proposed Rule
by the Governor's Office**

She stated that several agencies received a letter from the Governor's Office which introduces a new procedure for the Governor's review of proposed rules. Under this procedure, for any proposed rule, the Governor will review the Notice of Proposed Rulemaking, as well as the agency's internal analysis of the rule, prior to publication of the rule in the *Texas Register*. Previously, the agency was doing this informally with the Governor's liaison; however, this is now a mandate from the Governor's office.

Ms. Hildebrand noted that this procedure may result in an increase of the amount of time required to propose and adopt rules. However, this is a

new procedure, and it is unclear what the effect will be on agency rulemaking actions. Our agency does not have any rulemaking actions to consider at this meeting, but we will be keeping an eye on the experiences of other agencies to learn more about the process, and she will keep the Board updated.

Ms. Dockery asked whether the agency had already been creating the information requested in the Governor's letter. Mr. Brenton responded that this information is required to be included in the notice of proposed rulemaking, and that the only difference is that it would be provided to the Governor's office and reviewed prior to publication.

**3A.
Summary of Executive
Accomplishments**

Ms. Hildebrand provided a summary of Executive Accomplishments as described on page 14 of the Board materials.

Ms. Hildebrand stated that the budget will be reviewed later in the agenda. She discussed the CAPPs transition for HR and payroll, which went live on July 15th. She noted that the transition has gone very well, and recognized Glenda, Christine, Jennifer, Nelly, Ken and Julio for their hard work on the project. Looking forward, it is expected that Finance will go through CAPPs transition in FY20. She directed to the Board to page 15 for more information about the CAPPs rollout.

Ms. Hildebrand went on to discuss NCARB items. She noted that former Board chair Alfred Vidaurri was elected as Treasurer at the annual meeting. Additionally, Ms. Hildebrand provided an update to the Board regarding the ARE. She noted that the ARE 4.0 is now completely retired, replaced by ARE 5.0. As such the exam has gone from seven divisions to six. NCARB's plan is to increase the cost of each division of the exam. But since examinees have one less division to pay for, the overall cost of ARE 5.0 will be lower than ARE 4.0.

Ms. Hildebrand also provided an update on CLARB items. She attended a Licensure Summit with Mr. Garry, which was a joint meeting between CLARB and representatives from each state ASLA organization. She stated that it was great experience that encouraged the development of good working relationships with professional associations in order to understand what their needs and concerns are, and vice versa. She gave a joint presentation with Texas ASLA representative Brent Luck, which discussed Sunset review and the respective roles of the professional association and the Board in that process. She said it was a great meeting.

The CLARB Annual meeting will be in September, which is when she will begin her two-year term as CLARB MBE Director.

Ms. Hildebrand then transitioned to a discussion of department accomplishments, as described beginning on page 22. She began by noting

that this has been a busy and active year for the agency on all fronts, from the CAPPS transition to several audits that the agency has been through over the year. But even with the busy year, she noted that the Enforcement and Registration Divisions have produced numbers that are higher than any we have had before. She attributes this to the state of the economy and the transition to ARE 5.0. For one example, by June FY 2018 we had already surpassed the number of new registrants in all of FY 2017, and in July we doubled the number of new registrants compared to the previous July. She expects to see high numbers continue over the short term, but then to reduce over time.

Ms. Hildebrand then discussed the enforcement data as described on page 23, which has also seen increases over FY 2016 and FY 2017, mostly due to the increase of referrals from TDLR.

Lastly, in the Communications Division the number of impressions have increased from last year. There have been several presentations made by employees throughout the agency.

**3B.
Operating
Budget/Scholarship
Fund: Presentation on
3rd Quarter Fiscal Year
2018
Expenditures/Revenues**

Ms. Hildebrand then provided an update on the budget for the current year, as described on page 24 of the Board materials. It appears that the agency will not need to make a draw on the fund balance. In fact, due to the increase in revenue and interest collected, the agency will be adding to the fund balance. Ms. Hildebrand stated that registration income was higher than expected.

Ms. Dockery noted that the increased interest received this year was so much more than what the agency has received in the past. Mr. Anastos asked whether the return was interest rate dependent. Ms. Hildebrand stated that the agency had asked the Comptroller's office about the increase in interest received, but that there has not been a really good explanation for the increase. Mr. Liles said the Comptroller is cautious about discussing how they earn interest.

Mr. Davis asked whether the Comptroller handles the funds, which Ms. Hildebrand confirmed.

Ms. Hildebrand then discussed agency expenditures. Ms. Hildebrand stated that expenditures are in line with previous years. Board travel has been down because there have been vacancies and the presence of local board members who have lower travel costs.

Ms. Hildebrand stated that the IT upgrades are going to be over budget this year due to costs related to servers.

Ms. Hildebrand briefly discussed the scholarship fund balance, as described on page 25 of the Board materials.

**3D.
Report on the Status,
Training and On-
Boarding of New Board
Members**

Lastly, Ms. Hildebrand informed the Board that new Board members had been appointed by the Governor. She referred the Board to page 28, which includes bios for the new members. She said that she has spoken to all of them and she is planning on having the orientation in October. Ms. Salazar plans to attend the CIDQ meeting and will be trained before then. They all plan to attend the November Board meeting.

**3E.
Report on Conferences
and Meetings**

Ms. Hildebrand then provided an update to the Board on past conferences and meetings.

CLARB/ASLA Licensure Summit | *June 22-24*
NCARB Annual Business Meeting | *Jun 28-30*
METROCON18 | *Aug 8-10*

As she previously discussed, Ms. Hildebrand and Mr. Garry attended the CLARB/ASLA Licensure Summit.

Ms. Dockery and Mr. Bearden attended the NCARB Annual Business Meeting and Mr. Bearden will be serving on a committee for NCARB. Also, Ms. Dockery will be serving on the Continuing Education Committee next year.

Recently, Mr. Garry made a presentation at METROCON, with other employees present at the agency booth. Mr. Bearden also presented at the conference, as well as Alfred Vidaurri.

**3F.
Report on Upcoming
Conferences and
Meetings**

Ms. Hildebrand discussed the following upcoming conferences and meetings.

2017 CLARB Annual Meeting – *Sep 27-29*
2017 LRGV-AIA BCC Conference – *Sep 28-29*
NCARB Licensing Advisors Retreat – *Oct 1-2*
TxA Conference – *Nov 8-10*
2017 CIDQ Council of Delegates Meeting – *Nov 8-10*

Ms. Hildebrand began by stating that the CLARB Annual Meeting is in late September.

She stated that AIA Austin will be having a meeting at the Convention Center in Austin on August 23rd. Jack Stamps will be presenting the *Rock Out to TAS* concert and she is planning on attending that meeting.

Steve Ramirez, an investigator for the Board, will be presenting at the LRGV-AIA Conference on South Padre Island at the end of September.

An NCARB Licensing Advisors Retreat occurs in early October which Mike Alvarado and Jackie Blackmore are scheduled to attend.

The NCARB Member Board Chair and Member Board Executive Summit will be in October.

The TxA Conference and the CIDQ Council of Delegates Meeting are scheduled for the same dates, so she will not be able to attend the TxA Conference this year, but she will be attending the CIDQ Meeting with Rose Salazar. Therefore, she plans on attending more local AIA Austin meetings.

Ms. Dockery recognized a guest in the audience and welcomed Tim Bargainer, a Texas Landscape Architect.

**4.
Approval of the Fiscal
Year 2019 Budget**

Ms. Hildebrand directed the Board to page 30 of the Board's materials to the proposed budget for 2019. Ms. Hildebrand discussed the line items in the budget and explained the projections. Ms. Hildebrand provided specific discussion of the need to replace agency IT servers. In the past, the agency had made such expenditures all at once, in a single fiscal year. Under the current plan, the agency will make the needed improvements over the course of three years.

A MOTION WAS MADE AND SECONDED (Anastos/Walker) TO APPROVE THE FISCAL YEAR 2019 OPERATING BUDGET.

Mr. Davis suggested that the agency should consider making the server upgrades in a single year instead of over three years, given the status of the excess fund balance. He also suggested that this may not require a change to the proposed budget this year, but that it is something that should be considered in the future.

Ms. Hildebrand stated that the state of excess funds is a good problem to have, but it is certainly something that the agency needs to think about. She noted that during the 2008 recession, our revenues fell by 10%. The question is how to tailor our budget to be responsive to the large fluctuations that are inherent to the design services business cycle. She shared the conversations that she had with the Comptroller auditor regarding excess funds and whether the agency should lower fees during spikes in registration numbers, and then increase them when registrations go down. The auditor said that fees should not necessarily be lowered during boom times, but emphasized that any increases in fees need to be carefully justified. Ms. Hildebrand noted that this was good feedback to receive.

Ms. Dockery noted that the first thing that would happen in an economic downturn would be a loss of out-of-state-registrants, and that could have

a significant effect on the budget. She suggested that the Board should stick to the three year plan for IT expenditures, but revisit the issue later in the year and consider increased spending in FY 2019 if revenues have been high again.

Mr. Anastos noted that the upturn in registration numbers probably has a lot to do with the transition from ARE 4.0 to 5.0. He also expressed concern that many baby boomer registrants will be retiring in the next five to ten years, and stressed that the Board should keep this in mind in making future projections.

The chair called for the vote.

THE MOTION PASSED UNANIMOUSLY.

**5.
Enforcement Cases
Review and possibly
adopt ED's
recommendation in the
following enforcement
cases:**

Review and possibly adopt Executive Director's recommendation in the following enforcement cases:

**A. Agreed Eligibility
Orders**

Barker, Jena K. (TBAE #107-16I)

Mr. Brenton provided a summary of this matter as described on page 31 of the Board materials.

A MOTION WAS MADE AND SECONDED (Wetmore/Bearden) TO ENTER THE PROPOSED AGREED ELIGIBILITY ORDER WHICH IMPOSES A \$1,700 ADMINISTRATIVE PENALTY AND REINSTATES THE RESPONDENT'S INTERIOR DESIGN REGISTRATION PENDING PAYMENT OF THE ADMINISTRATIVE PENALTY AND ALL REQUIRED REGISTRATION AND RENEWAL FEES.

In response to an inquiry by Ms. Dockery, Mr. Brenton noted that, under the Board's rules, a person who surrenders a registration has five years from the date of surrender to reinstate the registration without taking the examination. Because Respondent is within that window, she is not required to re-take the examination.

THE MOTION PASSED UNANIMOUSLY.

Traywick, Keith T. (#091-13A)

Mr. Brenton provided a summary of this matter as described on page 38 of the Board materials.

A MOTION WAS MADE AND SECONDED (Davis/Bearden) TO ENTER THE PROPOSED AGREED ELIGIBILITY ORDER WHICH IMPOSES A \$1,700 ADMINISTRATIVE PENALTY AND ALLOWS THE RESPONDENT'S ARCHITECT REGISTRATION TO BE PLACED ON ACTIVE STATUS PENDING PAYMENT OF THE ADMINISTRATIVE PENALTY AND ALL REQUIRED REGISTRATION AND RENEWAL FEES.

B. TDLR Cases:

Howell, David B. (#232-17A)

Mr. Brenton provided a summary of this matter as described on page 45 of the Board materials.

A MOTION WAS MADE AND SECONDED (Bearden/Anastos) TO ENTER AN ORDER WHICH ADOPTS THE FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ADMINISTRATIVE PENALTY OF \$1,000 AS SET FORTH IN THE REPORT AND NOTICE OF VIOLATION DATED JUNE 4, 2018.

Reagan, Charles J. (#181-18A)

Mr. Brenton provided a summary of this matter as described on page 46 of the Board materials.

A MOTION WAS MADE AND SECONDED (Bearden/Anastos) ENTER AN ORDER WHICH ADOPTS THE FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ADMINISTRATIVE PENALTY OF \$1,000 AS SET FORTH IN THE REPORT AND NOTICE OF VIOLATION DATED MAY 3, 2018.

CE Cases:

The Board considered and voted upon the continuing education cases as a group, with the exception of one matter which required recusal.

A MOTION WAS MADE AND SECONDED (Davis/Anastos) TO ENTER ORDERS WHICH ADOPT THE FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ADMINISTRATIVE PENALTIES AS SET FORTH IN THE REPORTS AND NOTICES OF VIOLATION FOR EACH OF THE FOLLOWING CONTINUING EDUCATION CASES:

Dietz, Andrea H. (#348-18A)

Lantz, Karen (#293-18A)

LeMaster, Jonathan R. (#351-18A)

Libby, Grant C. (#347-18A)

Martinec, Dinah J. (#297-18I)

Pennoyer, Peter M. (#349-18A)

Ragland, Frank W. (#288-18A)

Sing, Emily E. (#192-18A)

Standefer, Sandra K. (#350-18I)

Taliaferro, Bethany H. (#299-18I)

THE MOTION PASSED UNANIMOUSLY.

The Board then considered Case Number 024-18L, concerning Linda D. Steinbrueck.

Mr. Anastos, Mr. Bearden, and Ms. Dockery recused themselves from consideration of this matter due to a personal relationship with Ms. Steinbrueck relating to Board service.

Ms. Dockery relinquished the Chair to Chad Davis.

Mr. Davis stated that he would entertain a motion to hear the case involving Ms. Steinbrueck.

A MOTION WAS MADE AND SECONDED (Wetmore/Walker) TO ENTER AN ORDER WHICH ADOPTS THE FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ADMINISTRATIVE PENALTY OF \$700 AS SET FORTH IN THE REPORT AND NOTICE OF VIOLATION DATED JULY 19, 2018. THE MOTION PASSED UNANIMOUSLY.

Ms. Dockery reassumed the chair.

**6.
Board's Review and
Consideration of CLARB's
Revised Draft Model Law
and Regulations**

Ms. Hildebrand presented and discussed CLARB's Revised Draft Model Law and Regulations, as described beginning on page 63.

Mr. Davis noted that this has been a five year process for CLARB, and that he is in support of the action and appreciates the hard work that CLARB put into it.

A MOTION WAS MADE AND SECONDED (Anastos/Wetmore) TO ALLOW CHAD DAVIS TO VOTE ON BEHALF OF THE BOARD TO APPROVE CLARB'S REVISED DRAFT MODEL LAW AND REGULATIONS. THE MOTION PASSED UNANIMOUSLY.

**7.
Approval of the
Proposed 2019 Board
Meeting Dates**

Ms. Dockery stated that the following dates are proposed for the 2019 Board meetings:

Thursday, February 21, 2019
Thursday, June 13, 2019
Thursday, August 15, 2019
Tuesday, November 19, 2019

A MOTION WAS MADE AND SECONDED (Anastos/Bearden) TO APPROVE FUTURE BOARD MEETING DATES. THE MOTION PASSED UNANIMOUSLY.

**8. Approval of
Resolution Honoring:
Sonya Odell and Paula
Ann Miller**

Ms. Dockery read the proclamation to the Board regarding Sonya Odell.

Be it known that Sonya B. Odell, FASID, RID, AAHID, has distinguished herself through her dedicated and conscious service as a member of the

Board from 2011 through 2018, having been appointed by Governor Rick Perry; and during her term having served as Vice-Chairwoman of the Board, as Chair and a member of the Rules Committee, and as Chair of the Executive Director Performance Review Committee; and

Whereas, Ms. Odell received a Master of Science in Design from The University of Tennessee and a Bachelor of Science in Interior Design from The University of Alabama; and

Whereas, Ms. Odell has served the public and further distinguished herself by serving on the Foundation for Interior Design Education Research (now CIDA – Council for Interior Design Accreditation) committee both as a visitor and as a Chair of the Accreditation Teams; and

Whereas, Ms. Odell has served as a Board of Regent on the American Academy of Healthcare Interior Designers for her volunteer work for the profession and for her mentorship to students and young professionals; and

Whereas, Ms. Odell was elevated to Fellowship in the American Society of Interior Designers and recognized with the Lifetime Award in 2017,

Now, Therefore, Be it Resolved, that the Texas Board of Architectural Examiners, in Formal Meeting assembled the 21st Day of August, 2018, does publicly acknowledge its appreciation of outstanding Board service and has voted unanimously for the Resolution of Commendation to Sonya B. Odell, FASID, RID, AAHID, and has caused a copy of the Resolution to be included within the Minutes of the Board.

A MOTION WAS MADE AND SECONDED (Anastos/Davis) TO APPROVE THE RESOLUTION OF SONYA ODELL. THE MOTION PASSED UNANIMOUSLY.

Ms. Dockery read the proclamation to the Board regarding Paula Ann Miller.

Be it known that Paula Ann Miller has distinguished herself through her dedicated and conscious service as a member of the Board from 2011 through 2018, having been appointed by Governor Rick Perry, and during her term having served as Secretary/Treasurer of the Board, as Chair of the Budget Committee, and as a member of the Executive Director Performance Review Committee; and

Whereas, Ms. Miller received a Master of Science in Accounting and a Master of Business Administration from the University of St. Thomas and a Bachelor of Science in Pre-Law from the University of Houston, is a graduate of the Owner/President Management program at Harvard Business School, and has obtained a Certificate of Educational

Achievement in Business Valuations from the American Institute of Certified Public Accountants; and

Whereas, Ms. Miller has enriched her profession and provided a service to the public through her years as President of P.A. Miller Consulting, Inc., where she provides expert testimony in all types of litigation involving accounting reconstruction, lost profit analysis, financial modeling, damages, forensic investigations and the Foreign Corrupt Practices Act; and

Whereas, Ms. Miller has served as an Advisory Board Member of the World Affairs Council of Greater Houston, a participating member of the Harvard Business School Alumni Forum, and a member of the Board of Directors and President for the Harvard Business School Club of Houston; and

Whereas, Ms. Miller has served her community as an Advisory Board member for the Texas Accountants and Lawyers for the Arts, on the Board of Trustees for the Houston Ballet, as a Board member and Treasurer of Girls Inc., and as an Advisory Board member and member of the Finance Committee, Audit Committee, and Corporate Development Committee for the Alley Theatre in Houston, Texas,

Now, Therefore, Be it Resolved, that the Texas Board of Architectural Examiners, in Formal Meeting assembled the 21st Day of August, 2018, does publicly acknowledge its appreciation of outstanding Board service and has voted unanimously for the Resolution of Commendation to Paula Ann Miller, and has caused a copy of the Resolution to be included within the Minutes of the Board.

A MOTION WAS MADE AND SECONDED (Davis/Bearden) TO APPROVE THE RESOLUTION OF PAULA ANN MILLER. THE MOTION PASSED UNANIMOUSLY.

The Board took a break at 10:23 a.m. and reconvened at 10:40 a.m.

**9.
Executive Director
Performance Evaluation**

Ms. Dockery stated that the Board would go into executive session to consider the performance evaluation of the Executive Director, under the authority of Texas Government Code §551.074.

A MOTION WAS MADE AND SECONDED (Davis/Walker) TO GO INTO CLOSED SESSION at 10:41 A.M. THE MOTION PASSED UNANIMOUSLY.

**I. Report on findings
based upon performance
evaluation**

The Board reconvened into open meeting at 11:12 a.m.

Ms. Dockery stated that there was no final action, decision or vote in the executive session. A certified agenda on the Executive Session will be made.

Ms. Dockery reported that the Board has been very pleased with Ms. Hildebrand's performance. They believe she excels at many things and is doing a very good job. Ms. Dockery noted the Board's appreciation of Ms. Hildebrand's attendance and participation in national meetings and committees. This brings national exposure and allows the Texas Board to have a voice on matters important to the regulation of our professions. Ms. Dockery also praised Ms. Hildebrand's efficient management of the agency, and said the Board is very pleased with this aspect of her performance.

She explained that the evaluation tool asks the Board to give Ms. Hildebrand three goals for the following year. First, the Board would like for her to become more involved in the statewide organizations, to seek balance with her participation in the national organizations. Second, the Board would like for her to promote group collaboration amongst the staff, delegate responsibility, integrate the staff and look at conflict resolution. Third, the Board would like her to closely monitor the upcoming legislative session, collaborate and share information with other state agencies and stakeholders, and keep the Board members apprised of legislative developments. Those are the three goals for the Executive Director for next year.

II. Consider and possibly act upon any proposed personnel action that may be proposed by the Board

A MOTION WAS MADE AND SECONDED (Davis/Walker) TO APPROVE A THREE PERCENT (3%) PAY INCREASE FOR THE EXECUTIVE DIRECTOR AND TO ACKNOWLEDGE THE THREE (3) GOALS FOR THE UPCOMING YEAR.

Ms. Dockery asked if any Board member wanted to add anything.

Mr. Bearden thanked Ms. Hildebrand and her staff for all they do for the Board. He noted that NCARB has also been very complementary of TBAE staff.

THE MOTION PASSED UNANIMOUSLY.

**10.
Upcoming Board Meeting**

The next Board meeting is scheduled for November 15, 2018.

Ms. Dockery noted that the next Board meeting is scheduled for November 15, 2018 and stated that the new Board members will be attending that meeting. At that time, she will be seeking volunteers for the committee assignments. New officers will be elected at the February meeting.

11.
Chair's Closing Remarks

Ms. Dockery stated that she is thankful to be reappointed and hopes she is doing a good job. She thanked the Executive Director and staff on the work that had been done in preparation for the meetings.

12.
Adjournment

A MOTION WAS MADE AND SECONDED (Anastos/Davis) TO ADJOURN THE MEETING AT 11:20 A.M. THE MOTION PASSED UNANIMOUSLY.

APPROVED BY THE BOARD:

DEBRA J. DOCKERY, FAIA
Chair, TEXAS BOARD OF ARCHITECTURAL EXAMINERS

Summary of Executive Accomplishments

November 15, 2018

Executive

1. I led a staff training with presentations on workplace stress, wellness, and workplace dynamics. The day was spent highlighting staff's accomplishments in FY18, recharging staff's morale, and focusing on personal wellness and teamwork. The training was a success and enjoyed by all.
2. Glenda is managing the agency's transition to CAPPS Recruit for hiring and managing employees. The time commitment will not be as intense as it was for CAPPS HR, but it will still require additional invested time.
3. The Annual Financial Report has been completed and submitted and will be part of the November Board meeting packet.

NCARB

1. I presented at the Region 3 Member Board Executive Meeting in conjunction with the Member Board Chairs and Executives Summit in October in St. Louis. The meeting was well received by the MBEs.
2. My work on the Model Law Task Force continues and includes a review of the first draft on the model law with comments for suggested revisions.

CLARB

Training for my position as the MBE Director on the Board of Directors has begun and will continue into December prior to the first board meeting.

CIDQ

Thomas Banks, CIDQ Executive Director, will attend our February Board meeting to present information to the Board regarding exam eligibility requirements for the interior designer examination and a status update for CIDQ.

Summary of Registration Department Accomplishments FY18

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Examination Applications Received	41	50	44	39	83	71	55	61	50	102	117	89
Reciprocal Applications Received	61	45	40	24	44	54	58	48	53	40	49	43
Total Applications Received	102	95	84	63	127	125	113	109	103	142	166	132
Exam Scores Received/Entered	421	325	399	434	296	464	326	480	591	384	391	263
Examination Registrations Issued	40	56	33	50	63	90	72	44	42	98	148	89
Reciprocal Registrations Issued	45	56	44	30	42	34	55	52	55	46	51	43
Total Registrations Issued	85	112	77	80	105	124	127	96	97	144	199	132
Active Architects	12,481	12,527	12,560	12,589	12,630	12,708	12,780	12,851	12,905	12,963	13,035	13,088
Active Reg. Interior Designers	3,595	3,591	3,590	3,598	3,598	3,609	3,619	3,626	3,624	3,650	3,728	3,772
Active Landscape Architects	1,565	1,578	1,584	1,586	1,593	1,607	1,613	1,621	1,624	1,634	1,639	1,642
Total Active Registrants	17,641	17,696	17,734	17,773	17,821	17,924	18,012	18,098	18,153	18,247	18,402	18,502
CE Audits Conducted	133	139	136	126	125	120	119	142	128	123	122	130
CE Audits Referred for Investigation	3	13	4	3	7	4	4	4	8	9	4	4
Approved Scholarship Applications	6	0	5	2	9	2	5	2	10	0	3	3
Certificates of Standing	7	8	15	18	24	24	14	12	6	18	17	28

Summary of Registration Department Accomplishments FY19

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Examination Applications Received	92											
Reciprocal Applications Received	54											
Total Applications Received	146											
Exam Scores Received/Entered	354											
Examination Registrations Issued	98											
Reciprocal Registrations Issued	54											
Total Registrations Issued	152											
Active Architects	13,157											
Active Reg. Interior Designers	3,815											
Active Landscape Architects	1,656											
Total Active Registrants	18,628											
CE Audits Conducted	127											
CE Audits Referred for Investigation	2											
Approved Scholarship Applications	5											
Certificates of Standing	9											

Summary of Enforcement Accomplishments FY18

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Cases Received and Opened	22	20	72	9	23	94	10	9	70	58	23	18
Cases Closed by Investigations – Total	4	3	35	16	26	92	8	8	2	68	17	35
Cases Closed by Investigations – TDLR	4	2	34	16	24	92	8	6	2	68	16	34
Cases Closed by Investigations – Other*	0	1	1	0	2	0	0	2	0	0	1	1
Cases Referred to Legal	16	6	9	20	14	13	23	13	13	8	16	16
Average Number of Days to Investigate	46	52	57	43	75	69	75	78	58	76	37	48
Notices of Violation by Legal	7	5	13	9	5	6	4	5	5	11	6	9
Voluntary Surrenders by Legal	0	0	0	0	0	0	0	0	0	0	0	0
Disciplinary Action Entered by the Board	0	0	8	0	0	20	0	0	19	0	0	15
Warnings from Executive Director	21	0	15	3	12	12	3	8	6	0	5	9
Complaints Filed at SOAH	0	0	0	0	0	1	0	0	0	1	0	0
Informal Settlement Conferences Held	0	0	0	0	0	0	0	0	0	0	0	0

*Non-jurisdictional – non-registrant worked on an exempt project, activities outside scope of practice

*Lack of evidence to support allegations

* Evidence received from a plans examiner indicated two non-registrants performed architectural services on one project. Sworn affidavits and a third party admission cleared the two of the violations and a case was filed against the confessed perpetrator.

Summary of Enforcement Accomplishments FY19

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Cases Received and Opened	4											
Cases Closed by Investigations – Total	4											
Cases Closed by Investigations – TDLR	3											
Cases Closed by Investigations – Other*	1											
Cases Referred to Legal	8											
Average Number of Days to Investigate	51											
Notices of Violation by Legal	1											
Voluntary Surrenders by Legal	0											
Disciplinary Action Entered by the Board	0											
Warnings from Executive Director	7											
Complaints Filed at SOAH	0											
Informal Settlement Conferences Held	0											

* Complainant failed to provide evidence of violation

**Texas Board of Architectural Examiners
Fiscal Year 2018 Budget
Scholarship Fund**

	FY 2018 Budget	FY 2018 Actual Sept. 1, 2017-- August 31, 2018
Operating Fund Beginning Fund Balance:	-	-
Adjusted Beginning Balance	-	-
Scholarship Fund Beginning Balance	60,244.70	
Total Beginning Scholarship Fund Balance	60,244.70	60,244.70
Revenues:		
Scholarship Fees	-	22,725.58
Total Revenues	-	22,725.58
Expenditures:		
Operating Expenditures-Scholarship Payments		23,142.30
Total Expenditures		23,142.30
Excess/(Deficiency) of Rev. over Exp.	60,244.70	59,827.98
Fund Balance	60,244.70	59,827.98

Number of Scholarships Awarded

46

Frequency per Fiscal Year----September 30, January 31, and May 31

**TEXAS BOARD OF
ARCHITECTURAL EXAMINERS**

ANNUAL FINANCIAL REPORT

For The Year Ended August 31, 2018

*Julie Hildebrand,
Executive Director*



October 1, 2018

Honorable Greg Abbott, Governor
Honorable Glenn Hegar, State Comptroller
Ursula Parks, Director, Legislative Budget Board
Lisa Collier, First Assistant State Auditor

Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the Texas Board of Architectural Examiners for the year ended August 31, 2018, in compliance with the Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in **Governmental Accounting Standards Board (GASB) 34**, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report (CAFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Kenneth Liles at (512) 305-8540.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie Hildebrand", is written over a light blue horizontal line.

Julie Hildebrand,
Executive Director

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**Combined
Financial
Statements**

UNAUDITED

TEXAS BOARD OF ARCHITECTURAL EXAMINERS (459)
 Exhibit 1 - Combined Balance Sheet/Statement of Net Assets -
 Governmental Funds
 For the Fiscal Year Ended August 31, 2018

	General Funds (Exh A-1)	Governmental Funds Total	Capital Asset Adjustments	Long-Term Liability Adjustments	Statement of Net Position
ASSETS					
Current Assets:					
Cash and Temporary Investments					
Cash on Hand					5,404.00
Cash in Bank	5,404.00	5,404.00			5,404.00
Cash in State Treasury	162,640.00	162,640.00			162,640.00
Legislative Appropriations	-	-			-
Short-term Investments (Note 3)	2,878,543.99	2,878,543.99			2,878,543.99
Interest Receivable	-	-			-
Consumable Inventories	7,780.00	7,780.00			7,780.00
Total Current Assets	<u>\$ 3,054,367.99</u>	<u>\$ 3,054,367.99</u>			<u>3,054,367.99</u>
Noncurrent Assets:					
Capital Assets:					
Depreciable, Net			292,435.87		292,435.87
Total Noncurrent Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 292,435.87</u>	<u>-</u>	<u>292,435.87</u>
Total Assets	<u>\$ 3,054,367.99</u>	<u>\$ 3,054,367.99</u>	<u>\$ 292,435.87</u>	<u>-</u>	<u>3,346,803.86</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Payables from					
Accounts Payable	27,394.18	27,394.18			27,394.18
Payroll Payable	162,640.00	162,640.00			162,640.00
Due to Other Agencies	-	-			-
Deferred Revenue	-	-			-
Employees Compensable Leave	-	-		99,320.35	99,320.35
Total Current Liabilities	<u>\$ 190,034.18</u>	<u>\$ 190,034.18</u>	<u>-</u>	<u>99,320.35</u>	<u>261,960.35</u>
Noncurrent Liabilities:					
Interfund Payable				126,995.96	126,995.96
Employees Compensable Leave				-	-
Total Noncurrent Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>126,995.96</u>	<u>126,995.96</u>
Total Liabilities	<u>\$ 190,034.18</u>	<u>\$ 190,034.18</u>	<u>-</u>	<u>226,316.31</u>	<u>388,956.31</u>
Fund Financial Statement-Fund Balances					
Fund Balances (Deficits):					
Nonspendable for:					
Inventories	\$ 7,780.00	7,780.00			7,780.00
Unassigned	-	-			-
Committed: 2315	2,856,553.81	2,856,553.81			2,856,553.81
Total fund balances	<u>\$ 2,864,333.81</u>	<u>\$ 2,864,333.81</u>			<u>2,864,333.81</u>
Total Liabilities and Fund Balance	<u>\$ 3,054,367.99</u>	<u>\$ 3,054,367.99</u>			<u>3,054,367.99</u>
Net Position					
Invested in Capital Assets			292,435.87		292,435.87
Unrestricted				(226,316.31)	(226,316.31)
Total Net Position			<u>292,435.87</u>	<u>(226,316.31)</u>	<u>2,930,453.37</u>

UNAUDITED

TEXAS BOARD OF ARCHITECTURAL EXAMINERS (459)
 Exhibit II - Combined Statement of Revenues, Expenditures, and Changes in
 Fund Balances/Statement of Activities - Governmental Funds
 For the Fiscal Year Ended August 31, 2018

	General Funds (Exh A-2)	Governmental Funds Total	Capital Asset Adjustments	Long-Term Liability Adjustments	Statement of Net Position
REVENUES					
Legislative Appropriations:					
Original Appropriations	\$ -	-			-
Additional Appropriations	-	-			-
Licenses, Fees & Permits	3,183,484.66	3,183,484.66			3,183,484.66
Interest and Investment Income	39,503.17	39,503.17			39,503.17
Sales of Goods and Services	4,063.05	4,063.05			4,063.05
Other	71,116.50	71,116.50			71,116.50
Total Revenues	<u>\$ 3,298,167.38</u>	<u>\$ 3,298,167.38</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,298,167.38</u>
EXPENDITURES					
Salaries and Wages	\$ 1,543,382.98	1,543,382.98		(187.65)	1,543,195.33
Payroll Related Costs	537,873.91	537,873.91			537,873.91
Professional Fees and Services	76,936.88	76,936.88			76,936.88
Travel	22,025.52	22,025.52			22,025.52
Materials and Supplies	54,297.43	54,297.43			54,297.43
Communication and Utilities	17,353.91	17,353.91			17,353.91
Repairs and Maintenance	1,266.08	1,266.08			1,266.08
Rentals & Leases	39,456.27	39,456.27			39,456.27
Printing and Reproduction	4,137.49	4,137.49			4,137.49
Claims and Judgements	-	-			-
Other Expenditures	233,045.74	233,045.74			233,045.74
Capital Outlay	16,739.00	16,739.00	(16,739.00)		-
Depreciation Expense	-	-	27,372.04		27,372.04
Total Expenditures/Expenses	<u>\$ 2,546,515.21</u>	<u>\$ 2,546,515.21</u>	<u>10,633.04</u>	<u>(187.65)</u>	<u>\$ 2,556,960.60</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 751,652.17</u>	<u>\$ 751,652.17</u>	<u>\$ (10,633.04)</u>	<u>187.65</u>	<u>\$ 741,206.78</u>
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	3,046,090.75	3,046,090.75			3,046,090.75
Operating Transfers Out	(3,556,090.75)	(3,556,090.75)			(3,556,090.75)
Total other financing sources and uses	<u>\$ (510,000.00)</u>	<u>\$ (510,000.00)</u>	<u>-</u>	<u>-</u>	<u>\$ (510,000.00)</u>
Net change in fund balances/net assets	<u>\$ 241,652.17</u>	<u>\$ 241,652.17</u>	<u>(10,633.04)</u>	<u>187.65</u>	<u>\$ 231,206.78</u>
Fund Financial Statement-Fund Balances					
Fund Balances--Beginning, Sept. 1, 2017	\$ 2,622,681.64	\$ 2,622,681.64			\$ 2,622,681.64
Restatements					
Fund Balances, September 1, 2017, as Restated	<u>2,622,681.64</u>	<u>2,622,681.64</u>	<u>-</u>	<u>-</u>	<u>2,622,681.64</u>
Appropriations Lapsed					
Fund Balances--August 31, 2018	<u>\$ 2,864,333.81</u>	<u>\$ 2,864,333.81</u>			<u>\$ 2,853,888.42</u>
Change in Net Position		2,864,333.81	(10,633.04)	187.65	2,853,888.42
Net Position, Sept. 1, 2017			303,068.91	(226,503.96)	76,564.95
Net Position, August 31, 2018			<u>292,435.87</u>	<u>(226,316.31)</u>	<u>\$ 2,930,453.37</u>
	0.00				

UNAUDITED

BOARD OF ARCHITECTURAL EXAMINERS (459)

Exhibit VI - Combined Statement of Net Assets - Fiduciary Funds

August 31, 2018

	Agency Funds (Exh J-1)	Total
ASSETS		
Cash in State Treasury	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES		
Accounts Payable	\$ -	-
Funds Held for Others	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>

**Notes
To The
Financial
Statements**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Not required.

NOTE 2: CAPITAL ASSETS

A summary of changes in General Fixed Assets for the year ended August 31, 2018, is presented below.

	<u>PRIMARY GOVERNMENT</u>				<u>Balance 08/31/18</u>
	<u>Balance 09/01/17</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deletions</u>	
Governmental Activities:					
Depreciable Assets					
Furniture and Equipment	34,885.47		16,739.00		51,624.47
Other Assets	492,862.32				492,862.32
Total depreciable assets					
at historical cost:	527,747.79		16,739.00		544,486.79
Less accumulated depreciation for:					
Furniture and Equipment	(21,186.78)		(4,969.24)		(26,156.02)
Other Assets	(203,492.10)		(22,402.80)		(225,894.90)
Total accumulated depreciation	(224,678.88)		(27,372.04)		(252,050.92)
Depreciable assets, net Governmental activities	303,068.91		(10,633.04)		292,435.87
Capital assets, net:	<u>\$ 303,068.91</u>	<u>\$</u>	<u>(10,633.04)</u>	<u>\$</u>	<u>\$ 292,435.87</u>

NOTE 3: DEPOSITS, INVESTMENTS, & REPURCHASE AGREEMENTS

Deposits of Cash in Bank

As of August 31, 2018, the carrying amount of deposits was zero.

Governmental Activities

<u>Cash in Bank – Carrying Value</u>	<u>\$ 5,404.00</u>
<u>Cash in Bank per AFR</u>	<u>\$ 5,404.00</u>
<u>Governmental Funds Current Assets Cash in Bank</u>	<u>\$ 5,404.00</u>
<u>Cash in Bank per AFR</u>	<u>\$ 5,404.00</u>

Investments

As of August 31, 2018, the carrying value and fair value of investments are as presented below.

Governmental Activities	Carrying Value	Fair Value
Miscellaneous Investments:		
Repurchase Agreements (Texas Treasury Safekeeping Trust)	<u>\$ 2,878,543.99</u>	<u>\$ 2,878,543.99</u>
Totals	<u>\$ 2,878,543.99</u>	<u>\$ 2,878,543.99</u>

Both cash in bank balances and repurchase agreements are held in the Texas Treasury Safekeeping Trust, where minimal risks are assumed by the agency.

NOTE 4: SHORT-TERM DEBT

Not applicable

NOTE 5: SUMMARY OF LONG TERM LIABILITIES

Changes in Long-Term Liabilities

During the year ended August 31, 2018, the following changes occurred in liabilities.

Governmental Activities	Balance <u>09/01/17</u>	<u>Additions</u>	<u>(Reductions)</u>	Balance <u>08/31/18</u>	Amounts Due Within <u>One Year</u>
Compensable Leave	\$226,503.96	\$138,231.63	(138,419.28)	\$226,316.31	\$99,320.35
Total Governmental Activities	\$226,503.96	\$138,231.63	(\$138,419.28)	\$226,316.31	\$99,320.35

Employees' Compensable Leave

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from state employment, provided the employee has had continuous employment with the state for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. An expense and liability for proprietary fund types are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

NOTE 6: BONDED INDEBTEDNESS

Non-Applicable

NOTE 7: CAPITAL LEASES

Non-Applicable

NOTE 8: OPERATING LEASE OBLIGATIONS

Non-Applicable

NOTE 9: EMPLOYEES RETIREMENT PLANS

Not Required

NOTE 10: DEFERRED COMPENSATION

Not Required

**NOTE 11: POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE
BENEFITS**

Not Required

NOTE 12: INTERFUND BALANCES

As explained in Note 1 on Interfund Activities and Balances there are numerous transactions between funds and agencies. At year-end amounts to be received or paid are reported as:

- Interfund Receivables or Interfund Payables
- Due From Other Agencies or Due to Other Agencies
- Due From Other Funds or Due to Other Funds
- Transfers In or Transfers Out.
- Legislative Transfers In or Legislative Transfers Out

The agency experienced routine transfers with other state agencies, which were consistent with the activities of the fund making the transfer. Repayment of interfund balances will occur within one year from the date of the financial statement.

Individual balances and activity at August 31, 2018, follows:

<u>Total Operating Transfers</u>	<u>Operating Transfers-In</u>	<u>Operating Transfers-Out</u>
<u>Boa8</u>		
<u>GAAP Fund 1010, Fund 1010</u>		
Agy 902, GAAP Fund 0001, Fund 0001		\$ 510,000.00
Agy 459, GAAP Fund 1010, Fund 2859	\$ 3,023,090.75	
<u>GAAP Fund 1010, Fund 2859</u>		
Agy 459, GAAP Fund 1010, Fund 1010		\$ 3,023,090.75
Agy 459, GAAP Fund 1010, Fund 3859		\$ 23,000.00
<u>GAAP Fund 1010, Fund 3859</u>		
Agy 459, GAAP Fund 1010, Fund 2859	\$ 23,000.00	
 Total Transfers	 <u>\$ 3,046,090.75</u>	 <u>\$ 3,556,090.75</u>

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

The Texas Board of Architectural Examiners is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the Board is abolished and this Act expires September 1, 2025. If abolished, the Board may continue until September 1, 2026 to close out its operations.

NOTE 14: ADJUSTMENT OF FUND BALANCES/NET ASSETS

Non-Applicable

NOTE 15: CONTINGENT LIABILITIES

Non-Applicable

NOTE 16: SUBSEQUENT EVENTS

Non-Applicable

NOTE 17: RISK MANAGEMENT

Non-Applicable

NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS

Non-Applicable

NOTE 19: THE FINANCIAL REPORTING ENTITY & JOINT VENTURE

Non-Applicable

NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Non-Applicable

NOTE 21:

Non-Applicable

NOTE 22: DONOR-RESTRICTED ENDOWMENTS

Non-Applicable

NOTE 23: SPECIAL OR EXTRAORDINARY ITEMS

Non-Applicable

NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

Non-Applicable

NOTE 25: TERMINATION BENEFITS

Not Required

NOTE 26: SEGMENT INFORMATION

Not Required

NOTE 27: SERVICE CONCESSION ARRANGEMENTS

Not Required

**NOTE 28: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
INFLOWS OF RESOURCES**

Not Required

NOTE 29: TROUBLED DEBT RESTRUCTURING

Not Required

NOTE 30: NON-EXCHANGE FINANCIAL GUARANTEES

Not Required

**Combining
Financial
Statements**

UNAUDITED

BOARD OF ARCHITECTURAL EXAMINERS (459)

Exhibit A-1 - Combining Balance Sheet - General Revenue Funds

August 31, 2018

	Operating Fund GAAP Fund 1010 Agy Fund 1010	Local Fund TTSTC GAAP Fund 1010 Agy Fund 2859	Scholarship Fund GAAP Fund 1010 Agy Fund 3859	Total
ASSETS				
Current Assets:				
Cash and Temporary Investments				
Cash on Hand				-
Cash in Bank		5,404.00		5,404.00
Cash in State Treasury	162,640.00			162,640.00
Legislative Appropriations				-
Short-term Investments (Note 3)		2,878,543.99		2,878,543.99
Interest Receivable				-
Consumable Inventories	7,780.00			7,780.00
Total Current Assets	<u>\$ 170,420.00</u>	<u>\$ 2,883,947.99</u>	<u>\$ -</u>	<u>\$ 3,054,367.99</u>
Noncurrent Assets:				
Capital Assets:				
Non-Depreciable				
Depreciable				
Furniture and Equipment				
Accumulated Depreciation				-
Other Assets				
Accumulated Depreciation				-
Total Noncurrent Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Assets	<u>\$ 170,420.00</u>	<u>\$ 2,883,947.99</u>	<u>\$ -</u>	<u>\$ 3,054,367.99</u>
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Payables from				
Accounts Payable	27,394.18			27,394.18
Payroll Payable	162,640.00			162,640.00
Due to Other Funds				-
Deferred Revenue				-
Employees Compensable Leave				-
Total Current Liabilities	<u>\$ 190,034.18</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,034.18</u>
Noncurrent Liabilities:				
Interfund Payable				
Employees Compensable Leave				-
Total Noncurrent Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>\$ 190,034.18</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,034.18</u>
Fund Financial Statement-Fund Balances				
Fund Balances (Deficits):				
Nonspendable for:				
Inventories	7,780.00			7,780.00
Unassigned				-
Committed:	(27,394.18)	2,883,947.99	-	2,856,553.81
Total fund balances	<u>\$ (19,614.18)</u>	<u>\$ 2,883,947.99</u>	<u>\$ -</u>	<u>\$ 2,864,333.81</u>
Total Liabilities and Fund Balance	<u>\$ 170,420.00</u>	<u>\$ 2,883,947.99</u>	<u>\$ -</u>	<u>\$ 3,054,367.99</u>

UNAUDITED

BOARD OF ARCHITECTURAL EXAMINERS (459)

Exhibit A-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - General Revenue Funds
For the Fiscal Year Ended August 31, 2018

	Operating Fund GAAP Fund 1010 Agy Fund 1010	Local Fund TTSTC GAAP Fund 1010 Agy Fund 2859	Scholarship Fund GAAP Fund 1010 Agy Fund 3859	Total
REVENUES				
Legislative Appropriations:				
Original Appropriations				-
Additional Appropriations				-
Licenses, Fees & Permits		3,183,484.66		3,183,484.66
Interest Revenue		39,503.17		39,503.17
Sales of Goods and Services		4,063.05		4,063.05
Other		71,116.50		71,116.50
Total Revenues	\$ -	\$ 3,298,167.38	\$ -	\$ 3,298,167.38
EXPENDITURES				
Salaries and Wages	1,543,382.98			1,543,382.98
Payroll Related Costs	537,873.91			537,873.91
Professional Fees and Services	76,936.88			76,936.88
Travel	22,025.52			22,025.52
Materials and Supplies	54,297.43			54,297.43
Communication and Utilities	17,353.91			17,353.91
Repairs and Maintenance	1,266.08			1,266.08
Rentals & Leases	39,456.27			39,456.27
Printing and Reproduction	4,137.49			4,137.49
Interest Expense	-			-
Other Expenditures	207,271.48	2,774.26	23,000.00	233,045.74
Capital Outlay	16,739.00			16,739.00
Depreciation Expense				-
Total Expenditures/Expenses	\$ 2,520,740.95	\$ 2,774.26	\$ 23,000.00	2,546,515.21
Excess (deficiency) of revenues over expenditures	\$ (2,520,740.95)	\$ 3,295,393.12	\$ (23,000.00)	\$ 751,652.17
OTHER FINANCING SOURCES (USES)				
Operating Transfers In (into USAS)	3,023,090.75	-	23,000.00	3,046,090.75
Operating Transfers Out (from TTSTC)	(510,000.00)	(3,046,090.75)		(3,556,090.75)
Total other financing sources and uses	\$ 2,513,090.75	\$ (3,046,090.75)	\$ 23,000.00	\$ (510,000.00)
Net change in fund balances/net assets	\$ (7,650.20)	\$ 249,302.37	\$ -	\$ 241,652.17
Fund Financial Statement-Fund Balances				
Fund Balances--Beginning, Sept. 1, 2017	\$ (11,963.98)	\$ 2,634,645.62	\$ -	\$ 2,622,681.64
Restatements				-
Fund Balances, September 1, 2017, as Restated	(11,963.98)	2,634,645.62	-	2,622,681.64
Appropriations Lapsed				-
Fund Balances--August 31, 2018	\$ (19,614.18)	\$ 2,883,947.99	\$ -	\$ 2,864,333.81

BOARD OF ARCHITECTURAL EXAMINERS (459)

Exhibit J-1 - Combining Statement of Changes in Assets and Liabilities - Agency Funds
 August 31, 2018

	Beginning Balance September 1, 2017	Additions	Deductions	Ending Balance August 31, 2018
Child Support Employee Deduction Fund 0807				
ASSETS				
Cash in State Treasury	\$ -			\$ -
Total Assets	\$ -	\$ -	\$ -	\$ -
LIABILITIES				
Vouchers Payable				\$ -
Funds Held for Others				\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -
Suspense Fund 0900				
ASSETS				
Cash in State Treasury	\$ -			\$ -
Total Assets	\$ -	\$ -	\$ -	\$ -
LIABILITIES				
Funds Held for Others	\$ -			\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -
Unappropriated Fund 0002				
ASSETS				
Cash in State Treasury	\$ -	\$ 23,220.00	\$ 23,220.00	\$ -
Total Assets	\$ -	\$ 23,220.00	\$ 23,220.00	\$ -
LIABILITIES				
Funds Held for Others	\$ -	\$ 23,220.00	\$ 23,220.00	\$ -
Total Liabilities	\$ -	\$ 23,220.00	\$ 23,220.00	\$ -
Total				
ASSETS				
Cash in State Treasury	\$ -	\$ 23,220.00	\$ 23,220.00	\$ -
Total Assets	\$ -	\$ 23,220.00	\$ 23,220.00	\$ -
LIABILITIES				
Vouchers Payable	\$ -			\$ -
Funds Held for Others	\$ -	\$ 23,220.00	\$ 23,220.00	\$ -
Total Liabilities	\$ -	\$ 23,220.00	\$ 23,220.00	\$ -

TEXAS BOARD OF ARCHITECTURAL EXAMINERS NEW BOARD MEMBER ORIENTATION

TBAE Large Conference Room – Suite II-350L

October 26, 2018

8:45 a.m.

AGENDA

8:45 a.m.	1. TBAE Overview <ul style="list-style-type: none"> a. Mission Statement b. Organizational Chart c. 2019-2023 Strategic Plan d. Annual Trends/Performance Measures/Budget e. 86th Legislature f. Self-directed, Semi-independent (SDSI) g. Oversight 	Julie Hildebrand
9:00 a.m.	2. Introduction & TBAE Department Overview <ul style="list-style-type: none"> a. Department descriptions and staff bios <ul style="list-style-type: none"> i. Registration ii. Enforcement iii. General Counsel/Legal iv. Operations – <i>Human Resources</i> v. Finance vi. Program Management – <i>Communications & Security</i> vii. Information Technology b. Staff directory 	Julie Hildebrand/ Managers
9:30 a.m.	3. Enabling Legislation Statute & Rules Chapter 1051 – Architects Chapter 1052 – Landscape Architects Chapter 1053 – Registered Interior Designers	Lance Brenton
	4. Role of the Board <ul style="list-style-type: none"> a. Board Member Liability b. General guidelines c. Restrictions on lobbying (Acknowledgement) d. Rulemaking e. Contested cases/Administrative Procedures Act f. Contracts 	Lance Brenton
	5. Texas Open Meetings Act/Open Records <ul style="list-style-type: none"> a. Open Meetings handbook b. Public Information Act handbook c. Robert’s Rules of Order d. Open Government Training e. Administrative Procedures Act 	Lance Brenton

TEXAS BOARD OF ARCHITECTURAL EXAMINERS NEW BOARD MEMBER ORIENTATION

TBAE Large Conference Room – Suite II-350L

October 26, 2018

8:45 a.m.

AGENDA

	<p>6. Conflict of Interest/Ethics</p> <ul style="list-style-type: none"> a. A Guide to Ethics b. The Five Standards of Conduct c. Conflicts of Interest – Recusal on the Record d. Gifts – via Ethics Commission and via Office of the Attorney General e. Activities in the Professional Associations/Faculty of Colleges & Universities f. Nepotism g. Ethics Training 	Lance Brenton
11:30 a.m.	<p>7. Board Member Meeting Administration</p> <ul style="list-style-type: none"> a. Travel Policy and Procedures b. Board Meeting Preparation c. Filing the Personal Financial Statement & Instructions d. Executive Director Annual Performance Evaluation e. Board Officers Election & Committee Appointments f. Board & Conference Materials g. New Hire/Orientation Forms 	Glenda Best
12:00 Noon	<p>8. Adjourn</p>	Julie Hildebrand

Dates of Interest for the 86th Regular Legislative Session

Bill pre-filing begins: November 12, 2018

1st day of session: January 8, 2019

60-day bill filing deadline: March 8, 2019

Adjournment sine die: May 27, 2019

Post-session 20-day deadline for governor to sign or veto: June 16, 2019

Effective date (91st day after adjournment): August 26, 2019

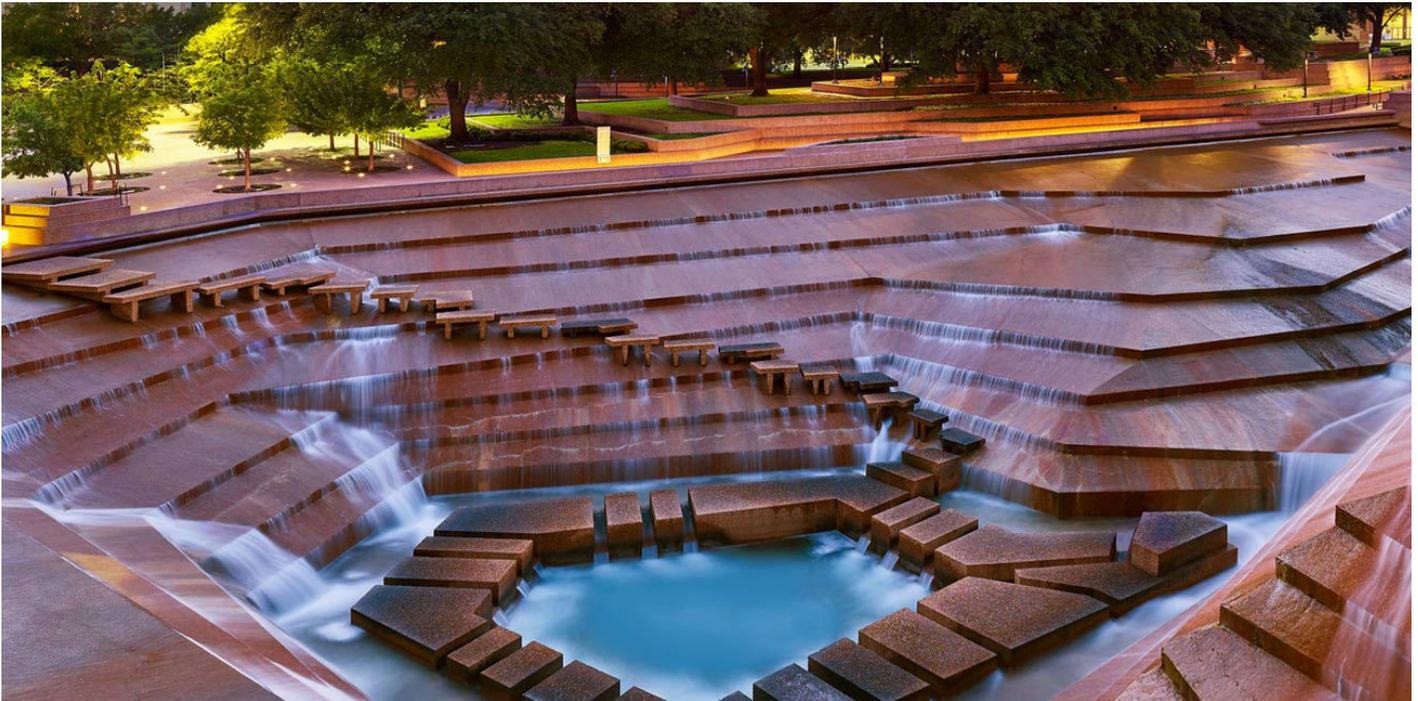
MBEs Responsibilities

1. Discuss legislative session with the Legislative Review Committee Chair and determine need for meetings and reporting procedures
2. Set meetings with stakeholders prior to the first day of session
3. Review filed bills and report relevant bills as determined by the Legislative Review Committee
4. Track the progression of relevant bills and report such progression to board members as determined by the Legislative Review Committee
5. Respond to legislative requests in a timely manner



TEXAS Board of
Architectural Examiners
Architects • Landscape Architects • Registered Interior Designers

ANNUAL REPORT ON TRENDS: 2018



For the past few years, TBAE staff have compiled and presented annual trends and statistics to the Board during its autumn meeting. We are pleased this year to do the same, with an eye toward succinctness and ease of understanding. And as always, it is the agency's intention to provide this report not only to the Board, but to the agency's stakeholders, interested parties, and to the people who live, work, and play in the built environment of Texas. As a result, you will find clear and simple representations of agency trends, organized into

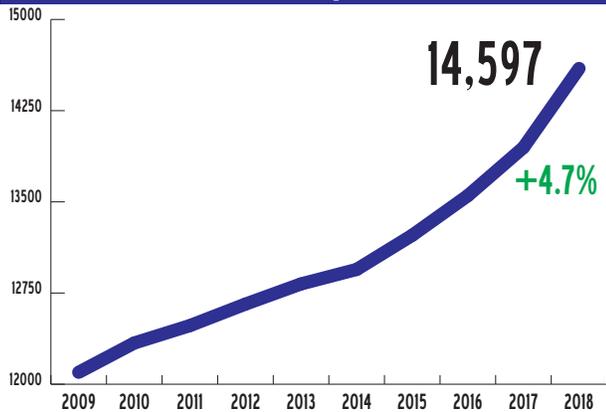
color-coded groupings by broad topic. Content accented in blue touches on registration and licensing. Red content is about enforcement. Finally, green content regards the agency's financial and administrative operations.

The graphical representations in this report are crafted to illuminate agency trends concisely and simply. We hope you find this report enlightening and useful, and as always, we're available to answer questions.

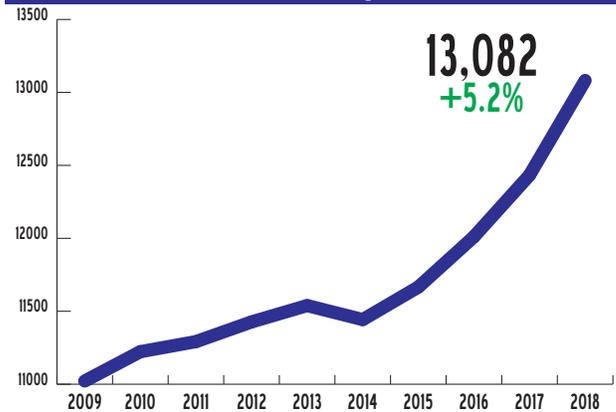
Architect registrants

- 4.7 percent overall growth is the sharpest uptick in architects during the charted timeframe

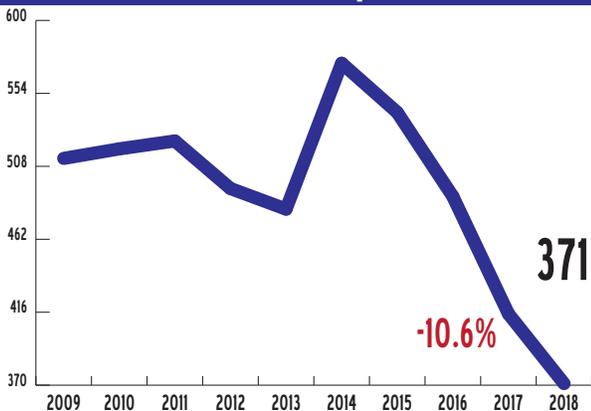
All Architects by Fiscal Year



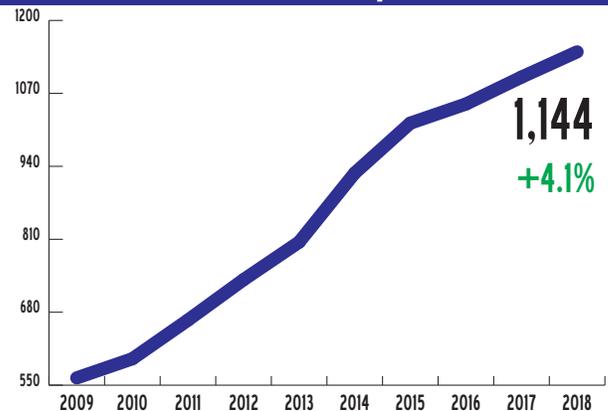
Active Architects by Fiscal Year



Inactive Architects by Fiscal Year



Emeritus Architects by Fiscal Year

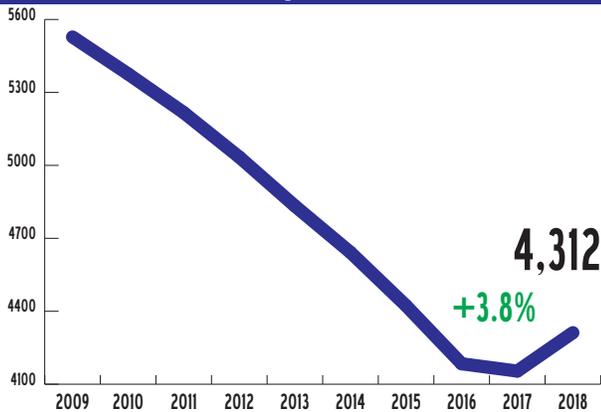


Data for the graphs above come from the agency's in-house database. These visuals are intended to provide an idea of recent trends at a glance, rather than in great detail.

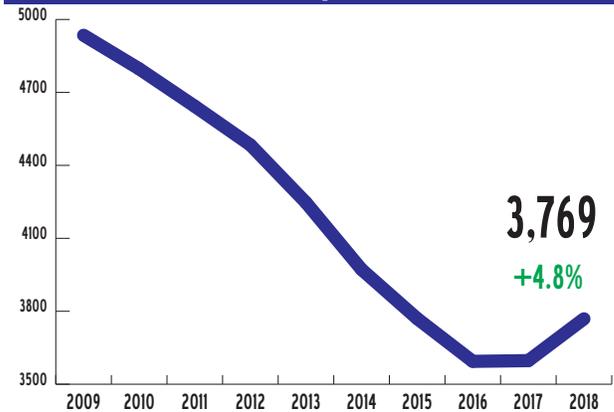
RID registrants

- The first uptick in RID registrants in many years

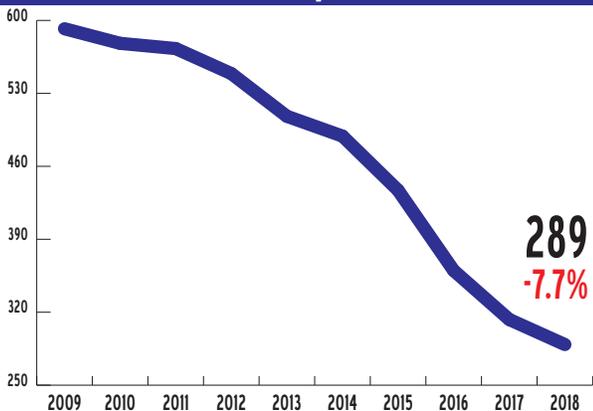
All RIDs by Fiscal Year



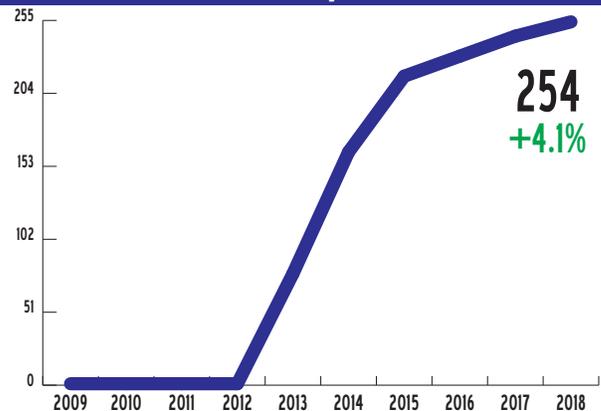
Active RIDs by Fiscal Year



Inactive RIDs by Fiscal Year



Emeritus RIDs by Fiscal Year

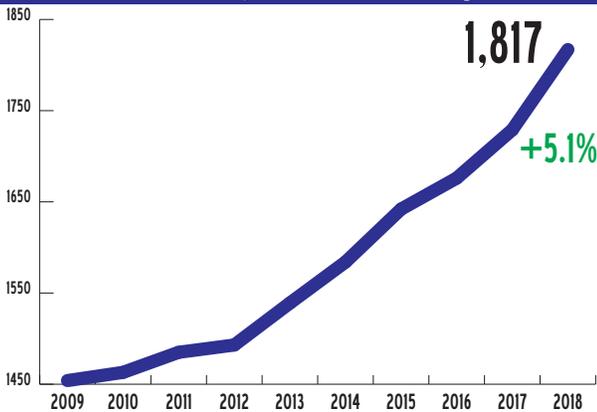


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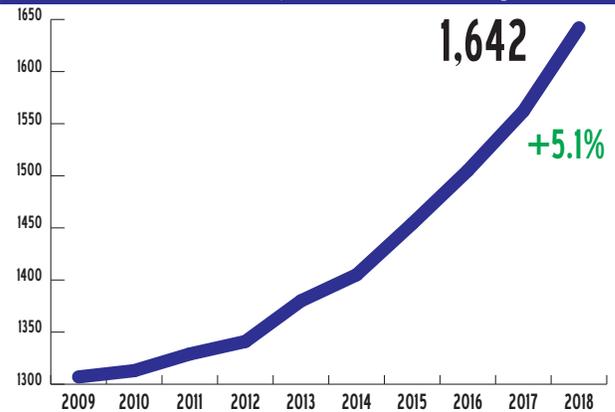
Landscape architect registrants

- Landscape Architect registrant counts have increased every year in recent memory

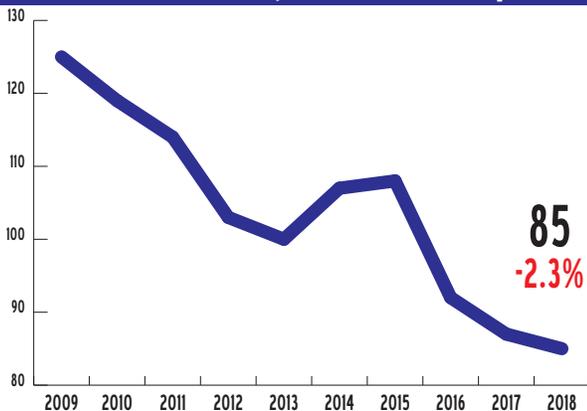
All Landscape Architects by FY



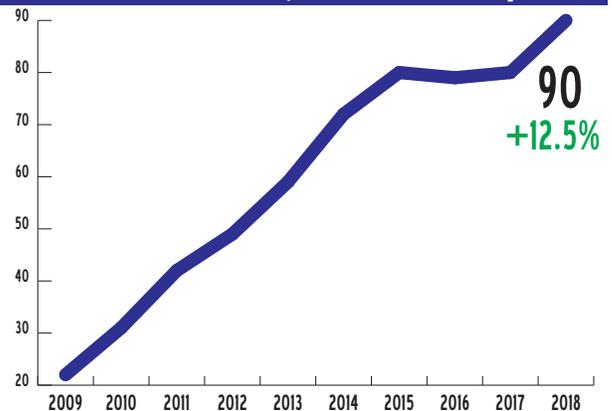
Active Landscape Architects by FY



Inactive Landscape Architects by FY



Emeritus Landscape Architects by FY

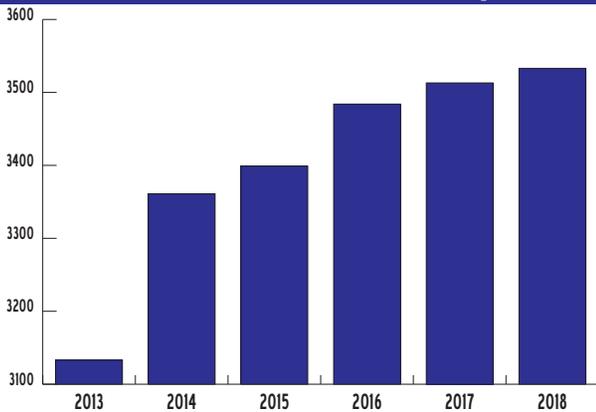


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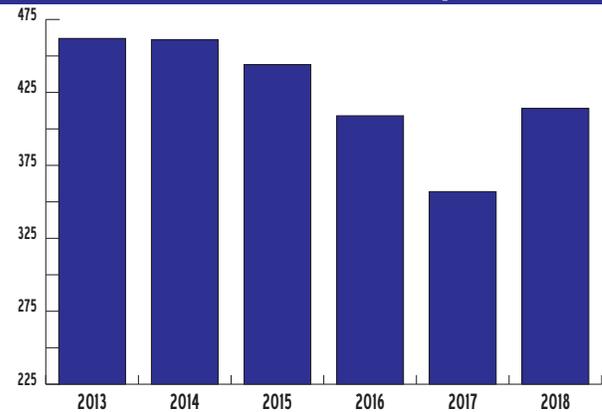
Exam Candidates

- Strong numbers for registration candidates overall

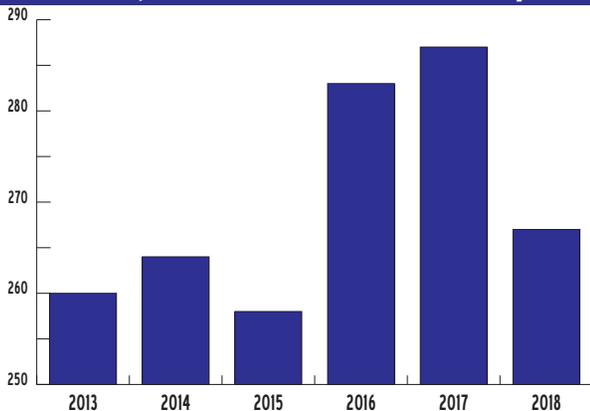
Architect exam candidates by FY



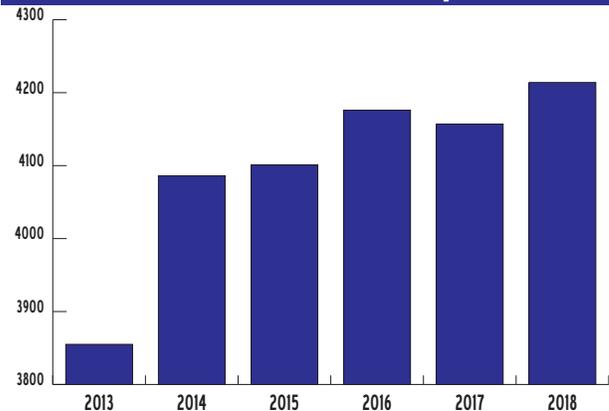
RID exam candidates by FY



Landscape Architect exam cand. by FY



All exam candidates by FY

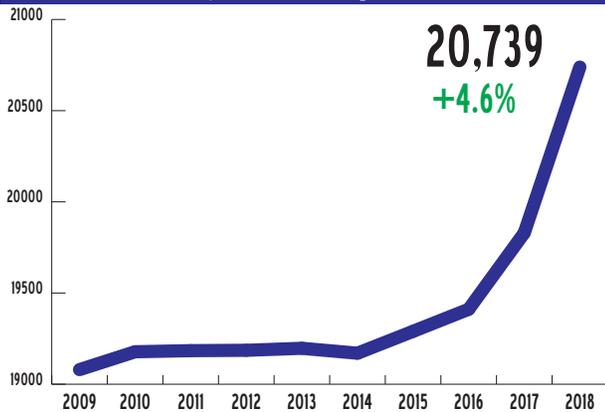


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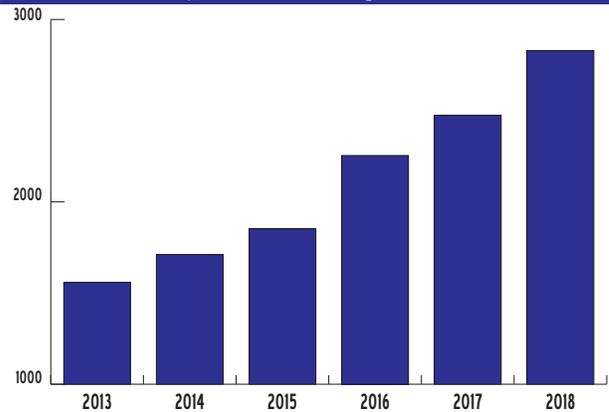
Licensing odds & ends

- Continued growth in registration and efficiency in agency processes

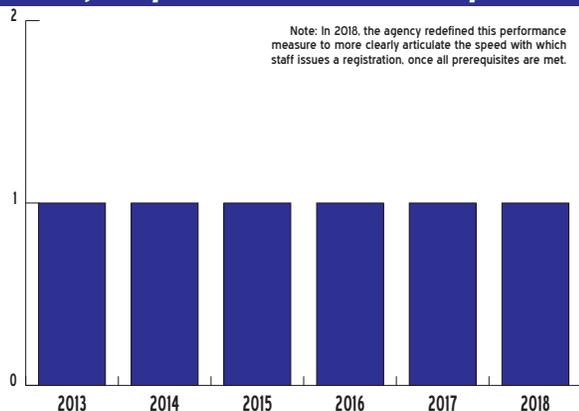
Total Registrants by Fiscal Year



Firm registrations by Fiscal Year



Avg. days to issue a license by FY

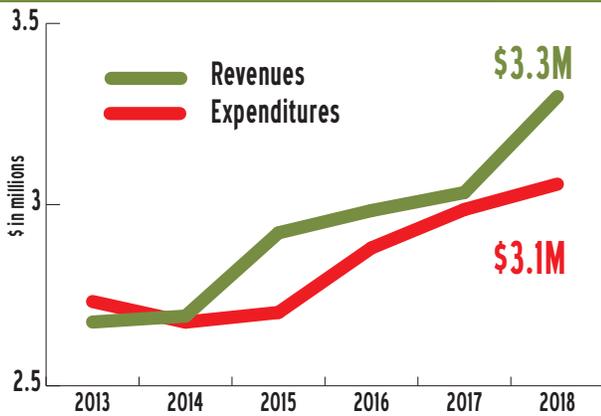


Data for the graphs on this page come from various agency sources. These visuals are intended to provide an idea of recent trends at a glance, rather than in great detail.

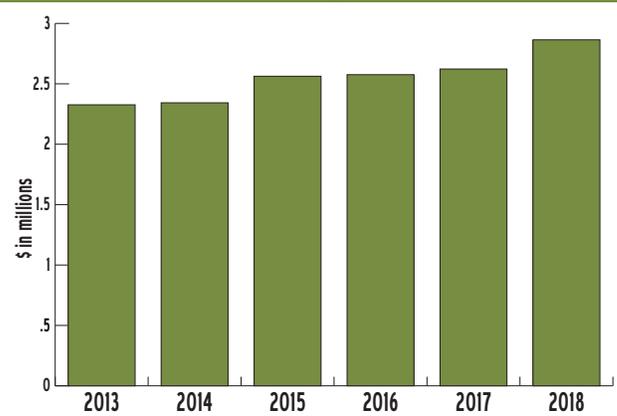
Staffing, Finance, Administration

- Registration growth promotes healthy finances

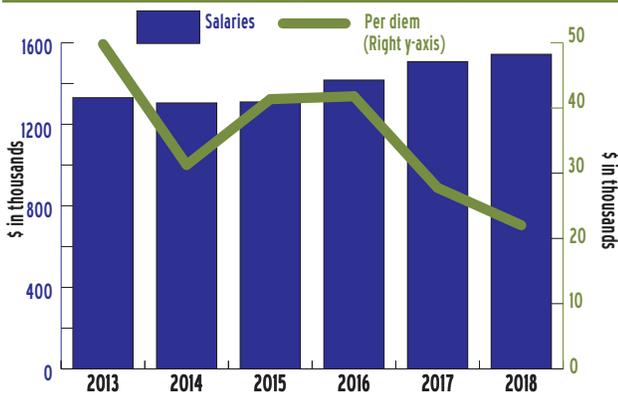
Revenues and expenditures by FY



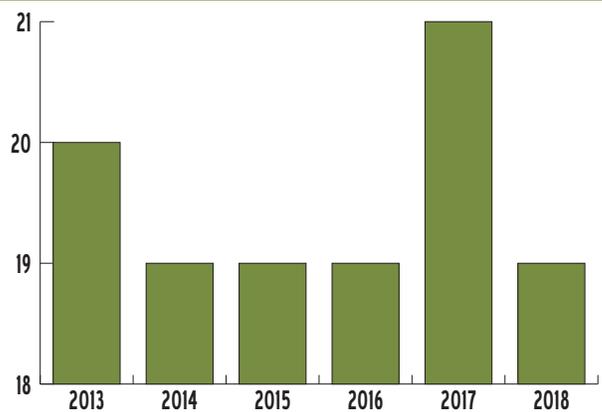
Fund balance by Fiscal Year



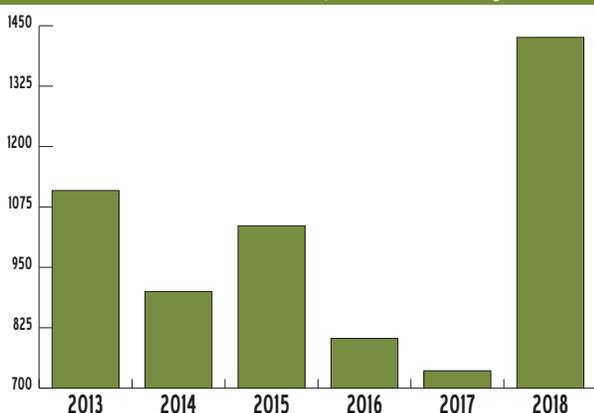
Salaries and per diem by FY



Full-time employees by FY



Communications impressions by FY

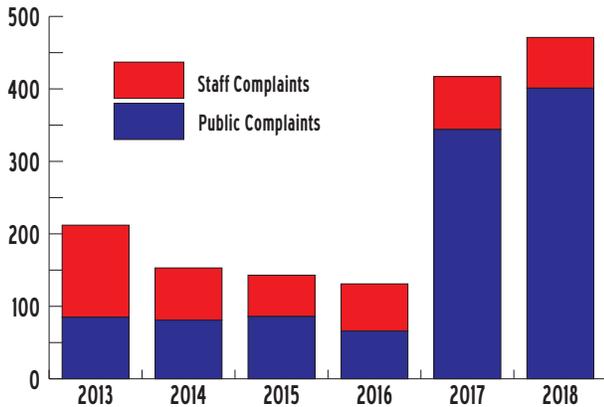


Data for the graphs on this page come from multiple agency sources. These visuals are intended to provide an idea of recent trends at a glance, rather than in great detail.

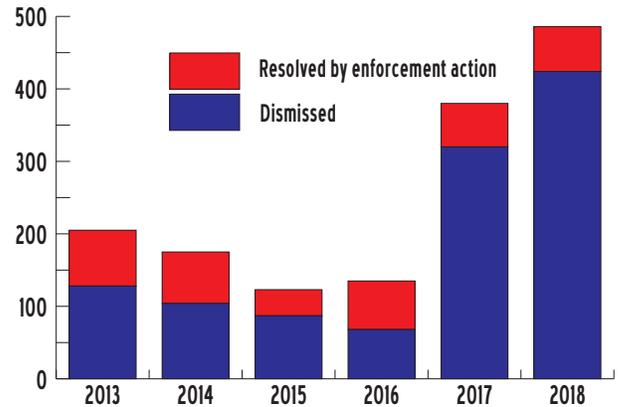
Investigations and Enforcement

- Large uptick in complaints received due to TDLR referrals; most are first offenses, resolved with a Warning Letter
- Case resolution time is one-third of what it was in 2014

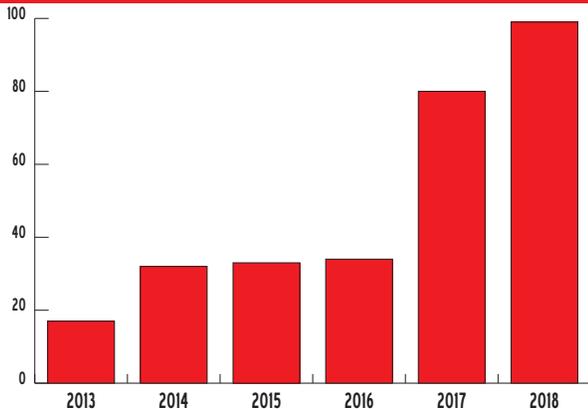
Complaints from the public/staff



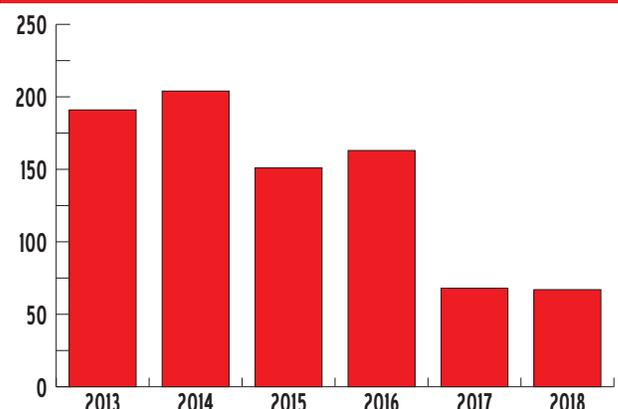
Cases Dismissed/Acted Upon



Voluntary compliance cases by FY



Days to case resolution by FY

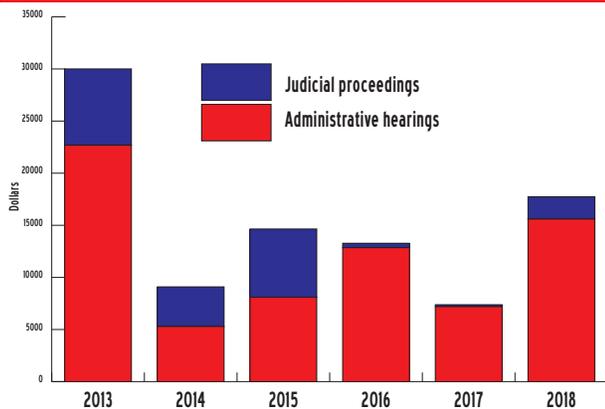


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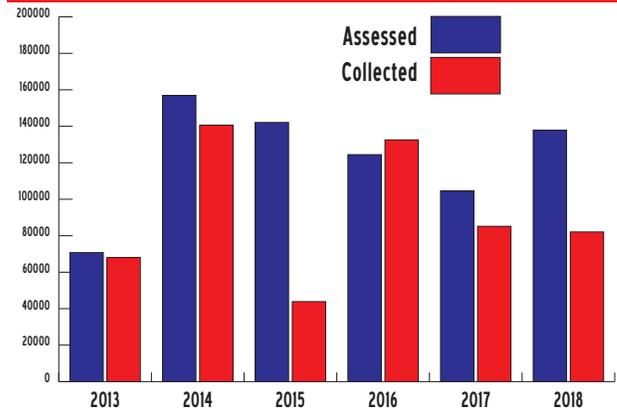
Investigations and Enforcement

- Beginning in FY 2014, all administrative penalties go to the State's general revenue fund

Litigation costs by Fiscal Year



Administrative penalties by FY in \$



Data for the graphs above come from the agency's in-house database. These visuals are intended to provide an idea of recent trends at a glance, rather than in great detail.



TEXAS Board of
Architectural Examiners
Architects ■ Landscape Architects ■ Registered Interior Designers

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