

**APPRAISAL SUBCOMMITTEE-FFIEC  
QUARTERLY MEETING MINUTES  
SEPTEMBER 25, 2024**

LOCATION: Webex

**ATTENDEES**

**MEMBERS:** CFPB – Zixta Martinez (Chair)  
FDIC – Luke Brown (Vice Chair)  
HUD – Elizabeth Davis  
NCUA – Viki Nahrwold  
OCC – Enice Thomas

**ALTERNATES:** CFPB – David Bleicken  
FDIC – Tom Lyons  
FHFA – Julie Giesbrecht  
FRB – Keshia King  
HUD – Brian Barnes  
NCUA – Ian Marena  
OCC – Jim Rives

**STAFF:** Executive Director – Jim Park  
Compliance Manager – John Brenan  
General Counsel – Matt Ponzar  
Grants Director – Rae Frederique  
Financial Manager – Girard Hull  
Attorney Advisor – Ada Bohorfoush  
Attorney Advisor – Natalie Lutz  
Grants Management Specialist – Karla Cisneros  
Management and Program Analyst – Lori Schuster  
IT Project Manager – Brian Kelly  
Administrative Assistant – Oteal Griffin  
Policy Manager – Tom Lewis  
Policy Manager – Jonny Stewart  
Program Manager – Kelly Luteijn

**OBSERVERS:** See attached list.

The Meeting was called to order at 10:01 a.m. by Chair Z. Martinez.

## REPORTS

- **Chair**

Z. Martinez welcomed attendees to the meeting and introduced the new General Counsel Matt Ponzar.

- **Executive Director**

J. Park updated the ASC on recent staff activity as noted below.

- As a result of the Dodd-Frank Act, the ASC established and manages the Appraisal Complaint Hotline. The ASC was also given additional grant-making authority, holds quarterly meetings in open session and has seen increased Compliance Review responsibilities.
- The ASC Board is concerned about appraisal bias and looking at ways to increase diversity in the real estate appraisal profession.
- ASC staff are working with a contractor on an organizational review; the review findings should be finalized by the end of October.
- ASC staff are working with its IT vendor to develop an IT modernization project. A proposal should be received in the next few months. He recognized B. Kelly for his contributions to this project.
- He thanked Appraisal Foundation President Kelly Davids for working with ASC staff. He noted that the Board does have concerns regarding the Proposed Standards of Conduct and Ethics.

- **Compliance Reviews**

J. Brenan provided an update on the Compliance Review Program since the June 12 quarterly meeting. There were 5 State Appraiser Program Compliance Reviews, and 5 State Appraisal Management Company (AMC) Program Compliance Reviews completed. They were all issued by the Executive Director under the delegation of authority. Three Appraiser Programs received a finding of Excellent. Those States are Iowa, Montana, and Texas. Two Appraiser Programs, Maine and Wisconsin, received a finding of Good. The Appraiser Programs' top concerns fall under timely issuance of temporary practice permits; timely payment of National Registry invoices; timely resolution of enforcement cases; and adequately documented application processes. Two AMC Programs, Iowa and Texas, received a finding of Excellent. Three AMC Programs received a finding of Good. Those States are Maine, Montana, and Wisconsin. The top concerns for the AMC Programs fall under Statutes and Regulations; failing to require State-registered AMCs to provide written notice when removing appraisers from the appraiser panel; requiring federally regulated AMCs to register with the State; failing to enforce and document ownership limitations for registered AMCs; and timely payment of National Registry invoices. Currently there are 17

Appraiser and 13 AMC State programs that are in various stages of a Compliance Review. Despite these reviews, ASC staff have noticed a trend in States having difficulties following the COVID pandemic.

- **Grants Program**

R. Frederique provided a grants update to the Board. She gave an update on the Notice of Funding Availability (NOFA) for State Agency Regulatory Support Grants (SARAS) and the NOFA for the Appraisal Foundation (TAF). Regarding the SARAS NOFA, the first deadline was June 3. Nine viable State applications were received. Six were applications from returning States and three were brand new State applicants. The second-round deadline was September 4. Six viable applications were received where three were from returning State recipients and three were brand new State applicants. Round one awards are being sent out to the States and a final report announcing all the grant recipients will be posted on the ASC website by September 30, 2024. Post-award kick-off meetings for round one are being scheduled and will cover grant expectations and allow grantees to ask questions. Round 2 grants will be awarded in the first quarter of FY25.

TAF submitted an application in response to the TAF NOFA. ASC staff hopes to award that grant by September 30, 2024.

- **Financial Manager**

G. Hull gave an overview of the mid-year financial status as of June 30, 2024. Regarding revenue, the ASC has recognized total revenue of \$7,300,000 with \$3,000,000 coming from Appraiser Registry fees and \$4,300,000 for AMC Registry fees. As to expenses, the ASC has incurred total expenditures amounting to \$5,400,000 thereby resulting in net income of \$1,900,000. At this time, ASC staff does not anticipate incurring any extraordinary or unusual expenses that would adversely affect the ASC Fiscal Year 2024 budget.

- **Notation Vote**

L. Schuster reported on the notation vote that occurred since the June 12, 2024, quarterly meeting.

- The ASC approved authorizing funds totaling \$83,500 to extend the IT Services contract with Easy Dynamics Corporation for two additional months from October 1 to November 30, 2024. This was approved by a 6-0 vote on August 28, 2024. A vote was not received from the FDIC.

## **ACTION ITEMS**

- **June 12, 2024 Quarterly Meeting Minutes**

Z. Martinez asked for a motion to approve the June 12 quarterly meeting minutes. E. Thomas made a motion to approve the June 12 quarterly meeting minutes as presented. E. Davis seconded and all members present voted to approve.

- **Policy on Monitoring and Reviewing the Appraisal Foundation**

Z. Martinez noted that this item has been tabled.

- **Fiscal Year 20225 (FY25) ASC Budget Proposal**

J. Park presented the FY25 budget proposal. The revenue for FY25 will be slightly above FY24 revenue (\$10,729,630 vs. \$10,367,123). Expenses for FY25 are expected to be \$12,220,940. That breaks out to be \$7,670,940 for operating expenses and \$4,550,000 for grants. G. Hull said that ASC staff addressed board questions and revised the budget accordingly. The proposed additional staff were reduced, which led to reductions in staff travel, compensation, and supplies. Costs for the IT modernization were removed from the budget. E. Thomas moved to approve the FY25 ASC budget proposal as presented. L. Brown seconded and all members present voted to approve.

Z. Martinez thanked ASC members, ASC staff and observers for attending today's meeting. The meeting was adjourned at 10:25 a.m. The next quarterly ASC meeting is scheduled for November 20, 2024.

Attachment: Observer list

<b>Meeting:</b>	<b>Appraisal Subcommittee Quarterly Meeting</b>	<b>Meeting Date:</b>	September 25, 2024
<b>Contact:</b>	Lori Schuster	<b>Location:</b>	Webex
<b>Time:</b>	10:00 AM ET	<b>Alternate Contact:</b>	Brian Kelly

Affiliation	Name
Aberdeen Appraisal, LLC	Amy Frink
AltaView Advisors	Craig Turner
American Society of Farm Managers and Rural Appraisers	Deanna Ilk
Appraisal Foundation	JoEllen Alberts
Appraisal Foundation	Kelly Davids
Appraisal Foundation	Aida Dedajic
Appraisal Foundation	Edna Nkemngu
Appraisal Foundation	Amy Timmerman
Appraisal Foundation Board of Trustees	Frank Gregoire
Appraisal Institute	Scott DiBiasio
Appraisal Institute	Brian Rodgers
Citibank	Gary Schlittler
Coley Appraisal Company	Marcella Coley
Consumer Financial Protection Bureau	Deana Krumhansl
Consumer Financial Protection Bureau	Ericka McDonald
Consumer Financial Protection Bureau	Nina Ye
Council on Licensure, Enforcement and Regulation	David Byerman
Federal Deposit Insurance Corporation	Erin Barry

Affiliation	Name
Federal Deposit Insurance Corporation	Patrick Mancoske
Federal Deposit Insurance Corporation	Mark Mellon
Federal Deposit Insurance Corporation	Nefertete Smith
Federal Deposit Insurance Corporation	Lauren Whitaker
Federal Deposit Insurance Corporation	Meron Wondwosen
Federal Housing Finance Agency	Hanna Pitz
Federal Reserve Board	David Imhoff
Federal Reserve Board	Devyn Jeffereis
Federal Reserve Board	Anthony Sarver
Federal Reserve Board	Derald Seid
Florida Department of Business and Professional Regulation	Randel Frimet
C. L. Harper Associates	Cathy Harper
Minnesota Department of Commerce	Erin Dixson
MyAMC	Laurie Egan
National Association of Realtors	Keisha Wilkinson
National Credit Union Administration	Rachel Ackmann
National Credit Union Administration	Gira Bose
Office of the Comptroller of the Currency	Carolle Cantwell
Office of the Comptroller of the Currency	Kevin Lawton
Office of the Comptroller of the Currency	Carrie Longo
Office of the Comptroller of the Currency	Marta Stewart-Bates
Real Estate Valuation Advocacy Association	Mark Schiffman

Affiliation	Name
Steinley Real Estate Appraisals and Consulting	Craig Steinley
Stonington Realty	Debra Chiappetta
TD Bank	Mike Hilton
Wells Fargo	Patrice Hemken
	John Schultz, Jr.