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Appraisal Subcommittee

Federal Financial Institutions Examination Council

January 31, 2003

James M. Hughes, Deputy Director
Department of the Interior
Bureau of Land Management
Washington, DC 20240

Dear Mr. Hughes:

We have received your January 13, 2003 letter, in which you asked the Appraisal Subcommittee (“ASC”) to provide staff expertise to the Bureau of Land Management (“BLM”) for an upcoming project. Specifically, you requested that the ASC allow Kathryn Gearheard, Senior Appraisal Policy Manager, to participate in an independent working group. The purpose of the working group is to evaluate recommendations made by the Office of the Inspector General, the General Accounting Office, and the Appraisal Foundation regarding BLM land exchange and appraisal processes. The group’s charge will be to assess how best to reorganize, re-delegate, or otherwise revamp current BLM appraisal functions and exchange programs so that they will operate with professional excellence and integrity.

ASC Executive Director Ben Henson spoke with you regarding your request by telephone on January 27th. You explained that BLM was putting together a working group composed of two subgroups: one to focus on appraisal issues; and another to focus on land exchange issues. Mr. Henson questioned the time commitment requested. You explained that only two meetings were planned: a two-day meeting in Washington, DC, on February 4-5, 2003; and a five-day meeting in Phoenix, AZ, on March 3-7, 2003. You stated that any further involvement by ASC staff would be limited to occasional emails and/or telephone calls. As noted in your letter, BLM will pay all travel costs.

Given these understandings, we are happy to allow Mr. Gearheard to participate in your working group. You or your staff may contact her directly to make any necessary arrangements. Ms. Gearheard will keep Mr. Henson briefed on her participation in the group. Should any of the terms discussed above change, please notify Mr. Henson immediately so that he may evaluate Ms. Gearheard’s further participation in the group.

Sincerely,

Steven D. Fritts
Chairman