

■   ■   ■   ■   ■   ■   ■

**Appraisal Subcommittee**  
*Federal Financial Institutions Examination Council*

July 27, 2016

Ms. Christine Martine, Executive Director  
Virginia Real Estate Appraiser Board  
Department of Professional and Occupational Regulation  
9960 Mayland Drive, Suite 400  
Richmond, VA 23233

RE: Appraisal Subcommittee Staff Follow-Up Review

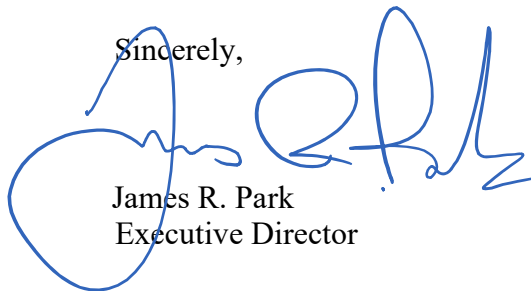
Dear Ms. Martine:

Thank you for your cooperation and your staff's assistance in the July 6, 2016, Appraisal Subcommittee (ASC) staff Follow-up Review. This was a Follow-up Review of the August 11-13, and 18, 2015 ASC Compliance Review of the Virginia appraiser regulatory program.

As detailed in the attached Follow-up Report, Virginia made progress in one of the two non-compliance concerns identified in the August 2015 Compliance Review Report.

This letter and the attached Follow-up Report are public record and available on the ASC website in accordance with the Freedom of Information Act. Please contact us if you have any questions.

Sincerely,



James R. Park  
Executive Director

Attachment

cc: Mr. Jay DeBoer, DPOR Director  
Mr. Jeffrey Williams, Board Administrator

ASC Staff Follow-Up Report: 2015 Compliance Review

<b>Virginia Appraiser Regulatory Program (State)</b>										
<b>Virginia Real Estate Appraiser Board (Board) / Decision Making</b>				<b>Follow-Up Review Date: July 6, 2016</b>		<b>Follow-Up Report Issue Date: July 27, 2016</b>				
<b>Umbrella Agency: Department of Professional and Occupational Regulation (DPOR)</b>				<b>ASC Compliance Review Date: August 11-13 &amp; 18, 2015</b>		<b>PM: J. Tidwell</b>				
<b>Follow-Up of Compliance Review Report Dated: December 8, 2015</b>				<b>ASC Finding: Needs Improvement</b>						
<b>Applicable Federal Citations</b>										
		<b>ASC Staff Assessment</b> Compliance (YES/NO) Areas of Concern (AC)			<b>Required/Recommended State Actions from the December 8, 2015 Compliance Review Report</b>		<b>Status as of July 6, 2016 Follow-Up</b>		<b>Further Required Actions/Comments</b>	
		<b>Yes</b>	<b>No</b>	<b>AC</b>						
<b>Application Process:</b>			<b>X</b>							
States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought, whether for initial credentialing, renewal, upgrade or reinstatement. (12 U.S.C. § 3347; Policy Statement 4.)					The State must, within 60 days of the date of this Report, provide ASC staff a detailed account of the results of the informal fact-finding conferences. ASC staff will analyze the results to ensure the State does not allow appraisers who fail to meet AQB Criteria to appraise property for federally related transactions. The ASC may place additional requirements upon the State.	Program staff incorrectly applied the 2015 Criteria and has taken steps to avoid a recurrence. The AQB revised its position on implementation of the 2015 Criteria to allow appraisers who were in the process of licensing or certification, or who were credentialed, and relied in good faith on the State to be credentialed as AQB compliant. Below is the status of the affected individuals:  11 credential holders who received their credentials under the 2008 Criteria after January 1, 2015, were allowed by the State to keep their credentials; 14 applicants approved to sit for the exam prior to 2015 under the 2008 Criteria are being allowed to continue the process of taking the exam and receiving their credentials; and 1 applicant approved to sit for the exam prior to 2015 under the 2008 Criteria was allowed to take the exam and received his credential.	<b>Further Required Actions:</b> The State must provide ASC staff a status report of all affected individuals every 6 months until all credentials are issued and/or exam approvals expire.  <b>Comments:</b> During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with ASC Policy Statement 4.			
<b>Enforcement:</b>				<b>X</b>						
States must document and maintain files to enable understanding of facts, determinations, and rationale for those determinations. (12 U.S.C. § 3347; Policy Statement 7 B.)					On October 27, 2015, the State reported they amended the record retention policy so all complaints received, regardless of disposition, are maintained for 3 years from date of closure.	The Department's Information Management Director provided written verification that as of October 27, 2015, all complaints received, regardless of disposition, are logged into their Enforcement Tracking System and maintained for 3 years from date of closure.	<b>Further Required Actions:</b> None  <b>Comments:</b> During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with ASC Policy Statement 7.			