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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

September 20, 2000

Roxanne Gillespie, Chair  
Appraiser Certification and Licensing Board  
280 E. 11th Ave. / P.O. Box 5544  
Eugene, Oregon 97405

Dear Ms. Gillespie:

Thank you for your cooperation and the Board and staff's assistance in the July 17-18, 2000 Appraisal Subcommittee ("ASC") review of the Oregon Appraiser Certification and Licensing Board ("Board") and appraiser regulatory program ("Program").

Although much of your Program is effective, our review revealed there were weaknesses in Oregon's complaint investigation and resolution program. We have repeatedly expressed our concerns regarding these shortcomings during past reviews. Unless significant improvements are made in this program, we will be forced to address this matter with the Governor of Oregon.

## **Complaint Investigation and Resolution**

In previous field reviews, we expressed our concerns that there were weaknesses in Oregon's enforcement program. Complaint cases had been backlogged consistently an average of two years and frequently up to four years. We sent a copy of our April 14, 1997 field review letter to the deputy director of the Department of Consumer and Business Services urging increased staffing and streamlining of systems to reduce the backlog. Our current review reveals that there has been little, if any, improvement in keeping the complaint backlog from increasing.

Oregon had 206 complaint cases open as of July 1, 2000. Although 44 cases had been resolved to-date this year, 12 cases remained open from 1996, 35 from 1997, 38 from 1998, and 67 from 1999. Oregon must significantly improve its enforcement process so that complaints are investigated quickly, and violations are sanctioned in a more timely manner.

To address our concerns, Oregon must:

1. Implement a complaint investigation and resolution program that will reduce the time taken to investigate and resolve complaints generally to one year from receipt of those complaints;
2. Substantially reduce the backlog of unresolved cases;
3. Within 90 days of receiving this letter, report to us your detailed plan for addressing this situation; and
4. Send to us monthly complaint case logs beginning October 1, 2000, that include the date on which a case is opened, the date action is taken, the action taken and/or case status, and the date case is closed.

Due to the serious nature and the extent of our concerns, we will return to your State for a follow-up review within the next six to twelve months. At that time, we will review your complaint investigation and resolution program to determine your progress in resolving our concerns.

Please respond to our findings and recommendations within 90 days from the date of this letter. Until the expiration of that time period or the receipt of your response, we consider this field review to be an open matter. After receiving your response or the expiration of the 90-day response period, whichever is earlier, this letter, your response, and any other correspondence between you and the ASC regarding this field review become releasable to the public under the Freedom of Information Act and will be made available on our Web site.

If you have any questions, please contact us.

Sincerely,

Thomas E. Watson, Jr.  
Chairman

cc: H. James Kruger, Manager, Non-depository Programs Section, Division of Finance and Corporate Securities, Department of Consumer and Business Services