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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

September 26, 2006

Mr. Craig Zell, Chair  
Appraiser Certification and Licensing Board  
1860 Hawthorne Avenue, NE Suite 200  
Salem, OR 97303

Dear Mr. Zell:

Thank you for the cooperation and assistance of the Oregon Appraiser Certification and Licensure Board (“Board”) and staff in the July 12-13, 2006 Appraisal Subcommittee (“ASC”) review of Oregon’s real estate appraiser regulatory program (“Program”). Based on our review, Oregon’s Program appears to be in substantial compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (“Title XI”). We have only one concern to bring to your attention.

During late 2005, and early 2006, the ASC received two anonymous telephone calls questioning certain activities of Administrator Bob Keith. The callers alleged that Mr. Keith approved appraiser education courses that he personally taught as a private course provider, and that he required certain appraisers to attend those courses.

While on site, ASC staff investigated the allegations and found no evidence of inappropriate behavior related to Mr. Keith offering education courses or the approval and/or disapproval of other education courses. Because of the possibility of the appearance of a conflict of interest, however, we have two recommendations regarding this issue:

1. The Board obtain a formal, written legal opinion regarding this issue from the State’s Attorney General’s Office to be kept in the Board’s office; and
2. Education courses taught by a State employee should be submitted to the full Board for review and action.

Please respond to our recommendations within 60 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 60-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.

Please contact us if you have any questions.

Sincerely,

Virginia M. Gibbs  
Chairman

cc: Robert Keith, Administrator