

**APPRAISAL SUBCOMMITTEE
OPEN SESSION MEETING MINUTES
APRIL 9, 2014**

LOCATION: Federal Reserve Board – International Square location, 1850 K Street NW,
Washington, DC 20006.

ATTENDEES

ASC MEMBERS: FRB – Art Lindo (Chair)
CFPB – Mira Marshall
FDIC – Rae-Ann Miller
FHFA – Robert Witt
HUD – Ada Bohorfoush
NCUA – Tim Segerson
OCC – Darrin Benhart

ASC STAFF: Executive Director – Jim Park
General Counsel – Alice Ritter
Attorney-Advisor – Dan Rhoads
Financial Manager – Girard Hull
Policy Manager – Jenny Tidwell
Regulatory Affairs Specialist – Claire Brooks
Management & Program Analyst – Lori Schuster
Administrative Assistant – Brian Kelly

OBSERVERS: Appraisal Institute – Brian Rodgers
FDIC – Suzy Gardner
FRB – Ginny Gibbs
FRB – Kevin Wilson
OCC – Robert Parson

The Meeting was called to order at 10:30 a.m. by A. Lindo. J. Tidwell attended via telephone.

<OPEN SESSION>

REPORTS

- **Chairman**

A. Lindo welcomed the observers to the Meeting. He confirmed the FFIEC by notation vote selected him to continue to serve as ASC Chairman for a two-year term through March 2016.

- **Executive Director**

J. Park reported that he and D. Graves attended the Appraisal Practices Board and Industry Advisory Council (IAC) Meetings held March 27-28 in Las Vegas, NV. The proposed rules for State registration and supervision of appraisal management companies received the most attention and discussion at the IAC Meeting.

J. Park said the Appraisal Complaint National Hotline (Hotline) has been in operation for just over one year. There have been 6,179 hits to the Hotline website and 287 calls to the call center. States and ASC member agencies have reported no significant increase of complaint referrals as a result of the Hotline. A. Lindo asked if there would be any revisions to the Hotline website or call center operation. J. Park responded the Hotline is functioning as intended but he may look into revising report data. He also noted that call volume to the call center has increased in recent weeks.

J. Park also reported that the transfer of IT functions to the new contractor is nearly complete. The transfer of previously contracted accounting duties to the ASC's Financial Manager is in progress and should be complete this July.

- **Annual Agency Monitoring**

J. Park reported that in accordance with the ASC's policy to monitor appraisal requirements established by ASC member agencies for federally related transactions under their jurisdiction, ASC staff met with all of the agencies and will present a report to the ASC in the coming months. A synopsis will also be included in the 2013 ASC Annual Report.

- **Delegated State Compliance Reviews**

D. Rhoads reported on State Compliance Reviews approved by the Chairman under delegated authority since the February 12th ASC Meeting. New Mexico, Ohio and Puerto Rico were awarded a Finding of "Good" and all will remain on a two-year Review Cycle. Illinois and New York were awarded a Finding of "Needs Improvement." Illinois was moved to a two-year Review Cycle with a Follow-up Review in one year. New York will remain on a two-year Review Cycle. A. Lindo said he will continue to consult with ASC members on Compliance Review Findings of "Needs Improvement" and asked if ASC members had any comments on the process. ASC members said they were satisfied with the current process.

- **Financial Report**

G. Hull reported on the ASC's financial status as of March 31st. The ASC has recognized revenue of \$1.75 million which is just under the budgeted revenue of \$1.77 million. He also

noted that on March 20th, the 75% transfer of FY13 restricted incremental fees in the amount of \$1.07 million to the ASC's operating account was completed. The ASC is operating under a 7.2% budget reduction as per the Office of Management and Budget sequestration mandate.

A grant reimbursement request in the amount of \$32,185 for December 2013 has been received and approved. Expenditures were incurred for Appraiser Qualifications Board (AQB) and Appraisal Standards Board personnel costs and AQB National Exam consultant charges. These activities were included in the annual 2014 approved grant award budget.

ACTION ITEMS

- **February 12, 2014 minutes – Open Session**

R. Miller made a motion to approve the February 12th open session meeting minutes as presented. M. Marshall seconded and all members present voted to approve.

The Open Session adjourned at 10:55 a.m. into a Briefing and the Appraisal Institute observer left the Meeting. The next scheduled Meeting is for June 11, 2014.