

**APPRAISAL SUBCOMMITTEE  
OPEN SESSION MEETING MINUTES  
MAY 9, 2012**

LOCATION: Office of the Comptroller of the Currency, 250 E Street SW, Room 2N,  
Washington, DC 20219.

**ATTENDEES**

**ASC MEMBERS:** CFPB – Mira Marshall (Alternate Member)  
FDIC – Doreen Eberley  
FRB – Art Lindo  
HUD – Pete Gillispie (Chair)  
OCC – Darrin Benhart

**ASC STAFF:** Executive Director – Jim Park  
Deputy Executive Director – Denise Graves  
General Counsel – Alice Ritter  
Administrative Officer – Claire Brooks  
Administrative Officer – Lori Schuster  
Policy Manager – Vicki Metcalf

**OBSERVERS:** David Bunton – Appraisal Foundation  
Cathy Johnson – Appraisal Foundation  
Kirsten Johnson-Obey, Porterfield & Lowenthal  
Penny Reed – Wells Fargo Bank  
Virginia Gibbs – FRB  
Kevin Wilson – FRB  
Robert Parson – OCC

The meeting was called to order at 10:35 a.m. by P. Gillispie.

**<OPEN SESSION>**

**1. Opening Remarks**

P. Gillispie welcomed the observers to the meeting. J. Park reported on ASC staff activities and Appraisal Foundation meetings. He also updated the ASC on the Association of Appraiser Regulatory Officials (AARO) Spring Conference. D. Benhart asked what types of questions and issues States brought up at the AARO conference. J. Park responded that States inquired and expressed concern regarding

several issues including: State and Federal Appraisal Management Company (AMC) regulation, new reciprocity requirements in the Dodd-Frank Act, appraiser independence and the Appraisal Complaint National Hotline.

## 2. **Summary Agenda**

- **April 11, 2012 minutes – Open Session**

A. Lindo made a motion to approve the April 11<sup>th</sup> open session meeting minutes as presented. M. Marshall seconded and all members present voted to approve.

## 3. **Discussion Agenda**

- **Appraisal Foundation January-February 2012 Grant Reimbursement Requests**

J. Park presented the January-February 2012 grant reimbursement requests. He explained that since the ASB and AQB did not hold meetings in January, there are no line items for consulting or travel expenses for board members.

J. Park also presented the February request noting reimbursement is being requested for expenses incurred for an ASB meeting held in Savannah, Georgia.

M. Marshall moved for approval of the January and February grant reimbursement request in the amount of \$30,503 and \$63,264, respectively. D. Benhart seconded and all members present voted to approve.

- **Appraisal Foundation 2011 Grant Reprogramming Request**

J. Park presented a reprogramming request for the 2011 grant in the amount of \$25,730. The Foundation requested reprogramming a portion of the unused balance from the Investigator Training Program travel category to the consulting category. These funds will cover expenses incurred in creating a videotaped Investigator Training Update course made available to State appraiser regulatory staff that have completed the Level II Investigator Training. J. Park asked Foundation staff attending the meeting if the Foundation intends to request any further reimbursements from the FY 2011 grant budget. D. Bunton responded that they do not intend to and that \$101,828 of the grant budget will remain unused. D. Eberley moved to approve the request in the amount of \$25,730. A. Lindo seconded and all members present voted to approve.

- **Illinois Compliance Review**

D. Graves summarized the findings of the current Illinois Compliance Review. Since 2006, Illinois has been under a one-year Review Cycle due to repeated areas of non-compliance with Title XI. During the current Review, the ASC found the Program has deteriorated further. ASC staff recommends that Illinois be found Not in Compliance and placed on a one-year Review Cycle with accelerated periodic supervision as needed. In addition, Illinois should be put on notice that “Required State Actions” detailed in the Report must be completed within 180 days from the date of issuance of the ASC Compliance Review Report. ASC staff will schedule periodic conference calls and conduct in-person meetings with Illinois’ Program, Division and Department designees to answer questions and monitor Illinois’ progress. D. Eberley commented that the ASC staff had done a good job of explaining why Illinois should be rated “Not in Compliance” versus “Not in Substantial Compliance.” A. Lindo moved to approve the Illinois Compliance Review and letter and delegate authority to the ASC Chairman to review and sign the letter. D. Benhart seconded and all members present voted to approve.

- **ASC Draft Revised Policy Statements**

P. Gillispie noted that ASC staff continues to receive and make revisions to the draft Policy Statements and asked for a motion to defer this item to the June 13<sup>th</sup> ASC Meeting. A. Lindo approved the motion and D. Eberley seconded; all members present approved.

- **Selection of ASC Vice Chairperson**

P. Gillispie asked for a motion to move the selection of a Vice Chairperson to the June 13<sup>th</sup> ASC Meeting. D. Eberley moved to approve the motion and M. Marshall seconded; all members present voted to approve.

The Open Session adjourned at 11:00 a.m. into Closed Session. The observers left the meeting. The next scheduled meeting is for June 13, 2012.