

**APPRAISAL SUBCOMMITTEE
OPEN SESSION MEETING MINUTES
DECEMBER 14, 2011**

LOCATION: Office of the Comptroller of the Currency, 250 E Street SW, Room 7C/7CA,
Washington, DC 20219.

ATTENDEES

ASC MEMBERS: OCC – D. Merkle
CFPB – P. Sanford (Advisory Representative)
FHFA – S. Cooper
FRB – G. Gibbs
HUD – P. Gillispie
NCUA – J. Lee

ASC STAFF: Executive Director – J. Park
Deputy Executive Director – D. Graves
General Counsel – A. Ritter
Administrative Officer – C. Brooks
Administrative Officer – L. Schuster
Policy Manager – V. Metcalf
Policy Manager – J. Tidwell

OBSERVERS: J. Brenan – Appraisal Foundation
D. Bunton – Appraisal Foundation
C. Johnson – Appraisal Foundation
D. Haverkamp – Farm Service Agency, USDA
P. Reed – Wells Fargo Bank
B. Rogers – Appraisal Institute

The meeting was called to order at 10:40 a.m. by D. Merkle. J. Lee and P. Sanford attended the meeting via telephone.

<OPEN SESSION>

1. Opening Remarks

D. Merkle welcomed the observers to the meeting.

2. Summary Agenda

- **November 9, 2011 minutes – Open Session**

G. Gibbs moved for approval of the November 9th Open Session meeting minutes.
S. Cooper seconded and all members present voted to approve.

3. Discussion Agenda

- **Appraisal Foundation 2012 Grant Proposal**

D. Bunton and J. Brenan presented the Foundation's 2012 grant proposal. They noted Foundation staff salaries will not increase in 2012, public meetings will be decreased for the Appraisal Qualifications (AQB) and Appraisal Standards Boards (ASB), and two State Investigator Training courses will be offered next year rather than four. J. Brenan said the AQB priorities in 2012 are: 1) requesting input from States and other interested parties for the revised AQB Criteria effective January 1, 2015, 2) updating the National Uniform Licensing and Certification Examinations, and 3) improving courses for the Uniform Standards of Professional Appraisal Practice (USPAP). He said the ASB will begin work on the 2014-15 edition of USPAP. The ASB will consider retiring Standards 4 and 5 and determine if revisions to existing Advisory Opinions are needed.

D. Bunton added that a training video on Investigative Reporting is being created and would be made available to States but not the general public. This video is designed for State personnel who have attended level one of the State Investigator training.

J. Park said ASC staff has two recommendations for ASC consideration. The first is to change the budgeting and approval cycle for the grant from a calendar year to the ASC's fiscal year. Therefore this grant proposal only covers nine months (January-September). The ASC staff also recommends approving the 2012 grant proposal in the amount of \$819,185. The final three months of the 2011 grant, as previously approved by the ASC, are carried through the end of 2011 as part of the ASC's approved FY12 budget (\$275,000 is included to cover October-December of the 2011 grant). If approved, the FY12 grant would total \$1,094,185, resulting in a \$372,358 deficit. The ASC has adequate reserves to cover the deficit. In the future, the Foundation will need to develop its business plan earlier than in the past to submit a grant proposal to the ASC by next summer. P. Gillispie moved to approve the 2012 Appraisal Foundation grant for nine months in the amount of \$819,185. The motion died for lack of a second. G. Gibbs made a motion to defer approval of the grant request to the January 11, 2012 ASC meeting to allow additional time to discuss the possible ASC budget deficit with senior-level FRB staff. The motion was seconded by S. Cooper and all members present voted to approve.

- **Appraisal Foundation July 2011 Grant Reimbursement Request**

J. Park presented the request in the amount of \$64,395 noting that the majority of the request covered the meeting of the AQB Subject Matter Experts (SME) in Tampa, FL. P. Gillispie moved to pay the request in the amount of \$64,395 and G. Gibbs seconded; all members present voted to approve.

- **Appraisal Foundation August 2011 Grant Reimbursement Request**

J. Park presented the request in the amount of \$68,025 noting that the majority of the request covered the follow-up from the SME meeting as noted in the July request. P. Gillispie moved to pay the request in the amount of \$68,025 and S. Cooper seconded; all members present voted to approve.

- **Iowa Compliance Review**

D. Graves presented the Iowa Compliance Review Report and transmittal letter. G. Gibbs moved for approval of the Iowa Compliance Review Report and letter, noting the State is in substantial compliance with Title XI and will remain on a two-year Review Cycle. P. Gillispie seconded and all members present voted to approve.

The Open Session adjourned at 11:30 a.m. into Closed Session. The observers left the meeting. The next scheduled meeting is on January 11, 2012.