

**FFIEC-APPRAISAL SUBCOMMITTEE
PUBLIC MEETING MINUTES
SEPTEMBER 23, 2009**

ATTENDEES

ASC MEMBERS: FRB - G. Gibbs
FDIC – S. Gardner
HUD – P. Gillispie
NCUA – J. Lee
OCC – R. Parson
OTS – D. Merkle

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

OTHER: D. Badger
L. Disney – Kentucky Real Estate Appraiser Board
B. Keith – Oregon Real Estate Appraiser Licensure and Certification Board (representing Association of Appraiser Regulatory Officials)
Appraisal Foundation – D. Bunton, J. Brenan, C. Johnson, D. Wilkes

The meeting was called to order at 10:30 a.m. by G. Gibbs. J. Lee attended via conference call.

<PUBLIC SESSION>

1. Opening Remarks

G. Gibbs and J. Park welcomed the public attendees to the meeting. The public attendees introduced themselves to the staff and stated their interest in attending the ASC meeting.

2. Appraisal Foundation 2010 Grant Request

- D. Bunton said that the grant request should be finalized by the Foundation Board of Trustees in November and available for approval by the ASC meeting in December. He said that the Foundation is estimating the grant request will be in the area of \$2.3 million. This is an increase of approximately \$335,000 over the 2009 grant. Approximately \$275,000 of this increase will be for the Recognized Methods and Techniques Panel (RMAT) on real property valuation. The remaining increase will be for operational cost increases such as Cost of Living Adjustments. They will also

ask for continued funding for two current projects: the University Graduate Review program and the State Investigators training. For the State Investigators training, two entry level courses and two advanced level courses are being planned.

D. Wilkes stressed the need for best practices (RMAT) for real property valuation. (R. Parson joined the meeting at 10:50). D. Wilkes said that the goal is to provide timely guidance to appraisers regarding emerging issues. The Standards and Qualifications Board's Nominating Committee will interview the RMAT panel applicants and offer recommendations for the member selection to the Board of Trustees in the spring of 2010. The Foundation is hoping to have the panel in place by July 2010. He added that the end product would be a living document and that RMAT would change over time as new methods and techniques are implemented and gain sufficient acceptance among leading professionals. D. Bunton discussed the role of RMAT relative to identifying emerging issues. He also indicated that those emerging issues would come from the profession including the ASC. D. Bunton added that the State Investigator Courses have been highly successful. G. Gibbs asked how long it will take to develop the USPAP Standards for Reporting. J. Brenan said it would take approximately 12-18 months. G. Gibbs asked that the Foundation provide specific funding parameter for each of the projects that they would like funded.

3. Discussion on Association of Appraiser Regulatory Officials (AARO), Appraisal Foundation and ASC Joint Conferences

- J. Park noted that AARO asked if it is possible for the ASC to assist with funding to allow States to send staff to the AARO Conferences. A. Ritter researched our statute and relative case law, and it was determined that we are restricted to providing grants to the Appraisal Foundation. D. Bunton said that he is supportive of a joint committee of the Foundation, ASC and AARO to develop the spring AARO Conference. B. Keith noted that the AARO Task Force meeting is on October 1st and they will also meet during the AARO Conference October 5-8. He said that they are asking for funding for two persons per state at a cost of \$2,000 per person. He said the estimated cost is \$225,000 for the 2010 spring and fall conference. R. Parson asked B. Keith if AARO would be interested in joint conferences if it were not for the possibility of using ASC funds to lessen the cost. B. Keith stated no that AARO would not need the ASC. D. Bunton noted that funding for this endeavor will not be included in the 2010 grant proposal. S. Gardner stated her objection to providing funds to states that reallocate their appraiser fee income from state appraiser programs to other state programs.

D. Bunton said that he would like the ASC's opinion on putting together the RMAT panel on valuation of real property by October 31 so that they can make a decision at the AF Board of Trustees meeting on whether or not to go forward with this project. J. Brenan thanked D. Badger for his work on the State Investigator Training courses.

4. Approval of Minutes

- August 12, 2009 Public Minutes – J. Park presented the public version of the August 12th ASC meeting minutes. After discussion, P. Gillispie moved to accept with edits and B. Parson seconded; all members present agreed.

5. Approval of Appraisal Foundation June 2009 Grant Reimbursement Request

- A. Ritter presented the request. G. Gibbs asked what the charges for Valuations Practice were for June 23rd and June 24th. D. Bunton responded that those were charges for the Best Practices Task Force. B. Parson moved for approval of the request in the amount of \$196,683. S. Gardner seconded; all members present approved.

6. Executive Director's Report

- J. Park said that he had nothing new to report.

The Foundation staff and the other visitors thanked the ASC for their time and left the meeting.

<CLOSED SESSION>

1. Presentation of Fiscal Year 2010 ASC Budget

2. Compliance review Reports – Content and Findings

- Compliance Review Report – Content and Findings – South Carolina
- Compliance Review Report – Content and Findings – Virginia
- Compliance Review Report – Content and Findings – Wyoming

3. Items for discussion only

Puerto Rico – Update

4. Approval of Minutes

- August 12 Private Minutes and August 18 private teleconference minutes

5. Executive Director's Report

The meeting adjourned at 12:40 p.m. and the next meeting is scheduled for October 14, 2009.