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Appraisal Subcommittee

Federal Financial Institutions Examination Council

October 14, 2014

Mr. Jim Baumberger, Chair
Appraiser Certification and Licensure Board
3000 Market Street NE – Suite 541
Salem, OR 97301

RE: ASC Compliance Review of Oregon's Appraiser Regulatory Program

Dear Mr. Baumberger:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Oregon appraiser regulatory program (Program) on July 14-16, 2014, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

The ASC considered the preliminary results of the Review and the State's response to those results. The Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

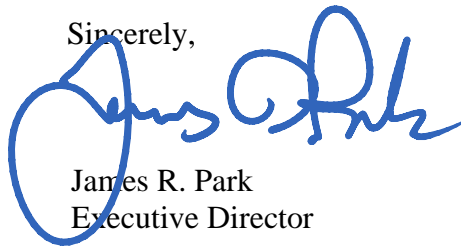
The ASC identified the following area of non-compliance:

- States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances.¹

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Oregon will remain on a two-year Review Cycle.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



James R. Park
Executive Director

Attachment

cc: Ms. Gae Lynne Cooper, Administrator

¹ 12 U.S.C. § 3347; Policy Statement 7 B.

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor ²	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

² An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, *Reciprocity*; see also Policy Statement 8, *Interim Sanctions*.

ASC Compliance Review Report

ASC Finding: Good
Final Report Issue Date: October 14, 2014

Oregon Appraiser Regulatory Program

Appraiser Certification and Licensure Board (Board) / Decision Making	PM: J. Tidwell	ASC Compliance Review Date: July 14-16, 2014	Review Period: July 2012 to July 2014
Umbrella Agency: Independent		Number of State Credentialed Appraisers on National Registry: 1,494	Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	N/A	None	None
Temporary Practice:	X			No compliance issues noted.	N/A	None	None
National Registry:	X			No compliance issues noted.	N/A	None	None
Application Process:			X	The experience logs submitted by applicants for certification did not contain the information required regarding scope of supervision of the supervising appraiser on each assignment.	On September 17, 2014, Oregon reported that they revised their experience log to include the scope of supervision of the supervising appraiser on each assignment. On July 21, 2014, the State distributed the revised Experience Log to providers offering the Supervisor/Trainee Course. The Board followed up with all registered appraiser assistants and supervising appraisers via email on August 12th and 13th respectively, advising them to use the revised Experience Log.	None	ASC staff will pay particular attention to this area for compliance with Title XI, ASC Policy Statement 4 D., and AQB Criteria during the next Review.
Reciprocity:	X			No compliance issues noted.	N/A	None	None
Education:	X			No compliance issues noted.	N/A	None	None
Enforcement:		X		The State had 45 outstanding complaints of which 10 were unresolved for more than 1 year. Of the complaints outstanding for more than 1 year, 1 appears to fall under the exception for special documented circumstances.	On September 17, 2014, Oregon reported that the Administrator and the new Compliance Analyst have completed the investigations on the 10 outstanding complaints. Their findings and the Enforcement Oversight Committee's recommendations will be presented to the Board for their consideration at the October 27, 2014 Board Meeting.	The State must monitor its processes to ensure timely processing of complaints, to reduce the backlog of aged complaints, and to ensure complaints of appraiser misconduct or wrongdoing are resolved in a timely manner as required by ASC Policy Statement 7.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 7 B.