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Appraisal Subcommittee

Federal Financial Institutions Examination Council

October 27, 2014

Mr. Thomas Ryan, Executive Director
Real Estate Appraisers Board
Department of Safety and Professional Services
1400 East Washington Street
Madison, WI 53703

RE: Appraisal Subcommittee Staff Follow-Up Review

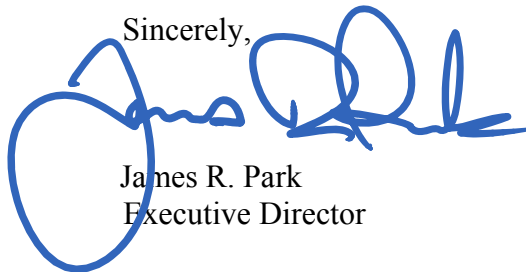
Dear Mr. Ryan:

Thank you for your cooperation and your staff's assistance in the October 8, 2014, Appraisal Subcommittee (ASC) staff Follow-up Review. This was a Follow-up Review of the August 19-21, 2013, ASC Compliance Review of the Wisconsin appraiser regulatory program.

As detailed in the attached Follow-up Report, Wisconsin resolved the two concerns identified in the August 19-21, 2013 Compliance Review Report. We commend the Wisconsin Program for its efforts and the progress made.

This letter and the attached Follow-up Report are public record and available on the ASC website in accordance with the Freedom of Information Act. Please contact us if you have any questions.

Sincerely,



James R. Park
Executive Director

Attachment

cc: Mr. Dave Ross, Secretary, Department of Safety and Professional Services

ASC Staff Follow-Up Report: 2013 Compliance Review

Wisconsin Appraiser Regulatory Program (Program)

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| Real Estate Appraisers Board (Board) / Advisory/Decision Making | Follow-Up Review Date: October 8, 2014 | Follow-Up Report Issue Date: October 27, 2014 |
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| Umbrella Agency: Department of Safety and Professional Services (Department) | ASC Compliance Review Date: August 19-21, 2013 | PM: N. Fenochietti |
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| Requirement/Guidance | ASC Staff Assessment | | | Required/Recommended State Actions from the August 19-21, 2013 Compliance Review | Status as of October 8, 2014 Follow-Up | Further Required Actions/Comments |
|---|----------------------|-----------------------|----|---|---|--|
| | Compliance (YES/NO) | Areas of Concern (AC) | | | | |
| | Yes | No | AC | | | |
| Application Process: | X | | | | | |
| States are required to take remedial action when it is determined that more than ten percent of audited appraiser's affidavits for continuing education (CE) credit claimed fail to meet the minimum AQB Criteria. (Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 4.) | | | | By April 30, 2014, the Department must submit to the ASC staff a sortable list of credentials audited for the 2011-2013 Continuing Education (CE) audit and the results for each. During the Follow-up Review, files of all individuals audited must be available for review. | On April 15, 2014, the Department submitted to the ASC staff a sortable list of credentials audited for the 2011-2013 CE audit and the results for each. The Department performed a CE audit on 209 credential holders. While on site ASC staff reviewed the files of the 18 credential holders that failed the CE audit and a random sampling of 50 files of credential holders that did not fail. Of the 18 that failed, 3 were credentialed for less than 185 days and 2 completed real estate appraiser CE that was approved in another jurisdiction's appraiser certification and licensing program. ASC staff determined that 6% of the 2011-2013 audited appraisers' CE failed to meet AQB Criteria. | Further Required Actions: None Comments: None |
| Enforcement: | X | | | | | |
| States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner. (Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 7.) | | | | The Department must provide, within 60 days of issuance of this Report, a plan on how they will: (1) handle cases involving a potential false statement regarding CE completed on a renewal application; and (2) ensure that statements made by respondents are investigated for support or contradiction and that documentation will be maintained in the case file for the aggravating or mitigating circumstances. | On April 15, 2014, the Department submitted to the ASC staff a plan as required. While on site ASC staff reviewed all of the complaint cases involving potential false statements regarding CE completion. The files were sufficiently documented. | Further Required Actions: None Comments: None |