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Appraisal Subcommittee
Federal Financial Institutions Examination Council

March 14, 2016

Ms. Elissa Runyon, Chair
Virgin Islands Board of Real Estate Appraisers
Department of Licensing and Consumer Affairs
Golden Rock Shopping Center
3000 Estate Golden Rock, Suite 9
St. Croix, VI 00820

RE: Appraisal Subcommittee Staff Follow-Up Review

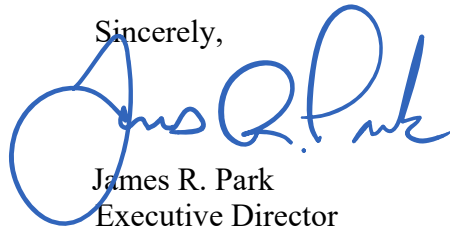
Dear Ms. Runyon:

Thank you for your cooperation and your staff's assistance in the January 21, 2016, Appraisal Subcommittee (ASC) staff Follow-up Review. This was a Follow-up Review of the November 17-19, 2014 ASC Compliance Review of the Virgin Islands appraiser regulatory program.

As detailed in the attached Follow-up Report, the Virgin Islands has improved on two of the five areas of non-compliance identified in the November 17-19, 2014 Compliance Review Report. ASC staff will monitor the State's progress in addressing the remaining areas of non-compliance, and could require other actions if sufficient progress is not 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

ASC Staff Follow-Up Report: 2014 Compliance Review

Virgin Islands Appraiser Regulatory Program (State)						
Virgin Islands Board of Real Estate Appraisers (Board) / Decision Making			Follow-Up Review Date: January 21, 2016		Follow-Up Report Issue Date: March 14, 2016	
Umbrella Agency: Licensing & Consumer Affairs, Office of Boards & Commissions			ASC Compliance Review Date: November 17-19, 2014		PM: K. Klamet	
Follow-Up of Compliance Review Report Dated: April 29, 2015			ASC Finding: Needs Improvement			
Applicable Federal Citations	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			Required/Recommended State Actions from the April 29, 2015 Compliance Review Report	Status as of January 21, 2016 Follow-Up	Further Required Actions/Comments
	Yes	No	AC			
Statutes, Regulations, Policies and Procedures:		X				
States must, at a minimum, adopt and/or implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				The State must continue the process to amend its regulations to bring them into compliance with AQB Criteria, and provide the ASC staff with a copy of the final rules once adopted.	At the time of the Follow-up Review, the State had not amended its regulations to require that, prior to reactivation, a credential holder must complete all required continuing education hours that would have been required if the credential holder was in an active status. ASC staff met with the Board, Program Staff and the Board's legal counsel to discuss this issue. The Board's legal counsel committed to work with the Board and Program staff to amend the regulations.	Further Required Actions: The State must amend its regulations to bring them into compliance with AQB Criteria, and provide ASC staff with a copy of the final rules once adopted. Comments: None
Statutes, Regulations, Policies and Procedures continued:		X				
States must, at a minimum, adopt and/or implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				The State must amend its regulations to bring them into compliance with AQB Criteria, and provide the ASC staff with a copy of the final rules once adopted. ASC staff will work with the State to provide clarification on how to amend their regulations to limit the amount of CE allowed for participation in activities other than as a student.	At the time of the Follow-up Review, the State had not amended its regulations to limit CE credit for participation, other than as a student, in such activities as teaching or authoring a textbook to 50%. ASC staff met with the Board, Program Staff and the Board's legal counsel to discuss this issue. The Board's legal counsel committed to work with the Board and Program staff to amend the regulations.	Further Required Actions: The State must amend its regulations to bring them into compliance with AQB Criteria, and provide ASC staff with a copy of the final rules once adopted. Comments: None
Statutes, Regulations, Policies and Procedures continued:			X			
States must have a policy for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI. (12 U.S.C. § 3351; Policy Statement 5.)				The State should amend its statutes to bring them into compliance with Title XI and reflect its regulations and practice. A copy of the statute should be provided to ASC staff once adopted.	At the time of the Follow-up Review, the State had not amended its statutes to bring them into compliance with Title XI. ASC staff met with the Board, Program Staff and the Board's legal counsel to discuss this issue. The Board's legal counsel committed to work with the Board and Program staff to amend the statutes.	Further Required Actions: The State should amend its statutes to bring them into compliance with AQB Criteria, and provide ASC staff with a copy of the revised statutes once adopted. Comments: None

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Umbrella Agency: Licensing & Consumer Affairs, Office of Boards & Commissions			ASC Compliance Review Date: November 17-19, 2014		PM: K. Klamet	
Follow-Up of Compliance Review Report Dated: April 29, 2015			ASC Finding: Needs Improvement			
Applicable Federal Citations	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			Required/Recommended State Actions from the April 29, 2015 Compliance Review Report	Status as of January 21, 2016 Follow-Up	Further Required Actions/Comments
	Yes	No	AC			
Statutes, Regulations, Policies and Procedures continued:		X				
States must have funding and staffing sufficient to carry out their Title XI-related duties. (12 U.S.C. § 3347; Policy Statement 1 B.)				The State must find ways to achieve and maintain the necessary resources to perform their Title XI-related duties.	At the time of the Follow-up Review, the State had not received any additional funding or staffing.	Further Required Actions: The State must continue to find ways to achieve and maintain the necessary resources to perform their Title XI-related duties. Comments: None
Temporary Practice:	X					
States must issue temporary practice permits within five business days of receipt of a completed application, or notify the applicant and document the file as to the circumstances justifying delay or other action. (12 U.S.C. § 3351; Policy Statement 2.)				The State must ensure temporary practice permits are issued within 5 days of receipt of a completed application, or notify the applicant and document the file as to the circumstances justifying the delay or other action. The State should review their temporary practice permit applications and log to determine when and why applications were not processed timely, and find ways to ensure the process is followed.	At the time of the Follow-up Review, ASC staff reviewed a random sampling of temporary practice permit files. The files reviewed were well documented and permits were issued within 5 business days of receipt of a completed application.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for continued compliance with Title XI and ASC Policy Statement 2.
National Registry:	X					
States must reconcile and pay National Registry invoices in a timely manner. (12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B.)				The State should continue to develop a plan and monitor the process to ensure National Registry invoices are reconciled and paid in a timely manner.	At the time of the Follow-up Review, the State had no outstanding National Registry invoices.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for continued compliance with Title XI and ASC Policy Statement 3.

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Umbrella Agency: Licensing & Consumer Affairs, Office of Boards & Commissions			ASC Compliance Review Date: November 17-19, 2014		PM: K. Klamet	
Follow-Up of Compliance Review Report Dated: April 29, 2015			ASC Finding: Needs Improvement			
Applicable Federal Citations	ASC Staff Assessment			Required/Recommended State Actions from the April 29, 2015 Compliance Review Report	Status as of January 21, 2016 Follow-Up	Further Required Actions/Comments
	Compliance (YES/NO)	Areas of Concern (AC)				
	Yes	No	AC			
National Registry continued:	X					
States must submit appraiser data to the ASC at least monthly. If a State's data does not change during the month, the State agency must notify the ASC of that fact in writing. (12 U.S.C. § 3347; Policy Statement 3 D.)				The State should continue to develop a plan and monitor the process to ensure that appraiser data is submitted to the ASC at least monthly and, if the State's data does not change during the month, that the State notifies the ASC of that fact in writing.	At the time of the Follow-up Review, the State's appraiser data appeared to be accurate and up-to-date on the National Registry.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for continued compliance with Title XI and ASC Policy Statement 3.
Reciprocity:			X			
States must have a policy for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI. (12 U.S.C. § 3351; Policy Statement 5.)				The State should amend its statutes to bring them into compliance with AQB Criteria and reflect its regulations and practice. A copy of the statute should be provided to ASC staff once adopted.	At the time of the Follow-up Review, the State had not amended its statutes to bring them into compliance with AQB Criteria. ASC staff met with the Board, Program Staff and the Board's legal counsel to discuss this issue. The Board's legal counsel committed to work with the Board and Program staff to amend the statutes.	Further Required Actions: The State should amend its statutes to bring them into compliance with AQB Criteria, and provide ASC staff with a copy of the revised statutes once adopted. Comments: None
Enforcement:	X					
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. (12 U.S.C. § 3347; Policy Statement 7 B.)				The State must submit quarterly complaint logs to ASC staff. Staff will analyze each log. If progress is not made, the ASC may place additional requirements upon the State. The ASC Policy Manager assigned to the State will work with the Department staff to determine the log details.	At the time of the Follow-up Review, the State had no outstanding complaints.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for continued compliance with Title XI and ASC Policy Statement 7.