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Appraisal Subcommittee

Federal Financial Institutions Examination Council

July 30, 2009

Mr. Joe Traynor, Chair
Indiana Real Estate Appraiser Licensure
and Certification Board
Indiana Professional Licensing Agency
402 W. Washington, Room W072
Indianapolis, IN 46204

Dear Mr. Traynor:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review of the Indiana real estate appraiser regulatory program (Program) on January 13-15, 2009. This is the final Compliance Review Report (Report) on that Review.

The ASC has considered the staff's preliminary findings regarding the Review and the State's response. The ASC has determined that the Program is in substantial compliance with Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989, as amended (Title XI). Details regarding the ASC staff observations, the State response, and required/recommended State actions are included in the attached Report. The ASC identified the following concern:

- ASC Policy Statement 8C - States must reconcile and pay National Registry invoices in a timely fashion. The ASC's recommended action relative to this concern is included in the attached Report.

In response, the State indicated it has taken corrective actions, which are detailed in the attached Report. The reported corrected actions appear to be appropriate. ASC staff will confirm that these corrective actions have taken place during the next Review. Please also be advised that this letter and the attached 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,

Deborah S. Merkle
Acting Chairman

Attachment

cc: Wade Lowhorn, Deputy Director
Nicholas Rhoad, Board Director



ASC Compliance Review Report

Indiana Appraiser Regulatory Program (Program)								
Indiana Real Estate Appraiser Licensure and Certification Board (Board)			ASC Compliance Review (Review) Date: January 13-15, 2009			Review Period: 10/07 - 01/09		
Umbrella Agency: Indiana Professional Licensing Agency			Number of Indiana credentialed appraisers on National Registry: 2440			Issue Date: July 30, 2009	Page 1 of 1	
Requirement/Guidance	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required State Actions	Recommended State Actions	General Comments
	YES	NO	AC					
Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Temporary Practice:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
National Registry:	X		X	See below.	See below.	N/A	N/A	See below.
States must reconcile and pay National Registry Invoices timely (ASC Policy Statement 8C).				During 2008, 23 out of 38 of Indiana's National Registry Invoices were in arrears over 45 days. Indiana paid eight outstanding invoices on 1/9/09, just before the scheduled Review. Four other outstanding invoices from July 2008 were paid within two months after the January 2009 on-site Review.	Indiana staff acknowledged that invoices were not reconciled and paid within 45 days of the invoice date. However, Indiana responded that they do not agree with the ASC staff finding because the State is now, after the Review, current on all invoices. A letter under separate cover is being sent by ASC staff to the Board to address this issue.	No further action required.	To strengthen its Program, Indiana should implement an effective process to reconcile and pay National Registry Invoices in compliance with Policy Statement 8C.	N/A
Application Process:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Reciprocity:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Education:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Enforcement:	X			No compliance issues noted.	N/A	N/A	N/A	N/A