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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

September 26, 2008

Ms. Marge Tomada, Administrator  
New Mexico Real Estate Appraisers Board  
Toney Anaya Building  
2550 Cerrillos Road  
Santa Fe, New Mexico 87505

Dear Ms. Tomada:

Thank you for your July 3<sup>rd</sup> response to our May 2, 2008 field review letter to the New Mexico Real Estate Appraisers Board (“Board”). Your July 3<sup>rd</sup> letter addressed the three concerns regarding the Board’s appraiser regulatory program (“Program”) identified during the Appraisal Subcommittee’s (“ASC”) November 2007 field review. On September 11<sup>th</sup> and 12<sup>th</sup>, ASC Policy Manager Jenny Tidwell visited your offices to provide training to the newly hired staff. Her visit was productive. She was also able to receive an update on the status of the outstanding items from the May 2<sup>nd</sup> field review letter.

- **New Mexico’s complaint investigation and resolution process did not comply with Title XI and ASC Policy Statement 10 E.**

At the time of our November 2007 field review, we found the Board staff failed to accurately track complaints and failed to ensure that its entire system for processing and investigating complaints and sanctioning appraisers was administered in a well-documented manner. Based on your response, the complaint log you provided, and Ms. Tidwell’s findings during her visit, it appears that the Board is beginning to make some progress in tracking complaints. It appears that the Board has begun to update historical logs and is now accurately tracking newly received complaints. We look forward to receiving your monthly complaint logs and will continue using them to track your progress toward resolving this concern. Please submit the logs to ASC Policy Manager Jenny Tidwell via email ([jenny@asc.gov](mailto:jenny@asc.gov)).

Based on the updated logs that you have provided, it appears that the Board has 44 complaints outstanding and that 19 of those are more than one year old. New Mexico’s complaint investigation and resolution process does not comply with Title XI and ASC Policy Statement 10E which provides that State agencies need to process complaints on a timely basis, and that, absent special documented circumstances, final State administrative decisions regarding complaints should occur within one year of the complaint filing date.

In your July 3<sup>rd</sup> response, you stated that the Board was authorized a full-time employee whose sole job was the compliance activities of the Board. During Ms. Tidwell’s visit, she discovered that only one part-time employee, who shares her duties with another regulatory board, has been dedicated to the Board.

We understand that the Complaint Committee shares our concern and recently began to meet more often than quarterly to address the weaknesses in the timeliness of complaint

processing. If this change fails to allow the Board to properly address this concern, the Board will need to take other appropriate actions to ensure that complaints are investigated and resolved in a timely manner.

We plan to conduct our next field review of the Program in 2009. At that time, we expect to see continued improvement in the manner in which the Board tracks complaints and addresses the backlog of outstanding complaint cases. We also expect the Board to maintain copies of all documentation supporting all activities, including Board decisions and signed agreements regarding all appraiser-related complaints, in accordance with ASC Policy Statement 10E and State records retention requirements.

- **New Mexico regulation regarding reinstatement of the credentials for military personnel returning from active military duty did not conform to AQB criteria.**

Based on your response and the revised rule you provided, it appears that the Board has resolved this concern. We appreciate your prompt response to this matter.

- **New Mexico did not report all disciplinary actions pursuant to Policy Statement 9A.**

At the time of our review, all disciplinary actions pertaining to New Mexico's appraisers had not been reported to the National Registry. Further, the State did not have procedures for reporting disciplinary actions to the ASC. To address this concern, New Mexico needed to develop and implement procedures to ensure that all disciplinary actions are reported to the ASC, and to ensure that all disciplinary actions relating to all New Mexico credentialed appraisers, past and present, are reflected on the National Registry.

In your response you stated that staff would be specifically designated for notifying the ASC on a monthly basis. However, you did not address how past disciplinary actions relating to all New Mexico credentialed appraisers would be reflected on the National Registry. During Ms. Tidwell's visit, it appears that the Board has not reported disciplinary actions to the National Registry as agreed. Please advise us within two weeks of receipt of this letter regarding how you plan to resolve this matter.

Our field review letter, your response, and any other previous correspondence between us regarding the field review are now publicly available on our Web site. Please contact us if you have further questions.

Sincerely,

Vicki Ledbetter  
Acting Executive Director

cc: Kelly O'Donnell, Superintendent  
Julie Ann Mead, Legal Counsel  
Andrew Vallejos, Board and Commission Division Director  
Vadra Baca, Administrator/Team Leader

cc: John Howden, Board Chair  
Zack Schandler, Civil Division Director  
Tania Maestas, Board Attorney Civil Division  
Betsey Glenn, Consumer Division Director  
Jocelyn Torres, Litigation Director  
Eric Miller, Board Attorney Litigation Division