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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

April 20, 2007

Mr. James Davis, Chairman  
Alabama Real Estate Appraisers Board  
P.O. Box 304355  
Montgomery, Alabama 36130-4355

Dear Mr. Davis:

Thank you for the cooperation and assistance of the Alabama Real Estate Appraisers Board (“Board”) in the March 14-16, 2007 Appraisal Subcommittee (“ASC”) review of Alabama’s real estate appraiser regulatory program (“Program”). Based on our review, Alabama needs to address one concern to bring the Program into substantial compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (“Title XI”).

- **Alabama’s complaint investigation and resolution program does not comply with Title XI and ASC Policy Statement 10 E. because complaints are not investigated and resolved in a timely manner.**

Under Title XI and ASC Policy Statement 10 E., States need to investigate and resolve complaints in a timely manner. Complaint resolution generally should occur within one year of complaint receipt.

Due to a two-year vacancy in one of two investigator positions and two turnovers in the Executive Director position during the past two years, a backlog of 118 unresolved complaints has developed. Of these complaints, 39 have been outstanding for more than one year. The vacant investigator position recently was filled. During the field review, the Program’s Executive Director informed ASC staff that she intends to eliminate this case backlog within the next six months.

To address this concern, the Board needs to:

1. Ensure that all complaints are investigated and resolved in a timely manner, with the goal of resolving complaints within one-year of receipt, as provided in ASC Policy Statement 10 E.; and
2. Provide a written plan describing in detail how the Board will reduce its backlog of outstanding complaint cases, and how it will ensure that future complaints are investigated and resolved in a timely manner.

Please respond to our findings and recommendations within 60 days from the date of this letter. Until the expiration of that time period or the receipt of your response, we consider this field review to be an open matter. After receiving your response or the expiration of the 60-day

response period, whichever is earlier, this letter, your response and any other correspondence between you and the ASC regarding this field review become releasable to the public under the Freedom of Information Act and will be made available on our Web site.

Please contact us if you have further questions.

Sincerely,

Virginia M. Gibbs  
Chairman

cc: Lisa Brooks, Executive Director