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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

September 5, 2007

Lisa Brooks, Executive Director  
Alabama Real Estate Appraisers Board  
P.O. Box 304355  
Montgomery, Alabama 36130-4355

Dear Ms. Brooks:

Thank you for your June 11, 2007 response to the Appraisal Subcommittee's ("ASC") April 20, 2007 field review letter regarding Alabama's real estate appraiser regulatory program ("Program"). In your letter, you responded to our sole concern discussed in that letter.

- **Alabama's complaint investigation and resolution program did not comply with Title XI and ASC Policy Statement 10 E because complaints were 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, and complaint resolution generally should occur within one year of complaint receipt. Due to various reasons, during the previous two years, a backlog of 118 unresolved complaints developed. Of these complaints, 39 were outstanding for more than one year. To address this concern, the ASC directed the Board to take specific corrective actions.

In your June 11<sup>th</sup> response letter, you noted that the number of aged complaints was 44, not 39 as indicated in our April 20<sup>th</sup> field review letter. You stated that 16 of those 44 complaints had been closed, hearings had been held in four complaints, hearing dates had been set for six complaints, and two complaints had been resolved by consent orders. This leaves a total of 16 outstanding complaints which have been reviewed by the Discipline Committee and assigned for investigation.

You also set out the Alabama Real Estate Appraisers Board's ("Board") written plan to ensure compliance with Title XI and ASC Policy Statement 10 E. First, the Board's disciplinary committee reviews each complaint to determine whether probable cause exists. If probable cause exists, the complaint is assigned to an investigator. Next, for cases where the Board determines that probable cause exists, the Board implemented a 180-day timeline for completing the investigatory and final resolution process. The first 90 days of this period is allocated to an investigator to complete the investigation. Sixty days into that period, the Board's attorney meets with the investigator to determine the status of the investigation and reports that information to the Executive Director. Once the investigation is completed, the complaint file is forwarded to the attorney, who has 90 days to resolve the complaint (the second 90 days of the 180-day period). We trust that this process, if administered effectively, will result in complaints being investigated and resolved in a timely manner. We appreciate the prompt attention to this concern.

Thank you for your prompt response. 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,

Ben Henson  
Executive Director

cc: Mr. James Davis, Chairman