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Appraisal Subcommittee
Federal Financial Institutions Examination Council

October 15, 2013

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OKLAHOMA INSURANCE DEPT.

OCT 22 2013

Real Estate Appraiser Board

Ms. Christine McEntire, Executive Director
Real Estate Appraiser Board
Five Corporate Plaza, Suite 100
3625 N.W. 56th Street
Oklahoma City, OK 73112

RE: ASC Preliminary Compliance Review of Oklahoma's appraiser regulatory program

Dear Ms. McEntire:

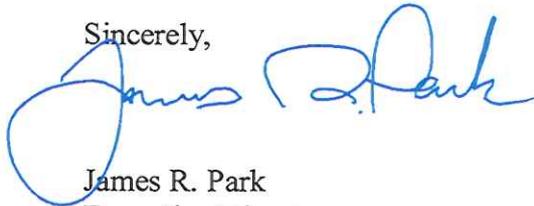
Thank you for your cooperation and your staff's assistance in the October 7-9, 2013 Appraisal Subcommittee (ASC) Compliance Review (Review) of the Oklahoma appraiser regulatory program (Program). Enclosed are the ASC Staff Preliminary Compliance Review Findings. The Preliminary Compliance Review Findings are based on the Policy Statements in effect at the time of the Review.

The ASC staff would like to commend the Program and its staff for its hard work and dedication. As a result, no compliance issues were noted. However, in order to conclude our investigation and review, we invite you to provide written comments within 60 days from the date of this letter.

After receiving your response, or once the 60-day response period has passed, whichever occurs first, all correspondence and staff recommendations will be forwarded to the ASC for final consideration. You will receive a final ASC Compliance Review Report (Report) with the ASC's findings and required actions. The final Report will be posted to the public section of 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

Enclosure

cc: Mr. Lee R Caesar, Jr., Vice-Chair
Mr. John D. Doak, Insurance Commissioner

ASC Compliance Categories:

Below are descriptions of the categories for the ASC Staff Assessment column of “yes”, “no” and “Area of Concern (AC)” on the ASC Preliminary Compliance Review Report.

- **No** – A **No** applies when the identified area is not in compliance with Title XI, ASC Policy Statements or AQB Criteria. **No** applies when the State has not completely resolved the concern. A **No** may be changed to a **yes** from the Preliminary Compliance Review Report to the Final Compliance Review Report if the State completely resolves the concern and ASC staff has validated the change. A **No** may be changed to an **AC** from the Preliminary Compliance Review Report to the Final Compliance Review Report if the State reports they resolved the concern, however, ASC staff has not validated the action(s).
- **Area of Concern (AC)** – An **AC** applies when an area is identified as technically in compliance, however ASC staff identified something that if continued could cause the Program to become out of compliance.

As an example, the State’s regulations do not require AQB Criteria for continuing education. The State, however, is in compliance by practice. The concern is that if the State is challenged legally, they could lose and be required to allow an appraiser to be renewed under the erroneous regulation.

An **AC** also applies when ASC staff has identified best practice suggestions that could strengthen the Program.

An **AC** may be changed to a **yes** from the Preliminary Compliance Review Report to the Final Compliance Review Report if the State’s action resolves the concern and ASC staff has validated the action(s).

As an example, the State amended and adopted the regulation to meet AQB Criteria and provided documentation showing the adoption was finalized.

An **AC** will remain if ASC staff is unable to verify the State’s reported remedy.

As an example, if the State reports that a remedy is in place and provides documents showing the new process, but ASC staff cannot validate that the State is actually using the new process, it will remain an **AC** until the next Review.

- **Yes** – A **Yes** applies when the State is in compliance in the area and ASC staff has not recommended State actions.

ASC Staff Compliance Review Preliminary Findings

Oklahoma Appraiser Regulatory Program (Program)

Oklahoma Real Estate Appraiser Board (Board) / Decision Making	ASC Compliance Review Date: October 7-9, 2013	PM: J. Tidwell
Umbrella Agency: Independent Adjunct to the Oklahoma Insurance Department	Review Period: October 2011 to October 2013	Report Issue Date: October 15, 2013
Number of State Credentialed Appraisers on National Registry: 933	Complaints Outstanding: 11	
Complaints Received During Review Period: 102	Complaints Exempted: 3 (Special Documented Circumstances)	Complaints Outstanding Including Exemptions >1 yr: 3

Requirement/Guidance	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	ASC Staff Comments
	YES	NO	AC		
Oklahoma Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	None
Temporary Practice:	X			No compliance issues noted.	None
National Registry:	X			No compliance issues noted.	None
Application Process:	X			No compliance issues noted.	None
Reciprocity:	X			No compliance issues noted.	None
Education:	X			No compliance issues noted.	None
Enforcement:	X			No compliance issues noted.	None