BEFORE THE REAL ESTATE APPRAISER BOARD
STATE OF OKLAHOMA

In the Matter of JOSEPH M. HUFFMAN, JR.,	)	
	)	Complaint #12-023
Respondent.	)	

BOARD'S DECISION AS TO
DISCIPLINARY HEARING PANEL RECOMMENDATION

ON THE 1st day of May, 2013 the above numbered and entitled cause came on for hearing before the Oklahoma Real Estate Appraiser Board (the "Board" or "OREAB") following a disciplinary hearing held on March 15, 2013. The Board was represented by a Disciplinary Hearing Panel composed of three (3) members, Stephen E. Meyer of Oklahoma City, Oklahoma, Larry Boone of Paul's Valley, Oklahoma, and Nena W. Henderson of Edmond, Oklahoma, a certified USPAP Instructor. Larry Boone was elected and served as Hearing Panel Chairman at the hearing. Said panel was represented by the Board's attorney, Assistant Attorney General Bryan Neal. The case was prosecuted by the Board's prosecutor, Stephen L. McCaleb. On behalf of the Board, Mr. McCaleb elected to have this matter recorded by electronic device and to rely on the electronic recording.

The Respondent, Joseph M. Huffman, Jr. of Holt, Missouri, appeared in person and was represented by his attorney Daniel J. Gamino, Daniel J. Gamino & Associates, P.C., Oklahoma City, Oklahoma, who, on March 15, 2013, filed an entry of appearance in writing immediately prior to the scheduled starting time of the hearing, after Respondent Huffman having been mailed a copy of the Notice of Disciplinary Proceedings and Appointment of Hearing Panel by certified mail with return receipt requested pursuant to the Oklahoma Certified Real Estate Appraisers Act, 59 O.S. § 858-724, and the Oklahoma Administrative Procedures Act, 75 O.S. §§250-323. On behalf of the Respondent, Joseph M. Huffman, Jr., Mr. Gamino elected to have this matter recorded by electronic device and to rely on the electronic recording.

Neither party to these proceedings requested that a court reporter record this matter. No proposed findings of fact were submitted to the Board by either party to these proceedings.

The Board's prosecutor presented one witness in support of the case against the Respondent: Christine McEntire, the Board's Director. Upon being duly sworn, Ms. McEntire testified that the Board is a state regulatory body with federal oversight pursuant to the Financial Institutions Reform,

Recovery and Enforcement Act of 1989 (FIRREA) as more fully explained in a one (1) page document prepared by the Board Staff under the heading "Real Estate Appraiser Board", which document Ms. McEntire identified (Exhibit A) and the Board's prosecutor introduced for admission into evidence herein to which there was no objection.

Ms. McEntire proceeded to summarize the Board's rules as to required continuing education by testifying that licensed appraisers are required to complete forty-two (42) hours of continuing education each three (3) year cycle, of which total hours an appraiser can claim up to twenty-one (21) hours credit for teaching qualified appraisal courses.

The Board's prosecutor presented a two (2) page document to Ms. McEntire that she identified as two (2) excerpts from the Real Property Appraiser Qualification Criteria effective January 1, 2008, that was introduced into evidence as Exhibit B without objection. The first page contains the "Qualifying Education Interpretation" from the Appraisal Qualifications Board (AQB), F. entitled "Criteria Specific to Continuing Education" (from page 7), No. 4 that provides, among other things, that "credit for instructing any given course or seminar can only be awarded once during a continuing education cycle." The second page contains the "Real Property Appraiser Qualification Criteria and Interpretations of the Criteria" (from page 46), Question 7 and its Response that preparing to instruct does not qualify for continuing education credit.

Ms. McEntire testified that she filed a Staff Grievance with attachments, a copy of which she identified and which was admitted into evidence as Exhibit C (attached) to which there was no objection. According to the Grievance, the Respondent's appraisal credential expired on January 31, 2012, that the Respondent submitted a fraudulent course completion certificate that he had taught the Fannie Mae 1004MC on December 19, 2011, that subsequently the Board received a course completion roster that the course was completed on January 31, 2012, that through additional investigation and communications with the Respondent the Board Staff learned that the Respondent did not in fact teach the Fannie Mae 1004MC course on December 19, 2011, as stated by the Respondent, that through e-mail exchanges and a telephone call with the Respondent that the Respondent acknowledged that he did not teach the Fannie Mae 1004MC course but issued himself a certificate in order to meet Oklahoma's continuing education requirements. Among the attachments to the Grievance is a Course Evaluation Form that the Respondent utilized to both the course and to evaluate his performance as the Instructor of his one (1) student class: himself (Exhibit C, page 5). According to the Course Evaluation Form, the Respondent rated very good as

to the involvement of students in the presentation, that he rated very good as to his receptiveness to student questions, that he was very good in his ability to respond to student questions and that he rated very good as to his ability to stimulate student participation. When the Course Evaluation Form is read with the understanding that the Respondent claims that he formally taught himself the claimed course, the Respondent rated very good as to the involvement of students in the presentation (with himself), that he rated very good as to his receptiveness to student questions (from himself), that he was very good in his ability to respond to student questions (to himself) and that he rated very good as to his ability to stimulate student participation (with himself). The Course Completion Roster attached as Exhibit C, page 6 discloses that the Respondent was both the Instructor and the lone student. There is a letter from the Board's Director dated February 8, 2012, attached as Exhibit C, page 7, that as the Respondent was the only student that he would receive no course credit as an Instructor (as he previously received credit for a 7-Hour USPAP update course on March 21, 2010), that the Board had never received a course announcement for the Fannie Mae 1004MC course and that he still needed to produce proof of course completion of seven (7) additional hours of continuing education.

During rebuttal to testimony from the Respondent, Ms. McEntire identified a Memo to the File dated February 1, 2012, as a business record of the Board which was introduced for admission as Exhibit D (attached) and its admission was objected to by the Respondent on the basis that it was outside the scope of rebuttal. Noting the objection which was over-ruled, Exhibit D was admitted into evidence as a business record kept in the ordinary course of business. Exhibit D was written by a former Administrative Officer of the Board, Shannon Gabbert, summarizing certain of her conversations with the Respondent while she was employed by the Board, specifically on January 31, 2012, that two courses he previously submitted for approval from APP 168, Ike Pono Institute of Appraising (of which he is the proprietor), were not approved in Oklahoma and continuing education credit could not be given, that the Respondent asked what courses of said Institute were currently approved for credit, that only one of the five previously approved was available for credit, that the one course still approved was the Fannie Mae 1004MC course, that the Respondent claimed to have taken the course but didn't list it as he did not think that it was necessary, that said he never submitted course announcements or a course roster as required for said course in December, 2011, and that as of February 1, 2012, no such course roster showing course attendance had been submitted to the Board.

Mr. Huffman being duly sworn, testified that he had been an appraiser since 1993-1994, that he had been in good standing ever since 1994, that he has that had no prior discipline in Oklahoma, that he was a certified USPAP Instructor, that he has served on AQB and ASB Committees, that he has been certified in 11 or 12 states, that he has had no prior discipline in any of those other states, that he has been an Expert Witness in Idaho and in the Bankruptcy Court in Dallas, Texas, that he was "John Wayne honest" and that he denied knowingly providing false or fraudulent information to the Board. The Respondent testified that Exhibit C is a true and correct copy, that the Fannie Mae 1004MC he taught to himself by reading everything out loud in his living room was accomplished through going over the overheads he had prepared, that he gave himself the presentation, that he went through the handouts, that he took breaks and had lunch, and that he sat there for the full eight hours just like anybody else.

The Respondent identified his Huffman Exhibit 1 as an e-mail string (9 pages) between him and the Board Staff to which the Board's Prosecutor objected as hearsay due to its involving Administrative Officer Shannon Gabberts' communications and those of her successor Christen Watson with the Respondent. The Board's prosecutor advised that the copy appeared to be true and correct despite his objection. Accordingly, Huffman Exhibit 1 was admitted as a business record of the Board overruling the objection that indicated that the Respondent did receive renewal of his license through use of a different course, Mortgage Fraud 701, that he was approved to teach in Hawaii until approval expired in December 2011, and for which he produced a qualifying course roster with 15 names other than his own.

The Respondent identified Huffman Exhibit 2 as 59 O.S. 858-732 Ethics Rule, to which the Board's prosecutor objected and which objection was sustained.

In addition to testifying on his own behalf, Respondent Huffman presented one appraiser as a witness to testify who did so by long distance telephone: Timothy C. Andersen, MAI Appraiser, Certified Real Estate Appraiser, State of Florida, whose address was 2430 24th Lane, Palm Beach Garden, Florida 33418.

Mr. Andersen testified that he is generally familiar with USPAP, that he is a certified USPAP Instructor, that he has been appraising since 1982, that he holds MAI status and has done so since 1997, that he has not taught with the Respondent, that he finds the Respondent to be extremely honest and that the Respondent has a high reputation for honesty. Mr. Andersen possessed no

personal knowledge of any of the actual facts of this case. Mr. Andersen basically testified as to his acquaintance with the Respondent and to, in his opinion, the Respondent's good character.

Upon timely filing of a Request for Oral Argument and brief, oral argument was presented by both Daniel Gamino, counsel for the Respondent, and Stephen McCaleb, Board Prosecutor.

The Board, being fully advised, makes the following Order adopting in full the Findings of Fact and Conclusions of Law and modifying the Disciplinary Recommendation of the Hearing Panel

JURISDICTION

1. The Oklahoma Real Estate Appraiser Board has jurisdiction of this cause, pursuant to the provisions of the Oklahoma Certified Real Estate Appraisers Act as set forth at Title 59 of the Oklahoma Statutes, §§858-700, *et seq.* and to establish administrative procedures for disciplinary proceedings conducted pursuant to the provisions of the Oklahoma Certified Real Estate Appraisers Act.

2. The proceedings herein were conducted in accordance with the provisions of the Oklahoma Certified Real Estate Appraisers Act, 59 O.S. §858-700 *et seq.*, the Oklahoma Administrative Procedures Act, 75 O.S. §§ 301-323, and as set forth at the Oklahoma Administrative Code, §§600:15-1-1 thru 600:15-1-22.

3. The Respondent JOSEPH HUFFMAN, JR. is a state Certified General Appraiser in the State of Oklahoma, holding certificate number 11129CGA and was first licensed with the Oklahoma Real Estate Appraiser Board on January 5, 1994.

FINDINGS OF FACT

The Board adopts in full the findings of the Hearing Panel that the following facts were proven by clear and convincing evidence.

1. The Respondent JOSEPH HUFFMAN, JR. is a state Certified General Appraiser in the State of Oklahoma, holding certificate number 11129CGA and was first licensed with the Oklahoma Real Estate Appraiser Board on January 5, 1994.

2. On or about January 31, 2012, in order to renew his license which was set to expire on January 31, 2012, the Respondent provided to the OREAB staff a Certificate of Course Completion in which he advised the OREAB that he taught the Fannie Mae 1004MC on December 19, 2011.

3. The Respondent then advised the OREAB that he taught the course.

4. The Respondent then provided the OREAB a Course Completion Roster for the same course, stating that the date of the course was January 31, 2012. The Respondent was the only student listed on the roster.

5. The OREAB then discovered that no course occurred on December 19, 2011, nor was there was a course announcement filed with the OREAB for the class.

6. The Respondent did not in fact teach the course on December 19, 2011, nor on January 31, 2012, nor can he obtain credit for the course. Accordingly, he submitted misleading information to the OREAB.

7. The Respondent admitted in his testimony that he is a certified USPAP Instructor. As a certified USPAP Instructor, the Respondent was acting in the role of an appraiser in this teaching assignment, he was engaged in appraisal practice, which is defined in USPAP as: *Valuation services performed by an individual acting as an appraiser, including, but not limited to, appraisal, appraisal review, or appraisal consulting.* (See Conclusions of law No. 3 below).

CONCLUSIONS OF LAW

The Board adopts in full the Conclusions of Law found by the Disciplinary Hearing Panel.

1. The Respondent has violated 59 O.S. §858-723(C) (1): "Procuring or attempting to procure a certificate pursuant to the provisions of the Oklahoma Certified Real Estate Appraisers Act by knowingly making a false statement, knowingly submitting false information, refusing to provide complete information in response to a question in an application for certification or through any form of fraud or misrepresentation." The Respondent violated 59 O.S. §858-723(C) (1) in attempting to procure a certificate (i.e., his license renewal) pursuant to the provisions of the Oklahoma Certified Real Estate Appraisers Act in order meet his continuing education requirements for license renewal through the misrepresentation that as the only student in an un-announced and un-advertised class, he as the Instructor taught the class materials only to himself.

2. The Respondent has violated 59 O.S. §858-723(C) (13), in that Respondent in part violated 59 O.S. §858-732(A) (1): "An appraiser must perform ethically and competently and not engage in conduct that is unlawful, unethical or improper…"

3. Uniform Standards of Professional Appraisal Practice (USPAP) Frequently Asked Questions (FAQ) 2012-2013 Edition, (From the Appraisal Standards Board) No. 9.

USPAP COMPLIANCE AS AN INSTRUCTOR

"**Question:** **In addition to my job as an appraiser, I spend a significant amount of my professional time as an instructor of appraisal courses and seminars. One of the prerequisites for my teaching position is that I must also be a practicing appraiser. Am I subject to USPAP when I am teaching appraisal courses?**

Response: Yes. Since you are acting in the role of an appraiser in these teaching assignments, you are engaged in appraisal practice, which is defined in USPAP as:

> *Valuation services performed by an individual acting as an appraiser, including,* ***but not limited to****, appraisal, appraisal review, or appraisal consulting.* (Bold added for emphasis)

While USPAP does not include Standards Rules for teaching assignments, you must observe applicable requirements in the PREAMBLE, the ETHICS RULE, the COMPETENCY RULE and the JURISDICTIONAL EXCEPTION RULE.

4. Uniform Standards of Professional Appraisal Practice (USPAP) ETHICS RULE, Conduct Section, 2012-2013 Edition.

An appraiser must perform assignments with impartiality, objectivity, and independence, and without accommodation of personal interests.

An appraiser:

- **must not perform an assignment with bias;**
- **must not advocate the cause or interest of any party or issue;**

The Respondent submitted misleading information about his taking the required continuing education in an attempt to accommodate his own personal interest (i.e. his need for qualifying hours of continuing education) by attempting to obtain his renewal certificate by claiming he taught himself as the only student in an unannounced course for 8 hours.

FINAL ORDER

WHEREFORE, having adopted in full the Findings of Fact and Conclusions of Law by the Disciplinary Hearing Panel the Board issues its Final Order as follows:

1. The Respondent Joseph M Huffman, Jr. shall be **SUSPENDED** for a period of six (6)

months from the date that any final order is entered in this matter.

2. The Respondent Joseph M. Huffman, Jr. shall pay the costs expended by the Board for legal fees and travel costs incurred in this matter. The Board staff will provide a statement of the costs incurred to the Respondent with the final order. Costs shall be paid in accordance with 59 O.S. § 858-723(B).

3. Failure by Respondent Joseph M. Huffman, Jr. to comply with any requirement of this order shall result in his appraisal credential being suspended instanter, with notification forwarded immediately to the Respondent by Certified U. S. mail, return receipt requested.

THE BOARD WISHES TO ADVISE THE RESPONDENT THAT HE HAS THIRTY (30) DAYS TO APPEAL THIS ORDER WITH THE APPROPRIATE DISTRICT COURT.

IT IS SO ORDERED THIS 1st day of May, 2013.

INSURANCE COMMISSIONER
STATE OF OKLAHOMA

ERIC SCHOEN, Board Secretary

BRYAN NEAL, Assistant Attorney General
Counsel to the Board

CERTIFICATE OF MAILING

I, Rebecca Keesee, hereby certify that on the 6th day of May, 2013, a true and correct copy of the above and foregoing Board's Decision as to Disciplinary Hearing Panel Recommendation was placed in the U.S. Mail by certified mail, return receipt requested to:

Daniel J. Gamino **7012 2210 0000 8959 6046**
Daniel J. Gamino & Associates, P.C.
James Town Office Park, North Building
3035 N.W. 63rd Street, Suite 214
Oklahoma City, OK 73116

and that copies were forwarded by first class mail to the following:

Joseph M. Huffman, Jr.
21006 N.E. 172nd Street
Holt, MO 64048

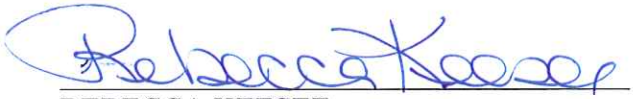
Larry Boone, Hearing Panel Member
700 South Street
Pauls Valley, OK 73075

Stephen E. Meyer, Hearing Panel Member
3120 W. Britton Rd., Ste. 201
Oklahoma City, OK 73120

Nena W. Henderson, Hearing Panel Member
1408 Sims Avenue
Edmond, OK 73013

Bryan Neal, Assistant Attorney General
OFFICE OF THE ATTORNEY GENERAL
313 N.E. 21st Street
Oklahoma City, OK 73105

Stephen L. McCaleb
DERRYBERRY & NAIFEH
4800 N. Lincoln Boulevard
Oklahoma City, OK 73105



REBECCA KEESEE

OKLAHOMA REAL ESTATE APPRAISER BOARD
APPRAISER GRIEVANCE FORM

May 2, 2012

To: Oklahoma Real Estate Appraiser Board
Oklahoma Insurance Department
5 Corporate Plaza, 3526 N.W. 56th, Suite 100, Oklahoma City, OK 73112

From: OREAB Telephone: (405) 521-6636
Address: 3625 N.W. 56th Street, Suite 100 City & State: OKC, OK Zip: 73112

Name of appraiser: Joseph M. Huffman, 11129CGA
Firm: Address:
City & State: Zip:

Type of Appraisal (Residential, Agricultural, Commercial, etc.):
Date of Appraisal: Location of Property:

Names and addresses of other involved parties:

GRIEVANCE

Please give as detailed information as possible including dates. Attach copies of your appraisal report(s), exhibits, documents and any other correspondence relating to the complaint.

In order to renew his appraisal credential which expired on January 31, 2012, Mr. Huffman submitted a fraudulent course completion certificate in which he stated that he taught the Fannie Mae 1004MC on December 19, 2011. Board staff subsequently received a course completion roster from Mr. Huffman stating that the course was completed on January 31, 2012. After some internal investigation and communications with Mr. Huffman, it was learned that Mr. Huffman did not, in fact, teach the Fannie Mae 1004MC Course on December 19, 2011 as stated. Through e-mail exchanges and a subsequent telephone call with Mr. Huffman, Mr. Huffman acknowledged that he did not teach the course, but issued himself a certificate in order to meet his continuing education requirements in Oklahoma.

59 O.S. 858-723 states that the holder of an appraisal license may be suspended, revoked, or otherwise disciplined for any of the following acts or omissions: 1.) procuring or attempting to procure a certificate pursuant to the provisions of the Oklahoma Certified Real Estate Appraisers Act by knowingly making a false statement or knowingly submitted false information; and 2.) an act or omission involving dishonesty, fraud or misrepresentation with the intent to substantially Benefit the certificate holder.

See Attachments.

FILED
MAY 02 2012
Real Estate Appraiser Board
State of Oklahoma

I, Christine McEntire, being first duly sworn, state that the information supplied by me is true and correct to the best of my knowledge.

Signature of person making grievance

May 2, 2012
Date

OREAB USE ONLY

Grievance Number: 12-023 Date Entered: 5/2/2012

EXHIBIT
C

OKLAHOMA REAL ESTATE APPRAISER BOARD

OKLAHOMA INSURANCE DEPARTMENT

JOHN D. DOAK, CHAIRPERSON
LEE R. CAESAR JR., VICE-CHAIRMAN
P. LANE WHEELER, MEMBER
STEPHEN C. WALTON, MEMBER
JANA S. BARKER, MEMBER
HAROLD J. SNYDER III, MEMBER
PATTI L. FISHER, MEMBER
BETTY J. CAGLE, MEMBER

January 26, 2012

Joseph M. Huffman Jr.
21006 NE 172nd St
Holt, MO 64048

Dear Mr. Huffman:

Pursuant to your application for renewal, the standard license/certification was not issued because our records show that you lack continuing education hours as required by the Oklahoma Certified Real Estate Appraisers Act, 59 O.S. §□858-722, and accompanying regulation OAC 600:10-1-7.

Forty-two (42) hours of continuing education is required by law; only half of which may be taken online. According to the records in this office you require an additional **eight (8) hours in-class** to renew your certification. Your license will expire on January 31, 2012. A $50.00 late fee will be due if the education is not received by that date.

If you have any questions, or if I may be of assistance, please do not hesitate to contact me at your convenience.

Sincerely,

SHANNON N. GABBERT, Administrative Officer
Oklahoma Real Estate Appraiser Board

/sng

E-MAIL: reabadmin@oid.ok.gov WEBSITE: www.reab.oid.ok.gov
5 CORPORATE PLAZA 3625 NW 56TH STREET, STE 100, OKLAHOMA CITY, OK 73112
PHONE: (405) 521-6636 - TOLL FREE (IN STATE) 1-800-522-0071 - FAX: (405) 522-6909

APP 168

405-522-6909

State of Oklahoma
REAL ESTATE APPRAISER BOARD
P.O. Box 53408, Oklahoma City, Oklahoma 73152-3408
2401 N.W. 23rd St, Ste 28, Oklahoma City, Oklahoma 73107
Phone: (405) 521-6636 Fax: 522-6909 Email: reab@oid.ok.gov
Website: www.reab.oid.ok.gov

RECEIVED
OKLAHOMA INSURANCE DEPT.
FEB 01 2012
Real Estate Appraiser Board

Pre-licensing or Continuing Education
CERTIFICATE OF COURSE COMPLETION

NOTE TO PROVIDER: Complete form and furnish a copy to student. Retain record of all certificates of completion. Warning: Authenticated REA-CE6 forms received without student's name in place may result in adverse action.

NOTE TO STUDENT: Keep this certificate for your records. Do not send the original to the Oklahoma Real Estate Appraiser Board. **Upon course completion for continuing education, immediately forward a copy to OREAB by mail, fax or email.** Upon course completion for qualifying education, retain and attach a copy to your application for licensure/certification.

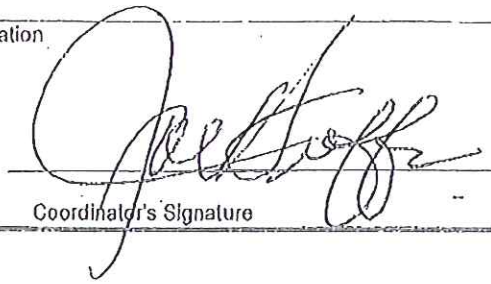
You must submit this form to receive credit for your continuing education. The school rosters will not be used to enter CE.

Please complete the course evaluation on the reverse side of this form.

Student's Name (Typed or Printed)	Telephone	License Number
JOE HUFFMAN	816 420 8803	11129 CGA
Address		Appraiser Board Provider Number
21006 NE 12E ST		APP 168
City, State, ZIP		Appraiser Board Course Number
Holt MO 64048		704
School/Sponsoring Entity		Course Ending Date
IKE Bond Institute of REAP		12-18-11
Course Title		Number Hours
FANNIE MAE 1004 UAC		8

-3-

Authentication



Coordinator's Signature Date

REA-CE6 (0807)

709

COURSE EVALUATION FORM

Provider number	Course number	Instructor
APP 168	709	Hufferman

EVALUATE THE COURSE

	EXCELLENT	VERY GOOD	AVERAGE	FAIR	POOR
1. Did the course cover all topics adequately?	1	(2)	3	4	5
2. Were course materials adequate?	1	(2)	3	4	5
3. Was the course well organized?	1	(2)	3	4	5
4. Were there sufficient examples & illustrations?	1	(2)	3	4	5
5. Was sufficient time allotted to cover all subjects?	1	(2)	3	4	5
6. Was the course taught at the level you anticipated?	1	(2)	3	4	5
7. Were stated learning objectives achieved?	1	(2)	3	4	5

EVALUATE THE INSTRUCTOR

	EXCELLENT	VERY GOOD	AVERAGE	FAIR	POOR
1. Knowledge of subject matter:	1	(2)	3	4	5
2. Organization of verbal presentation:	1	(2)	3	4	5
3. Quality of verbal presentation:	1	(2)	3	4	5
4. Use of case problems:	1	(2)	3	4	5
5. Involvement of students in presentation:	1	(2)	3	4	5
6. Receptiveness to student questions:	1	(2)	3	4	5
7. Ability to respond to student questions:	1	(2)	3	4	5
8. Ability to stimulate student participation:	1	(2)	3	4	5

Would you recommend this school to others? Yes: ✓ No: ____

Would you recommend this course to others? Yes: ✓ No: ____

Would you recommend this instructor to others? Yes: ✓ No: ____

State of Oklahoma
REAL ESTATE APPRAISER BOARD
3625 N.W. 56th St, Ste 100, Oklahoma City, Oklahoma 73112
Phone: (405) 521-6636 Fax: 522-6909 Email: reabadmin@oid.ok.gov
Website: www.reab.oid.ok.gov

COURSE COMPLETION ROSTER

PLEASE TYPE

Provider: JOE POND Institute of Appraising

Course Title: FANNIE MAE 1004MC

Instructor(s): JOE HUFFMAN Instructor Number(s): _____

Provider Number: APP 168 Course Number: 1202 Closing Date: 1-31-12

NAME OF APPRAISER STUDENT	APPRAISER LICENSE NUMBER
JOE HUFFMAN	11129 CGA

ATTACH ADDITIONAL FORMS AS REQUIRED.

"I hereby certify that each individual listed hereon successfully completed the course indicated."

Authorized Signature

PAGE 1 OF 1 PAGES

REA-CE5 (1108)

OKLAHOMA REAL ESTATE APPRAISER BOARD

OKLAHOMA INSURANCE DEPARTMENT

JOHN DOAK, CHAIRPERSON
LEE R. CAESAR JR., VICE-CHAIRMAN
P. LANE WHEELER, MEMBER
STEPHEN C. WALTON, MEMBER
JANA S. BARKER, MEMBER
HAROLD J. SNYDER III, MEMBER
PATTI L. FISHER, MEMBER
BETTY J. CAGLE, MEMBER

February 8, 2012

Via E-mail Transmission & First Class Mail

Joseph M. Huffman
21006 NE 172nd Street
Holt, MO 64048

RE: **Renewal of Credential 11129CGA**

Dear Mr. Huffman:

We are in receipt of your Course Completion Certificate for Course #704; Fannie Mae 1004 MC. We have also received from you a Course Completion Roster for this course, as requested by Ms. Gabbert. Please note, that while the *Real Property Appraiser Qualification Criteria* will allow an instructor to receive up to a maximum of half of his continuing education requirements as an instructor of an approved course, the instructor himself cannot be the only student. As reflected by the Course Completion Roster, you were the only "student", and no other appraisers were in attendance. As such, no credit will be allowed for this course.

Based on the above, as well as my conversations with the Board's licensing agent concerning the issues surrounding your efforts to renew your license as a Certified General Appraiser in Oklahoma, I have taken the time to review your licensure file. I find that you previously submitted a Certificate of Course Completion for the 7-Hour USPAP Update, again taught by you, on March 21, 2010. As we do not have a course announcement from you concerning this course, nor a course completion roster showing attendance at this course, both of which are required by Board Rule, in order to allow you to maintain the seven hours of continuing education credit you received for this course, a Course Completion Roster will need to be submitted reflecting attendance by students other than yourself.

At this point, Mr. Huffman, you need a minimum of seven (7) additional hours of continuing education credit in order to renew your license. If the circumstances surrounding the seven (7) hours of credit given to you for your USPAP update are the same as the Fannie Mae 1004 MC course, you will need fourteen (14) hours.

Please be aware that the Oklahoma Certified Real Estate Appraiser's Act at 59 O.S. § 858-700 et seq., states in pertinent part:

§ 858-723. Disciplinary Proceedings – Grounds - Civil Judgment as Basis - Complaints.

C. The rights of any holder under a certificate as a trainee, state licensed, state certified residential or state certified general real estate appraiser may be revoked or suspended, or the holder of the certificate may be otherwise disciplined pursuant to the provisions of the Oklahoma Certified Real Estate Appraisers Act, upon any of the grounds set forth in this section. The Board may investigate the actions of a trainee, state licensed, state certified residential or state certified general real estate appraiser, and may revoke or suspend the rights of a certificate holder or otherwise discipline a trainee, state licensed, state certified residential or state certified general real estate appraiser for any of the following acts or omissions:

1. Procuring or attempting to procure a certificate pursuant to the provisions of the Oklahoma Certified Real Estate Appraisers Act by knowingly making a false statement, knowingly submitting false information...
2. An act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit the certificate holder...

§ 858-717. Denial of Certificate.

The Board may, in accordance with the provisions of the Oklahoma Certified Real Estate Appraisers Act relating to hearings, deny the issuance of a certificate as a trainee, state licensed, state certified residential or state certified general real estate appraiser to an applicant on any of the grounds enumerated in the Oklahoma Certified Real Estate Appraisers Act.

In order to continue to process the renewal of your Oklahoma license, the additional education hours must be submitted as outlined above. Alternatively, you may submit a Course Completion Roster for the 2010 USPAP update verifying attendance. With respect to the late fee of $50.00, based on the lack of approved continuing education credit for the Fannie Mae 1004 MC, that fee is now also due.

If you would like to respond to my correspondence and address any issue I have raised, I would be happy to receive same.

Sincerely,

CHRISTINE MCENTIRE, Director
Real Estate Appraiser Board

Oklahoma Real Estate Appraiser Board

Memo

To: File

From: Christine McEntire, Director

Date: March 22, 2012

Re: Licensing Matter re: Joseph M. Huffman

I spoke with Mr. Huffman by telephone with respect to his recent continuing education course submittals and the remaining continuing education required of him in order to renew his license. Mr. Huffman was frustrated with the process and felt like we were changing the rules on him and/or not taking education credit for courses that we should have taken, or had taken in the past from him.

We went through the entire events relating to staff's request for additional education and/or continuing education certificates. During our conversation, I explained to Mr. Huffman that one of the initial, and biggest, issues was his submittal a course completion certificate for the Fannie Mae 1004MC dated December 19, 2011. Based on his conversation with Shannon Gabbert immediately before submission of this certificate we had some concerns over its validity. We checked our files for a course announcement or a course roster and could not locate either. Upon our request, Mr. Huffman submitted a course completion roster for the Fannie Mae 1004MC wherein he was listed as both the instructor and the only student.

During this telephone conversation, Mr. Huffman explained that he was under the impression he could obtain credit for courses that he taught as an approved provider. I advised Mr. Huffman that he was correct and that the appraiser qualification criteria allowed credit for half of his continuing education requirements for courses taught that he is the instructor. However, he was required to actually teach the course and could not be the only student. Mr. Huffman indicated that he opened his book for that course and flipped through the material before issuing himself a certificate. I told him that wouldn't count. Mr. Huffman then said that he had actually taught the course in 2009 in Hawaii. I told him Mr. Huffman that would have counted in a prior cycle; however, the problem is that he did not teach it on December 19, 2011 and created a false course completion certificate in order to clear up his remaining continuing credit in order to be allowed to renew his credential. I reminded him of the language in our Act which I set out in my March 8th correspondence.

Mr. Huffman said that he wasn't trying to do anything fraudulently. He stated that he thought it was okay for him to do this way as he had done it before and was not questioned about it.

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Oklahoma Real Estate Appraiser Board

Memo

To: File

From: Shannon Gabbert, Administrative Officer

CC: Christine McEntire, Director

Date: 2/1/2012

Re: Joseph M. Huffman Jr., 11129CGA

I spoke with Joseph M. Huffman Jr., 11129CGA, via telephone on January 31, 2012 regarding his lack of continuing education for his renewal, which was due on that date. During the course of that conversation I notified Mr. Huffman that two of his previously submitted courses (from provider APP168, *Ike Pono Institute of Appraising*, of which he is the proprietor) were not approved in the State of Oklahoma and continuing education credit could not be given for those courses. He then asked which of his courses were currently approved in this state. I informed him that four of the five courses initially approved under that provider number had expired and that the only course still actively approved was course number 704: *FANNIE MAE 1004MC*. Mr. Huffman then asked me to twice more verify the course number and course title so that he could write it down. He then stated that he had in fact taken that course and simply didn't submit it because he didn't feel that it was necessary.

Mr. Huffman went on to inform me that he was currently out of town and would not be able to transmit any course completion certificates until the next day. He was adamant about not being charged a Late Payment Fee and requested that an exception be made for him. I told him that there were no exceptions to this fee, as it is set by Board rule. He asked if he could submit on or before midnight and I informed him that he could and that, as long as the date stamp showed January 31, 2012 or before, the materials would be considered timely received and a Late Payment Fee would not be charged, assuming the received materials were acceptable. After reiterating that he was out of town, Mr. Huffman then said that it didn't matter if he actually submitted the document in time, because he could change the date and time stamp on his fax machine to make it look like it had been received prior to the deadline.

Mr. Huffman submitted course 704: *FANNIE MAE 1004MC* at 11:58 pm on January 31, 2012; this was verified with an internal fax receipt printout, as the actual document did not show a time and the date stamp read "2/1/2007". The course submitted by Mr. Huffman shows that he held the course on December 19, 2011. As a verification measure, I went through the files to verify his attendance on a Course Roster. It was then that I found out that Mr. Huffman has never submitted Course Announcements or Course Rosters for any courses held by *Ike Pono Institute of Appraising*. I then emailed a notification to Mr. Huffman outlining the Board rules with regard to this matter and his duty as an approved provider to follow said rules (attached). I then asked him to forward the Course Roster for the 704: *FANNIE MAE 1004MC* course that was held December 19, 2011. His first response to this request was for his instructor number, as he couldn't find it on the website. I then notified him that that information was not required and that he please forward the Course Roster that he already had on file for that course. In his second response, he said that he had the roster, "...but **I was the instructor and student** and it is asking for the instructor number." After once again telling him that he did not

need to complete the instructor number section and to please forward the Course Roster, he responded with, "Ok thanks" (email correspondence attached). The Course Roster has not yet been received, nor has Mr. Huffman offered any guidance as to when we can expect to receive this document.