

■ ■ ■ ■ ■ ■ ■

# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

July 7, 2020

**VIA EMAIL**

Mr. Cary Matthews, Board Chair  
Arkansas Appraiser Licensing and Certification Board  
101 East Capitol Avenue, Suite 430  
Little Rock, AR 72201

RE: ASC Compliance Review of Arkansas' Appraisal Management Company (AMC)  
Regulatory Program

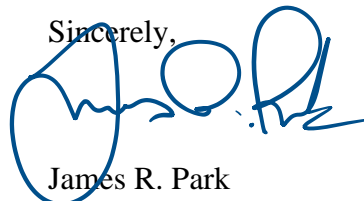
Dear Mr. Matthews:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Arkansas AMC regulatory program (AMC Program) on March 3-5, 2020, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

The ASC considered the preliminary results of the Review and has awarded the AMC Program an ASC Finding of "Excellent." Arkansas will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Arkansas AMC Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



James R. Park  
Executive Director

Attachment

cc: Ms. Diana Piechocki, Executive Director, [diana.piechocki@arkansas.gov](mailto:diana.piechocki@arkansas.gov)

## ASC Finding Descriptions

| ASC Finding       | Rating Criteria   | Review Cycle*                     |
|-------------------|---|-----------------------------------|
| Excellent         | <ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>  | 2-year                            |
| Good              | <ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>  | 2-year                            |
| Needs Improvement | <ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>                                     | 2-year with additional monitoring |
| Not Satisfactory  | <ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul> | 1-year                            |
| Poor              | <ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>  | Continuous monitoring             |

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

## ASC State AMC Program Compliance Review Report

ASC Finding: Excellent  
 Final Report Issue Date: July 7, 2020

### Arkansas AMC Regulatory Program (State)

|  |               |   |   |
|--|---------------|---|---|
| Arkansas Appraiser Licensing and Certification Board (Board) | PM: K. Klamet | ASC Compliance Review Date: March 3-5, 2020 | Review Period: March 2018 to March 2020 |
| Umbrella Agency: Department of Labor and Licensing           |               | Number of AMCs on AMC Registry: 0           | Review Cycle: Two Year                  |

| Applicable Federal Citations                           | Compliance (YES/NO)<br>Areas of Concern (AC) |    |    | ASC Staff Observations      | State Response | Required/Recommended State Actions | General Comments |
|--|--|----|----|-----------------------------|----------------|------------------------------------|------------------|
|  | YES  | NO | AC |                             |                |                                    |                  |
| <b>Statutes, Regulations, Policies and Procedures:</b> | X  |    |    | No compliance issues noted. | N/A            | None                               | None             |
| <b>National Registry:</b>                              | X  |    |    | No compliance issues noted. | N/A            | None                               | None             |
| <b>Enforcement:</b>                                    | X  |    |    | No compliance issues noted. | N/A            | None                               | None             |