

**FFIEC-APPRAISAL SUBCOMMITTEE
MEETING MINUTES [PUBLIC]
July 13, 2006**

ATTENDEES: J. Leitner (FDIC Voting Alternate), A. LaCreta (NCUA), D. Merkle (OTS), D. Patel (OCC). **Permanent staff:** B. Henson (Executive Director), V. Ledbetter (Appraisal Policy Manager), L. Schuster (Administrative Officer), R. Seward (Information Management Specialist), M. Weinberg (General Counsel).

ABSENT: S. Fritts (FDIC), G. Gibbs (FRB), J. Richardson (HUD), D. Graves (Appraisal Policy Manager), J. Tidwell (Appraisal Policy Manager).

The meeting was called to order at 10:40 a.m. by J. Leitner, who chaired the meeting in G. Gibbs absence.

ADMINISTRATIVE MATTERS

- **Meeting Minutes** – A. LaCreta moved for approval of the June 8th minutes, as edited, and D. Merkle seconded; all members present agreed.

ACTION

- **Appraisal Foundation request to fund Phase 2 of National Uniform State Examination Project** – Sandy Guilfoil, Dave Bunton, and Cathy Johnson were present from the Appraisal Foundation to present this request. S. Guilfoil presented a summary of the process followed by the AQB to arrive at the current contract state. She reported that Comira Testing of Burlingame, CA, was selected from the nine proposals submitted by examination developer vendors. D. Bunton presented information regarding how the States will receive and administer the examinations. J. Leitner asked if any of the questions on the new exam would be ethics-related. D. Bunton responded that approximately 16 percent will be related to ethics. He also added that, with the ability to scramble the questions, there will be an unlimited number of tests that can be developed. After further discussion, A. LaCreta moved for approval of the Special Project Grant Proposal in the amount of \$319,700. D. Patel seconded, and all members present agreed. B. Henson noted that portions of the approved amount will be included in the next three ASC budgets as the costs are incurred.
- **Appraisal Foundation request to reprogram 2005 ASC grant funds** – B. Henson presented the reprogramming request of \$21,073. He reported that the reprogrammed funds would be used to reimburse consulting and travel costs incurred by Foundation staff and AQB members to conduct the Criteria Implementation Task Force meetings during the past year. After discussion, D. Merkle moved to approve reprogramming the 2005 Appraisal Foundation grant in the requested amount of \$21,073. A. LaCreta seconded, and all members present agreed.
- **January and February 2006 Appraisal Foundation Grant Reimbursement Requests** – B. Henson presented the grant reimbursement requests for approval. He noted that, because

the Foundation does more of its grant-related work in the first half of the year, reimbursement requests for the earlier months usually are larger than those in later months. After discussion, D. Patel moved to approve the payment of \$76,911 for January and \$91,579 for February. A. LaCreta seconded, and all members present agreed. The Appraisal Foundation representatives left the meeting.

- **Arkansas field review report and draft letter** – B. Henson presented the report and letter. After discussion, D. Merkle moved to accept the field review report and to approve the letter, with edits, designating authority to the Chairman to review and sign the letter. A. LaCreta seconded, and all members present agreed.
- **Pennsylvania field review report and draft letter** – B. Henson presented the report and letter. After discussion, A. LaCreta moved to accept the field review report and to approve the letter, with edits, designating authority to the Chairman to review and sign the letter. D. Patel seconded, and all members present agreed.

OTHER

- J. Leitner noted that this is his last meeting because he is retiring from the FDIC.
- The meeting adjourned at 12:30 p.m. The next ASC meeting is scheduled for August 10, 2006 at 10:30 a.m.