

## **AARO TAFAC Representative Report**

June 5, 2009  
Washington, DC

Date: June 29, 2009

To: Executive Committee of the  
Association of Appraiser Regulatory Officials (AARO)

From: Bob Keith, Vice-Chair TAFAC  
AARO TAFAC Representative

The Appraisal Foundation Advisory Council (TAFAC) is comprised of 58 not-for-profit organizations or government agencies that are either knowledgeable with respect to the utilization of appraisals in the marketplace and the problems related to such utilization, or have demonstrated a concern relating to the implementation of sound appraisal practices and procedures. The Council seeks to provide appropriate guidance in the formulation of recommendations and/or comments to the Board of Trustees (BOT) of The Appraisal Foundation (Foundation), the Appraisal Standards Board (ASB) and the Appraiser Qualifications Board (AQB).

TAFAC met on June 5, 2009 at the Westin Washington D.C. City Center Hotel. TAFAC committee and working group meetings were held on June 4, 2009. TAFAC committees and working groups include:

- Membership Committee
- Strategic, Long Range Planning and Oversight Committee
- Emerging Issues Committee
- AQB Issues Committee
- ASB Issues Committee
- Nominating Committee
- Jurisdictional Exception Rule Working Group
- Personal Property Working Group

During the June 5, 2009 meeting there were reports by TAFAC Chair Chris Rosenthal, Foundation President David Bunton, TAFAC's representatives to the Foundation's Board of Trustees and the Foundation's staff reported on the activities of the ASB and AQB. In addition, each TAFAC committee and working group chair gave a report on the activity of their respective committee or working group. The following is a brief synopsis of each report.

### **Report of the Foundation President – David Bunton**

Mr. Bunton reviewed two documents, the *Legislative Update* from the Foundation and *The Appraisal Foundation Major Initiatives for 2009*. He reported on the status of a joint (investigator) training project between the Foundation and AARO. This project is being

funded by the Appraisal Subcommittee and the goal of the training is to promote greater consistency in the evaluation and investigation of complaints received against appraisers nationwide.

Bunton gave a report on the Foundations' Consistent Enforcement Task Force and the Best Practices Task Force. The focus of the latter is to develop a clear-cut and enforceable body of knowledge for the appraisal profession.

He also reported that the U.S. House of Representatives passed H.R. 1728 which has moved on to the U.S. Senate. This bill has several valuation-related provisions such as: the AQB would set minimum qualification criteria for appraisal management companies; and mandating the AQB Real Property Appraisal Criteria for the licensed credential and the trainee classification (for states having such classifications).

Bunton indicated that two new publications will become available this summer; *USPAP for Non-Appraisers* and *Why You Should Engage a Professional Appraiser*. He also reported that the Foundation will increase the size of the ASB to seven members and is currently seeking a qualified individual with a personal property appraisal background.

### **Report of the TAFAC Representatives to the BOT**

Steve Byrnes and Beth Riedel reported on the activities of the Foundation and on the activities of the BOT committees on which they serve. Collectively Byrnes and Riedel serve on the following committees: Trustee Nominating; Ethics, Policies and Procedures; Publications; and Business Plan.

### **Report of the AQB – Magdalene Vasquez for Gary Taylor, AQB Chair**

Ms. Vasquez reported that the AQB is still working on developing new appraiser examination questions to ensure there are enough questions for future examinations. She reported the AQB's adoption of Guide Note 7 and an Interpretation related to graduate degree programs and Guide Note 8 related to college-level education obtained in other countries.

She reported that currently there are about 600 AQB certified USPAP instructors and 317 approved courses through the AQB's Course Approval Program (CAP). Also, an online version of USPAP Instructor Recertification Course is being developed and will be available in October 2009.

Finally, Vasquez reported that the AQB will be issuing a series of Q&A's every six months to provide guidance.

### **Report of the ASB – David Bunton for Sandy Guilfoil, ASB Chair**

Mr. Bunton reported that the 7 and 15-hour National USPAP courses (both classroom and online) will be available October 1, 2009. Also that for the 2012 edition of USPAP, the ASB will review reporting requirements and it intends to issue a concept paper before Labor Day. Revisions to Standards 7 and 8 (Personal Property) will be another project for that edition of USPAP.

**Report of the Membership Committee – Aleya Lehmann, Chair**

Ms. Lehmann reported that her committee reviewed TAFAC’s membership list and noted an increase in absences at TAFAC meetings. The committee also reviewed a list of prospective new TAFAC members.

**Report of the Strategic, Long Range Planning and Oversight Committee (SLRPOC) – David Snook for John Rasmus, Chair**

Mr. Snook reported that TAFAC Committee and Working Group Chairs have been requested to consider how the activities of their committees and working groups meet the appropriate Strategic Goals of the Foundation. Also, SLRPOC will meet later in June to discuss the implementation of this project.

He also reported that plans to hold a day-long TAFAC workshop to discuss the operation and structure of TAFAC to build on its strengths and improve its usefulness to the Foundation has been put on hold due to economic reasons.

**Report of the Emerging Issues Committee – Doug Winner, Chair**

Mr. Winner reported that the committee had referred an issue to the ASB Issues Committee. This issue pertains to a request to ask the ASB to provide more clear guidance as to when an appraisal assignment begins *and ends*. He reported that several issues on the Emerging Issues Spreadsheet were closed and two new issues were added.

One of these issues pertains to exploring whether TAFAC should make a recommendation to the Foundation to facilitate a stakeholders meeting to discuss the possibility of establishing a nationwide organization to advocate the interest(s) of all appraisers. Chair Rosenthal has formed a working group to study this issue and report back to TAFAC. Bob Keith of AARO was named by Chair Rosenthal to serve on this working group.

The second issue pertains to exploring whether TAFAC should make a recommendation to the Foundation to form a third independent board to address “Best Practices” of appraisers and the appraisal profession. Chair Rosenthal has formed a working group to study this issue and report back to TAFAC.

**Report of the AQB Issues Committee - Samuel Henderson**

Mr. Henderson reported on the activities of the committee since the last TAFAC meeting. Many of the issues to report on were addressed in the preceding **Report of the ABQ** section of this report.

**Report of the ASB Issues Committee – Sandie Tropper**

Ms. Tropper reported on the activities of the committee since the last TAFAC meeting. Many of the issues to report on were addressed in the preceding **Report of the ABS** section of this report.

### **Report of the Nominating Committee – Nate Arnold**

Mr. Arnold reported that the Nominating Committee has put forward the following slate of candidates for TAFAC offices for 2010:

Chair:	Bob Keith, (AARO)
Vice Chair:	Charles Tansey (NeighborhoodWorks America)
Secretary:	Sandie Tropper (ASA)
Immediate Past Chair:	Chris Rosenthal (AICPA)

TAFAC will vote on this slate of candidates at its September 2009 meeting.

### **Jurisdictional Exception Rule Working Group – David Snook**

Mr. Snook reported that the working group had fulfilled its purpose and recommended that it be retired. Chair Rosenthal retired the working group.

### **Report of the Personal Property Working Group – Jane Campbell-Chambliss**

Ms. Campbell-Chambliss reported that the working group developed two recommendations that the working group proposed that TAFAC present to the AQB. Each recommendation was presented to TAFAC as a motion and each motion was approved by the Council.

Motion 1: That TAFAC recommend to the AQB a revision to the continuing education requirements for personal property appraisers from the present requirement of 15 hours of USPAP every five years to a 7-hour update course required every two years.

Motion 2: That TAFAC recommend to the BOT to authorize the AQB to develop a personal property specific 7-hour USPAP Update Course.

### **Next TAFAC Meeting**

The next TAFAC meeting is scheduled for September 25, 2009 at the Doubletree Hotel at 1515 Rhode Island Avenue, NW in Washington, D.C.