

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT  
3 DIVISION OF CORPORATIONS, BUSINESS, & PROFESSIONAL LICENSING

4 BOARD OF CERTIFIED REAL ESTATE APPRAISERS

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6 MINUTES OF THE BOARD MEETINGS  
7 Monday, September 24, 2018

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9 *These are DRAFT minutes prepared by the staff of the Division of Corporations, Business, and*  
10 *Professional Licensing.*

11  
12 *These minutes have not been reviewed or approved by the Board.*

13  
14 By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article  
15 6, a scheduled meeting of the Board of Certified Real Estate Appraisers was held at the Robert  
16 B. Atwood Building, 550 W. 7<sup>th</sup> Ave, Suite 1560, Anchorage, Alaska on Monday, September 24,  
17 2018.

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19 **Agenda Item #1** **Call to Order/Roll Call**

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21 The meeting was called to order at 9:09 a.m. by David Derry, Chair.

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23 Those present, constituting a quorum of the Board:

24 David Derry, Chair, Certified General Real Estate Appraiser  
25 Wendy Lawrence, Certified Residential Real Estate Appraiser  
26 Robert Tracy, Certified Residential Real Estate Appraiser  
27 Renee Piszczek, Mortgage Lending Member  
28 Donald Faulkenburry, Public Member – via teleconference

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30 Division Staff present at the meeting:

31 Tracy Wiard, Occupational Licensing Examiner  
32 Renee Hoffard, Records and Licensing Supervisor  
33 Greg Francois, Chief Investigator  
34 Amber Whaley, Senior Investigator  
35 Shyla Consalo, Investigator III  
36 Melissa Dumas, Administrative Officer II – via teleconference  
37 Marylene Wales, Accountant III – via teleconference  
38 Marilyn Zimmerman, Paralegal II – via teleconference

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40 **Agenda Item #2** **Ethics Disclosure/Review Ethics**

42 Wendy Lawrence stated she had a complaint about an appraiser forwarded to her and she stated  
43 she was not sure how to handle it. Chair Derry advised she contact the person reporting the  
44 complaint and have them follow the designated process on the Appraisal Board Website. Ms.  
45 Lawrence stated that is what she did and she did not open or forward the e-mail complaint.  
46 Renee Hoffard stated that she should also have the complainant contact the division's  
47 investigations unit.

48

49 **Agenda Item #3**                      **Review Agenda**

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51 Chair Derry prompted the board to review the meeting agenda. There were no changes made to  
52 the agenda.

53

54 **On a motion made by Renee Piszczek, seconded by Wendy Lawrence, and passed**  
55 **unanimously, it was: RESOLVED to APPROVE the agenda as written.**

56

57 **Agenda Item #4**                      **Review/Approve Minutes**

58

59 The board briefly discussed the teleconference minutes from the July 25, 2018 meeting. Chair  
60 Derry noted that task numbers 1 & 2 from the July 25, 2018 task list are included in the current  
61 agenda under item number 5. No one expressed any needed corrections or alterations to the  
62 teleconference meeting minutes from July 25, 2018.

63

64 **On a motion made by Robert Tracy, seconded by David Derry, and passed unanimously, it**  
65 **was: RESOLVED to APPROVE the July 25, 2018 meeting minutes as written.**

66

67 The board briefly discussed the August 13, 2018 teleconference meeting minutes. The board  
68 noted no discrepancies and did not require any revisions to the minutes.

69

70 **On a motion made by Renee Piszczek, seconded by Robert Tracy, and passed unanimously,**  
71 **it was: RESOLVED to APPROVE the August 13, 2018 meeting minutes as written.**

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73 **Agenda Item #5**                      **Old Business**

74

75 **Previous Task List**

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77 Chair Derry noted that the task list in the current board packet had been renumbered and was  
78 different from the July 25, 2018 task list. David Derry brought the boards' attention to task list  
79 item number 1 on the July 25, 2018 task list. Chair Derry noted that the current FAQ #9 on  
80 CBPL APR website states that the Supervisory Trainee Course for Appraisers does qualify for  
81 qualifying education but not continuing education. Chair Derry went on to note that the current  
82 information listed on the boards' website is incorrect. Chair Derry made a reference to the Q &  
83 A section of the Appraisal Qualifications Board (AQB) page 15, item number 4 which stated that  
84 the course can be used for continuing education but not qualifying education.

85

86 ***TASK: OLE Wiard will correct FAQ # 9 on APR website to state that the Supervisory***  
87 ***Appraiser/Trainee Appraiser Course is acceptable for continuing education but not for***  
88 ***qualifying education.***

89

90 Chair Derry then directed the board to task item #2 regarding the removal of the Determination  
91 of Competency Form in the applications and for the form to be added to the APR website. The  
92 Division previously decided to keep the form in the Residential and General Application and add  
93 it to the Trainee Application as well as to the APR website. Chair Derry noted that this form  
94 should be completed and submitted by both the supervisory appraiser and the trainee as soon as  
95 the form was completed. Discussion was brought up about how the division keeps the  
96 submission if the trainee appraiser is not registered since they are not required to be a registered  
97 trainee in Alaska. It was stated that the forms are submitted and retained in a file by the CBPL  
98 and is matched up with an applicant once they apply for a license.

99

100 ***TASK: OLE Wiard to add an FAQ to the website stating the Determination of Competency***  
101 ***Form be submitted well in advance of having the trainee apply for an Appraisal License to***  
102 ***make sure they are filed and received before an application is received.***

103

104 Chair Derry noted Task list item 10, 11 and 12 will be discussed when Chief Francois addresses  
105 the board. He went on to note he was foggy on task number 14 as he was not sure of the  
106 discrepancy he noted on July 4, 2018 regarding course approval process. Chair Derry went on to  
107 say he brought up an issue about the review of work products and the attached e-mail chain in  
108 the board packet was regarding the review of work product issue and forms which is a separate  
109 agenda item. Chair Derry noted the e-mail should still be completed and he is unsure of the  
110 status.

111

112 ***TASK: OLE Wiard will send an e-mail to course sponsors we get the most approvals from to***  
113 ***set guidelines for the course approval process and make sure the form matches the AQB. To***  
114 ***send Board copy of e-mail.***

115

116 Chair Derry went on to note there have been problems with the Appraisal Institute submitting  
117 continuing education and qualifying education courses. There have been issues by the Appraisal  
118 Institute submitting fully completed applications for course approval. This makes the process  
119 lengthier and the OLE cannot submit the application to the board for approval until they are  
120 complete. It was noted that CBPL staff attempts to keep the APR Board from any reproach by  
121 ASC audits.

122

### 123 Qualifying Education vs. Distance Education

124

125 Chair Derry directed the board to page 59 of the board packet to question 7, "Does the board  
126 maintain that all qualifying education must be completed by live, in person classroom hours?"  
127 The board previously answered yes to question 7 stating all qualifying education must be

128 completed by live, in person classroom hours. Chair Derry went on to note that this was a  
129 violation of the current regulations and needed to be corrected.

130  
131 **On a motion made by Robert Tracy, seconded by Wendy Lawrence, and passed**  
132 **unanimously, it was: RESOLVED to APPROVE that the board clarify item question 7 on**  
133 **page 59 of the current Board Packet and amend it to state that Certification of Real Estate**  
134 **Appraisers may be taken online per current regulations.**

135  
136 Chair Derry directed the board to question 6 on page 58 of the board packet, “Can distance  
137 education be substituted for classroom hours for qualifying or continuing education if the AQB  
138 criteria for classroom hours via distance education is met?” He stated his uncertainty of the  
139 question.

140  
141 ***TASK: OLE Wiard to send the Chair Derry the Board of Counselors definitions of traditional***  
142 ***classroom, synchronous classroom and distance education.***

143 ***Chair Derry and OLE Wiard to talk to someone at the October AARO Conference to see if***  
144 ***ASC has a definition of classroom education, synchronous education, and distance education.***

145  
146 Thank You Letters:

147  
148 Chair Derry mentioned thank you letters he mailed to Representative Johnson and Senator  
149 Meyer. The letters were part of the board packet.

150  
151 Regulations Questionnaire Run Through

152  
153 Supervisor Renee Hoffard went through the Regulations Changes Questionnaire for the Board.  
154 Renee made sure the board was made aware of question 8 on the Regulations Changes  
155 Questionnaire. Question 8 regards oral testimony for regulation changes, planning oral  
156 testimony with enough time for public comment and a meeting to allow oral testimony.

157  
158 Division Investigative staff joined the meeting.

159  
160 **Agenda Item #6** **Investigative Case Review & Probation Reports**

161  
162 Chief Francois addressed the board and introduced Amber Whaley, Senior Investigator for Non-  
163 health care boards and Shyla Consalo who is be the new Investigator III for CBPL assigned to  
164 the Real Estate Appraiser Board. Chief Francois explained the breakdown of the investigations  
165 staff organization into medical and non-medical investigators. Investigator Whaley is  
166 Investigator Consalo’s immediate supervisor. Chief Francois also submitted his reports showing  
167 4 open cases and 2 closed cases for the time period of April 19, 2018 through September 19,  
168 2018. Chief Francois noted he could not report on any active investigative cases.

169



\$81,723.00	Total Expenses
(\$31,693.00)	Annual Surplus (Deficit)
\$374,791.00	Beginning Cumulative Surplus (Deficit)
\$343,098.00	Ending Cumulative Surplus (Deficit)

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The chair called for a recess. The board went off the record at 11:15 A.M.  
The Board returned on the record at 11:30 A.M.

Division Paralegal II, Marilyn Zimmerman, joined the meeting telephonically.

**Agenda Item #8                      Board Business**

**Continuing Education Consent Agreement**

**On a motion made by Renee Piszczek, seconded by Robert Tracy, and passed unanimously, it was: RESOLVED to enter into Executive Session in accordance with AS 44.62.310(a), and Alaska Constitutional Right to Privacy Provisions, for the purpose of discussing continuing education consent agreements, “subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion.” Board staff and Division Paralegal II Marilyn Zimmerman to remain for executive session.**

Board entered Executive Session at 11:30 A.M.  
Board left Executive Session at 11:36 A.M.

**On a motion made by Renee Piszczek, seconded by Robert Tracy, and passed unanimously with a roll call vote, it was: RESOLVED to APPROVE the consent agreement for case #2017-001175.**

Supervisor Renee Hoffard addressed the board informing them that they had received a public comment regarding the regulation changes the board has been working on and asked if they would be interested in amending the current agenda to discuss the comment. Chair Derry recommended the topic be added as the third subject under new business (agenda item 9.)

**Agenda Item #9                      New Business**

**Work Product Review**

The board discussed the divisions’ current process of requesting the work product review samples after an applicant for an appraisal license has passed the required exam. The board discussed the current process as being more time consuming and less efficient than it could be. The board discussed the process of accepting the work samples prior to the applicant taking the exam. The board also discussed requiring at least 2 work product samples to satisfy ASC requirements and that this may need to be addressed when reviewing the public comment for the current regulations project.

254 **On a motion made by Robert Tracy, seconded by Wendy Lawrence, and passed**  
255 **unanimously, it was: RESOLVED to APPROVE the revision of the existing division policy**  
256 **regarding work sample requests to request a minimum of 2 work product samples at the**  
257 **time of approval as opposed to waiting for the applicant to take and pass the exam.**  
258

259 *TASK: OLE Wiard to update FAQ to include new process regarding work product samples*  
260 *being submitted before the applicant takes the exam.*

261 *Supervisor Renee Hoffard and OLE Tracy Wiard to look at all applicants that have been*  
262 *approved since the 1<sup>st</sup> of the year and see who has taken the exam. Send updates and request*  
263 *work products as needed.*  
264

265 Board went off record for lunch at 11:55 A.M.

266 Board returned on the record at 1:09 P.M.

267

268 **Agenda Item #10                      Public Comment**

269

270 There was no public comment for the board.

271

272 **Agenda Item #9                      New Business**

273

274 **Investigative Disciplinary Matrix**

275

276 The board reviewed disciplinary matrixes that are currently used by other boards within the  
277 division. The board discussed the pros and cons of utilizing a disciplinary matrix. Currently  
278 disciplinary sanctions and consent agreements are drafted for the AG by utilization of board  
279 precedent. The board opted not to utilize or create a disciplinary matrix for sanctions or consent  
280 agreements. The board did note the use of the continuing education disciplinary matrix that is  
281 utilized by the paralegal for continuing education sanctions and consent agreements.  
282

283

283 **Regulations Projects**

284

285 The board received a public comment e-mail from ASC Executive Director, James Park  
286 regarding the current regulations listed for public comment under Title 12, chapter 70 that are in  
287 the regulation change process. Mr. Parks suggested that board change vague language currently  
288 being proposed to include the use of specific language indicating the board selects a minimum of  
289 2 work products from the appraisal log submitted by the applicant and that the applicant does not  
290 get to pick their own work sample for submission.  
291

291

292 The second comment from Mr. Park indicated that the AQB and the IDECC are not responsible  
293 for submitting recertification documents for course recertification. The comment indicated the  
294 recertification documents are required to be submitted by the course provider. The board  
295 discussed the public comment suggestions and discussed motions to divide the regulations being  
296 changed into two sections. One section to be approved as drafted and one for further revision.  
297

297

298 **On a motion made by Robert Tracy, seconded by Wendy Lawrence, and passed**  
299 **unanimously, it was: RESOLVED to ACCEPT the proposed amendments as written to the**  
300 **following regulations and forward them to the Lieutenant Governor for signature:**  
301 **12 AAC 70.100**

302 12 AAC 70.115  
303 12 AAC 70.125  
304 12 AAC 70.200(d)  
305 12 AAC 70.210

306  
307 The board discussed the wording of the regulations requesting work samples from the appraisal  
308 log submitted by applicants. The board agreed that the following language be drafted into the  
309 regulations to clarify the work product requirements for 12 AAC 70.105(b)(1)(E), 12 AAC  
310 70.111(2) and 12 AAC 70.112(2):

311  
312 *Submit a copy of the work product from a minimum of two appraisals performed by the*  
313 *applicant, selected by the board, and included in the log of appraisals submitted under 12 AAC*  
314 *70.110(a);*

315  
316 For the regulation change to 12 AAC 70.113(2) the following wording was discussed to be used:

317  
318 *Submit a copy of a non-residential work product from a minimum of two appraisals performed*  
319 *by the applicant, selected by the board, and included in the log of appraisals submitted under 12*  
320 *AAC 70.110(a);*

321  
322 The board also agreed to add a new subsection 12 AAC 70.200(e)(1) to read:

323  
324 *The department will update the course or seminar expiration date if the course provider submits*  
325 *recertification documents, but will not update the course or seminar expiration date if the AQB*  
326 *or IDECC recertification exceeds three years from the date of initial approval;*

327  
328 **On a motion made by Renee Piszczek, seconded by Robert Tracy, and passed unanimously,**  
329 **it was: RESOLVED to change the wording as the board discussed to the following**  
330 **regulations and forward them to the regulations specialist for further public comment as**  
331 **required.**

332 12 AAC 70.105(b)(1)(E)

333 12 AAC 70.111(2)

334 12 AAC 70.112(2)

335 12 AAC 70.113(2)

336 12 AAC 70.200(e)(1)

337  
338 ***TASK: Supervisor Renee Hoffard to e-mail a new certification document to Chair Derry for***  
339 ***signature.***

340  
341 **Agenda Item #11                      Administrative Business**

342  
343 **Correspondence**

344 The board had one correspondence item from Claire Brooks who is the policy manager at ASC.  
345 The board was asked to schedule a face to face meeting with Ms. Brooks. They will schedule a  
346 time to meet with ASC on the agenda of the August 2, 2019 Board Meeting.

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348 ***TASK: OLE Wiard to add in person meeting time with ASC to agenda on 8/2/2019 board***  
349 ***meeting in Anchorage.***

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Meeting Calendar

A November 19, 2018 teleconference for the APR Board is currently scheduled at 9:00 am. The board noted that they may need an additional meeting between November and January 1, 2019 to discuss AMC regulations.

The board discussed and decided to add the following meetings to the board calendar:

Thursday, January 17, 2019 teleconference at 9:00 am.

Tuesday, March 19, 2019 teleconference at 9:00 am.

Thursday, May 16, 2019 teleconference and will discuss the annual report for FY 2020 and any audit issues.

Friday, August 2, 2019 in Anchorage beginning at 9:00 am.

***TASK: Supervisor Renee Hoffard to e-mail Claire Brooks confirming attendance at the 08/02/2018 meeting.***

***OLE Wiard to send e-mail to board members with all planned meeting dates and add the dates to the APR website.***

Sign Previous Meeting Minutes

The signature pages for the previous meeting minutes were not available and it was decided the signature pages would be e-mailed to Chair Derry and returned via e-mail.

***TASK: OLE Wiard to e-mail signature pages from 7/25/18 and 8/13/18 board meeting minutes to Chair Derry for completion.***

New Task List

There was discussion about updating the current task list and e-mailing to board upon completion.

***TASK: OLE Wiard to update current task list and e-mail to board once completed. Supervisor Renee Hoffard to check on pending applications. Will send e-mail to any board members that have not voted. In addition will check for course approvals.***

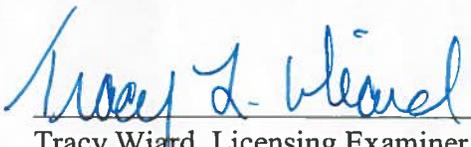
The board discussed having the new OLE and Investigator to take the full 15-hour USPAP course. The 15-hour USPAP course is required as a pre-requisite for the Investigative training in 2019.

**In a motion made by Renee Piszczek, seconded by Robert Tracy, and passed unanimously, it was RESOLVED to APPROVE the board pay for OLE Tracy Wiard and Investigator Shyla Consalo to attend the 15-hour online USPAP course.**

**In a motion made by Wendy Lawrence, it was RESOLVED to ADJOURN.**

396  
397 Hearing nothing further, Chair Derry adjourned the meeting at 2:47 p.m.

398  
399 Respectfully Submitted,

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401   
402 \_\_\_\_\_  
403 Tracy Wiard, Licensing Examiner Date 12/12/18

404  
405   
406 \_\_\_\_\_  
407 David Derry, Chair Date \_\_\_\_\_