



**BOARD OF REAL ESTATE APPRAISERS MEETING
December 9, 2010**

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MINUTES

BOARD OF REAL ESTATE APPRAISERS

December 9, 2010
Colorado Division of Real Estate
1560 Broadway, Suite 110D
Denver, CO 80202

A meeting of the Colorado Board of Real Estate Appraisers was held on Thursday, December 9, 2010 at 1560 Broadway, Suite 110D, Denver, Colorado at 9:00 a.m.

Notice of the meeting was published timely and the meeting was held pursuant to the Colorado Sunshine Laws, Title 24, Article 6, C.R.S., as amended.

ORDER OF BUSINESS BY THE VICE-CHAIR:

Call to Order, Roll call, Determination of a Quorum-

The meeting was called to order at 9:00 a.m. Vice-Chair Robin Anderson made a quorum determination.

Board Members in attendance: Frank Beltran, Deborah Delaney, Thomas Fellows, and Susan Secret.

Board Member not in attendance: Chair Anthony Navarro and Wayne Hunsperger.

Also attending were Marcia Waters, Director; Susan Scholl, Appraiser Program Manager; Penny Elder, Expedited Settlement Program Manager; Melissa Phipps, Assistant Attorney General; and several members of the Board's staff. The meeting was open to the public, and several members of the public attended.

Minutes Approval:

After review, Mr. Fellows moved and Mr. Beltran seconded the motion to approve the Minutes of the December 9, 2010 Board meeting.

Motion unanimously carried.

Executive Session Minutes:

Executive Session was not held during the December 9, 2010 meeting. Accordingly, no approval or acknowledgement of minutes was presented.

ORDER OF BUSINESS:

Policy Matters, Updates and Information

Ms. Waters discussed the Appraisal Subcommittee (ASC) Preliminary Compliance Review results and the three areas of non-compliance. BOREA's 8.8 voluntary relinquishments have not been reported to the National Registry, as the Division was not aware of the requirement. Licensees that relinquish their license in lieu of disciplinary action must be reported. The Division has reported all licensee relinquishments to the National Registry and is presently current. Qualifying education must be documented at the time of application for licensure upgrade. One application was missing the 15 Hour USPAP Course, but is now currently complete. The Division has followed up with the ASC and inform them that the licensee has sufficient qualifying education for their credential. Lastly, the one year case resolution continues to be identified as an area of concern. The Division has hired additional investigative staff and currently five investigators are assigned to BOREA. In addition, the reports are now streamlined in an effort to minimize time. The Attorney General's (AG) office is also diligently working the AG referred cases. Furthermore, the AG's office has assigned an additional attorney, Heather Flannery, to assist with the back-logged AG cases. Also, the Division is proposing an offer to the Office of Administrative Courts to train the Administrative Law Judge (ALJ) in USPAP, so that they can have a better understanding of USPAP practice and can expedite case resolution. As another resource, Ms. Waters will check on the possibility of contracting volunteer investigators to assist with back-log cases.

Ms. Waters stated that a draft of the ASC response letter will be sent to the Board for review. The ASC recently changed their policy and initial audit findings are not posted on their website as a response is required within 60 days. The final findings from the response letter will be posted accordingly.

Ms. Waters reported on licensure renewals. Out of 957 licensees, 450 have complied with the USPAP audit which is disconcerting, since renewal fees are lower this year. As a result, the Division will generate a newsletter article addressing USPAP requirements. And, in February the Continuing Education Audit will commence.

Ms. Scholl informed the Board that the new disciplinary matrix has been implemented. And, in order to fine-tune the matrix, Ms. Scholl is scheduling a meeting and requesting Board participation. Two meetings will be scheduled and Board Member Susan Secrest and Board Member Deborah Delaney will participate.

Ms. Waters stated that nine laptops will be ordered for the BOREA and Commission meetings, in an effort to becoming a paperless agency. The meeting packets will be sent in a PDF format. Once the laptops are in place, the files must be purged after every meeting as the record retention will be the responsibility of the Division.

Ms. Scholl requested Board input on the USPAP Checklist Report and process. The Board found the form clear and easier to read and follow the USPAP violations.

Citizen Participation:

Although several members of the public were present, no members of the public asked to address the Board.

COMPLAINT INVESTIGATIONS:

Case No. 2009091368 (Carl Hegewald, Investigator)
Susan Scholl presented this matter to the Board.

Complaint No. 2009091368 the report alleged violations of: USPAP 2006 Edition; Ethics Rule - Conduct Section; Competency Rule; Scope of Work Rule Problem Identification, Acceptability and Disclosure Obligations Sections; Standard 1; Standards Rule 1-1(a), 1-1(b), and 1-1(c); Standards Rule 1-2(c) and 1-2(h); Standards Rule 1-3(a) and 1-3(b); Standards Rule 1-4, 1-4(a), 1-4(b)(i) 1-4(b)(ii), 1-4(c)(i), 1-4(c)(ii), 1-4(c)(iii), 1-4(c)(iv), and 1-4(g); Standards Rule 1-6(a); Standard 2; Standards Rule 2-1(a) and 2-1(b); Standards Rule 2-2(b)(iii), 2-2(b)(viii), and 2-2(b)(ix); and Statement on Appraisal Standards No. 2.

Mr. Beltran moved and Mr. Fellows seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2009091368. The Board voted to refer back to Staff for a settlement offer consistent with Staff recommendations of Level 4 discipline.

Motion unanimously carried.

Case No. 2009111753 (Carl Hegewald, Investigator)
Susan Scholl presented this matter to the Board.

Complaint No. 2009111753 the report alleged violations of: USPAP 2003 and 2004 Edition; Ethics Rule - Conduct Section and Management Section; Standard 2; Standards Rule 2-2(b)(vii); Standards Rule 2-3; §12-61-710(1)(f), C.R.S.; and Board Rule 12.16.

Mr. Beltran moved and Mr. Fellows seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 2009111753. The Board voted to refer back to Staff for a settlement offer consistent with the Level 5 discipline, and authorizing the inclusion of licensure downgrade as possible resolution in the negotiations, among other Level 5 options. Motion carried, pending the Attorney General's verification of jurisdictional grounds to proceed.

Motion unanimously carried.

Case Nos. 2009121882 and 2010060586 (Crieghton Angst, Investigator)
Susan Scholl presented this matter to the Board.

Complaint Nos. 2009121882 and 2010060586 the reports alleged violations of: USPAP Conduct and Record Keeping sections of the Ethics Rule; Competency Rule; Scope of Work Rule; Standard 1; Standards Rule 1-1(a), 1-1(b), and 1-1(c); Standards Rule 1-2(e)(i) and 1-2(h); Standards Rule 1-3(a); Standards Rule 1-4, 1-4(a), and 1-4(b); Standard 2; Standards Rule 2-1(a) and 2-1(b); and Standards Rule 2-2(b)(iii), 2-2(b)(vii), and (b)2-2(viii).

Ms. Secrest moved and Mr. Fellows seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Numbers 2009121882 and 2010060586. The Board voted to refer back to Staff for a settlement offer consistent with Staff recommendations at the Level 4 discipline.

Motion unanimously carried.

LICENSING AND OTHER MATTERS:

No matters presented.

EXPEDITED SETTLEMENT PROGRAM:

Counter Offer, Complaint No. 2009020223
Penny Elder presented this matter to the Board.

After further review of the matter, Mr. Fellows moved and Ms. Secrest seconded the motion to accept the proposed counter-offer.

Motion unanimously carried.

EXECUTIVE SESSION

After conferring with Ms. Melissa Phipps with the Attorney General's Office, it was moved that no Executive Session be held as there were no matters for discussion.

ADJOURN:

The Colorado Board of Real Estate Appraiser's meeting adjourned at 10:20 a.m. on December 9, 2010.

ABSENT

Anthony Navarro, Chair

Robin Anderson, Vice-Chair

Frank Beltran

Deborah Delaney

Thomas Fellows

ABSENT

Wayne Hunsperger

Susan Secrest

Marcia Waters, Director
Colorado Division of Real Estate