



January 7, 2010

The Honorable Ken Salazar
Secretary
U.S. Department of the Interior
1849 C. Street, NW
Washington, DC 20240

Dear Secretary Salazar:

On behalf of the 35,000 members of our respective professional organizations, we write in regard to the recently released Evaluation Report on the Department of Interior's Appraisal Operations prepared by the U.S. Department of the Interior Office of Inspector General (IG).

The IG's report echoed many of the concerns and recommendations our organizations made in a letter to you last month and in a meeting with Undersecretary of the Interior Andrew Jackson.

Specifically, the IG's report states:

Since the Chief Appraiser vacated the position in 2006, however, the position has not been filled by a fully qualified Senior Executive for almost 3 full years. In the interim, ASD has been led by a series of well-intentioned acting Chiefs and, for 1 year, by a Chief Appraiser who was not technically qualified to hold the position. We found that NBC selected the unqualified Chief Appraisers as a result of its focus on customer service and business experience, with a de-emphasis on technical appraisal skills and qualifications. NBC hired this person despite other well-qualified appraisers having applied for the position.

Unfortunately, this lack of consistent, competent, and empowered leadership remains to date as the Department decided not to proceed with the selection of a new ASD Chief Appraiser in June 2009. Instead, in October 2009, the Chief Appraiser's position was once again placed in the hands of yet another temporary caretaker. Without the presence of a strong Chief Appraiser as lead, ASD cannot become a strong appraisal organization and cannot work to enforce policy directives, such as those outlined by the AS-PMB regarding contracting safeguards.

Our organizations believe appraisal issues are extremely complex, and the importance of the appraisal function must be elevated within the Department. It is critical for the ASD to be lead by a competent appraiser with technical, business and customer service expertise. As the IG's report concludes, there are an ample number of qualified appraisers for this position. This includes many members of our respective professional appraisal organizations, who hold greater than minimum valuation qualifications and have vast valuation experience.

Therefore, we emphatically endorse the IG's recommendation that a "strong and competent chief appraiser be selected to lead further change within ASD and to provide a single point of contact, offer sound judgment and have final decision authority on appraisal matters."

Thank you for your consideration. If you have any questions, please contact Bill Garber, Director of Government Relations for the Appraisal Institute, at 202-292-5586 or bgarber@appraisalinstitute.org, or Peter Barash, Government Relations Consultant, American Society of Appraisers at (202) 466-2221 or peter@barashassociates.com.

Sincerely,

Appraisal Institute
American Society of Appraisers
American Society of Farm Managers and Rural Appraisers
National Association of Independent Fee Appraisers