

NORTH CAROLINA APPRAISAL BOARD COMPLAINT HANDLING PROGRAM

APPRAISAL MANAGEMENT COMPANIES

Fairness and due process are fundamental concepts in the Complaint Handling Program.

All complaints must be in writing. No verbal complaints will be received or investigated. Anonymous complaints will be accepted. In addition, the Board may, on its own motion, decide to open a complaint.

Once a complaint is received, it is given to the Board's attorney. A determination is made as to whether this is an appropriate disciplinary case (i.e., do we have jurisdiction, is it a request for advice, etc.). If the only issue in the complaint involves the amount of a fee that the AMC will pay an appraiser, the complaint will not be accepted. Also, the Board will not consider complaints where an AMC refuses to put an appraiser on its approved list.

A letter is sent to the complainant, if known, acknowledging the complaint. The person filing the complaint is not considered to be a party to the complaint; he or she does not have any control over the course of the case. A letter of inquiry and a copy of the complaint are sent to the AMC requesting a response. Upon receipt of the response, the complaint is investigated.

What the Board investigates is determined by the type of complaint it receives. The Board takes each case as it is presented, but is aware of larger issues when conducting the investigation. The scope of the investigation can be broadened as more details are received about the case. Where deemed appropriate by legal counsel, the investigator will conduct a comprehensive investigation of the AMC's business practices. Some indications for a comprehensive investigation may be when there is an allegation or indication of fraud or a pattern or practice of a violation of law or rules.

The results of the investigation are presented to the Board at a regularly scheduled meeting for a determination as to whether probable cause exists that the AMC has violated the law. The Board's attorney prepares a summary of the facts, possible violations and a recommended decision that is presented to the full Board at a Probable Cause hearing. The facts are sanitized so that the names of the parties and area of the state involved are kept anonymous. If it appears that a Board member may have some knowledge or bias concerning the case, that Board member may be asked to recuse himself from the discussion and vote on the matter. At the Probable Cause stage, the Board can dismiss the case, dismiss with a letter of warning, ask the staff to do more investigation or find probable cause and request a hearing. The AMC and complainant are notified of the outcome.

If a hearing will be held, additional investigation takes place, records are subpoenaed and witnesses interviewed. Depositions may be taken. Board counsel attempts to settle each case, often meeting with the AMC and its counsel. A Notice of Hearing, outlining the facts and charges, is sent to the AMC at least fifteen days before the hearing. The only issues that may be considered at the hearing are those listed in the Notice of Hearing. If a continuance is requested within a reasonable period of time, it is routinely granted if it is the first such request. The Executive Director has the authority to sign the first Notice of Continuance issued in a case. Only the Board can grant any further continuances.

If the matter is settled, the consent order is presented to the Board at its next meeting. The Board has the option of accepting or rejecting the consent order. Board members are given a summary of the case, and do not see any of the documents or evidence. All final decisions which result in at least a reprimand are published in *Appraisereport*; those which involve suspension or revocation are also sent to newspapers and trade journals, and are recorded in Superior Court.

If the AMC is not satisfied with the Board's decision, an appeal may be made to the Superior Court of Wake County or in the North Carolina county where the AMC has its office.