

Who can provide professional assistance?

SUBMITTED BY THE MEMBERS OF THE PROFESSIONAL PRACTICE COMMITTEE

In response to the ever-changing face of the real property valuation industry, in August 2018, the Appraisal Institute of Canada (AIC) issued a rare mid-cycle change to the *Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) 2018* in order to address professional assistance provided by AIC Members as well as by non-members. These changes were not undertaken lightly and were considered necessary to ensure that AIC Members and their reports are protected from exposure to undue liability, while still allowing them the flexibility to adapt their business models to changes in the industry.

Changes to *CUSPAP 2018* include: the addition of a **Definition of Professional Association/Organization** at 2.47, and revisions to **Real Property Appraisal Standard Comment 7.26 Responsibility**. The goal of the revisions was to clearly define who can provide what types of professional assistance to AIC Members.

The revisions to **7.26 Responsibility** are as follows:

7.26.2 applies to professional assistance provided by an AIC Member:

Who can be relied upon for professional assistance?

AIC Members including:

- Candidate Members,
- CRA Designated Members, and
- AACI Designated Members.



What are their requirements?

AIC Members providing professional assistance must:

- be active and in good standing in the AIC;
- have paid their dues and insurance premium;
- be competent to take on the work;
- not be a student, retired, associate, or honorary member; and
- if they are a Candidate, be registered with the AIC Member relying on the professional assistance in the Co-signing Registry:

- Whether or not the Candidate signs and is co-signed on the report by the AIC Member, he or she must be registered with the AIC Member in the Co-signing Registry.

Type of professional assistance:

AIC Members may provide any type of professional assistance supporting a Member in the provision of professional services including:

- real property appraisal,
- review,
- consulting,
- Reserve Fund Planning,

- machinery and equipment appraisal, and
- mass appraisal.

What this means for AIC Members relying on AIC Members for professional assistance:

Registration in the Co-signing Registry with Candidate Members:

- If the AIC Member is relying on professional assistance from a Candidate Member, he or she must be registered in the Co-signing Registry
 - It does not matter whether or not the AIC Member is planning on co-signing with the Candidate Member

Completing the certification:

- If the AIC Member (Candidate or Designated) providing the professional assistance is not signing the report, the AIC Member relying on the professional assistance must identify in the certification of a report:
- the person who provided the professional assistance, and
- the type of professional assistance provided.

Signing the report:

- If the AIC Member (Candidate or Designated) providing the professional assistance is signing the report:
- He or she should be co-signed by the Designated AIC Member relying on the professional assistance
- When co-signing with a Candidate Member, a Designated AIC Member must be registered in the Candidate Co-signing Registry.

7.26.3.i applies to professional assistance provided by a non-member in the instance of inspection:

Who can be relied upon for professional assistance?

A non-member

What are his or her requirements?

- An individual who is an employee of an organization approved by AIC

OR

- An individual who:
- is a member in good standing of a

professional association approved by AIC;

- holds the appropriate license/certification (if required);
- is a reputable, credible professional or tradesperson;
- is competent to perform the work;
- has appropriate experience and/or education; and
- has appropriate professional liability insurance.

Type of professional assistance:

- Inspection only

What this means for AIC Members relying on non-members for the professional assistance of inspection:

An AIC Member must register a non-member providing the professional assistance of inspection in the

Non-Member Registry.

- The non-member will be required to meet the eligibility requirements listed above in order to be accepted into the Non-Member Registry by the AIC.

Completing the certification:

- In the certification of a report, the AIC Member must identify:
- the person who provides the professional assistance, and
- the type of professional assistance as INSPECTION.

Signing the report:

- Signature on the report:
- The non-member **does not sign** the report.
- The AIC Member relying on the professional assistance **does not co-sign** with the non-member.

ACCEPTANCE INTO THE NON-MEMBER REGISTRY DOES NOT ALLOW THE NON-MEMBER TO BE CO-SIGNED BY THE AIC MEMBER.

7.26.3.ii applies to professional assistance provided by a non-member in the instance of other types of professional services:

Who can be relied upon for professional assistance?

Examples of non-members who could

provide other types of professional assistance include:

- engineers,
- accountants,
- land surveyors,
- contractors,
- agronomists, and
- foresters.

What are their requirements?

A member in good standing of a professional association who:

- holds the appropriate license/certification (if required);
- is a reputable, credible professional or tradesperson;
- is competent to perform the work; and
- has appropriate professional liability insurance.

Some examples of types of professional assistance include:

- land survey,
- financial statements,
- cost estimates, and
- engineering survey

What this means for AIC Members relying on non-members for other types of professional assistance:

- The AIC Member must ensure and document that the non-member meets the requirements listed above.

Completing the certification:

- In the certification of a report, the AIC Member must identify:
- the person providing the professional assistance, and
- the type of professional assistance provided.

Signing the report:

- Signature on the report:
- The non-member **does not sign** the report.
- The Member **does not co-sign** with the non-member.

More Information can be accessed in the AIC Resource Library: <https://www.aicanada.ca/members-home/professional-practice-resources/professional-practice-resource-library>