

TRAINING AND DESIGNATION PROGRAM

FOR

APPRAISERS EMPLOYED BY

STATE AND COUNTY OFFICIALS



ASSESSMENT COORDINATION DEPARTMENT
1614 WEST THIRD STREET
LITTLE ROCK, AR 72201
(501) 324-9240

Revised November 2006

M-2

Amended 09/25/2008

**STATE OF ARKANSAS
ASSESSMENT COORDINATION DEPARTMENT**

FOREWORD

The Arkansas Training and Designation Program has been designed by the Assessment Coordination Department (ACD) as directed by Act 48 of 1980. The training consists of both ACD and International Association of Assessing Officers (IAAO) courses.

IAAO Courses are sponsored by the ACD and offered free to county officials and employees. These courses explore fundamental ad valorem tax appraisal and administration and serve, in combination with the ACD Courses, as a foundation for improving property assessments in Arkansas. ACD courses instruct property assessment employees in the application of state standards and practices and define IAAO standards in the local context.

**STATE OF ARKANSAS
ASSESSMENT COORDINATION DEPARTMENT
TRAINING & DESIGNATION PROGRAM**

1. REQUIREMENTS FOR ADMISSION TO THE TRAINING AND DESIGNATION PROGRAM

Each applicant must meet the following basic requirements:

- a. Be at least 18 years of age.
- b. Be of good moral character.
- c. Be employed by any governmental jurisdiction or Board involved in the valuation or equalization of property for ad valorem tax purposes, or,
- d. Be an employee or owner of a professional reappraisal firm that works or intends to work in this state on contracted reappraisal projects.

2. LEVELS OF DESIGNATION AND REQUIREMENTS

- a. Two Tracks, Appraisal and Administration, each with their own education requirements are recognized in the Program.
- b. There shall be no substitution for the ACD courses.
- c. The following substitutions may be made for the IAAO courses.
 - (1) Equivalent courses given by Appraisal Foundation member associations.
 - (2) Appraisal courses given by a recognized College or University as part of an appraisal program.
 - (3) Other professional level training may be accepted at the discretion of the Board and the Director, but in all cases, the training must be equivalent to the IAAO courses.
- d. The following levels of Designation shall be issued following the completion of each minimum training and experience requirement.

Note: ACD Courses are designated by alpha characters and IAAO courses by the numeric characters the IAAO assigns. IAAO Courses are tested and qualifying credit will only be granted when the test is passed.

Experience requirements are obtained by mass appraisal or assessment administration tenure only and are subject to verification.

APPRAISAL TRACK

Level 1 - Residential Appraiser Trainee

Requirements:

**Courses A, B, C
No experience requirement**

Level 2 - Residential Appraiser

Requirements:

**Courses A, B, C, IAAO 101
6 months real property mass appraisal experience**

Level 3 - Realty Appraiser

Requirements:

**Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost
Workshop, IAAO 201, IAAO 102
1 year real property mass appraisal experience**

Level 4 - Senior Appraiser

Requirements:

**Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost
Workshop, IAAO 201, IAAO 102, IAAO 300
2 years real property mass appraisal experience**

Level 5 - Designated Appraiser

Requirements:

**Be designated by the IAAO as a CAE
(Certified Assessment Evaluator)**

No substitutions will be allowed for the CAE designation.

APPRAISAL MANAGER

Requirements:

**Level 4 or 5 who passes the Appraisal Manager Exam
4 years real property mass appraisal experience is required
before an applicant can sit for the exam.**

NOTE: Each County is required to have an Appraisal Manager.

ADMINISTRATIVE TRACK

Level 1 - Assessment Administration Trainee

Requirements:

**Courses A, B, C
No experience requirement**

Level 2 - Administrative Clerk

Requirements:

**Courses A, B, C, IAAO 101
6 months assessment experience**

Level 3 - Assessment Administrator

Requirements:

**Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost
Workshop, IAAO 500
1 year assessment experience**

Level 4 - Senior Administrator

Requirements:

**Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost
Workshop, IAAO 500, IAAO 400, IAAO 300
2 years assessment experience**

3. COURSE DESCRIPTIONS

Course A - Maps, Legal Descriptions and Assessment Administration

Elementary course on discovery and listing of real property. Land identification systems, the rectangular survey, metes and bounds, and platted subdivision methods, are explained. Hands on applications of each identification system are parts of the classroom instruction. General principles of assessment administration, including rules, laws and constitutional requirements for managing an assessment office are also studied.

Prerequisite: None

Course B - Valuation Principles

Introduction to appraisal concepts, including economic theories underlying the appraisal process. Land valuation and the proper use of the ACD cost manual are emphasized. It also serves as a primer for Course D (IAAO 101).

Prerequisite: Course A

Course C - The Assessment of Personal Property in Arkansas

The assessment of personal property, with particular emphasis on commercial personalty. The course includes lecture in the areas of discovery and listing of personal property, property classifications, and particular emphasis on statutory provisions regarding assessment of personal property. Extensive application of depreciation schedules is included.

Prerequisite: Courses A & B

IAAO 101 - Fundamentals of Real Property Appraisal

Basic appraisal course with an emphasis on the theory and techniques of the cost and comparative sales approaches to value. Review of terminology and basic appraisal principles. General principles of land valuation, the assessment function, and the mass appraisal process.

Prerequisite: Courses A, B, C

Marshall & Swift Commercial Cost Workshop

Two day workshop designed to teach participants how to use the Marshall & Swift Commercial Valuation Guide. Participants will spend time working several case studies applying the cost service.

Prerequisite: Courses A, B, C, IAAO 101

IAAO 201 - Appraisal of Land

This course on land valuation includes such areas as legal descriptions and maps, single property techniques and mass appraisal of land. It also includes a case study to provide application of methodology used in mass appraisal of land.

Prerequisite: Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost Workshop

IAAO 102 - Income Approach to Valuation

Theories and techniques of estimating value using the income approach to valuation. Includes selection of interest and recapture rates, analysis of income and expenses for determination of income to be capitalized, capitalization methods and techniques. Includes real estate finance and investment theory.

Prerequisite: Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost Workshop, IAAO 201

IAAO 500 - Assessment of Personal Property

Course 500 provides a comprehensive program of study for those who assess personal property for ad valorem tax purposes. After a review of property tax administration and the nature of value, the following aspects of personal property assessment are covered: categories of personal property, discovery, the valuation process, valuation guidelines and quality control, depreciation methods, and special problems.

Prerequisite: Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost Workshop

IAAO 400 - Assessment Administration

Course 400 provides a comprehensive program of study for those who administer assessment programs. After an introduction to property tax administration, the course provides detail in the areas of planning and organization, together with directing and controlling assessment activities. The subject of public relations is explored.

Prerequisite: Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost Workshop

IAAO 300 - Fundamentals of Mass Appraisal

Providing a foundation for education in the mass appraisal process, IAAO 300 includes data collection, management and analysis, statistical applications, assessment-ratio analysis, and administrative procedures. The course material includes application of the three approaches to mass appraisal and selection of a mass appraisal system.

Prerequisite: Courses A, B, C, IAAO 101, Marshall & Swift Commercial Cost Workshop, IAAO 201/400, IAAO 102/500

4. DESIGNATION RENEWAL & CONTINUING EDUCATION PROGRAM

Beginning January 1, 1987, there will be a designation renewal & continuing education program for appraisers certified under the provisions of Act 48 of 1980.

Beginning January 1, 1987, for those appraisers currently at a Level 3 or a Level 4 under the provisions of Act 48 of 1980, and each succeeding January 1 for those later to receive a Level 3 or Level 4 Designation, there will be education requirements that each appraiser must fulfill in order to maintain that level of Designation.

During succeeding 3 year periods, a Level 3 or Level 4 appraiser must attend 30 hours of continuing education or is subject to termination of his or her Designation. If an appraiser's designation is terminated and wishes to re-enter the Designation program, he or she is required to retake and pass exams for IAAO courses. Experience requirements previously obtained will be accepted.

Courses that apply to Designation renewal are all those offered by the Assessment Coordination Department, excluding the Equalization Board Seminar and the Millage Rollback workshops, all courses and workshops offered by the International Association of Assessing Officers, and other courses and workshops as previously noted.

At the time that an appraiser attends his or her first course aimed at Designation, he or she shall apply for Designation with the training coordinator. Credit for courses not sponsored by the Assessment Coordination Department, if approved courses, will be given upon proof that the appraiser successfully completed such course.

5. STATUTORY PROVISION FOR PROPERTY ASSESSMENT EDUCATION PROGRAM

26-26-503. Appointment and training of personnel.

(a) The county assessor in each county may employ such personnel as the assessor deems necessary to reappraise taxable property in the county in compliance with the court order in Arkansas Public Service Commission, et al v. Pulaski County Board of Equalization, et al and to thereafter maintain a proper appraisal of property in the county.

(b)(1)(A) The Assessment Coordination Department of the Arkansas Public Service Commission shall prescribe an appropriate course of training to qualify persons employed by elected county assessors to conduct appraisals of property for ad valorem tax purposes and shall issue a certificate of qualification to each person who successfully completes the course of training or is otherwise determined by the department to be qualified to conduct appraisals.

(B)(i) Only those persons who hold certificates of qualification issued by the department as provided for in this section shall be employed by the elected county assessors for or undertake the appraisal of property for ad valorem tax purposes in any county.

(ii) This section only applies to persons employed by elected county assessors, and the elected county assessors are not themselves required to be certified by the department.

(2) The department shall seek the advice of the Legislative Council prior to the final adoption of training criteria for persons to be employed by county assessors to appraise property for ad valorem tax purposes.

Amended 11/20/2006