

Alberta Assessors' Association



Promoting QUALITY through membership excellence

CODE OF CONDUCT AND ETHICS AND PROFESSIONAL STANDARDS

TABLE OF CONTENTS

1.0	Facts about the Alberta Assessors' Association	3
2.0	Objectives of the Association	3
3.0	AAA Code of Conduct and Ethics	4
3.1	Introduction	4
3.2	Inspiring Ethical Conduct	5
3.3	Encouraging Respect	5
3.4	Key Tenets of the AAA Code	5
3.5	Guidelines for Ethical Professional Practice	6
4.0	AAA Code of Conduct and Ethics and Professional Standards	6
4.1	Introduction	6
4.2	Requirement for Professional Standards	6
4.3	Achieving and Maintaining Professional Standards	7
4.4	Reference to other Professional Standards	7
4.5	Requirement to be Impartial and Unbiased	8
4.6	Requirement to be Transparent	8
4.7	Requirement to be Truthful	8
4.8	Requirement to Comply with Current Legislation	8
4.9	Requirement to Apply Appropriate Valuation Methods	9
4.10	Exert Testimony and Advocacy	9
	4.10.1 Requirement to Provide Expert Testimony	10
	4.10.2 Requirement when Acting as an Advocate	10
4.11	Requirement to Enforce the Code of Conduct and Ethics and Professional Standards	10
5.0	Code of Conduct and Ethics and Professional Practice Declaration	11
5.1	Declaration for New Membership	11
5.2	Declaration for Renewal of Membership	11
	Approval and Acknowledgements	12
	References	13

1.0 Facts about the Alberta Assessors' Association

The Alberta Assessors' Association (AAA) is the oldest Canadian professional association representing members practising in the field of property assessment and related property taxation functions.

The Alberta Assessors' Association (AAA) was registered under the Societies Act of Alberta in January, 1962. Registration as a profession, under the Professional and Occupational Associations Registration Act (POARA), and governance by the Municipal Assessor Regulation (MAR) under that Act, was passed in March, 1994. POARA establishes the means by which the Association manages its affairs and the conduct of professional members.

MAR defines the two regulated categories of professional membership as Candidate or Accredited Municipal Assessor of Alberta and provides the requirements and or competencies for both levels of membership.

The AAA is an affiliate member of the International Association of Assessing Officers (IAAO) and maintains strong relationships with assessment associations across Canada and the United States.

2.0 Objectives of the Association

The objectives **as outlined in section 2(1) of the Alberta Assessors Association bylaws** are as follows:

The Association shall, subject to the Act and the Regulation, govern and conduct its affairs with a view to furthering the following objectives:

- (a) to continue to operate and build an association of professional assessors in order to ensure the professional integrity and skill of assessors and to protect the public;
- (b) to co-ordinate, promote, develop and encourage the various objectives of the practice of assessment;
- (c) to co-operate with public and private bodies to advance these ends;
- (d) to promote and advance the practice of assessment of property as a profession or calling;
- (e) to advance and promote significant educational programming that will complement in-service technical training.

Without in any way limiting their powers under the Act and to further the objectives set out in section 2(1), the Association, the Executive Committee, and the regulated members shall exercise their powers to:

- (a) devise ways to enhance and promote improvements in the practice of assessment;
- (b) print and circulate publications and any other material as may seem conducive to the objectives of the Association;
- (c) enhance the status of and protect the interests of the profession in the practice of assessment;
- (d) create, stimulate, and increase public interest in the practice of assessment;
- (e) co-operate with any organization or person having similar or like aims and objectives;
- (f) take any lawful means which the Association deems necessary or advisable to give effect to any policy adopted by it with respect to any question directly or indirectly affecting the status of any regulated or non-regulated member; and

- (g) conduct its affairs on a not-for-profit basis so as to utilize its income to promote the objectives of the Association.

Therefore, in accordance with the *POARA* and all governing legislation and bylaws, the AAA has enacted a code of Ethics and Conduct and Professional Standards that regulates the activities of its members in the practice of assessment.

The purpose of the Code of Conduct and Ethics and Professional Standards is to provide guidance to practitioners valuating property as a basis for local property taxation.

- (i) preparing property and business assessment using legislative mass appraisal and single property appraisal standards, policies and procedures;
- (ii) communicating or explaining assessments to property owners and the administration of public relations programs related to understanding the assessment process and the role of the property tax in funding government services;
- (iii) the formulation, advocacy and development of assessment legislation, policy and standards;
- (iv) providing expert testimony, evidence, argument and case management services in the administration of assessment tribunals and other courts of law in their review of assessments;
- (v) providing services as a member of an assessment tribunal member;
- (vi) the design, development and delivery of assessment training, education, workplace learning and professional development courses and seminars;
- (vii) the management and administration of assessment service operations, and the internal and external auditing of those operations;
- (viii) the analysis of assessment data elements, development of data standards and the collection of assessment data;
- (ix) computer assisted system designs and implementation in mass appraisal systems and related geographic information systems or information management systems;
- (x) the development of appraisal software and construction cost and valuation manuals;
- (xi) the administration and implementation of discretionary property tax exemption programs;

3.0 AAA Code of Conduct and Ethics

3.1 Introduction

The AAA has adopted a Code of Conduct and Ethics (the “AAA Code”) to inspire and encourage its members (the “Members”) to perform their professional duties in a responsible manner. The AAA Code serves as a guide to appropriate conduct in the provision of professional services, and the interaction by Members with peers, colleagues, clients and customers.

The AAA Code is intended to be a practical guide to professional conduct. As such, the AAA Code reflects the nature of work performed in the fields of municipal assessment and property taxation, including market analysis and financial valuation.

The AAA Code is intended to be universally applicable to all Members who have been trained in a wide range of disciplines, and work in different fields. Accordingly, the AAA Code has been drafted to supplement rather than supplant the ethical codes or standards that apply to Members across: (i) the spectrum of professional disciplines in which they have been trained; (ii) the public and private organizations in which they work; and (iii) the duties they may discharge through their paid employment and volunteer services.

Finally, the AAA Code seeks to build upon personal ethical standards and practices that are applied by Members in other aspects of their lives. The AAA Code is intended to have equal meaning and relevance to all Members, regardless of personal background and beliefs.

3.2 Inspiring Ethical Conduct

The AAA Code does not prescribe specific actions that must be pursued or avoided. Instead, the AAA Code is intended to encourage each Member to make informed choices that will benefit themselves, other Members, and all those who work with or rely upon the professional services of Members.

The AAA Code provides guidance with respect to actions and behaviours that represent ethically responsible choices. Accordingly, the AAA Code offers building blocks for ethical professional conduct, without defining the necessary conclusions that one must draw in every, or any, circumstance.

3.3 Encouraging Respect

By ensuring that the professional activities of each Member is informed by the AAA Code, all Members should enjoy the continuous respect of peers, clients, and the general public. This goal is paramount, and will ensure that Members benefit from their association in a network of like-minded professionals.

A further benefit that will accrue to all Members from their conscientious efforts to support the AAA Code is the satisfaction of knowing that each Member is contributing to a positive professional environment in every organization in which they work. The extension of professional ethics into the workplace in a manner that fosters professional pride and satisfaction is a worthwhile objective to be pursued by all Members.

3.4 Key Tenets of the AAA Code

3.4.1 Collective Consequences

A key tenet of the AAA Code is that in a professional association, individual actions by one member will have collective consequences for all members. Members have a duty, therefore, to consider the broad brush that will reflect favourably or poorly on all Members as a result of the actions of each individual. Accordingly, one foundation of the AAA Code is the belief that goodwill and respect that is earned by one Member will have a general benefit for all Members. Conversely, professional behaviour by one Member that is regarded with disdain or mistrust by others will discredit, to a similar extent, all Members.

All Members are expected to possess common sets of skills and be capable of performing certain types of work in the fields of real property valuation and municipal assessment. It is necessary, therefore, to establish and maintain a minimum level of technical competence for Members, and in particular for Members who have attained the AMAA designations.

Differences will exist between Members due to several factors, including education, training and experience, however, it should be commonly and collectively understood that all designated Members will be possess a high degree of technical expertise.

3.4.2 Public Consequences

A further tenet of the AAA Code is that individual actions will have public consequences. Accordingly, each Member is expected to adhere to a minimum standard of professional discipline to ensure that Members are perceived as worthy of holding the public's trust and confidence.

Conduct and discipline serve different but complementary purposes. Conduct is about the manner in which Members can expect to be treated by their peers. One must treat others

with whom they work or serve with respect. Discipline involves adherence to professional standards.

The AAA prescribes guidelines for professional standards that are applicable to work in the fields of real property valuation and municipal assessment. Members are required to adopt those standards in the provision of all relevant professional services.

While the application of professional standards is not a guarantee of good performance or results, there is at least a reduction of the level of risk faced by clients and the public that are served by Members. Accordingly, an important foundation of the AAA Code is the belief that all Members are expected to exercise technical proficiency, and to perform their services in a manner that will enhance the public's respect for the AAA and the work performed by its Members.

3.5 Guidelines for Ethical Professional Practice

Members must at all times be aware of and act in accordance with all governing legislation and regulatory requirements in the performance of their professional activities.

Accordingly, to maintain public trust and confidence in the AAA:

- Members must adhere to the Freedom of Information and Protection of Privacy Act, the Municipal Government Act, the Professional and Occupational Associations Registration Act, the Municipal Assessor Regulation, Matters Relating to Assessment and Taxation Regulation; and, Matters Relating to Assessment Complaints, the annual Assessment Quality Minister's Guidelines, the Community Organization Property Tax Exemption Regulation and all other directly and indirectly related legislation and regulations;
- Members must safeguard and treat taxpayer data as private and confidential when it pertains to information that is not readily available in the public domain;
- Members must always treat financial data and their analyses of the data in a manner that is objective and free of real or perceived conflicts of interest;
- Members must disclose, upon request, such information as is necessary to prepare, test or defend an assessment; and,
- Members must be willing to provide advice and support to other members and treat all Members as colleagues with respect.

4.0 AAA Code of Conduct and Ethics and Professional Standards

4.1 Introduction

Membership in the AAA is a privilege granted to individuals who possess appropriate knowledge and professional experience in the fields of real property valuation and municipal assessment. Membership is renewable annually for Members who remain in good standing with the AAA.

One of the conditions for admission to the membership of the AAA, and continuation as a member in good standing, is compliance with the AAA's Code of Conduct and Ethics and Professional Standards, as adopted and updated from time to time by the AAA.

4.2 Requirement for Professional Standards

The AAA requires that all individuals who seek, or have attained, the AMAA designations achieve and maintain a consistent minimum level of knowledge and skill in the fields of real property valuation and municipal assessment (the "Professional Standards"). The Professional Standards

represent a threshold of technical skill and expertise that is measurable and can be validated through testing.

Transparency of the Code of Conduct and Ethics and Professional Standards, and the requirement for Members to comply with those standards, provides assurance to employers, clients and the public, that Members possess a prescribed level of specialized knowledge and skill regardless of their education, training, experience, or employment

Furthermore, universal adherence to the Professional Standards by all Members enhances the confidence and trust of public officials, courts and tribunals in the empirical and analytical work performed by Members and reinforces the credibility of Members as subject-matter experts in real property valuation and municipal assessment. Accordingly, Members share a common interest in achieving and maintaining the required minimum level of technical proficiency and professional conduct that is expressed through the Professional Standards.

4.3 Achieving and Maintaining the Professional Standards

The Alberta Assessors' Association has outlined the education and work experience requirements needed to obtain the Accredited Municipal Assessor of Alberta (AMAA) designation in Policy 60-2. Upon completion of these requirements, the candidate exhibits the knowledge and skills expected of valuation experts and municipal assessors.

The Professional Standards must be maintained over time. Policy 60-3 outlines the re-certification requirements of Accredited Members of the Association to maintain the AMAA designation. Attaining the required learning-based and/or general credits through the re-certification cycle ensures Members maintain an awareness of changes affecting assessment, administration and valuation.

Courses that will be offered by the AAA, or through other channels that are approved by the AAA, deal with professional ethics, professional standards, and quantitative and qualitative methods of research, analysis and reporting, that are required to practice in the fields of real property valuation and municipal assessment. Those courses or their approved equivalents will form an integral part of the duty of Members to maintain the currency and relevance of their expertise, and their ability to apply that expertise in the range of professions that comprise the membership body of the AAA.

4.4 Reference to other Professional Standards

Professional standards are not applied in a vacuum. Members must perform their paid and volunteer services in a manner that respects the financial consequences of their actions and decision.

The AAA is not the only professional body that prescribes professional standards for individuals that work in the fields of real property valuation and municipal assessment. Accordingly, a duty of membership in the AAA is to be aware of the definitions, technical standards and practice directions that are industry-specific and generally accepted, as follows, but not limited to:

- (the "Guidelines") adopted by the International Association of Assessing Officers, (the "IAAO") and to have regard for the IAAO Standards and Guidelines in performing real property valuation and municipal assessment, the Guidelines adopted by the Appraisal Institute of Canada, as they are expressed in the Canadian Uniform Standards of Professional Appraisal Practice;
- Standard 6 of the Uniform Standards of Professional Appraisal Practice;

- Practicing Assessment in Alberta Handbook (PAAH);
- Assessment Quality Minister’s Guidelines as they are updated and enacted;
- Regulations that are directly or indirectly related to Assessment; and
- Precedent in Alberta’s Court of Queen’s Bench, jurisprudence and case law decisions

4.5 Requirement to be Impartial and Unbiased

The financial nature of real property valuation and municipal assessment requires that services be impartial and unbiased.

- The test of impartiality is met when property values are determined or recommended with reference to the best available information and other empirical sources of data.
- The test of freedom from bias is met when interpretation, subjectivity, and other qualitative methods of analysis and reporting, are transparent, open to peer review, and may be substantiated or validated with reference to empirical data.

4.6 Requirement to be Transparent

Members must take appropriate steps to ensure that their paid and volunteer work conducting real property valuation and municipal assessment is documented and reported in a manner that is easily understood. Transparency of work methods and results represent an important means to ensure that Members are performing professional activities in a manner that is impartial and unbiased. All work performed by Members should be capable of being independently reviewed and challenged.

The Professional Standards extend beyond the scope of work and methods of analysis. The Professional Standards also serve as a constant reminder of the commitment by each Member to provide customer-centric services.

Accordingly, each Member has an obligation to clients, customers, peers, adjudicators, and the general public, to disclose sufficient information pertaining to the interpretation, accuracy, and use of their work-product and services in accordance with the governing legislation of the jurisdiction.

4.7 Requirement to be Truthful

Professional Standards require a commitment from Members to be candid and truthful in their dealings with clients, customers, peers and others that seek professional advice or expert opinion in the fields of real property valuation and municipal assessment.

4.8 Requirement to Comply with Current Legislation

The Professional Standards address core duties and obligations that must be present in the way each Member approaches the provision of their paid and volunteer services. There is an element of subjectivity and personal discretion in the manner in which each Member chooses to apply the Professional Standards.

The exercise of personal discretion and subjectivity, however, must not interfere with the duty of each Member to comply with applicable laws and statutes and regulations within a given jurisdiction. Legislation sets out the statutory regime that governs property tax assessments.

Accordingly, before undertaking a real property valuation or municipal assessment assignment each Member must have knowledge of and adhere to the relevant legislative, regulatory and legal oversight as follows:

- The Province of Alberta's *Municipal Government Act*;
- The Province of Alberta's *Municipal Government Act, Matters Relating to Assessment Complaints Regulation*;
- The Province of Alberta's *Municipal Government Act, Matters Relating to Assessment Taxation and Regulation*;
- Assessment Quality Minister's Guidelines;
- Ministerial Orders;
- Any other legislation applicable for the assessment jurisdiction; and
- Precedent in Alberta's Court of Queen's Bench, jurisprudence and case law decisions

4.9 Requirement to Apply Appropriate Valuation Methods

There is a standing requirement that all work performed by Members be impartial and unbiased. That goal can be achieved when appropriate valuation methods are chosen and applied correctly. Accordingly, in conducting real property valuations and municipal assessment assignments, Members must take care to:

- a. Select and apply one (or more) valuation approach that is appropriate for the type of property concerned;
- b. Apply the chosen valuation methodologies with proper regard for the use of quantitative and qualitative research methods, and transparency in both analysis and reporting; and
- c. Consider standards published or reported by the AAA and other bodies (Section 4.4) and have regard for relevant case law when considering the valuation methods that are appropriate for each type and class of property.

At times only sufficient information may be available that limits a Member to an analysis using one valuation method. In these instances, Members should use discretion and professional judgement in choosing the most appropriate approach with the information available to them. In thus choosing, a Member must then be prepared to defend against an appeal that uses a different approach as suggested in (iii) above.

4.10 Expert Testimony and Advocacy

Under the *Municipal Assessors Regulation of Alberta*, the practice of assessments means

“specialized consulting services in real property appraisal, assessment administration and tax policy and, without limitation includes the following:...

- (iii) the formulation, advocacy and development of assessment legislation, policy and standards
- (iv) providing expert testimony, evidence, argument and case management services in the administration of assessment tribunals and other courts of law in their review of assessments;...”

The appeal process separates advocacy from expert testimony in that experts present factual evidence and expert testimony about the evidence, and advocates present argument and summary as well as cross examine/redirect the expert witnesses.

4.10.1 Requirement to Provide Expert Testimony

Expert testimony for assessment purposes is based on technical or other specialized knowledge and is intended to assist the appeal process. An opinion is part of expert testimony provided it is based on sufficient facts or data, the result of reliable principles and methods, and the witness has applied these principles and methods reliably to the facts of the case.

An expert witness is defined as a person who is permitted to testify at a trial because of special knowledge or proficiency in a particular field that is relevant to the case. The Professional Standard described in general terms above will serve the needs of all Members. In particular, Members that provide expert testimony in courts and tribunals are expected to present evidence and opinions that seek to create and maintain fair and equitable real property valuations.

4.10.2 Requirement when Acting as an Advocate

Advocacy is defined as the act of speaking on the behalf or in support of another person, place or thing to influence decisions. It is understanding the strengths and needs of your case, identifying client goals, knowing the rights and responsibilities of the client and communicating these to others. Advocates express the views, opinions and concerns of their clients. They explore options and choices, and assist boards in determining where to look for information concerning the issues.

4.11 Requirement to Enforce Code of Conduct and Ethics and Professional Standard

The AAA will take action in respect of any Member found to have acted in a manner that is inconsistent with or contrary to the Code of Conduct and Ethics and Professional Standards.

The *Professional and Occupational Associations Registration Act* (POARA) grants the AAA the power to govern the professional practice of its Members. Section 14 of the Act provides:

- 14(1)** *The governing body of a registered association may make regulations*
- (a) *respecting the field of practice of the members of the registered association and prescribing conditions or limitations applicable to that field of practice;*
 - (b) *prescribing standards of conduct, including a code of ethics, and standards of competency of members of a registered association;*
 - (c) *governing eligibility, including examinations, for registration as a registered member;*
 - (d) *respecting renewal of registration of registered members;*
 - (e) *respecting continuing education of registered members;*
 - (f) *respecting the temporary registration of a person as a member of a registered association;*
 - (g) *respecting the suspension or cancellation of a member's registration other than pursuant to complaint proceedings under this Act;*
 - (h) *respecting the establishment of the Registration Committee and the Practice Review Committee;*
 - (i) *respecting the powers, duties and procedures of the Registration Committee and the Practice Review Committee including prescribing the number of members that constitutes a quorum at meetings of those committees;*
 - (j) *respecting the establishment of the Discipline Committee and its procedures;*

- (k) *respecting the costs payable pursuant to an order under section 34,*
 - (i) *by an investigated person, in respect of a hearing by the Discipline Committee or a review by the governing body under section 35, or*
 - (ii) *by a complainant, in respect of a complaint determined to be frivolous or vexatious under section 22(3)(a);*
 - (l) *respecting the establishment of registers for each class or category of members of the association;*
 - (m) *prescribing the professional or occupational title and abbreviations of that title designated in an order under section 9(1)(b) that a member of a registered association may use to indicate membership in the registered association.*
- (2)** *Regulations under subsection (1) do not come into force unless they are approved by a majority of members of the registered association*
- (a) *voting in person or by proxy in accordance with the bylaws at a general meeting for which notice has been given in accordance with the bylaws, or*
 - (b) *voting in a vote conducted by mail in accordance with the bylaws, and the Lieutenant Governor in Council has approved the regulations.*

The AAA has exercised its powers under the foregoing provisions and will enforce the Code of Conduct and Ethics and Professional Standards accordingly.

5.0 Code of Conduct and Ethics and Professional Practice Declaration

5.1 Declaration for New Membership

By applying for membership in the AAA and submitting the required information for consideration, the applicant agrees to abide by the *Code of Conduct and Ethics and Professional Standards* of the AAA and submit accurate information. The applicant understands that it is a breach of the AAA's *Code of Conduct and Ethics and Professional Standards* to provide false information. The member also understands that payments of annual dues and the Practice of Assessment Declaration Form are required to maintain membership status within the AAA.

5.2 Declaration for Renewal of Membership

By renewing the annual AAA membership and submitting the required information for consideration, the member agrees to abide by the AAA's *Code of Conduct and Ethics and Professional Standards* and submit accurate information. The member understands that it is a breach of the AAA's *Code of Conduct and Ethics and Professional Standards* to provide false information. The member also understands that payments of annual dues and the Practice of Assessment Declaration Form are required to maintain membership status with the AAA.



*Promoting **QUALITY** through membership excellence*

Alberta Assessors' Association
Professional Standards

Approval and Acknowledgement

Reviewed by the Executive Committee on April 7, 2015

Approved by the Association membership at the Annual General Meeting April 23, 2015.

The Alberta Assessors' Association acknowledges the Institute of Municipal Assessors for providing its Code of Ethics and Professional Standards as a template for the AAA Code of Conduct and Professional Standards.

As well, the Executive Committee acknowledges the commitment and work of the Practice Review Committee and the ad hoc Professional Standards working group in the preparation of this document and the Association membership for its approval and adoption on April 23, 2015.



Promoting QUALITY through membership excellence

Alberta Assessors' Association
Professional Standards

References

Stephen T. Goudge, "Dr. Smith and the Practice of Pediatric Forensic Pathology," vol. 2, *Inquiry into Pediatric Forensic Pathology in Ontario Ch. 8* online at <http://www.goudgeinquiry.ca>)

Expert Witness Testimony - The Appraiser as an Expert Witness – BC Supreme Court Civil Rules, Nieme LaPort & Dowle, 2011 www.nldappraisals.com/consulting-services/expert-witness-testimony.htm. downloaded October 22, 2014