



# **TRAINING AND DESIGNATION PROGRAM**

**FOR**

**APPRAISERS EMPLOYED BY**

**STATE AND COUNTY OFFICIALS**

**ASSESSMENT COORDINATION DIVISION**

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**

**1900 W 7th Street, Room 2140**

**LITTLE ROCK, AR 72201**

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**STATE OF ARKANSAS  
ASSESSMENT COORDINATION DIVISION**

**FOREWORD**

The Arkansas Training and Designation Program has been designed by the Assessment Coordination Division (AACD) as directed by Act 48 of 1980 (A.C.A. § 26-26-503). The training consists of both AACD and International Association of Assessing Officers (IAAO) courses.

IAAO Courses that are sponsored by the AACD are offered free of charge to county assessors and deputy assessors. These courses explore fundamental ad valorem tax appraisal and administration and serve, in combination with the AACD Courses, as a foundation for improving property assessments in Arkansas. AACD 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 DIVISION  
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 employed by any governmental jurisdiction or Board involved in the valuation or equalization of property for ad valorem tax purposes, or,
- c. Be an employee or owner of a professional reappraisal firm that works or intends to work in this state on contracted reappraisal projects.
- d. Before an appraiser attends his or her first course aimed at Designation, he or she shall apply for Designation with the training coordinator. AACD will not pay for courses taken by those who are not enrolled in the Training and Designation Program.

**2. LEVELS OF DESIGNATION AND REQUIREMENTS**

- a. Two Tracks, Real Estate and Administration, each with their own education requirements are recognized in the AACD Training and Designation Program.
- b. There shall be **no substitution** for the AACD courses.
- c. The following substitutions may be made for the IAAO courses.
  - (1) Equivalent courses given by Appraisal Foundation member associations (Subject to AACD approval prior to enrollment).
  - (2) Appraisal courses given by a accredited College or University as part of an appraisal program (Subject to AACD approval prior to enrollment).
  - (3) Other professional level training may be accepted at the discretion of the Director, but in all cases, the training must be equivalent to the IAAO courses.
- d. The following levels of Designation shall be issued once all required courses are passed with at least a 70%, including AACD courses, and after all experience requirements have been fulfilled.

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

AACD will sponsor all the primary courses listed below for county and state employees employed in Ad Valorem taxation free of charge for the first attempt. Subsequent attempts will not be paid for by AACD.

## **REAL ESTATE TRACK**

### **Level 1 - Residential Appraiser Trainee**

Requirements:

**AACD COURSE - REAL ESTATE AND MAPPING (must pass test)**

**AACD COURSE – PERSONAL PROPERTY (must pass test)**

**No experience requirement**

### **Level 2 - Residential Appraiser**

Requirements:

**IAAO 101 - Fundamentals of Real Property Appraisal**

**6 months real property mass appraisal experience**

### **Level 3 - Realty Appraiser**

Requirements:

**IAAO 163 – Marshall & Swift**

**IAAO 102 - Income Approach to Valuation**

**IAAO 201 - Appraisal of Land**

**1-year real property mass appraisal experience**

### **Level 4 - Senior Appraiser**

Requirements:

**IAAO 300 - Fundamentals of Mass Appraisal**

**2 years real property mass appraisal experience (Level 3 and 4 classes do not have to be taken in the above order, however, this is the recommended order and each requirement must be fulfilled before the levels are granted)**

**The effective date for achieving Levels 1-4 will be the date that all education and experience requirements are fulfilled.**

## **APPRAISAL MANAGER**

Requirements:

- **Level 4 (Real Estate Track)**
- **Passing score on the Appraisal Manager's Exam**
- **15 Hour Uniform Standards of Professional Appraisal Practice**
- **4 years real property mass appraisal experience is required before an applicant can sit for the exam.**

**The effective date for becoming an Appraisal Manager will be the date that all education, experience, and examination requirements are fulfilled.**

**All the above requirements must be fulfilled prior to Appraisal Manager designation being granted**

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

**Appraisal tasks may be completed by personnel as follows, according to the different levels achieved (per AACD rule 3.47.2)**

- \*Collection of Quantitative Physical Data, Residential Property - Employer Training
- \*Collection of Qualitative Physical Data, Residential Property - Level 2
- \*Collection of Quantitative Physical Data, Commercial Property- Level 3
- \*Collection of Qualitative Physical Data, Commercial Property - Level 3
- \*Establishment of Neighborhood Delineation/ Location Factors - Level 4
- \*Preliminary Valuation - Level 4
- \*Informal Appeals, Residential Properties - Level 3
- \*Informal Appeals, Commercial Properties - Level 4
- \*Board of Equalization Appeals - Level 4
- \*County Court Appeals - Level 4
- \*Circuit Court Appeals - Reappraisal Manager

\*The above Appraisal tasks may be completed by those in the Real Estate track only.

## **ADMINISTRATIVE TRACK**

### **Level 1 - Assessment Administration Trainee**

Requirements:

**AACD COURSE - REAL ESTATE AND MAPPING (must pass test)**

**AACD COURSE – PERSONAL PROPERTY (must pass test)**

**No experience requirement**

### **Level 2 - Administrative Clerk**

Requirements:

**IAAO 101 - Fundamentals of Real Property Appraisal**

**6 months assessment administrative experience**

### **Level 3 - Assessment Administrator**

Requirements:

**IAAO 163 - Marshall & Swift**

**IAAO 300 - Fundamentals of Mass Appraisal**

**IAAO 500 - Assessment of Personal Property**

**1-year assessment experience**

### **Level 4 – Senior Appraiser Administrator**

Requirements:

**IAAO 400 - Assessment Administration**

**2 years assessment administrative experience (Level 3 and 4 classes do not have to be taken in the above order, however, this is the recommended order and each requirement must be fulfilled before the levels are granted)**

**The effective date for achieving Levels 1- 4 will be the date that all education and experience requirements are fulfilled.**

### 3. COURSE DESCRIPTIONS

#### **AACD COURSE – REAL ESTATE AND MAPPING**

Introduction to the Discovery, Listing, and Valuation of Real Property

#### **AACD COURSE – PERSONAL PROPERTY**

Introduction to the Discovery, Listing, and Valuation of Personal Property

#### **IAAO Course 101 - Fundamentals of Real Property Appraisal**

The Fundamentals of Real Property Appraisal is designed to provide the students with an understanding and working knowledge of the procedures and techniques required to estimate the market value of vacant and improved properties. This course concentrates on the skills necessary for estimating the market value of properties using two approaches to value: the cost approach and the sales comparison approach. The Fundamentals of Real Property Appraisal utilizes lectures, classroom discussion, and homework problems to emphasize the main concepts and procedures taught in the course.

***Recommended: Property Assessment Valuation (PAV) textbook (3rd edition)***

#### **IAAO Course 102 - Income Approach to Valuation**

The Income Approach to Valuation is designed to provide the students with an understanding and working knowledge of the procedures and techniques required to estimate the market value of vacant or improved properties by the income approach. The material covers real estate finance and investment, capitalization methods and techniques, analysis of income and expenses to estimate operating income, selection of capitalization rates, and application of the approach. The Income Approach to Valuation utilizes lectures, classroom discussion, and homework problems to emphasize the main concepts and procedures taught in the course.

***Recommended: Course 101, Property Assessment Valuation (PAV) textbook (3rd edition)***

#### **IAAO Course 201 - Appraisal of Land**

Appraisal of Land is designed to provide the students with an understanding and working knowledge of the procedures and techniques required to estimate the market value of land. This course concentrates on the skills necessary for estimating land value primarily using the sales comparison approach.

***Recommended: Course 101, Course 102, Property Assessment Valuation (PAV) Textbook (3rd edition)***

#### **IAAO Course 300 - Fundamentals of Mass Appraisal**

This course provides an introduction to mass appraisal and is a prerequisite for the 300 series of courses offered by the IAAO. Topics covered include single-property appraisal versus mass appraisal, components of a mass appraisal system, data requirements and analysis, introduction to statistics, use of assessment ratio studies in mass appraisal, modeling of the three approaches to value, and selection of a mass appraisal system.



**Recommended: Course 101, Course 102, Fundamentals of Mass Appraisal (FMA) textbook – 30 hours CE**

### **IAAO Course 400 - Assessment Administration**

Course 400 provides fundamental management concepts for management and supervisory personnel in the assessor's office. The course begins by emphasizing the need for management, and the various roles placed on the assessor and all supervisory personnel. The course then introduces the four major management functions (planning, organizing, directing, and controlling). Although the four functions are interrelated, a separate chapter is devoted to each one. This provides for a greater understanding of the major functions.

**Recommended: Course 101, The Appraisal Foundation's Uniform Standards of Professional Appraisal Practice (USPAP) and Assessment Administration textbook - 30 hours CE**

### **IAAO Course 500 - Assessment of Personal Property**

The Assessment of Personal Property is designed to provide the students with an understanding and working knowledge of the procedures and techniques required to assess personal property. This course concentrates on the skills necessary for listing, appraising and assessing the market value of properties using the three approaches to value: the cost approach, the income approach and the sales comparison approach. The Assessment of Personal Property utilizes lectures, classroom discussion, and homework problems to emphasize the main concepts and procedures taught in the course. The ten sections of the course present a broad mixture of theory and practical application. Exercises are included so the student can test and reinforce new skills. Time is allotted for questions and answers throughout the course. Students are encouraged to participate actively.

**Recommended: Property Assessment Valuation (PAV) (3rd edition) textbook – 30 hours CE**

### **IAAO Workshop 151 – Uniform Standards of Professional Appraisal Practice**

This workshop covers materials from The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice* which includes: definitions, preamble, ethics rule, record keeping rule, competency rule, scope of work rule, jurisdictional exception rule and standards 1 through 3, and 6 through 10.

**15 hours CE**

### **IAAO Workshop 163 – Marshall & Swift Cost Approach (Commercial)**

This workshop is designed to teach participants how to use the Marshall & Swift *Commercial Valuation Guide*. Participants will spend time working several case study problems to assist them in learning how to apply this service. **15 hours CE**

#### **4. DESIGNATION RENEWAL & CONTINUING EDUCATION PROGRAM**

The Arkansas Training and Designation Program has education requirements (CE hours) that each Level 3, Level 4 appraiser and Appraisal Manager must fulfill in order to maintain their level of Designation.

Level 3 or Level 4 appraisers must attend 30 hours of continuing education during succeeding 3-year periods (Rule 4.05(9)), starting January 1 of the first year and ending December 31 of the third year\*, or they will be subject to termination of his or her Designation. If an appraiser's Level 3 or Level 4 designation is terminated and they wish to re-enter the Designation program, he or she is required to makeup all CE hours missed, up to two recertification cycles (60 hours). Recompletion of the training and designation program will be required for those whose Level 3 or Level 4 designations have been terminated for 2 cycles (6 years). Experience requirements previously obtained will be accepted.

Appraisal Managers must attend 30 hours of continuing education during succeeding 3-year periods, starting January 1 of the first year and ending December 31 of the third year, and attend the annual Appraisal Managers Seminar hosted by AACD (AACD rule 3.24). Only the Director of AACD can issue excused absences for the Appraisal Managers Meeting. Appraisal Managers granted an excused absence from the annual seminar have until March 31 of the following year to complete the missed hours by attending a 1-day session at ACD office. Starting with the Appraisal Managers Seminar in 2021, AACD will no longer be awarding CE hours for the seminar. Failure to attain 30 CE hours and / or an unexcused absence from an Appraisal Managers Seminar will result in termination of his or her Designation. Appraisal Managers must re-take and pass the Appraisal Managers Exam and attend a Reinstatement Conference with the Director and Senior Staff of AACD in order to be reinstated. The Reinstatement Conference will provide updates regarding changes to laws, rules, and guidelines within the State of Arkansas. Experience requirements previously obtained will be accepted.

Recertification cycles will restart on the following January 1 as higher designations are achieved.

Courses that apply to Designation renewal are most of those offered by the Arkansas Assessment Coordination Department, all courses and workshops offered by the International Association of Assessing Officers, and other courses and workshops subject to approval by AACD (please contact AACD prior to registering or attending for course approval procedure). A list of approved courses is available on the AACD website or by contacting AACD. Courses completed / attended may not be repeated for recertification hours for a period of five years. Credit for courses not sponsored by the Assessment Coordination Department, if approved courses, will be given upon proof that the appraiser successfully completed / attended such course.

\*For example, an appraiser who earns their designation January 1 of one year, will have until January 1 of the next year to start earning / logging recertification hours.

## APPENDIX

### **26-26-503. APPOINTMENT AND TRAINING OF PERSONNEL (Act 48 of 1980)**

**(a)** The county assessor in each county may employ such personnel as the county 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 Division 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.

## **Overview of changes to ACD Training and Designation Program**

**1. Pages (1,3,4,5) of 2021 provisions.**

Students must now pass the AACD (Arkansas Assessment Coordination Division) Real Estate and Mapping course and AACD Personal Property course examinations with a 70% to mirror IAAO (International Association of Assessing Officers) standards. This will apply to both tracks provided within AACD guidelines (Appraisal and Administration). **Previously were only required to attend the ACD courses with no exam or passing score.**

**2. Page (2) of 2021 provisions.**

Clarified language saying that AACD will pay for state and county employees' (who are employed in Ad Valorem taxation) first attempt of the primary courses. Subsequent attempts will not be paid for by AACD (clarification only). **Previously guidelines did not state how many attempts a student would have for a course offered at AACD cost.**

**3. Page (3,4) of 2021 provisions.**

Added language stating that the courses that fulfill requirements for a Level 3 (Realty Appraiser or Assessment Administrator) and Level 4 (Senior Appraiser or Senior Administrator) do not have to be taken in order, however, those levels will not be granted out of order. **Previous office policy was that all courses must be taken in order.**

**4. Page (3) 2021 provisions**

Added 15 Hour USPAP (Uniform Standards of Professional Appraisal Practice – National Standard adopted by Congress in 1989) to the education requirements for Appraisal Manager. **New requirement.**

**5. All 2021 provisions.**

**Changed the course descriptions for the AACD Courses (from A, B, and C, to Real Estate and Mapping, and Personal Property.**

**6. Page (8) of 2021 provisions, Section 4. Designation Renewal & Continuing Education Program.**

Clarified when recertification cycles start and end for Level 3, Level 4, and Appraisal Manager. January 1<sup>st</sup> of the year after conferral. **Language was unclear in previous guidelines. Recertification is when a student reaches Level 3, or Level 4 and must complete 30 hours of continuing education during a succeeding 3-year time period to maintain the current level or subject to termination of his or her Designation.**

7. **Page (8) of 2021 provisions. Section 4. Designation Renewal & Continuing Education Program.**

Clarified what happens when recertification requirements are not met for Level 3, Level 4, and Reappraisal Managers. Level 3 and 4 designees will have to make up all CEU hours missed up to 2 cycles (total of 6 years). Beyond 2 cycles, recompletion of the Training and Designation Program will be required. **Past guidelines required a full retaking and passing of exams for IAAO courses.**

Appraisal managers will be required a full re-take and passing of the Appraisal Managers Exam and attend a Reinstatement Conference with the Director and Senior AACD staff.

**Clarification of a previously verbal policy requiring a retake the exam. Also adding the Reinstatement Conference.**

8. **Page (8) of 2021 provisions**

Added language saying that appraisal managers must attend 30 hours of continuing education during a recertification cycle, AND attend the yearly Appraisal Managers Seminar, instead of the Seminar counting toward total hours. **In the past the 5 hours of CEU had been granted for attending the Appraisal Managers Seminar.**

Added Language that only the Director of AACD can issue excused absences for the Appraisal Managers Meeting and Appraisal Managers granted an excused absence from the annual seminar have until March 31 of the following year to complete the missed hours by attending a 1-day session at ACD office. **In the past the granting of excused absences and the makeup policy was a verbal policy.**

## A.C.A. 26-26-503. Appointment and training of personnel.

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**(a)** The county assessor in each county may employ such personnel as the county 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 Division 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 division to be qualified to conduct appraisals.

**(B)**

**(i)** Only those persons who hold certificates of qualification issued by the division 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 division.

**(2)** The division 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.

## History

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Acts 1980 (1st Ex. Sess.), No. 48, §§ 1-3; 1985, No. 389, §§ 1, 2; 1985, No. 392, §§ 1, 2; A.S.A. 1947, §§ 84-414.1 — 84-414.3.