



## **Designated Appraiser Coalition**

### **Governance Charter**

#### **[FIRST AMENDMENT]**

#### **Organization Established:**

The Designated Appraiser Coalition (DAC) is a professional valuation services organization, supported as a collaborative enterprise by designated members of the Appraisal Institute<sup>®</sup>. Although the DAC is not affiliated or endorsed by the Appraisal Institute<sup>®</sup>, the DAC has been created as an on-going project organized as a professional enterprise to create a source through which members can provide enhanced services to their clients and the public. A major component of these expanded services is to educate clients and the public regarding the importance of obtaining competent valuation services through designated Appraisal Institute<sup>®</sup> members and to advance the profession through Appraisal Institute<sup>®</sup> education and designation.

#### **Charter Established:**

The original Charter was approved January 19, 2012 to provide governance and direction regarding the functions of the Designated Appraiser Coalition (DAC) and to establish a foundation for governing the benefits and responsibilities accorded to members of the DAC. This is a “living Charter” which may from time to time be modified to meet the changing needs of the DAC, its members, clients, and the public we serve in providing the highest quality valuation services consistent with all standards and regulations.

#### **Mission:**

The DAC mission includes the following:

1. To establish standards driven delivery systems, governed by competent professionals to ensure high quality valuation services are delivered through the DAC enterprise.
2. To educate clients and the public regarding the importance of obtaining competent valuation services through designated members of the Appraisal Institute<sup>®</sup>.
3. To educate the appraisal community regarding the importance of Appraisal Institute<sup>®</sup> education and designation.

#### **Purpose:**

The purpose of the DAC is to:

1. Promote the importance and integrity of the appraisal profession.
2. Create and support the DAC collaborative network of highly qualified Appraisal Institute<sup>®</sup> designated members.
3. Create and support electronic service systems through which DAC members may interact directly with the DAC client network to provide competent and credible valuation solutions.
4. Promote the importance of selecting competent designated Appraisal Institute<sup>®</sup> members of the DAC to provide high level, reliable and competent valuation and evaluation services.
5. Promote the importance of Appraisal Institute<sup>®</sup> education and designation within the professional appraisal community.
6. Create and support valuation service opportunities that add value for clients, the public and all DAC designated appraiser members and to mentor those earnestly seeking Appraisal Institute<sup>®</sup> designations.

## **Standards and Ethics:**

The DAC members and all its functions are governed by adherence to the Standards of Professional Practice and Code of Professional Ethics of the Appraisal Institute® and by the Uniform Standards of Professional Appraisal Practice (USPAP) as may be promulgated by The Appraisal Foundation. All members of the DAC are bound by these standards and ethics and agree to submit to any inquiry by duly authorized bodies of the DAC Governance Committee, any government body or professional organization assigned to conduct inquiries regarding adherence to professional standards, ethics and regulations as may be necessary to ensure the security and integrity of the profession and the DAC, with specific regard given by all participants to providing the highest level of competent and credible valuation services.

## **Membership Requirements:**

To become a Founding or General member of the DAC, each candidate must:

1. Be appropriately licensed and/or certified in the jurisdictions in which they practice.
2. Be a designated member of the Appraisal Institute® in good standing.
3. Have at least five years of demonstrated practice experience (10 years for members seeking to provide qualified intermediary service functions) in the geographical service area(s), property types and specialty service area(s) in which the appraiser claims competency.
4. Agree to comply with the designated appraiser coalition governance procedures as may be promulgated from time to time and participate professionally as may be required to promote client services, DAC membership integrity and service system security.
5. Adhere to the security standards established and maintain confidentiality standards that may be required to ensure coalition and system integrity.
6. Agree to actively promote valuation services education among clients and the public served by the coalition.
7. Agree to promote Appraisal Institute® designation at the highest level.
8. Agree to contribute to the economic support of the coalition.

## **Designated Affiliate Requirements:**

To become a Designated Affiliate of the DAC, each candidate must:

1. Be appropriately licensed and/or certified in the jurisdictions in which they practice.
2. Be a designated member of a founding member organization of the Appraisal Foundation® or other professional organization that confers designations upon its members based on education, experience and competency as may be accepted from time to time by the DAC Governance Committee for affiliation.
3. Have at least five years of demonstrated practice experience in the geographical service area(s), property types and specialty service area(s) in which the affiliate claims competency.
4. Agree to comply with the designated appraiser coalition governance procedures as may be promulgated from time to time and participate professionally as may be required to promote client services, DAC membership integrity and service system security.
5. Adhere to the security standards established and maintain confidentiality standards that may be required to ensure coalition and system integrity.
6. Agree to actively promote valuation services education among clients and the public served by the coalition.

## **Designated Affiliate Requirements: (Continued)**

7. Agree to promote Appraisal Institute® designation at the highest level.
8. Agree to contribute to the economic support of the coalition.

## **Service Provider Affiliate Requirements:**

To become a Service Provider Affiliate of the DAC, each candidate must:

1. Be appropriately licensed and/or certified in the jurisdictions in which they practice for the services or products they provide.
2. Be appropriately registered to conduct their business.
3. Agree to comply with the designated appraiser coalition governance procedures as may be promulgated from time to time and participate professionally as may be required to promote client services, DAC membership integrity and service system security.
4. Adhere to the security standards established and maintain confidentiality standards that may be required to ensure coalition and system integrity.
5. Agree to actively promote DAC valuation services education among clients and the public served by the coalition.
6. Agree to promote Appraisal Institute® designation at the highest level.
7. Agree to contribute to the economic support of the coalition.

## **Committees:**

The DAC is comprised of the following committees for purposes of governing the functions of the DAC.

1. Executive Committee
2. Professional Services Advisory Committee
3. Membership Committee
4. Business Development Committee
5. Technology Committee
6. Finance Committee

## **Committee Formation:**

Each committee will consist of one chair and one co-chair person. Additional alternate chair and committee members may be added as required from time to time to govern and conduct the affairs of the DAC. Committees will be formed by volunteer assignment. These will be ratified by member vote which will be subsequently presented within thirty (30) days of assignment. The chair and co-chair of the Professional Services Advisory; Membership; Business Development; Technology, and Finance Committees shall also serve as members of the Executive Committee.

The Executive Committee shall elect one member who serves as a chair or co-chairperson in one of the other committees to serve as Executive Committee Chairperson and will elect an alternate member to fill the chair or co-chair vacancy left by the Executive Committee Chairperson elected. Therefore, the Executive Committee will consist of the chairs and co-chairs of the various committees numbered 2-6 above (a total of 10 members) and the Executive Committee Chairperson (1 member) or a total of 11 members who will serve as the DAC Executive Committee. The Executive Committee shall be the rule and decision making body for all development, organizational and business structure decisions, including DAC operations funding.

## **Committees:** (Continued)

### **Committee Formation:** (Continued)

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### **Committee Functions:**

**Executive Committee** functions may from time to time be modified as required for operation of the DAC, but the primary responsibilities are as follows:

- a. Provides oversight and assistance in all governance activities.
- b. Establishes membership types and requirements.
- c. Acts as standards and regulatory advisory board and establishes compliance processes in association with other DAC governance committees.
- d. Works in conjunction with technology resource providers to ensure high level services are developed, deployed and maintained for the benefit of DAC members.

**Professional Services Advisory Committee (PSAC) formerly “Compliance Committee”** functions may from time to time be modified as required for operation of the DAC, but the primary responsibilities are as follows:

- a. Monitors regulatory, standards and legal requirement compliance data and records;
- b. Ensures DAC members and their clients are aware of regulatory, standards and legal requirements and that these are followed in the process of conducting coalition business;
- c. Provides interface for recording and managing compliance issues brought to the attention of the governance committee (currently in place on the website);
- d. Establishes review committees for investigation of noncompliance issues;
- e. Establishes procedures for noncompliance resolution;
- f. Requests appropriate documentation from members to determine non-compliance issues and maintains all information in a confidential manner;
- g. Makes recommendations to the Executive Committee regarding member noncompliance for further processing if required.

**Membership Committee** functions may from time to time be modified as required for operation of the DAC, but the primary responsibilities are as follows:

- a. Establishes DAC membership requirements;
- b. Promotes coalition membership for both providers and clients;
- c. Reviews member registrations for regulatory and standards compliance;
- d. Maintains member profiles and ensures that each profile contains appropriate information and that all licenses and the member’s Appraisal Institute® designation are maintained in current status;
- e. Notifies members of changes to services (upgrades);
- f. Maintains member coverage and service level data to ensure client requests can be adequately covered by the coalition membership;
- g. Establishes locations and formats for membership meetings.

## **Committees: (Continued)**

### **Committee Functions: (Continued)**

**Business Development Committee** functions may from time to time be modified as required for operation of the DAC, but the primary responsibilities are as follows:

- a. Provides oversight and assistance in establishing DAC business development functions, including marketing and sales of coalition service systems.
- b. Gathers and analyzes market data (internal and external) to create and produce enhanced services that bring value to coalition members and their clients.
- c. Promotes the business interests of the DAC to members and clients.

**Technology Committee** functions may from time to time be modified as required for operation of the DAC, but the primary responsibilities are as follows:

- a. Support and monitor existing systems (hardware and software) to produce efficient, high quality services for coalition members in a secure business environment.
- b. Develop, test and deploy added service systems as directed and approved by the Executive Committee.
- c. Support the Business Development Committee in marketing and providing service enhancements as required to promote the technology and business model.
- d. Provide collaborative development, testing and deployment support services for collateral offerings and links to ancillary services (GIS, Public Records, Data Services) that complement the functions of the DAC.

**Finance Committee** functions may from time to time be modified as required for operation of the DAC, but the primary responsibilities are as follows:

- a. In conjunction with the other DAC committees, coordinates, analyzes and creates the DAC business plan in accordance with agreement(s) established by the DAC with its technology partner, ValueLynk.com and others as may be beneficial to the DAC and ValueLynk.com
- b. Supports DAC development and operations funding through planning, implementing, monitoring, and reporting of DAC business financial functions.
- c. Establishes accounts for operations accounting and audit functions.
- d. Provides oversight of all DAC accounting and audit functions, including contributions, assessments and distributions due from and payable to members.
- e. Oversees development and maintenance of individual member accounts.

\*NOTE: Please add any suggestion you may have. Please discuss these in your response.

### **Charter Amendment Requirements:**

This Charter may be amended at any time by a majority vote of the Executive Committee. In other words Charter amendment will be approved upon receiving, six (6) "yea" votes among the 11 sitting Executive Committee members. A quorum for voting purposes will be considered to exist when six (6) of the sitting members are present to vote or the sitting Executive Committee Chair Person requests a vote either in a joint meeting or via electronic means as may be appropriate to fit the occasion and needs of the DAC. All DAC Executive Committee members agree to be available in a timely manner for voting purposes where DAC operations are involved.

### **Charter Ratification:**

The Charter will be ratified upon approval by majority vote of the DAC Executive Committee. The DAC Executive Committee will oversee any future modifications to the Charter and will establish the approval and ratification processes required to provide on-going, effective governance under this Charter.

**Charter Conclusion:**

This Charter is a living document and as such is subject to change by operation of the Executive Committee with ratification as may be established by the Executive Committee from time to time. All modifications to the Charter shall be in compliance with the Mission, Purpose and Standards of the DAC as specified herein or as hereafter appropriately amended.

**Charter Execution:**

This Charter is duly executed and amended as hereinabove written, by the underlying authority vested in the DAC Executive Committee for the benefit of DAC members and their clients and is hereby ratified as of the date shown below:

\_\_\_\_\_, 2013  
Month Day

By: \_\_\_\_\_ Authority: DAC Executive Committee Chair