



CHAPTER 1

APPROVED SCHOOLS

Chapter 539-2, Standards for Appraisal Courses, and Chapter 539-5, Standards for Appraisal Instructors, establish the rules and regulations by which the Georgia Real Estate Appraisers Board ("the Board") approves and regulates the organizations that the Board calls "approved schools." In Georgia, only schools approved by the Board may offer approved courses. No organization, instructor, course developer, or speaker may offer a course for credit by the Board unless the organization, instructor, course developer, or speaker is an "approved school" or an approved school offers the course. *The editors have designed the first chapter of this manual to assist in preparing the Appraisal School Application, the application to be approved by the Board as an approved school.* Applicants for school approval should review all chapters of this manual before completing and filing the application for approval. The Appraiser Classification Act and the Board's Rules and Regulations are published under "Online Forms" at the Board's website, www.greab.state.ga.us.

1.1 Definition of an Approved Real Estate Appraisal School

A real estate appraisal school may be a proprietary organization or business school existing primarily to offer approved courses. A school may be an appraisal company, an appraisal trade association, an individual appraisal instructor, a mortgage company, the continuing education department of a college or technical school, or a business specializing in services affiliated with real estate appraisal (such as home inspection, pest control, or energy services). In each case, the Board must approve the individual or organization through the review of an initial application filed by the organization. The Board defines each approved organization as an appraisal school, regardless of the number of courses it offers.

1.2 Establishing Minimum Standards for an Approved School

The Board has designed the regulations in Chapter 539-2 to outline the basic, minimum standards that appraisal schools must follow in offering approved courses. The regulations provide the requirements that enable a school to offer courses in a way that protects the public and the real estate appraisal industry from unscrupulous practices in education. The requirements

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of the regulations form the minimum standards by which a school may operate with the approval of the Board.

1.3 Minimum Standards and Quality Education

The requirements established by the Board as the minimum standards for appraisal education create a basic building block for schools to offer courses that are creative, interesting, and informative. The standards, however, are minimum standards. A school will often discover that the public and appraisers alike require and demand standards that exceed those established by the Board. The competition of the marketplace in Georgia may require that a school establish policies and procedures that shape an educational program that offers exceptional instructors and teaching methodologies. A school may find, for example, that its requirements for completing an approved course need to include more hours, more homework, more examinations, and tougher standards of completion for students than called for by the Board's standards. The school, through its director, administrative personnel, and courses has the day to day responsibility of offering quality education. No school may offer approved courses in any way that violates Board regulations without the written permission of the Board. However, the Board encourages schools and instructors to find ways to add value to the dollars and time that students spend in real estate appraisal courses.

1.4 The School Audit and Investigative Process

The Board conducts periodic, on-site reviews of approved schools. School audits enable the Board to monitor how schools are complying with the Board's regulations. A typical audit consists of an interview with the school director, the school coordinator, and the instructor(s) of any prelicense or classification courses offered by the school. The Board staff member will also review the school's files of approved courses (texts, examination copies and answer keys, classroom and homework exercises) and student records (attendance records, homework grades, examination grades, make-up records).

If a student or an appraiser believes that a school or instructor has violated the Appraiser Act or the Board's rules or regulations, the student may file a signed and notarized complaint form with the Board. The complaint forms are available at the Board offices. The license law (O. C. G. A. § 43-39A-13, *et seq.*) grants the Board the authority to investigate the actions of any appraisal school or instructor when the Board receives a sworn written request from the public or from a licensee. Rule 539-2-.13 defines the Board's authority and a school's rights whenever a school audit or Board investigation reveals serious problems with compliance with Board regulations.

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The Board may issue a citation, a reprimand, suspend or revoke a school's approval, and impose fines upon a school for violations of the Real Estate Appraiser Classification and Regulation Act, rules or regulations (O.C.G.A. § 43-39A-13). Before imposing any sanction, the Board offers a school or instructor the opportunity to present a case in a hearing process conducted according to Georgia's Administrative Procedure Act (O.C.G.A. Chapter 50, Title 13).

1.5 The Initial Application for School Approval

Rule 539-2-.02 outlines the requirements for the approval of real estate appraisal schools. To be considered for approval, an organization must file an application with the Board. The Board has placed the Appraisal School Application under "Online Forms" at the Board's website, www.greab.state.ga.us. The Board will consider an application only when the applicant submits it with the application fee of \$ 75.00 (payable only by cashier's check or money order) and when the applicant includes all required documentation.

The Board's staff reviews applications weekly. If an application is complete, the Board may complete the school approval process within several weeks. By 60 days from the date the Board receives the application, the Board will notify the organization of its approval or denial of approval, or the Board will request additional data or revisions to complete its review of the application.

Upon approval, the Board issues a number to the school, which is designated as the **school code**. The school code must be on all records certifying students in approved courses. The Board requires the code on renewal applications and other communication between the school and the Board.

The Board approves schools through December 31st of each year. A school renews its approval by December 31st of each year. Prior to renewal, the Board provides a renewal application for each school renewing in December. Each school may renew online through the Board's website, or by returning the paper application with the appropriate fee. The renewal fee for a school is \$70.00 if the renewal is completed online. The renewal fee for a paper application returned to the Board is \$95.00.

1.6 School Director and/or Coordinator

Besides providing its name, location, mailing address and phone number, each school completing the Appraisal School Application must name a school director and/or coordinator who will be responsible for certifying student completion of all approved courses. A school may

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name any person in the organization as the school director or school coordinator. The Board will address approval certificates, applications, and other correspondence to the person named school director. If the organization names an officer or owner as the school director and that person does not have “hands on” management of the school on a daily basis, the Board recommends that the organization name a school coordinator who will manage course registrations, communication with students, and correspondence with the Board. A school may name one person as both the school coordinator and the school director. Upon a school’s approval, the Board authorizes the school director and school coordinator named on the application to sign any documents or correspondence required by the Board.

The application requires that a school provide the name(s) of the school director and coordinator {see Rule 539-2-.02 (1)(r)}. Rule 539-2-.11 requires that a school immediately report to the Board in writing any changes in its director, coordinator, name, phone number, location, or mailing address.

1.7 Maintenance of Course and Student Records

Rule 539-2-.08 defines the Board’s standards for the maintenance of course materials and student records by approved schools. The Board requires that schools maintain all records for at least five years. The Board does not prescribe how records are to be kept. In other words, schools may develop their own systems of keeping copies of texts, examinations, course outlines, instructors’ resumes, attendance records, examination scores, and other information that the Board requires schools to maintain. Schools may keep paper records in files, drawers, and/or filing cabinets, or they may store records electronically, such as on floppy disks or computer hard disks.

The initial application for school approval requires a school to provide a detailed proposal of records management. An organization must provide a statement of how it proposes to maintain records that reflect the scores earned by a student on all graded exercises and examinations. For small organizations which experience changes in leadership frequently, it is very important to hand on all course records and student records maintained by the school to any new school director or coordinator. The Board may call upon a school director or coordinator to demonstrate that the school has maintained records for a five-year period.

1.8 Nonpublic Postsecondary Educational Institutions Act of 1990

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If the school is subject to the Nonpublic Postsecondary Educational Institutions Act of 1990, it must attach a current certificate from the Nonpublic Postsecondary Education Board to the application for approval that it submits to the Board. For additional information on this law, see O.C.G.A. §20-3-250.1, *et seq.*

1.9 Directors and Owners of the Approved School

The Appraisal School Application requires that an organization provide a list of all directors and owners of the organization and the address of each director or owner. If an organization or company has a published list of directors or owners, the school may attach that list to the application. If the owner or owners are a partnership or corporation, the organization must include a list of all directors and owners of the parent entity.

1.10 Attendance Standards and Make-up Policy

Rule 539-2-.03 gives the minimum standards for student attendance. In Georgia, the Board defines a classroom hour as fifty minutes out of each sixty-minute segment {see Rule 539-2-.03 (4)}. Schools may not count time students spend on breaks as instruction time. Schools must offer students a break from instruction of at least fifteen minutes for every two hours of instruction. In other words, a seven-hour continuing education course includes a minimum of seven fifty-minute hours of instructions with a break of at least fifteen minutes. Schools must offer courses according to this standard. The Board expects school directors and coordinators to ensure that each instructor or monitor in an approved course enforces this standard.

Due to inclement weather or traffic congestion, schools may experience some students who arrive late or who miss part of the in-class instruction in an approved course. A school may not certify a student as completing any course unless the student has completed each classroom hour of instruction. Therefore, schools may develop a “make-up policy,” a standard which permits a student to complete all the hours of a course when the student has been late or missed part of a course.

Schools may permit instructors to teach students who require make-up time during break times, immediately after a class session, on days especially scheduled as make-up days, or on an appointment basis with the instructor. The Board requires a school to conduct make-up time with the instructor. Rule 539-2-.06 (4) requires that instructors utilize no more than thirty minutes of audio or video material for every seven and one-half classroom hours of instruction toward any

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required classroom or make-up hours unless the Board grants written authorization for such material prior to its use.

In the initial application for approval, a school must detail its make-up policy. The school must also provide written information on its attendance standards and make-up policy upon a student's enrollment in an approved course {see Rule 539-2-.09}. A school may determine that for a particular course or as a matter of policy it will offer no make-up policy for any student.

1.11 Entrance Qualifications

A school may have particular entrance qualifications for students. For example, a school may require that a student be a high school graduate, be 17 years of age, or have completed another course as a prerequisite for enrollment. While the Board does not state specific entrance qualifications in the minimum standards for schools, no school may adopt entrance qualifications which violate the Americans with Disabilities Act or which discriminate based on race, color, sex, religion, national origin, familial status, or handicap. On the application for school approval, an organization must state the entrance qualifications which required for students in approved real estate appraisal courses..

1.12 Board Required Materials

The Board may require at some time during a school's approval period that the school play audio or video materials for students for particular courses. For approval, a school must have the equipment to play this material. At a minimum, a school must have access to a cassette tape player and a VHS video tape player. The initial application for approval requires a school to state that this equipment is available to present Board required material.

1.13 Classroom Style Facilities

The application for approval requires a statement that the school will conduct approved in-class courses in traditional classroom style facilities.. Although the Board does not describe "traditional classroom style facilities," a reasonable interpretation of the phrase indicates that any room in which courses are presented includes the following: a desk, table or writing surface available for each student for student note-taking; a chalkboard, whiteboard or flip chart; adequate space for comfortable seating for individual students; audio-visual equipment if the course being presented should so require; and other reasonable expectations for a classroom

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environment, such as adequate heating or cooling systems for a comfortable learning environment.

On the application, an organization should state whether the school will have a dedicated classroom or use rented space for its in-class courses. If a school plans to use a room in a home-office as classroom space, the school must describe the space in the application (for example, that the space has “x” number of desks or chairs for “x” number of students). The Board will determine if the classroom is adequate for the presentation of real estate courses. For instance, it may be possible to hold courses successfully in an auditorium arranged in a theater configuration with no tables or desks for students. A school may utilize space in hotels, motels, banks, real estate or mortgage company offices, or other rented space if the space is set up as a learning environment. A school may arrange classroom space in a traditional classroom format with a podium or desk at the front of the classroom, in a “chevron” shape, in a “horseshoe” shape, in a “hollow square” format, or an arrangement of desks, chairs, or tables that combines any of these formats. The school director or school coordinator should ask instructors of particular courses what particular classroom arrangement best fosters interaction and communication between the instructor and the students in an approved course.

1.14 Electronic Registration and Communication

Effective January 1, 2003, the Board requires each school to transmit course completion information for each student through the online course completion program at the Board’s website. The Board does not accept paper course completion certificates for courses completed at Board-approved schools. The Board requires each school director to establish a school password, user names, and user passwords in order to protect the entry of approved courses into individual student records maintained by the Board. Instructions for using the online course reporting program may be found at the website under “Education.”

1.15 Compliance with the ADA and Policies Against Unlawful Discrimination

Rule 539-2-.02 (1)(h) requires that an organization in its application for school approval provide a statement that “the school will comply with all related provisions of the Americans with Disabilities Act (“ADA”) and that the school will not discriminate in its fees, enrollment, or completion policies based on race, color, sex, religion, national origin, familial status, or handicap.” In general, a school offering approved courses must ensure that each course is accessible to persons with disabilities. The school director or coordinator is responsible for determining if rented facilities comply with the provisions of the ADA. The school must state

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clearly in the application its compliance with the ADA and its policy of non-discrimination against the protected classes noted in the Board's regulations.

1.16 Course Information

Rule 539-2-.02 (2) requires that a school maintain for each course a "detailed course outline with hours to be spent on each subject area that the school will cover in the course and all planned in-class and homework exercises." As a part of the application for approval a school must submit a detailed outline(s) of course(s) that it will offer in the first year of the school's approval. The outline of each course must include the hours to be spent on each subject area that the course will cover and all planned in-class and homework exercises.

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1.17 Course Materials

The Board does not endorse or require specific textbooks, homework assignments, course examinations, classroom handouts, computerized displays, or other courseware for any approved course. Each school director, school coordinator, and course instructor is responsible for providing adequate and accurate courseware for each approved course. The application for school approval requires that the organization provide a bibliography of all texts and reference materials that it will use in the course(s) it will offer in the first year of approval.

1.18 Evaluating Student Performance – Assessing Proficiency and Final Examinations

A school must determine the measures and standards for evaluating the student performance required for a student to successfully complete an approved course. For example, will a school use a final examination with a required minimum score as a measure for the successful completion of a course? Will that final exam be the only determining factor or will graded homework also be a factor? If a school uses both factors, what will be the weight and/or minimum competency level of each? The application for approval must include a comprehensive description of those measures and standards. Assessment measures may include quizzes, graded essays, graded contracts or forms, mid-term examinations, class reports, final examinations, or other sound educational assessments.

For continuing education courses, the Board does NOT require a final examination. For those courses, the “standard of completion” involves the student being present for each hour of instruction. The Board requires that a student be on time and present for each credit hour in order for a school to certify that the student has completed the course.

While continuing education courses do not require an examination, a school may require a quiz, examination, or other assessment tool to determine what the students have learned in the course. A school may require the passing of a final examination for successful completion of a continuing education course. For example, courses that lead to a professional designation offered by a real estate trade association may require that a student pass the examination to receive credit for the course, even if the Board does not require the examination.

1.19 Learning Objectives

The application for approval must include learning objectives for each instructional hour of the course or courses that the school will offer during the first year of the school’s approval. Each learning objective should be expressed as what the student will know or can do upon mastery of the content of each hour of study. Chapter 3 of this manual includes more information on

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developing good learning objectives. Note that Rule 539-2-.02 (2) requires that a school maintain on file detailed learning objectives for each instructional hour of each approved course. If a school contracts with another school to use a course as its own, the school must ensure that it maintains on file a course objective for each hour of instruction..

1.20 Instructors

Chapter 539-5 of the Board's rules and regulations requires that each instructor in an approved prelicense course have a specific approval to teach registration, license or certification courses from the Board. No school may use an instructor for any prelicense course without the instructor's first having acquired approval from the Board. Applicants may print the Application for Appraisal Instructor from the "Online Forms" section of the Board's website. The Board does permit schools to use guest instructors in classification courses (instructors not approved as prelicense instructors) if an approved instructor is present in the course. A school may use a guest instructor in a prelicense course without an approved instructor only with the prior, written permission of the Board.

The Board permits schools to hire and use qualified instructors in continuing education courses without specific Board approval of each instructor. A school must maintain a resumé or other biographical information on file which details the qualifications of the instructor to teach the continuing education course.

.The application for approval must include a list of all instructors for courses planned within the first year of the school's approval. Schools must maintain resumes or other biographical information documenting the knowledge and experience for all instructors of continuing education courses. Schools may maintain that documentation in the appropriate files for various courses, or in a general file for all instructors. Chapter 5 of this manual provides specific information on the approval of classification instructors by the Board.

1.21 Planned Offerings

The initial application for school approval requires that the applicant provide a schedule of planned offerings of any course that the school intends to offer within the first year of its approval. The schedule should include the date, time, and place of the course offerings. Schools may not know at the time of application the exact dates or locations of course offerings. If so, the applicant may provide a proposed schedule of courses, indicating what the school plans to do (for example, that the school plans to offer the course twice a month in rented classroom space in various cities in Georgia).

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1.22 Communication with the Approved Schools Via the Internet

The Board's URL (address on the World Wide Web) is: www.greab.state.ga.us.

The Board's web site will be the primary means of communication with the public, with licensees, and with approved schools and instructors. The web site address includes information on the role of the Board and a listing of current members of the Board.

1.23 Meetings and Conferences

The Georgia Real Estate commission conducts an annual school meeting for approved schools and prelicense instructors, usually in late November or early December. Each meeting counts for six hours of continuing education credit for appraisers. . The program includes presentations on changes in regulations or procedures for real estate schools or real estate appraisal examinations. The Board mails registration forms to each approved school and each prelicense instructor several months before the meeting.

1.24 Course Fees

The Board neither dictates nor limits the fees that a school may charge for a particular course. A school may establish its own registration fees, enrollment fees, book fees, and refund policies. Good business practice encourages the school to clearly state these fees in writing prior to a student's enrollment in any course. The initial application for school approval requires the applicant to provide the fee schedule for all courses planned for the first year of the school's operation after the initial approval by the Board.

1.25 Notice to Students

The Board requires each approved school to inform each student of specific information upon the student's enrollment in an approved course. Providing this information in writing permits the student to decide whether to take the course and to fully understand the standards and requirements for completing the course. Rule 539-2-.09 outlines the information required by the Board. A school may add its own information to that required by the Board. A school may title the written information as "Notice to Students," "School Policies," "Student Information," or any other way that the school deems appropriate.

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The written information required by the Board may be presented in several formats. The Board does not require a school to provide all the information at once or in one statement. For example, a school may provide some information about the course and instructor in its written advertisements and the remaining information in a written confirmation sent to students who enroll in the course. Schools that register students immediately before a class offering must ensure that they give all students the written information required by the Board no later than the time they register for the course at the classroom site.

An applicant for school approval must provide a sample “Notice to Students” with the initial application for school approval. The notice that the school provides may be on company or school stationery and in separate written statements. *If an applicant does not provide a sample of all of the written information required by the Board with the application for school approval, the Board will return the application unprocessed.*

The written information required by the Board must include:

1. a statement that the Board has approved the school;
2. the number of credit hours for classification continuing education that the school offers for the course;
3. information indicating whether the course will be offered as a classroom hour (resident) course, or whether the course is a computer-based or online course;
4. whether the course is a prerequisite for licensure or certification, whether it satisfies all or a part of the hours required for that license, and if only a part of those hours, how many hours it meets and what other course(s) the student must complete to fulfill all of the requirements;
- 5.. biographical information on the instructors who will teach the course;
6. a detailed and thorough description of the school’s homework, examination, and grading policies;
7. a statement of the schools attendance requirements including notice that the student must be on time and present for all in-class hours to receive credit for the course, and a statement indicating how students will make-up absences (if the school has adopted a make-up policy).

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8. or computer based courses, the name and address of the approved school; the order in which the student must submit homework assignments; that the student must personally complete all instructional modules required to demonstrate mastery of the material and sign the certification statement; that the student must successfully complete all assignments before receiving credit for the course or before attending any required in-class instruction; and also when and where to complete any required in-class instruction;
10. any other information which the Board may require (currently the Board requires no other information than that presented above).

1.26 Compliance with Federal, State, and Local Laws

The Board does not have jurisdiction over all laws or regulations that apply to an organization it approves to offer real estate courses. An approved school may be subject to various federal, state, or local laws and regulations that govern general business operation. For example, a school should review its responsibilities regarding regulations concerning its business operation such as business licenses, the Americans With Disabilities Act (ADA), equal opportunity and employment laws, the Non-Public Post Secondary Education Act, local advertising and signage regulations, and the federal and state income and unemployment tax laws (this list is not exhaustive). The school owner(s) and the school director should consult with an attorney concerning any licenses, permits, or approvals that any government agency may require besides the Board's approval in order for the school to conduct business as a real estate school.