



**Public Risk Innovation, Solutions, and Management
(PRISM)
Property Program
Policy Statement Regarding Appraisal Services**

As required by the Underwriting and Claims Administration Standards, each member shall perform a real property replacement valuation at least once every 5 years for all locations over \$1,000,000 and at least once every 10 years for all locations with a valuation between \$250,000 and \$1,000,000. New members shall have an appraisal or valuation performed within 1 year from entry into the Program. Valuations shall be equivalent to the Marshall Swift system, except as noted below in the Valuation section, and shall be performed at least once every 5 or 10 years based on the location's current scheduled value.

Provision for Appraisals

In accordance with the contract between PRISM and Alliant Insurance Services, Alliant will provide property appraisal services, via Alliant Appraisal Services (AAS), pursuant to this policy. Appraisals shall include all itemized buildings, structures, infrastructure, or locations with scheduled values at or above \$1,000,000 once every 5 years and locations with scheduled values between \$250,000 and \$1,000,000 every 10 years. The cost of these appraisals shall be shared between Alliant, PRISM, and the member, as outlined in the Cost Sharing section.

In addition, the member may elect, at their own cost, to:

1. Have buildings, structures, infrastructure, or locations valued below \$250,000 appraised at the time their buildings valued over \$250,000 are appraised;
2. Utilize an appraisal service other than AAS, as long as it is equivalent to the Marshall Swift system; and/or
3. Request appraisal services outside of their 5 or 10 year scheduled appraisal.

Site visits will be performed for all appraisals; however, on an exception basis, desktop appraisals may be performed due to extenuating circumstances.

Valuation

Appraisals of non-school buildings shall be evaluated based on the Marshall Swift system.

School facilities shall be evaluated based on the MVS/Boeckh "BVS Estimator."

Other unique, non-building structures/infrastructure such as piers, wharfs, bridges, etc. shall be evaluated based on industry standards.

Cost Sharing

Cost sharing is determined by the value of the item, as shown on the Schedule of Values, at the time of the appraisal, as follows:

Buildings, structures, infrastructure, or locations valued at \$1,000,000, or more

Alliant will pay 100% of the cost, including travel expenses associated with all appraisals performed by AAS for buildings, structures, infrastructure, or locations valued over \$1,000,000.

Buildings, structures, infrastructure, or locations valued between \$250,000 and \$999,999

The costs associated with these appraisals, including travel expenses, will be shared; 50% by Alliant, and 50% by PRISM for up to 300 buildings/structures, per member, within a 10 year period.

The cost for each building/structure including the expense in excess of 300 to be appraised in a 10 year period will be shared; 50% by the member, 25% by Alliant, and 25% by PRISM.

Multiple Building Locations

Professional appraisal standards require appraisers to conduct appraisals on all buildings at a single location if the buildings are not shown separately on the Schedule of Values.

In the event that multiple buildings are scheduled as 1 location, without buildings itemized, the total location value, as scheduled at the time of the appraisal, will control whether Alliant, PRISM, or the member is obligated to pay for the appraisal of the individual buildings. After the initial inspection, the individual building values at a single location will be required to be itemized on the Schedule of Values for purposes of determining the cost sharing of future appraisals.

In the case where individual building values at a single location are already itemized on the Schedule of Values at the time of the appraisal, members have the choice of appraising scheduled buildings that are listed at \$250,000 or less, since the appraisers are not required by professional standards to appraise all buildings at an itemized location.

Scheduled Costs	
Type of Appraisal	Cost
Buildings, structures, infrastructure, or locations valued at \$1M or more	\$160 per building \$200 per non-building structure (bridges, solar farms, piers, etc.) Plus expenses incurred
Buildings, structures, infrastructure, or locations valued \$250,000 – \$999,999	\$120 per building \$200 per non-building structure (bridges, solar farms, piers, etc.) Plus expenses incurred
Buildings, structures, infrastructure, or locations valued less than \$250,000	\$120 per building \$200 per non-building structure (bridges, solar farms, piers, etc.) Plus expenses incurred
Portable Buildings	\$85 per portable Plus expenses incurred
Desk Top Appraisal	\$150 per building

The listed parameters, costs, and sharing percentages will be reviewed by the PRISM Property Committee every 3 years in order to evaluate the efficiency and effectiveness of the appraisal program.