

**Methods and Assistance Program Review
Mandatory Requirements Guidelines 2022-23
MAP Reviews
November 16, 2021**

The Property Tax Assistance Division (PTAD) publishes these guidelines to assist the Methods and Assistance Program (MAP) reviewers in answering MAP questions during the course of a review. PTAD trains MAP reviewers on the use of these guidelines. That training includes gathering and evaluating information, using professional judgment and determining when to contact management concerning processes, procedures or policies that may not, at first sight, meet the requirements of the MAP instrument. Appraisal district staff may use these guidelines to better understand the MAP reviewers' activities and better understand the MAP instrument. PTAD does not intend these guidelines to serve as specific instructions to appraisal districts.

PTAD periodically reviews these guidelines and reserves the right to change or add to the MAP instrument. Additionally, PTAD may provide further explanations in areas affected by variation among appraisal districts in complexity, size, topography, property types and duties. Instrument additions or changes may result from:

- law and rule changes;
- changes in appraisal standards;
- changes in generally accepted appraisal practices;
- court and attorney general opinions; or
- opinions issued by appraisal organizations and entities.

The most current version of these procedures is the version with the most recent date.

QUESTION 1

Does the appraisal district board of directors, through the chief appraiser, ensure administrative functions are followed in accordance with Chapter 6 of the Texas Property Tax Code?

1. Do the current appraisal district board members meet the criteria listed in Tax Code Section 6.03(a), 6.035(a)(2), 6.035(a-1 and 6.035(a-1)(4)? TIER(S) 1-3

The county assessor-collector serving as a nonvoting director does not apply to this question

If the delinquent taxes and any penalties and interest are being paid under an installment payment agreement or if a suit to collect the delinquent taxes is deferred or abated on an applicable board member, make notation on applicable checklist item

Tax Code Section 6.035(a-1)(4) does not apply to a board member whose term started before Jan 1, 2022 but does apply to anyone appointed on or after Jan. 1, 2022

Data Needs

- List of current board of director members
- Documentation of appraisal district board member qualifications

Steps

- Review the appraisal district's list of current board of director members and complete the checklist
 - The answer to each checklist item must be YES to get a YES on this question

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	Member 1	Member 2	Member 3	Member 4	Member 5
Member has resided in the district for at least two years immediately preceding the date office was taken per Tax Code Section 6.03(a)?					
Member is NOT an employee of a taxing unit that participates in the district per Tax Code Section 6.03(a)?					
Member currently has NO delinquent taxes per Tax Code Section 6.035(a)(2)?					
Member has NOT engaged in appraising property or represented property owners for compensation in the preceding three years per Tax Code Section 6.035(a-1)?					
Member has NOT been an employee of the appraisal district at any time during the preceding three years per Tax Code Section 6.035(a-1)(4)?					

Recommendation Options

- Ensure appraisal district board of director members are qualified to serve on the Board of Directors in accordance with Tax Code Section 6.03(a).
- Ensure appraisal district board of director members are qualified to serve on the Board of Directors in accordance with Tax Code Section 6.035(a)(2).
- Ensure appraisal district board of director members are qualified to serve on the Board of Directors in accordance with Tax Code Section 6.035(a-1).
- Ensure appraisal district board of director members are qualified to serve on the Board of Directors in accordance with Tax Code Section 6.035(a-1)(4).

2. Did the board of directors meet at least quarterly and with a quorum present at every meeting in the previous year as required by Tax Code Section 6.04(b)?

Data Needs

- Board of directors’ meeting minutes for the prior calendar year

Steps

- Review **all** meeting minutes and make sure that each appraisal district board meeting consisted of a quorum in the prior year
 - If the board of directors had at least one meeting in the previous year that did not consist of a quorum, the answer to this question is NO
 - The minutes should show at least one meeting in:
 - January, February or March;
 - April, May or June;
 - July, August or September; and
 - October, November or December
 - If the board of directors did not meet at least once in each month grouping above, the answer to this question is NO
- Ensure that each meeting consisted of a quorum
 - To determine a quorum, use the total number of board positions (including non-voting members and vacancies) and determine if at least 50 percent plus 1 of that number is present
 - Non-voting members **do** count towards the quorum
 - The minimum number of voting board members is five
 - If the county tax assessor-collector is a voting board member, the minimum number of members is five

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- If the county tax assessor-collector is a non-voting board member, the minimum number of members is six
- If the chief appraiser is the tax assessor-collector or if the county has a contract with the appraisal district for all collection functions, they are not included in the count
- If each meeting did not consist of a quorum, the answer to this question is NO

Recommendation Options

- Ensure that the appraisal district board of directors meets at least once each calendar quarter with a quorum, as required by Tax Code Section 6.04(b).

3. Was the appraisal district's most recent preliminary budget produced and delivered to the taxing units according to the requirements of Tax Code Section 6.06(a)?

Data needs

- Most recent preliminary budget

Steps

- Review the most recent preliminary budget and determine if it contains the following:
 - A list of each proposed position
 - The salary for each position (a range is acceptable)
 - All benefits for each position
 - Each proposed capital expenditure
 - Estimate of the amount of the budget that will be allocated to each taxing unit
- Determine if copies of the proposed budget were sent to each taxing unit participating in the appraisal district and to the board of directors before June 15
- If the appraisal district did not submit copies of the proposed budget to each taxing unit and to the board of directors BEFORE June 15, the answer to this question is NO
- If the appraisal district's fiscal year is not the calendar year, determine if the proposed budget was prepared and submitted to the taxing units before the 15th day of the seventh month preceding the first day of the fiscal year
 - **Example: if the fiscal year is Sept. 1 – Aug. 30, the preliminary budget shall be delivered before Feb. 15.**
If the fiscal year is Oct. 1 – Sept. 30, the preliminary budget shall be delivered before March 15

Recommendation Options

- Ensure that the appraisal district's preliminary budget contains the items listed in Tax Code Section 6.06(a).
- Ensure that the chief appraiser sends copies of the proposed budget to the entities listed in Tax Code Section 6.06(a) before June 15.
- If the appraisal district follows a fiscal year other than a calendar year, ensure that the chief appraiser sends copies of the proposed budget to entities listed in Tax Code Section 6.06(a) before the 15th day of the seventh month preceding the first day of the fiscal year.

4. Did the appraisal district prepare and post the most recent budget notice according to the requirements of Tax Code Section 6.062?

Data Needs

- Most recent budget notice

Steps

- Review the most recent budget notice and determine if it contains the following:
 - The time, date, and place of the public hearing
 - The total amount of the proposed budget
 - The amount of increase proposed from the budget adopted for the current year
 - The number of employees compensated under the current budget and the number of employees to be compensated under the proposed budget

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- A statement that the appraisal district is supported solely by payments from the local taxing units served by the appraisal district
- This statement:
 - “If approved by the appraisal district board of directors at the public hearing, this proposed budget will take effect automatically unless disapproved by the governing bodies of the county, school districts, cities, and towns served by the appraisal district. A copy of the proposed budget is available for public inspection in the office of each of those governing bodies.”
- Determine if the notice was published not later than the 10th day before the date of the hearing
- Determine if the notice was published in a newspaper having general circulation in the county for which the appraisal district is established
- Determine if the notice is at least one-quarter page of a standard or tabloid-size newspaper
- Make sure that the notice was not published in the part of the paper in which legal notices and classified advertisements appear

Recommendation Options

- Ensure that the appraisal district prepares its budget notice according to the requirements of Tax Code Section 6.062.
- Ensure that the appraisal district posts its budget notice according to the requirements of Tax Code Section 6.062.

5. Did the appraisal district board of directors provide notice of and host a public hearing for the most recent budget and approve a budget before Sept. 15 according to the requirements of Tax Code Section 6.06(b)?

Data Needs

- Most recent notice to the entities of the public hearing to consider the budget
- BOD meeting minutes

Steps

- Determine if the secretary of the board of directors delivered to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place of the public hearing to consider the budget
 - Email is acceptable
 - If the board of directors has given the authority to the chief appraiser, view documentation making that designation
 - For purposes of our review, the notice may be addressed to the entity.
- Determine if the notices were delivered not later than the 10th day before the date of the hearing
- Determine if the public hearing to consider the budget was held on the date, time and place listed in the notice.
- Determine if the budget was approved before September 15th.
 - If the appraisal district board of directors did not approve the budget BEFORE September 15, the answer to this question is NO.
- If the appraisal district’s fiscal year is not the calendar year, determine if the budget was approved before the 15th day of the fourth month preceding the first day of the fiscal year.
 - **Example: if the fiscal year is Sept. 1 – Aug. 30, the budget shall be approved before May 15. If the fiscal year is Oct. 1 – Sept. 30, the budget shall be approved before June 15.**
- Determine if a quorum was present

Recommendation Options

- Host a public hearing on the appraisal district’s proposed budget according to the requirements of Tax Code Section 6.06(b).
- Deliver notices of the public hearing to consider the proposed budget as required by Tax Code Section 6.06(b).
- Ensure appraisal district board of directors adopts a budget before September 15 as required by Tax Code Section 6.06(b).
 - Ensure a quorum is present when the appraisal district board of directors adopts the budget.

In order to receive a PASS, the answers to all five sub-questions must be YES

QUESTION 2

Does the appraisal district have up-to-date appraisal maps?

For more information relating to mapping requirements, see [Comptroller Rule 9.3002](#)

This question relates to internal appraisal maps

Data

- Access to (either electronic or hardcopy) appraisal or tax maps
- Listing of all residential, commercial and vacant land properties
- Listing of properties that had record changes requiring an appraisal map change

Step 1

- Interview the chief appraiser or the employee who is in charge of mapping and determine how often map changes are made
 - Determine if changes needed are made within 180 days
 - Obtain a list of properties for which map changes were needed more than 6 months ago, but within the previous 2 years
 - Select 10 properties from the list and review the maps and records of mapping changes for the properties to determine whether the changes were made within 180 days
 - If the only property information on the maps are property identification numbers, only splits or new property changes must be verified on the maps
 - All reviewed maps must show the required changes in order to get a PASS

Step 2

- Select a random sample of single-family residential (category A), vacant lots and tracts (category C1), qualified open-space land (category D1) and commercial (category F1) using the appraisal district appraisal roll
 - **Tier 1:** Ensure the properties in the sample are from **AT LEAST HALF of the ISDs** within the county
 - **Tier 2-3:** Ensure the properties in the sample are from **ALL of the ISDs** within the county
 - The sample sizes for each tier are:
 - Tier 1: 25 category A, 10 category C1, 20 category D1, 10 category E and 15 category F1
 - Tier 2: 15 category A, 10 category C1, 20 category D1, 10 category E and 10 category F1
 - Tier 3: 10 category A, 10 category C1, 20 category D1, 5 category E and 5 category F1
- Determine if the properties in the sample can be identified on the appraisal district's maps
- If more than 5 properties cannot be identified on the maps, then the question gets a FAIL

In order to receive a PASS, the answers to both steps must be YES

QUESTION 3

Is the implementation of the appraisal district's most recent reappraisal plan current?

Data

- Current reappraisal plan
- Access to appraisal records
- Work schedule, calendar or timeline

If the appraisal district does not have a current reappraisal plan covering the correct two-year period, this question is a FAIL

If the appraisal district has a current reappraisal plan, perform the following assessment of the plan:

1. Does the appraisal district have all the statutory components of Tax Code Section 25.18 included in the plan?

- Identify the properties to be appraised
- Provide for identifying and updating relevant characteristics of each property in the appraisal records
- Define the market areas for the county
- Provide for identifying and updating relevant characteristics that affect property value in each market area, including:
 - the location and market area of property;
 - physical attributes of property (size, age, and condition);
 - legal and economic attributes; and
 - easements, covenants, leases, reservations, contracts, declarations, special assessments, ordinances, or legal restrictions
- An appraisal model that reflects the relationship among the property characteristics of the properties being appraised
- Provide for applying the conclusions reflected in the model to the characteristics of the properties being appraised
- Provide for reviewing the appraisal results to determine value

2. Does the reappraisal plan reference or include a work schedule, calendar, timeline or other means to determine a "completed work by" timeline?

- A reference to a work plan outside of the reappraisal plan is acceptable (obtain a copy of the work plan)
- The work schedule, calendar, or timeline must include tasks involved in the appraisal district's reappraisal work, it cannot just be a tax calendar that lists statutory deadlines, etc.

If the appraisal district does not have a work plan (work schedule, calendar, timeline or other means to determine a "completed work by" timeline), this question is a FAIL

3. Have scheduled activities been completed timely?

- Review the work plan to determine which appraisal activities should have been completed by the date you are in the appraisal district (from the start of the current year's appraisal work through the date you are in the appraisal district)
- Interview the chief appraiser or designee and have them show you proof that the activities have been completed and are on track with the work plan
 - This includes looking at appraisal records for a sample of 15 properties, chosen by the MAP reviewer, that were reappraised for the current year according to the reappraisal plan
 - Verify that those property records were updated, and that the reappraisal of the accounts was completed according to the schedule in the reappraisal plan
- If any of the activities are incomplete, request a written explanation for the delay, including an estimated time of completion
 - Determine if the explanation is reasonable (this may require review by your supervisor) (e.g. a natural disaster or any other disaster beyond the control of the appraisal district that delayed completing appraisal activities by the planned date) Does the appraisal district have ratio studies for each named market area in the current reappraisal plan?
- Refer to market areas defined in appraisal district's reappraisal plan
- Review ratio studies run by market area as defined in appraisal district's reappraisal plan.

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4. Was the most recent written reappraisal plan adopted by the appraisal district's board of directors by the Sept. 15 deadline as required by Tax Code Section 6.05(i)? TIER(S) 1-3

If the reappraisal plan covers the wrong two-year period, the answer to this question is a FAIL

Data needs

- Board of directors' meeting minutes for the most recent even-numbered year

Steps

- Review the board of directors' meeting minutes for the most recent even-numbered year and determine if the most recent reappraisal plan was adopted by the Sept. 15 deadline
- Determine if a quorum was present
- If the board of directors did not adopt the most recent reappraisal plan BY September 15, the answer to this question is NO

Recommendation Options

- Ensure that the appraisal district board of directors adopts the written reappraisal plan by the Sept. 15 deadline listed in Tax Code Section 6.05(i) in each even-numbered year.
- Ensure a quorum is present when the appraisal district board of directors adopts the reappraisal plan.

5. Did the appraisal district board of directors provide notice of and host a public hearing for the 2021-22 reappraisal plan by September 15, 2020 or the 2023-24 reappraisal plan by September 15, 2022 pursuant to Tax code Section 6.05(i)?

Data Needs

- Most recent notice to the entities of the public hearing to approve reappraisal plan
- Board of director agendas and minutes

Steps

- Determine if the secretary of the board of directors delivered to the governing body of each taxing units participating in the district a written notice of the date, time and place of the public hearing to approve the reappraisal plan.
 - Email is acceptable
- If the board of directors has given the authority to the chief appraiser, view documentation making that designation
- Determine if notices were delivered not later than the 10th day before the date of the hearing.
- Determine if the public hearing to consider the proposed reappraisal plan was held on the date, time and place listed in the notice.

Recommendation Options

- Host a public hearing on the appraisal district's reappraisal plan according to the requirements of Tax Code Section 6.05(i).
- Deliver notices of the public hearing to consider the reappraisal plan as required by Tax Code Section 6.05(i).

In order to receive a PASS, the answers to all five sub-questions must be YES

QUESTION 4

Are the appraisal district’s appraisal records up-to-date and is the appraisal district following established property valuation procedures and practices?

Appraisal records and appraised values from the previous year will be used to make determinations for this mandatory item.

If the appraisal district does not have written appraisal procedures and classification guidelines, the answer to this question is a FAIL.

The samples for this question will be the residential and commercial accounts selected in Mandatory question 2, step 2

Under no circumstance should the reviewer use personal knowledge of appraisal practices to calculate a value if the appraisal district’s written procedures do not include the requisite steps necessary to appraise the property. The reviewer may, within the written descriptions provided in the appraisal district’s procedures, use appraiser judgment when the procedures specifically call for appraiser judgment. In doing so, the reviewer should keep detailed notes of such decisions for the work papers. This does not mean the MAP reviewer is appraising the properties.

Data

- Residential appraisal manual and procedures
- Commercial appraisal manual and procedures
- Classification guidelines for residential and commercial properties
- Access to appraisal record

1. Does the appraisal district follow its guidelines for classifying residential, commercial and vacant land properties?

Step 1

- Select a random sample of single-family residential (category A) and commercial (category F1) properties
 - The sample sizes for each tier are:
 - Tier 1: 25 category A, 15 category F1, 10 category C
 - Tier 2: 15 category A, 10 category F1, 10 category C
 - Tier 3: 10 category A, 5 category F1, 10 category C
 - Request appraisal records for the properties in the sample

Step 2

- Perform inspections of the sample properties to determine if the properties are classed according to the appraisal district’s property classification guidelines
 - Inspections of the sample properties may consist of either viewing aerials, pictometry or performing field inspections
 - Aerials and/or pictometry may only be used if the images are clear enough to identify the property characteristics; otherwise, field inspections must be performed for the remaining properties in the sample
 - Physical inspections are not required on category C properties
- Complete the following checklist for the sample properties (increase the size of the checklist as needed)

Account Number	Property Class	Is the class one that is listed in the appraisal district’s classification guide? (Yes/No)	Does the type of improvement match the classification guide? (Yes/No)	Does the type of construction match the classification guide? (Yes/No)	Do the exterior construction materials match the classification guide? (Yes/No)

***If more than one of the properties is determined to not be classed properly, ask for an explanation from the chief appraiser and**

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discuss the explanation with management.*

- 2. Are category D and E properties correctly categorized according to PTAD classification guidelines?**
 - **Tier 1:** Question 59
 - **Tier 2:** Question 59
 - **Tier 3:** Question 59

- 3. Does the appraisal district gather available real estate transfer documents and use available third-party sources in gathering sales information, according to IAAO's *Standard on Verification and Adjustment of Sales*, Sections 3.1 through 3.4?**
 - **Tier 1:** Question 68
 - **Tier 2:** Question 68
 - **Tier 3:** Question 68

- 4. Do sold and unsold "like" properties within the same market area have similar noticed values?**
 - **Tier 1:** Question 69
 - **Tier 2:** Question 69
 - **Tier 3:** Question 69

- 5. Does the appraisal district have Yes or Not Applicable answers on all questions relating to ratio studies and adjusting cost schedules?**
 - **Tier 1:** Questions 70-73
 - **Tier 2:** Questions 70-73
 - **Tier 3:** Questions 70-73

- 6. Does the appraisal district have Yes or Not Applicable answers on all questions relating to using or considering the income approach to value properties?**
 - **Tier 1:** Questions 79-83
 - **Tier 2:** Questions 79-83
 - **Tier 3:** Questions 79-83

In order to receive a PASS on this question, the answers to all six sub-questions must be YES*

QUESTION 5

Are values reproducible using the appraisal district's written procedures and appraisal records?

Data

- Access to appraisal records
- Appraisal manuals and procedures

*** The samples for this question will be the same accounts selected in Mandatory question 2, step 2, excluding the category D1 properties***

*** Under no circumstance should the reviewer use personal knowledge of appraisal practices to calculate a value if the appraisal district's written procedures do not include the requisite steps necessary to appraise the property. The reviewer may, within the written descriptions provided in the appraisal district's procedures, use appraiser judgment when the procedures specifically call for appraiser judgment. In doing so, the reviewer should keep detailed notes of such decisions for the work papers. This does not mean the MAP reviewer is appraising the properties.***

Step 1

- Request appraisal records for the properties in the sample
 - For any appraisal records which note that the final value in the record is the result of an appraisal review board (ARB) decision, discard that appraisal card (although maintain it as part of the work papers) and request another appraisal card for another randomly selected property
 - If the appraisal district's original values are in the appraisal records in addition to the ARB value, you may use the appraisal record and compare the original value by the appraisal district to the value that is calculated using the appraisal district procedures
 - You may wish to consider requesting more appraisal records to avoid having to request additional records in the event some of the original records had ARB adjustments

Step 2

- During the residential and commercial property inspections performed for Mandatory question 4, record any missing information on the appraisal card
- Use only the information on the appraisal card to evaluate the land properties

Step 3

- Use the written appraisal procedures and value schedules and the information in the appraisal records (including any missing information noted) to calculate the value based on the appraisal district's procedures and schedules, using the appraisal record data
 - Fill in an excel spreadsheet including the property identification number, the appraisal district's market and/or appraised value and the reviewer calculated value for market and/or appraised value

Step 4

- Review the results of the spreadsheet
 - For each property category, the total calculated values must be within 5 percent, plus or minus, to be considered reproducible
 - If the total values vary by more than 5 percent, the values are not reproducible and the appraisal district gets a FAIL
 - However, if five or fewer individual properties vary more than 10 percent, ask for a written explanation from the chief appraiser or designee for the variance and present it to management for review and determination
 - If an explanation cannot be given about why the variance is reasonable, the appraisal district gets a FAIL
 - If more than 5 properties vary by more than 10 percent each, the values are considered insufficiently reproducible and the appraisal district gets a FAIL
 - Division management may decide to collect an entirely new sample and start the review over if management determines the original sample may have lacked representativeness of the population

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- If it is suspected that the original sample may have lacked representativeness, contact the MAP supervisor to discuss it

Questions to be answered by the MAP reviewer:

1. **Are the physical inspection dates in the appraisal records more than six years old?**
 - If the answer is YES, this question is a FAIL
2. **Do the MAP reviewer calculated values match the appraisal district values?**
 - If the answer is YES, and the answer to question 1 is NO, this question is a PASS
 - If the answer is NO, answer question 3 below
3. **Does the percent variance between the total calculated values and the appraisal district values exceed 5 percent?**
 - If the answer is YES, this question is a FAIL
 - If the answer is NO, answer questions 4 and 5 below
4. **Does the variance of five or fewer properties exceed 10 percent?**
 - If the answer is YES, ask for a written explanation from the chief appraiser or designee for the variance and present it to management for review and determination
5. **Does the variance of more than five properties exceed 10 percent?**
 - If the answer is YES, this question is a FAIL