

BROKERS - DELEGATION

Purpose: This bulletin explains when and how you may delegate, or assign, your responsibilities to another industry member.

This bulletin applies to real estate brokerages, brokers, associate brokers, associates, mortgage brokerages, brokers and associates.

We recognize there are many different models for running a business. Owners and brokers decide how to structure their individual brokerages. In some cases, a broker may decide to assign some of their responsibilities to other industry members in the brokerage.

When is delegation appropriate?

Delegation of a broker's duties may be appropriate:

- in the temporary absence of the broker
- where the number of industry professionals in the brokerage requires additional resources to adequately supervise the activities of the brokerage
- where the brokerage has offices in multiple cities

The broker should carefully consider:

- the duties they want to delegate
- whether the delegation is temporary or permanent
- the start and finish of the delegation

You remain accountable when you assign your responsibilities

You are accountable for the actions of the person you assign your responsibilities to, as well as the actions of all the brokerage's associate brokers, associates, and employees. For example, if you ask an associate or associate broker to recruit and train new associates, you must still make sure the new associates follow the *Real Estate Act*.

You cannot assign the responsibility to give accounting records

You cannot assign someone else to give accounting records to the Real Estate Council of Alberta (RECA). You must give accounting records yourself.

How to assign your responsibilities

- make the assignment clear and in writing, signed and understood by both you and the person you are assigning the work
- give details of the assignment to employees and associates
- the delegate must hold an active licence with the brokerage

- ensure the person you assign work is qualified to carry out your responsibilities
- have a system in place to monitor the person you assign the work to and check that they are adequately supervising their responsibilities. This helps prevent business and regulatory problems

Related information

Legislation

- *Real Estate Act* Rules - sections 52, s.68

Information bulletins

- Brokers – Accountability