

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:

- during temporary absences of the broker (i.e. vacation, illness, etc.)
- where the number of industry professionals in the brokerage requires additional resources to adequately supervise the activities of the brokerage
- where the brokerage has more than one office

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

- the delegate must hold an active licence with your brokerage
- ensure the person to whom you assign work is qualified to carry out your responsibilities
- make the assignment clear and in writing, signed and understood by both you and the person to whom you assign work

- give details of the assignment to all employees and associates in your brokerage
- have a system in place to monitor the person to whom you assign work and check that they are adequately carrying out their responsibilities. This will help prevent business and regulatory problems

Related information

Legislation

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

Information bulletins

- Brokers – Accountability