

THE AMERICAN SOCIETY OF PROFESSIONAL ESTIMATORS'

— CODE OF ETHICS —

INTRODUCTION

Ethical principles are presented which are intended as a broad guideline for professional estimators and estimators in training. The philosophical foundation upon which the rules of conduct are based is not intended to impede independent thinking processes, but is a foundation upon which professional opinions may be based in theory and in practice.

Please recognize that membership in and certification by the American Society of Professional Estimators are not the sole claims to professional competence but support the canons of this code.

The distinguishing mark of a truly professional estimator is acceptance of the responsibility for the trust of client, employer and the public. Professionals with integrity have therefore deemed it essential to promulgate codes of ethics and to establish means of insuring their compliance.

PREAMBLE

The objective of the American Society of Professional Estimators is to promote the development and application of education, professional judgment and skills within the industry we serve. Estimators must perform under the highest principles of ethical conduct as it relates to the protection of the public, clients, employers and others in this industry and in related professions.

The professional estimator must fully utilize education, years of experience, acquired skills and professional ethics in the preparation of a fully detailed and accurate estimate for work in a specific discipline. This is paramount to the development of credibility by estimators in our professional service.

Estimating is a highly technical and learned profession and the members of this society should know that the work is of vital importance to the clients and to the employers they serve. Accordingly, the service provided by the estimator should exhibit honesty, fairness, trust, impartiality and equity to all persons served.

THE CANONS

Canon #1

Professional estimators shall perform services in areas of their discipline and competence.

1. Estimators shall to the best of their ability represent truthfully and clearly to a prospective client or employer their qualifications and capabilities to perform services.
2. The estimator shall undertake to perform estimating assignments only when qualified by education or years of experience in the technical field involved in any given assignment.
3. The estimator may accept assignments in other disciplines based on education or years of experience as long as qualified associate, consultant or employer attests to the accuracy of their work in that assignment.
4. An estimator may be subjected to external pressures to perform work above or beyond qualifying education and experience. In fact, estimators must retain their integrity and professionalism by avoiding involvement in situations that may cause loss of independence and integrity as a professional estimator.

Canon #2

Professional estimators shall continue to expand their professional capabilities through continuing education programs to better enable them to serve clients, employers, and the industry.

1. A member of the American Society of Professional Estimators will strive to gain the honored position of "Certified Professional Estimator" and encourage others in the society to obtain this honored position.
2. Members will lend personal and financial support, where feasible, to the schools and institutions engaged in the education and training of estimators.
3. Members will cooperate in extending the effectiveness of the profession by inter-

changing information and experience with other estimators and those in training to be estimators, subject to legal or proprietary restraints.

4. Members will endeavor to provide opportunity for the professional development and the advancement of estimators and those in training under their personal supervision.

Canon #3

Professional estimators shall conduct themselves in a manner which will promote cooperation and good relations among members of our profession and those directly related to our profession.

1. By treating all professional associates with integrity, fairness, tolerance and respect, regardless of national origin, race, religion, sex or age.
2. By extending fraternal consideration when giving testimony that may be damaging to a member of our society, as long as it does not violate this Code of Ethics and the laws governing the proceedings.
3. By accepting the obligation to assist associates in complying with the code of professional ethics. The professional character of our society is dependent upon continuing mutual cooperation with one another. It is the essential element of our continued success.
4. By recognizing the ethical standards set by other professionals, such as architects and engineers, directly related to our industry and by extending to them the common courtesies they deserve predicated upon the good will of all the obligations of the true professional to uphold the highest ethical standards in our free society.
5. By acting honorably, both in personal and professional life, by avoiding situations that may erode public respect. Ethical and personal character shall be paramount in estimators' life styles.

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Canon #4

Professional estimators shall safeguard and keep in confidence all knowledge of the business affairs and technical procedures of an employer or client.

1. By not revealing privileged information or facts pertaining to methods used in estimating procedures prescribed by an employer, except as authorized or required by laws.
2. By holding in strict confidence all information concerning a client's affairs acquired during the fulfillment of an engagement and completion of an estimating procedure.
3. By serving clients and employers with professional concern for their best interests, provided however, this obligation must not endanger personal integrity or independence or a high degree of ethical conduct, as set forth in this Code of Ethics and related state and federal laws.

Canon #5

Professional estimators shall conduct themselves with integrity at all times and not knowingly or willingly enter into agreements that violate the laws of the United States of America or of the states in which they practice. They shall establish guidelines for setting forth prices and receiving quotations that are fair and equitable to all parties.

1. By not participating in bid shopping as it is known in the building construction industry today. Bid shopping occurs when after the award of the contract, a contractor contacts several subcontractors of the same discipline in an effort to reduce these previously quoted prices. This practice is unethical, unfair and is in direct violation of the Code of Ethics as recognized by the American Society of Professional Estimators
2. By not accepting quotations from unqualified companies or suppliers. Every effort should be made to pre-qualify any bidder to be used.

3. By not divulging privileged figures from subcontractors and suppliers to competitors prior to bid time in an effort to drive down prices of either. Should quotes be received from subcontractors or suppliers that are obviously low or appear to be in error, this person should be asked to review his price. When making this effort, quotes of others shall not be divulged.

4. By not padding or inflating quoted bid prices. An unethical practice for a professional estimator is to pad or inflate quotes when bidding with firms known for bid shopping. If not a violation of applicable laws, a professional estimator should not provide quotes to known bid shoppers.

5. Professional estimators shall not enter into the unethical practice of complimentary bids (comp bids). This practice is a violation of the Code of Ethics of the American Society of Professional Estimators.

Canon #6

Professional estimators shall utilize their education, years of experience and acquired skills in the preparation of each estimate or assignment with full commitment to make each estimate or assignment as detailed and accurate as their talents and abilities allow.

1. By not formulating estimates from a partial set of bid documents. This is in direct violation of the code of good estimating practices and is not acceptable. To formulate an accurate estimate in any discipline, a full review must be made of all related bid documents. Any other approach could cause errors or omissions that may endanger professional integrity and reliability. Exceptions to this rule should be considered only for the preparation of a conceptual estimate
2. It is of paramount importance to a professional estimator to minimize the possibility of making mistakes or errors. The more detailed the estimate, the better the accuracy will be..

THE CANONS

3. Each estimate shall be cross checked by means that will insure that it is technically and mechanically free from mistakes, oversight or errors. If possible and feasible, estimates should be checked by other professionals. If it is not feasible for someone else to cross check an estimate, the estimator should cross check their own estimate by utilizing a different method, such as using the historical data or unit prices based on previous cost data on similar project.

Canon #7

Professional estimators shall not engage in the practice of "Bid Peddling" as defined by this code. This is a breach of moral and ethical standards, and this practice shall not be entered into by a member of this Society.

1. Bid peddling occurs when a subcontractor approaches a general contractor who has been awarded a project, with the intent of voluntarily lowering the original price below the price level established on bid day. This action implies that the subcontractor's original price was either padded or incorrect. This practice undermines the credibility of the professional estimator and is not acceptable

2. The same procedure applies to a professional estimator engaged as a general contractor, as defined in the previous paragraph, when the estimator approaches an owner or client to voluntarily lower the original bid price.

3. When a proposal is presented, the professional estimator is stating the estimate has been prepared to the best of their ability using their education, expertise and recognized society standards. Entering into unethical practices such as "bid peddling" jeopardizes both personal and society professional credibility, while violating the trust of the clients.

Canon #8

Professional estimators and those in training to be estimators shall not enter into any agreement that may be considered acts of collusion

or conspiracy (bid rigging) with the implied or express purpose of defrauding clients. Acts of this type are in direct violation of the Code of Ethics of the American Society of Professional Estimators.

1. Bid rigging, collusion and conspiracy, as defined by the American Society of Professional Estimators, may occur between two (2) or more contractors or two (2) or more subcontractors. Agreements are reached by companies or individuals in the act of conspiring to pre-set the price of a particular project (private or governmental) with the express purpose of predetermining the intended recipient of a contract to be awarded at a fixed price.

2. Professional estimators and those in training to be estimators shall not be associated with firms which are known to participate in the practice of bid rigging.

3. There are no conditions or social convention that will allow a professional estimator to enter into such fraudulent acts as those of bid rigging, knowing that they are held to be unlawful, immoral, unethical and unacceptable to this society.

Canon #9

Professional estimators and those in training to be estimators shall not participate in acts such as the giving or receiving of gifts, that are intended to be or may be construed as being unlawful acts of bribery.

1. Professional estimators should not offer cash, securities, intangible property rights or any personal items in order to influence or that give the appearance of influencing

2. Professional estimators should not accept gifts, gratuities or entertainment that would place them in a position of breaking existing laws (municipal, state or federal) or that give the appearance of creating an inducement which would affect the estimator's professional credibility by placing them in a position of obligation.