

PRACTICE MANAGEMENT (PcM)

SECTION 2 : Finances, Risk, & Development of Practice

TOPIC 2 : Identify practice policies and methodologies for risk, legal exposures, and resolutions

- 1 : Understand what the terms "error and omissions" means conceptually
- 2 : Understand the concept of betterment. This is a tricky concept that usually helps determine responsibility for costs associate with correcting errors and omissions
- 3 : Understand what both a statute of limitations and a statute of repose are and when they come into effect during a project lifespan
- 4 : Remember than in all situations where a non-AIA standard contract is used there is exposure to risk, ALWAYS have an attorney review contracts
- 5 : Understand each of the following legal concepts, when they are used in the profession and why they are important;
 - 5A : General liability
 - 5B : Mechanic's lien
 - 5C : Indemnification clause
 - 5D : Privity
 - 5E : Vicarious liability

- 6 : Understand and memorize what your general liability insurance covers
- 7 : Practice determining who is responsible for an error or discrepancies in drawings. Read through the AIA contracts and highlight words like "Not", "Has the right", "Responsibility"
- 8 : Reference the Standard of Care described in Section 1. Be able to identify when an architect is elevating the standard of care and what happens to their liability and risk as a result

REFERENCES

Handbook of Professional Practice
Chapter 5.1, PG 176

Handbook of Professional Practice
Chapter 5.1, PG 175
Chapter 17.4, PG 1091

Turning Designs Into Buildings
Chapter 10, PG 114

Handbook of Professional Practice
Chapter 5.1, PG 173 - 175

AIA 201 Article 3.15

Law for Architects, PG 101

Turning Designs Into Buildings
PG 116

Handbook of Professional Practice
Chapter 16.2, PG 1018

Law for Architects, PG 88 - 91

AIA A201, (entire document)
AIA C401. Article 2

Handbook of Professional Practice
Chapter 5.1, PG 171

aia.org
search "standard care should I care?"

TOPIC
have no idea
can describe this
understand this
could teach this

1					
2					
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5A					
5B					
5C					
5D					
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"Most people... find a disorientating mismatch between the long-term nature of their liabilities and the increasingly short term nature of their assets."

- James A. Baldwin

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