



Setting the Standards for  
Home Energy Efficiency

# Meeting Minutes

## RESNET Board of Directors Fall 2017 Meeting

November 2 & 3, 2017

Embassy Suites Historic Charleston, Charleston, South Carolina

Thursday, November 2, 2017

### **Members Present**

Jim Amarin  
Jacob Atalla  
David Beam  
Dave Bell  
Steve Byers  
Brett Dillon  
Bob Eipert  
Philip Fairey  
Matt Gingrich  
David Goldstein  
Roy Honican  
Cardice Howard  
Mark Jansen  
Mark Johnson  
Cy Kilbourn  
Abe Kruger  
Curt Rich  
Nancy St. Hilaire  
Kelly Stephens  
Clayton Traylor  
Daran Wastchak

### **Staff Present**

Steve Baden  
Valerie Briggs  
Emma Bennett  
Scott Doyle  
Laurel Elam  
Ryan Meres

Kathy Spigarelli

### **Call to Order**

The meeting was called to order by RESNET Board President Roy Honican at 8:02 a.m. Eastern Daylight Time.

### **Introduction of New RESNET Board Members**

Steve Baden, RESNET Executive Director, introduced new RESNET Board Members: Jim Amorin and Mark Johnson.

### **Introduction of New RESNET Staff**

Steve Baden introduced new RESNET Staff: Emma Bennett, Valerie Briggs, Scott Doyle, and Ryan Meres.

### **Roll Call**

The roll was called and a quorum was present.

### **Approve Agenda**

Kelly Stephens made a motion to approve the draft agenda. Mark Jansen seconded the motion.

Daran Wastchak requested to have an update of the WER Index presented during the board meeting.

Motion passes by voice vote.

### **RESNET Anti-Trust Policy**

Curt Rich reviewed the conflict of interest policy which was attached to the email meeting notification and included in the board packet.

### **Approval of Draft October 2, 2017 Board Meeting Minutes**

Matt Gingrich made a motion to approve the October 2, 2017 minutes (Attachment A). Cardice Howard seconded the motion. The motion passed by voice vote. Brett Dillon abstains since he was absent on the October 2<sup>nd</sup> meeting.

### **RESNET Board Discussion on Trust Issues**

Previous to the Board meeting Roy Honican asked Board members and RESNET staff to submit any and all trust issues they had. The issues were compiled and incorporated into an online survey. Members were given several weeks to review the issues and electronically vote on whether they agreed with each issue. The votes then were compiled into a single score for each issue. The results of the survey were then compiled and sent to Board members (Attachment B).

Roy Honican presented the results of the survey at the meeting. He stated that there was no consensus of the Board and staff on any of the identified issues and that the Board now needed to focus on the issues that united the Board.

Prior to the meeting RESNET Board Vice President Nancy St. Hilaire sent a document to the board (Attachment C) that set a context for the trust issues. In the document Nancy stated that RESNET was transitioning from a small quasi trade association to a public standard setting organization whose standards are incorporated into building codes. Some uneasiness experienced by Board members are result of this transformation of the organization.

### **Discussion of RESNET Board Governance**

Prior to the meeting the RESNET Executive Committee reviewed the Carver board governance model and recommended it to the RESNET Board for consideration as a starting point. Nancy St. Hilaire, Board Vice President, presented the Carver model.

Roy Honican opened up a discussion for governance options.

Abe Kruger suggested that the policy on board elections should be reviewed by the board and stated that there should be more representation of raters on the board of directors.

Brett Dillon mentioned the governance model that he distributed to the board at the 2016 Fall Board meeting.

Philip Fairey commented that the board could pick from multiple models, but the Carver model that Nancy St. Hilaire presented on is considered the “premier” recommendation.

Daran Wastchak suggested making a list of good governance policy procedures for the RESNET Board, and making measurable actions with each item to move forward.

Steve Byers stated that picking one model would not be a good option for the board and more governance options should be reviewed and considered.

David Goldstein commented that through his many years of serving and chairing non-profit organizations he recommended that the Board should commit to move from micromanagement to delegation, and the Board should make a fundamental decision on the degree to which the board should be involved with each decision that needs to be made. He strongly warned against micromanagement by the Board.

Curt Rich recommended that the Board's two primary responsibilities are to ensure that RESNET provides the resources to the staff and to hold the staff accountable and that the RESNET board governance should be based off of that practice.

Roy Honican concluded that the issue will be discussed at a later date when Board members and the Executive Committee can consider the information discussed.

## **RESNET Update**

RESNET Executive Director Steve Baden presented a RESNET update. Mr. Baden's presentation addressed where RESNET is now, potential tipping points for growth in the demand for HERS ratings and challenges that RESNET might be facing in the future.

There was board discussion on the potential competition for ERI compliance.

Daran Wastchak recommended that the Board have a firm position on the issue. Abe Kruger suggested that action be taken such as creating a subcommittee to work on this potential challenge. Jacob Atalla suggested that the subcommittee put together the language on how the board should take its stance.

Steve Baden clarified that RESNET will be undertaking a campaign in partnership with the International Code Council on why the HERS Index is the best option for demonstrating compliance to the ERI. The effort will include infographics, video programs and presentations to code official events. RESNET staff will evaluate how the campaign goes this coming year and take time as a board to discuss this issue at a later date.

Clayton Traylor commented that RESNET should be able to defend itself against this claim. He suggested that staff work underneath a subcommittee of the Board who will volunteer to invest themselves in a proactive strategy.

Philip Fairey disagreed with a subcommittee and suggested that the whole Board should be involved in this decision. Steve Baden clarified that the subcommittee would only look into the issue and make a recommendation to the whole Board for it to make any decisions needed. Philip Fairey agreed with this approach.

Mr. Baden stated that he would discuss this with the RESNET Board President and come up with options for the Board such as a subcommittee or other action items that could be taken at a later date.

Abe Kruger asked about a previous Board meeting to which board members tried to solve which board member seat should be represented by different sized rating companies and providers. Steve Baden stated that the discussion never reached a consensus. Mr. Baden suggested that the discussion on actionable items for this issue should be addressed at a later time. Clayton Traylor states that the goal should

ultimately be for the split between different sized providers to not occur within RESNET, even if it may be happening naturally within the economy.

Steve Byers suggests that RESNET gets more involved in re-sale home market. Philip Fairey brings up that 4-5 years ago RESNET attempted to create a “HERS Lite” score and the option could be looked at again to help address the issue.

Clayton Traylor suggests that if RESNET wants to be more involved in the existing home market that RESNET should be more involved with the National Association of REALTORS (NAR) and engaging with more REALTORS. David Goldstein suggests getting involved with NAR and proposing that RESNET provide the most accurate score which would result in homebuyers with more accurate knowledge of homes.

### **New Appraisal Institute Portal of HERS Index Scores and Auto-populating MLS with HERS Index Scores**

Ryan Meres, RESNET Program Director, gave the report on the New Appraisal Institute Portal of HERS Index Scores and Auto-populating MLS with HERS Index Scores.

RESNET Board members discussed the implementation of the Appraisal Institute Portal with Jim Amarin, RESNET board member. Jim provided information to the Board on how appraisers become certified and the growth in membership from the Appraisal Institute as the demand for well-informed appraisers grows.

Steve Byers asked Mr. Amarin why Appraisal Institute members have exclusive access to the registry. Jim Amarin stated that opening up to public appraisers who are not members would not really increase the depth because members would know how to utilize this information properly.

Daran Wastchak suggested that RESNET could eventually provide it to the public, but coordinating with the Appraisal Institute is the best decision to ensure that the information is used properly at this point.

Clayton Taylor asked if there is an obligation to disclose information on a home, and if the work about HERS ratings would trigger the issue of providing a standardized report to a homeowner.

Philip Fairey recommended that the report be from the registry and that a standardized form where minimum rated features could be provided.

Steve Baden suggested that Ryan Meres looks into this issue as the project moves forward.

Steve Byers asks if the format will exclude rating types, such as threshold ratings that may confuse consumers. Ryan Meres states that it will be considered in this future.

### **Report on Consortium on Energy Efficiency (CEE) Utility New Homes HERS Index Initiative**

David Goldstein, RESNET Board, introduced Alice Rosenberg of CEE, who reported on the CEE’s Utility New Homes HERS Index Initiative. The concept would be to provide a

template for utility programs to offer financial incentives for new homes based on the homes' Energy Rating Index scores.

The program would feature five tiers of ERI scores and an advanced option. The tiers would be driven by the following ERI scores:

- Tier 0 – 75
- Tier 1 – 65
- Tier 2 – 55
- Tier 3 – 45
- Tier 4 – 30
- Advanced – 10

It is expected that the proposal will be submitted to the CEE Board of Directors in January 2018.

### **Recommendations of RESNET Board Working Group on Consistency of HERS Index Scores**

Nancy St. Hilaire, Chairperson of RESNET Board Working Group on Consistency of HERS Index Scores, reported on the recommendation of the working group.

The working group presented a recommendation that the RESNET Board pursue the development of a common schema. A common schema would be a file format with a standardized set of building input fields that facilitates the exchange of data/information between the accredited HERS software tools.

Daran Wastchak asked what the timeline would be for this, Philip Fairey stated that putting together the schema would not take long but deciding what the schema should include may take longer. Philip estimated that a schema working group authorized by the RESNET board would come up with a schema format between six months to a year, with an implementation period for software platforms for another few months.

Nancy St. Hilaire then reported that the working group could not develop a single recommendation to the Board on improving the consistency of HERS Index scores among software programs. Instead they came up with two options:

- Common HERS Index Platform - A common HERS Index platform would consist of utilizing an existing simulation engine and implementing an interpretative layer to input data into the engine and produce calculations of the HERS Index and determination of ENERGY STAR compliance. This approach would virtually eliminate HERS Index inconsistencies from the **software only**.
- Collaborative Modeling – This would be a process of enhancing RESNET publications, tests, and standards to prescribe more detailed modeling guidelines, thereby improving consistency

The RESNET Board then discussed the feasibility of the options that could be pursued in improving the consistency of the HERS Index Score based on time, cost, and the work involved.

Steve Baden suggested that the RESNET Board adopt a requirement that by January 1, 2019 that all HERS Index software has to be based on hourly simulation. This would finally set a deadline to the policy adopted by the RESNET Board in New Orleans at its Fall 2014 Board meeting.

Daran Wastchak asked for some history on why there hasn't been a deadline and if the board is able to pick a date without knowing the implications.

Clayton Taylor made a recommendation to allow RESNET staff 30-60 days to discuss the matter. Steve Baden says that they will work with REM Rate in the next 30 days with an analysis paper to consider what the deadline should be to the RESNET Board to make a decision.

Steve Byers recommended creating a testing procedure to test the hourly rate of software to ensure they are meeting the RESNET requirement. Cy Kilbourn suggested that when software providers submit their test suite results, that a RESNET staff member ensure that they are hourly results.

Mark Jansen made a motion for the RESNET Board to create a task group to develop a plan of action and provide recommendation to create a RESNET HERS Software Common Schema. Daran Wastchak seconded the motion. The Motion passed by a voice vote.

Nancy St. Hilaire made a motion for RESNET Board of Directors to establish a task group to recommend a budget, a timeline, and a plan to implement collaborative modeling to the RESNET board. The recommendation would be presented to the Board by January 1, 2018. Kelly Stephens seconded the motion. The motion passed by a voice vote.

Nancy St. Hilaire made a motion for RESNET Board of Directors to establish a task group which will develop a proposed scope of work that could be used to develop a RFP for a common HERS Index platform. The recommendation would be presented to the board by June 1, 2018. David Goldstein seconded the motion. The motion passed by a voice vote.

### **Recommendations of RESNET Board Working Group on HERS Software and Utility New Homes Programs**

Cy Kilbourn and Alice Rosenberg, co-chairs of the RESNET Board Working Group on HERS Software and Utility New Homes Programs, presented the recommendations of the working group.

The recommendations were ranked into three priority lists:

- Priority 1 - Highly recommended to implement as soon as possible
- Priority 2 - Highly recommended to implement
- Priority 3 - Recommended to implement

The following were the recommendations by priority ranking:

#### Priority 1

- Make modifications to the RESNET Registry XML Schema
  - Add hourly total electric consumption
  - Add structured place in XML for software tools to put Energy Results for various reference homes
  - Define a standardized Reference Home Language (RHL) that describes a reference home “transformation”
  - Improve consistency in energy consumption between software tools (not just HERS Index Scores)

#### Priority 2

- Develop RESNET guideline resources for key stakeholders
  - Develop a set of guidelines for software vendors to support utility program markets
  - Develop a set of guidelines for utility programs to design their programs to align easily with HERS Rating software capabilities
  - Recommend not using ratings that are not submitted to the RESNET registry

#### Priority 3

- Develop or adopt a common HERS Rating software input schema
- Develop an “input file generator” that applies a “transformation” to create another input file based on a given input file

The RESNET Board discussed the feasibility on taking action on the recommendations, specifically 1<sup>st</sup> priority recommendations.

Steve Baden requested that the working group get input from the larger HERS Software and Utility group as well as outside organizations to get feedback as well as establish with the next steps. The Board can then vote to implement the recommendations made.

### **Report on Development of RESNET Communications Plan, 2 Millionth Home HERS Rated Campaign and Web Site Update**

Valerie Briggs, RESNET Communications Director, gave a report on Development of RESNET Communications Plan, 2 Millionth Home HERS Rated Campaign and Web Site Update.

Curt Rich requested an action item to work on the communication and website to have upfront area with amendments currently in progress for easy access. RESNET Staff has already created the docket and it will continued to be worked on as the site gets updated.

Brett Dillon requested that RESNET work on its historical documentation as well.

### **Report on Enhanced Quality Assurance Oversight to Quality Assurance Agents**

Laurel Elam and Scott Doyle, RESNET QA staff, gave a report on Enhanced Quality Assurance Oversight to Quality Assurance Agents.

Laurel and Scott presented the proposed new plans for Quality Assurance in 2018:

- 50% of Providers and their QADs will have enhanced RESNET QA Annually
  - 25% Online Review
  - 25% In-Field Review
- Train All QADs and Delegates
- Introduce the new Field/File QA Checklist

### **Consideration of RESNET Staff Proposed 2018 Goals, Priorities and Activities**

Steve Baden the RESNET Staff Proposed 2018 Goals, Priorities and Activities (Attachment D). The document had previously been sent to the Board several weeks earlier. The goals, priorities and activities were developed by RESNET staff in a two day face-to-face meeting.

Mark Jansen made a motion to approve the RESNET Staff proposed 2018 goals, priorities and activities. Dave Bell seconded the motion.

Daran Wastchak suggested updating the board on the goals on a quarterly basis. Kathy Spigarelli states that with the approval of the work plan, RESNET staff will create a timeline for each item on the list.

Motion passes by voice vote.

### **Consideration of Recommendations of RESNET Board Executive Committee on RESNET 2018 Operating Budget Request**

Kelly Stephens, RESNET Board Treasurer, reported on the Recommendations of RESNET Board Executive Committee on RESNET 2018 Operating Budget Request (Attachment E). Kelly stated that the recommendations had been previously sent to Board members

Kelly Stephens made a motion to approve the following RESNET 2018 Operating Budget Request:

**Payroll** **\$1,210,000**

- Executive Director – Steve Baden
- Deputy Director – Kathy Spigarelli
- Accreditation and Quality Assurance Director—Laurel Elam
- Communications Director – Valerie Briggs
- Programs Director – Ryan Meres
- Quality Assurance Manager – Scott Doyle
- Accountant – Faye Berriman
- Field Quality Assurance Specialist—TBA
- Operations Manager – TBA

**Professional Services** **\$1,031,000**

- Hosting, Maintenance and Support of Servers
- Registry Support
- Government Relations
- RESNET Web Site Maintenance
- Marketing and Advocacy
- Database Management
- ANSI Standard Management
- Audit
- Misc. Contractual Support

**Travel** **\$ 100,000**

**RESNET Conference** **\$ 260,000**

**Other** **\$ 114,000**

- Credit Card Service Fees
- Copying & Printing
- Insurance
- Internet Services
- Legal Services
- Meetings
- Misc.
- Postage
- Software
- Telephone
- Supplies

**Contingencies** **\$ 125,000**

This amount will be evaluated by the RESNET Board at the RESNET Board 2019 Annual Meeting.

**Total Proposed Budget** **\$2,840,000**

Philip Fairey seconded the motion. The motion passed by a voice vote. Brett Dillon abstained from voting.

Roy Honican recessed the meeting at 4:56 p.m.

### **Friday, November 3, 2017**

At 8:30 a.m. Roy Honican called the meeting back to order.

#### **Consideration of RESNET Moving Its Incorporation to Another State**

David Beam, RESNET Board presented on the RESNET moving its incorporation to another state. Steve Baden commented that due to cost and feasibility RESNET staff would support the decision for RESNET to incorporate outside of California.

David Beam made a motion to approve RESNET staff to investigate moving RESNET's incorporation outside of the state of California and present findings at the 2018 Spring Board meeting. Curt Rich seconded the motion. Motion passes by voice vote.

Roy Honican requested that without objection there would be a change in the agenda to have Ralph DiNola present before Philip Fairey

#### **Report on RESNET/New Buildings Institute Net Zero Energy Home Partnership**

Ralph DiNola, Chief Executive Officer of the New Buildings Institute, reported on RESNET/New Buildings Institute Net Zero Energy Home Partnership. Mr. DiNola presented the elements in the Memorandum of Understanding between RESNET and the New Buildings Institute:

- The New Buildings Institute would recognize a HERS Index rating of a home of zero or lower as the asset qualification of a home. Final certification of the home would be based on utility documentation.
- The New Buildings Institute would work with RESNET is developing an American National Standard for an Energy Rating Index for multifamily buildings.

#### **Revision of RESNET Board Electronic Ballot Procedures**

Philip Fairey, RESNET Board Member, presented the proposed revision of RESNET's electronic ballot procedures (Attachment F).

Philip Fairey made a motion to approve the revised RESNET electronic ballot procedures as presented. Kelly Stephens seconded the motion. Motion passed by a voice vote.

#### **RESNET Supplier Advisory Board Report**

Curt Rich, Chairman, RESNET Suppliers Advisory Board (SAB) presented an update of the SAB.

Based on SAB requests, RESNET will create a value proposition for SAB members and will work on amending the professional website to make it more user friendly for standards amendments.

He also recommended that the HERS Associate certificate program should be truncated with RESNET developing a 1-2 hour course that would be beneficial to SAB members. The SAB members requested a less technical course for sales or other interested parties.

### **RESNET Financial Audit Report**

David Beam, Chairman of 2016 RESNET Financial Audit Committee gave the RESNET Financial Audit report. The audit had been previously sent to Board members.

David Beam made a motion to accept the audit as presented to the RESNET Board. Jacob Atalla seconded the motion. The motion passed by a voice vote.

David Beam made a motion to continue to use the same audit firm for 2017 and 2018 and to re-bid an audit firm for the 2019 year. Cardice Howard seconded the motion. Motion passed by a voice vote.

Steve Byers makes a motion to require an annual audit by a third-party certified public accountant and that the audit firm be re-bid at a minimum of every three years. David Beam seconded the motion. The motion passed by a voice vote.

### **Report on Recognition of the RESNET HERS Rating Index in the State of California**

Jacob Attala and Philip Fairey reported on recommendations on Recognition of the RESNET HERS Rating Index in the State of California.

Jacob reported that there will be a letter of agreement between the California Energy Commission, the California Building Industry Association and RESNET to recognize HERS Ratings to market the energy performance of homes in the state. Title 24 and HERS II would be recognized for the state energy code and utility incentive programs and the HERS Index would be recognized for builders to market the efficiency of their homes.

Philip Fairey reported that the California Energy Commission would modify its CBEC – Residential software program to produce an Energy Rating Index score.

David Goldstein suggested RESNET utilize the public comment of the updated standard amendments for the state of California.

### **ENERGY STAR Homes Update**

Jonathan Passe, Environmental Protection Agency, gave the ENERGY STAR Homes Update report to the RESNET Board.

Mr. Passe presented that ENERGY STAR is looking to harmonize features with RESNET. Efforts in this area included:

- Working with RESNET is developing an American National Standard on the rating of the installed performance of HVAC systems
- The use of RaterPro by HERS Raters
- Developing the Thermal Bypass Checklist into a RESNET standard
- Exploring a fixed HERS Index Score for ENERGY STAR certification

### **Washington Update**

Carl Chidlow, RESNET Washington Representative, gave the Washington Update report. The report included that he and the RESNET Executive Director had two face-to-face meetings with the senior staff of the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy. That the relations between DOE senior staff and RESNET has been significantly improved.

### **New Business**

Jacob Attala presented an updated of the Water Rating Index to the RESNET Board.

Brett Dillon requests the board to "care enough to question."

Clayton Traylor requested that an agenda item about steps from RESNET to expand and bring younger raters into the industry be added to the Spring 2018 board meeting agenda. Clayton Traylor also added that the board should give thought to "the number" that RESNET uses to represent the HERS score and distinguish single family from multi-family to give an accurate and usable for a wide audience.

### **Adjournment**

Mark Jansen made a motion to adjourn. Meeting adjourned at 11:55 a.m. Eastern Daylight Time.

Respectfully Submitted

Matt Gingrich, RESNET Board Secretary

# Attachment A



Setting the Standards for  
Home Energy Efficiency



## Draft Minutes of RESNET Board Meeting October 2, 2017

### **Members Present**

Jacob Atalla  
David Beam  
Dave Bell  
Steve Byers  
Matt Gingrich  
David Goldstein  
Roy Honican  
Cardice Howard  
Mark Jansen  
Cy Kilbourn  
Abe Kruger  
Curt Rich  
Nancy St. Hilaire  
Kelly Stephens  
Clayton Traylor  
Daran Wastchak

### **Members Absent**

Brett Dillon  
Bob Eipert  
Philip Fairey

### **Staff Present**

Steve Baden  
Laurel Elam

Kathy Spigarelli

### **Call to Order**

The meeting was called to order by RESNET Board President Roy Honican at 2:00 p.m. Eastern Daylight Time.

### **Roll Call**

The roll was called and a quorum was present.

### **Approval of the Agenda**

Matt Gingrich made a motion to approve the agenda. Mark Jansen seconded the motion. Motion passes by voice vote.

### **RESNET Conflict of Interest Policy**

Curt Rich reviewed the conflict of interest policy which was attached to the email meeting notification.

### **Approval of the Draft Minutes of the July 11, 2017 Board Meeting**

Dave Bell made a motion to approve the July 11<sup>th</sup> minutes. Kelly Stephens seconded the motion. Motion passes by voice vote.

### **Consideration of New Board Members Interim Appointments Nominated by the RESNET Nominations Committee**

Steve Baden provided background on each of the new board members and their information was also attached to the email meeting notification.

Mark Jansen made the motion to approve Jacob Atalla for the water efficiency organization board seat. Dave Bell seconded the motion. Motion passed by voice vote.

Matt Gingrich made the motion to approve Mark Johnson for the code official organization board seat. Mark Jansen seconded the motion. Motion passed by voice vote.

Matt Gingrich made the motion to approve Jim Amorin for the appraisal industry board seat. Kelly Stephens seconded the motion. Motion passed by voice vote.

### **Consideration of Revised RESNET Executive Committee Proposed Policy on RESNET Access to Data in the RESNET National Building Registry and Proposed Amended RESNET Code of Ethics**

Clayton Traylor made a motion that the RESNET board authorize staff to provide the draft policy to industry stakeholders for public comment and feedback. Curt Rich second the motion. Motion passes by voice vote.

The RESNET Board will need to approve any additional entities on the RESNET access to the RESNET National Building Registry policy.

Board members will be sent the draft policy again for comment before being sent to industry stakeholders and the final version will be voted by on by electronic ballot.

Daran Wastchak made a motion to approve the proposed amended RESNET Code of Ethics. Cardice Howard seconded the motion. Motion passes by voice vote.

### **Discussion of Board Member Preference of Electronic Ballots as Compared to Board Meetings**

It is the sense of the board to have electronic ballots whenever possible rather than scheduling teleconferences for every discussion item. If items come up for electronic vote and the Board determines discussion is need, a teleconference will be called.

### **Discussion of DIRECTORPOINT Board Meeting Application**

An electronic ballot has been sent to approve the use of DIRECTORPOINT so further discussion was not needed.

### **New Business**

Roy Honican asked if there was any new business. There was none.

### **Adjournment**

Mark Jansen made a motion to adjourn. Meeting adjourned at 2:54 p.m. Eastern Daylight Time.

Respectfully Submitted

Matt Gingrich, RESNET Board Secretary



## Attachment B

### Results of Survey of “Trust” Issues with RESNET Board and Staff

#### Issue 1

The organization has not been able to keep pace with the rapid growth in the number of new homes being rated and the higher profile, and expectations, that comes with being a leading voice in the residential energy space. These “growing pains” are most evident in the struggle the association has had with ensuring accuracy and consistency among the various software providers. Resolving this issue, and ensuring that it can never happen again is our number one priority.

#### Rating

Average -0.15

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	6	4	7	2

#### Comments

- These are two statements. I agree with the first (bolded), and disagree with the second. Consistency across software Providers is an important issue, but there are many others as well.
- Adding staff this year should help the issue, in my opinion
- I do not believe this is the number one priority nor caused by disharmony or mistrust in RESNET.
- While inconsistency of HERS software is certainly an important issue, this is not a "trust" issue among board members and between board members and staff. The RESNET Board appointed a software consistency working group who will presents options on this issue for the RESNET Board to consider at the Fall 2017 board meeting.
- Although this is an area of concern it does not relate to disharmony and mistrust among

Board members

- I almost marked neutral. If I am understanding the statement correctly, I believe RESNET has tried very diligently to keep up with the growth of the industry. But with so many moving parts and industry changes, the growing pains suffered were to be expected. I think the bigger issue is the way some board members have responded to the growing pains.
- I don't agree that this issue is RESNET's "number one priority."
- Although I agree that this is a priority - I don't agree that we have not been able to keep up with the growth. RESNET has taken steps and has processes in place to keep making progress. We need to keep focused on these important issues that will benefit our industry
- I'm not sure how this issue relates to trust within the RESNET Board and between the Board and Staff?

## Issue 2

The almost complete reliance on volunteers to provide technical expertise results in slow moving processes and internal conflicts among stakeholders.

### Rating

Average      -0.05

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	6	6	5	2

### Comments

- We have been lucky thus far. Volunteers will typically volunteer because they have a financial interest in the outcome. This leads to growth that does not necessarily match RESNET's mission.
- RESNET has hired new Staff and also has highly competent contractors who have been working to improve software and QA, along with the Standards.
- While an issue to consider, this is not a board trust issue.
- Although this is an area of concern it does not relate to disharmony and mistrust among Board members
- RESNET has done a good job of vetting volunteers that have a strong interest in our industry has a whole.

- Agree in part only. Leads to slower processes but not responsible for internal conflicts among stakeholders. Stakeholders are always pushing their own interests by definition, often at the expense of the interest of competing stakeholders.
- We've had many wonderful and talented people volunteer to assist on technical issues - for which we should be grateful. But we are at a point where we need some internal support and expertise.
- I'm not sure how this issue relates to trust within the RESNET Board and between the Board and Staff?

### Issue 3

It is evident that the rating industry is undergoing significant consolidation. It is essential that the composition of the RESNET leadership changes to reflect this trend, while preserving a level playing field for smaller raters. We see this as a 3-5 year process and understand that there will be bumps along the way.

#### Rating

Average 0.20

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	4	14	0	1

#### Comments

- This, too, is not causing disharmony nor mistrust in RESNET but is a good goal as RESNET sets goals and plans SWOT.
- Agree critical issue but is not a "trust issue"
- This does not relate to disharmony and mistrust among Board members
- This will be a slow process. Our industry labor pool is hurting, that includes raters. Raters are retiring and I do not see a new pool of raters entering our industry. There has to be a push for new raters. All raters should be on a level playing field, but all rating companies have to be held to the same RESNET standard. Holding each rater/rating company accountable is key.
- I don't necessarily agree that industry is "undergoing significant consolidation."

- I think that we should have an open and honest discussion about what type of representation we need on the board - large and small rating companies, large and small providers, training providers, software providers.
- I'm not sure how this issue relates to trust within the RESNET Board and between the

#### Issue 4

Having RESNET headquartered somewhere other than the Washington, DC area is problematic. As a major player in energy efficiency, not having a full-time presence in DC means there are a lot of forums where the organization is not represented and should be.

Average      -0.25

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
2	2	5	9	2

#### Comments

- Sounds reasonable, but I have no expertise here.
- With today's computer and electronic technology, easy travel, utilizing Winning Strategies and other contacts in the area, as well as hiring new Staff for Marketing from that area, RESNET remains in tune and on top of meetings and other important issues. RESNET can quickly have a voice and physical presence anywhere in the USA as well as in other countries.
- Not a trust issue. RESNET currently has representation in Washington, DC that can attend forums - Communications Director Valerie Briggs and out DC representative Carl Chidlow. Ryan Meres is also within four hours of DC.
- This does not relate to disharmony and mistrust among Board members and we now have a staff member in the DC area.
- Interesting statement/concern. What forums are we specifically speaking about???
- RESNET can have a full-time significant presence in DC without being headquartered in DC.
- I would want to know more about what types of forums we would want to have representation in. I don't know that where "headquarters" is located is an issue, but rather having people who can represent RESNET's interests within easy access to these forums

would be more important. I think a headquarter's location has more impact by understanding which states corporate laws RESNET needs to be in compliance with.

- I'm not sure how this issue relates to trust within the RESNET Board and between the Board and Staff?

## Issue 5

The lack of “bench depth” within the RESNET staff. This is both a leadership and technical competency issue.

Average      -0.30

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	4	5	8	2

## Comments

- RESNET recently hired new Staff and has an incredibly efficient and effective team that meets the needs of our Membership and responds quickly to RESNET's operational requirements. When necessary, RESNET contracts with qualified contractors to provide assistance. This concern also does not cause disharmony nor mistrust from my perspective.
- Not a board trust issue. In addition, RESNET has added four staff in 2017 and asking for two more in 2018.
- This does not relate to disharmony and mistrust among Board members
- The bench may not have all the answers. We are a board of experts in varying areas of the building industry. We are a collective body and the support of each individual lends strength to the bench.
- This factor has changed significantly over the past year, with significant new hires.
- I think this is getting better with the new staff that has been added. But, yes, we need a succession plan and some internal development plans, along with some additional technical expertise.
- I'm not sure how this issue relates to trust within the RESNET Board and between the Board and Staff?

## Issue 6

Board members that publicly speak about RESNET or RESNET Staff in a negative way.

Average 1.45

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
12	5	3	0	0

### Comments

- I am sorry to state that I must strongly agree with this statement. Up until June, RESNET had a small, but strong Staff that worked diligently and effectively, and in June and July, RESNET has added new Staff seamlessly, quickly assimilating to fill current needs. Throughout the years, Staff has supported the Board to achieve the goals and mission of RESNET and should be treated with respect. This respect should also go from Staff to Board, and Board members who publicly criticize Staff and do not try to work with Staff can cause great harm to the trust and cooperation within the Board and organization. This issue may also leak outside of RESNET and harm the nonprofit's reputation, even if the statements are false, libelous, or slander. RESNET must strive to be transparent, honest, and cooperative, creating Staff and Board motivation to achieve its goals. Mistrust can break down the public's perception that RESNET is effectively operating and achieving its mission.
- Leads to organization not speaking publicly with one voice. This is really one board member and does not represent great majority of board
- This may only apply to a few board members but it does relate to disharmony and mistrust among Board members and staff
- I do not see any good reason for Board members to make negative public pronouncements about RESNET staff.
- As a member of the Board, we have avenues to discuss issues that concern us and the ability to do something to correct any problems. Board members speaking negatively about RESNET in public is irresponsible and can damage RESNET.

### Issue 7

Board members not trusting RESNET Staff to do their job.

Average 0.55

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
5	6	4	4	1

## Comments

- In the past, there have been verbal accusations, phone calls, emails, that imply Staff cannot effectively perform their jobs. Any Board members or Staff who do not recognize that RESNET is a Public Charity with a responsibility of both Staff and Board to perform to the best of our ability to meet our vision, goals, and mission, who does not cooperate and work to assist all in the organization to achieve success, causes disharmony, reduces motivation, and can damage the nonprofit and reduce the effectiveness of completing our duties.
- This attitude does not represent a great majority of the board. However, there are a minority of board members who have shown such an attitude, which affects morale.
- This may only apply to a few board members but it does relate to disharmony and mistrust among Board members and staff
- Board members trust the RESNET staff to do their jobs.
- This appears to be a significant trust issue at this point.
- I think with a few minor exceptions, the Board has confidence in RESNET staff.
- Unfortunately, while RESNET staff works hard and tries hard, missteps have provided reasons for questioning their ability to perform. This can happen to any organization, so no unique to RESNET's staff. However, defensiveness about criticism, regardless of where and from who it comes from, and regardless of whether or not it is reasonable and fair, prevents us from working through the "questioning" to a positive, win-win resolution.

## Issue 8

Board members acting like they are not dedicated to the success of the organization.

Average 0.60

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
5	7	3	3	1

## Comments

- RESNET has a wonderful Board and Staff, but it only takes one or two persons to break the cohesion, to cause mistrust, and to reduce motivation. When a person chooses to join a nonprofit either as a Board Member or as Staff, their commitment and drive should be

to assist in furthering the nonprofit's mission: not for power, "control," or public recognition. Both Board members and Staff must share the responsibility to work together to help our public charity to grow and improve to meet our mission.

- Really centered on one board member
- This may only apply to a few board members but it does relate to disharmony and mistrust among Board members and staff
- I have not witnessed any board member acting in such a way.
- This statement is too unclear for a response. What is meant by "acting like ... not dedicated"??
- Again, there are minor exceptions. The vast majority of the board is dedicated to RESNET's success. Anyone who isn't dedicated to this, shouldn't be on the board.
- I believe that all Board members sincerely want the best for RESNET. Where there are differences in the direction of the organization and then additional differences about how to get to where we want to go, there should be health dialog, and even argument. However, it seems that whenever there are differences, "dialog", let alone argument, is shut down in favor of one side's particular agenda. This most definitely causes mistrust. However, back to the point about "dedication to success," this point seems to be one sided, coming from those who are in the majority and unhappy about those in the minority who are not supporting, or dedicated to, their agenda.

## Issue 9

Board members that are self-serving by looking out for their company's best interest instead of the best interest of the industry.

Average 0.40

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
3	7	6	3	1

## Comments

- This statement is similar to Number 8, where the motivation should be to serve our community rather than inuring to ourselves. RESNET prepares Conflict of Interest statements annually, and if the Board understands that it is not just conflict in financial gain, this would not be an issue. Perhaps the Board could utilize Board Training to understand Board duties and responsibilities and to reduce or eliminate the underlying issues that are causing comments like this one.

- There are times when Provider representatives seems to but there business model above the interest of the organization and industry
- This should be discussed since it has been a cause of disagreement among board members who are looking out for their specific business model
- Don't think this is valid concern. RESNET not able to provide sufficient revenues to support this level of self dealing.
- I think we have made great progress on this issue. The new Board disclosures, and the code of ethics policy, has really helped to bring some issues to light and I think we are starting to see the benefits of this.
- I don't see this as an obvious issue for the Board. I would like some examples of what others may be seeing. There may be instances of Board members strongly pushing a certain agenda that they sincerely believe is in the best interest of RESNET, but pushing an agenda that is self-serving is not evident. We are just concluding a lengthy process of vetting each member of the Board for conflicts of interest that could be seen as self-serving and to date, have not seen any. So, again, where is the evidence of this?

## Issue 10

Board members that are not unified on an issue after a board decision has been reached.

Average 0.85

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
4	10	5	1	0

## Comments

- This concern, as some of the above concerns also do, seem to relate to the culture that has evolved over time. Roberts' Rules of Order should take precedence, and even with RESNET's Board member opportunity to express their dissent and opinion and even have a re-vote on the issue, some Board members seem not to move on and re-unify if a vote is not unanimous. Perhaps solid Board Training may help focus Board members on Board procedures and team building.
- Really issue with one board member
- This may only apply to a few board members but it does relate to disharmony and mistrust among Board members and staff

- This is a confusing statement for me. The direction of the board is to determine what is best for RESNET's stakeholders. Am I to understand that we all have to agree or be unified? Sometimes majority rules and if you do not sit on the side of the majority, I do not think it means we are not unified.
- This will always be the case - no one is particularly fond of being on the losing side of a vote. However, this should not lead to mistrust among either Board members or staff.
- Good governance means that we can disagree, argue, and try to persuade. But once there is a vote - this becomes the position of the Board. If you don't like the outcome - you should have had better/more persuasive arguments.
- This is definitely true. If there was a more fair and full discussion, where every side felt like they had been not only heard but listened to, then you would have more buy-in from all sides, even those that did not prevail in their position. Without an open and honest debate, it is impossible to ask that everyone fall in line behind a decision of the Board. This is an issue of process and leadership that comes from Board leadership and staff leadership. To blame Board members for not falling in line absent a quality process of deliberation is misguided and wrong.

## Issue 11

The lack of confidence in the softwares' results (between and even within softwares) causes the BoD members to feel uneasy, fearing hidden "software landmines." There is a concern that these discrepancies could result in loss of credibility with stakeholders. In my opinion, this underlying unease leads to tension.

Average 0.15

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
0	10	5	3	2

## Comments

- I fully agree that this is an industry issue. I don't agree that it's a major cause of the tension on the board. I would be interested to explore this, because I haven't heard software consistency arise as the center of any tense board discussions.
- I do not have the qualifications to address this concern, but if it is true, this should be a Team (Board and Staff) issue that is addressed as part of Quality Assurance and software consistency ongoing programs.

- While inconsistency of HERS software is certainly an important issue, this is not a "trust" issue among board members and between board members and staff. The RESNET Board appointed a software consistency working group who will presents options on this issue for the RESNET Board to consider at the Fall 2017 board meeting.
- Although this is an area of concern it does not relate to disharmony and mistrust among Board members
- Consistency and accuracy in the software system that stakeholders and RESNET is comfortable with is the ultimate goal.
- Perhaps but unless BoD members have extremely sophisticated understanding of both building science and software programming, this issue will not be resolved.
- The software calculations are incredibly complex and not clearly defined. And yes - seeing two different "scores" from different software is disconcerting. However, much greater variation is coming from user input errors, lack of user training/understanding of the process, and variation and lack of commitment by the builders. If we picked only one software to use tomorrow, we would still see variations in scores. It's not that software accuracy isn't important - it's just not going to be the complete solution to the variation issue.
- Agreed, but I don't think that this necessarily causes a tension between Board members. Software is an extremely complicated topic and the Board has fairly considered options for improving the situation. However, it seems like there is no simple or particularly good solution that does not put the Board in a significant financial obligation and/or one with significant liability.

## Issue 12

Up until the last 2 or 3 years, staff and Board have acted as a cohesive unit. Staff has always welcomed fresh ideas and suggestions for improvement from Board members, committees or the entire board. It seemed we were all pulling together. We solved many problems by working together. It was very enjoyable and meaningful work. Now it seems a Board member offers ideas or suggestions as accusations and sometimes use surrogates to do the same.

Average      0.55

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
4	7	7	0	2

## Comments

- This concern is important to the trust and cohesiveness of RESNET and to our ability to meet our mission and goals. We need to find a way to come together and work for the good of RESNET, our mission, and our community.
- This should be discussed
- There often times do appear to be some sabatours among us.
- I agree that this is a problem - but I don't think it's a Board (as a whole) problem - I think that it is particular person(s) on the board.
- I also recall when the Board and staff worked more cohesively. I believe that a real change occurred at the Fall Board meeting in New Orleans in 2015. In fact, I will be so bold as to point out the exact moment that I believe it happened. It was when Brett Dillon was talking and Steve Baden kept interrupting Brett as he was was talking. While this is not unusual for Steve to do, and Brett certainly had experienced this before, he was fed up and pushed back, rather harshly. It was a moment of great tension in the meeting and from that point forward, after the Board meeting and everyone continued about their business, Brett continued to be more outspoken and aggressive and Steve became even more defensive to anything that not only Brett said, but others said, which was perceived or actual criticism. When things turned personal, or were taken as such, it became, and is, much more difficult to retract individuals from the negative situation.

### Issue 13

Rather than a direct contact with a staff member, as had been done in the past, there seems to be a campaign started about the staff being incompetent.

Average 0.70

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
4	8	6	2	0

### Comments

- I can only speak for myself on this concern, but I have been personally, verbally attacked by a Board member, and at the time, I let it go and did not share my concern. It made me feel unimportant, inept, and isolated. Now that I know other Staff had similar issues, I hope we can all move beyond these petty, harmful comments, see all our strengths and contributions, and move forward as a Team of Board and Staff together.
- Really centered on one board member

- This may only apply to a few board members but it does relate to disharmony and mistrust among Board members and staff
- I would not refer to what I have witnessed as board members feeling the staff is incompetent. What I have witnessed is a lack of respect for the staff and a lot of puffing and using big words that do not get your point across. I have witnessed anger being carried from one meeting to another with no resolve and I do not understand why. Resolve your issues and move on.
- This seems to be speculation based on emotion but if there is actual fact associated with the statement, it is problematic.
- Again - not a whole board issue.
- I believe that handling things one-on-one and direct is the very best way to resolve conflict. Going outside the Board-staff relationship makes things much more complicated, causes greater angst and mistrust, and is not good for the organization. I always want to know what caused the Board member(s) to stop having direct contact with staff and understand if the reason could have been addressed by one side or the other or both. If there are weaknesses in staff, then the Board should look for ways to shore up those weaknesses. Where possible, this should be a collaborative discussion with staff, but staff has to be open to the discussion and sincerely willing to listen and take steps to improve their situation. If they are in denial, then there may be a true problem with staff. The Board will have to be the judge of this.

#### Issue 14

It is disappointing to see broad statements made publicly that may contain a seed of reality but is presented as a complete and absolute truth. I wonder what new people in the industry think when they hear these statements.

Average 0.80

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
6	6	6	2	0

#### Comments

- I feel some of the recent accusations border on libel and slander. We cannot stop people from speaking, but perhaps, we can establish rules for being respectful, following a "chain of command," working from within our organization to address concerns and mistrust, then create an environment of trust so concerns and issues do not become public misstatements. Does RESNET really follow our "Whistleblower Policy"? Maybe we should review it and re-implement it if forgotten. In reality, if we are all of the same mind

to only work for the good of RESNET and for our public, then misstatements, half-truths, and jealousy will have no place in RESNET.

- Really centered on one board member
- New people are confused and feel as though this is a distraction especially if we want to get more builders relying on RESNET for answers for their building science needs and rater needs.
- Yes, it may be disappointing but such is human nature - folks love to complain and many are prone to believe in conspiracies. Unless such statements are coming from Board members, a certain amount of complaining should be expected and some portion of it may even provide for learning and improvement.
- I also wonder what some of our industry stakeholders (appraisers, code officials) think about our disfunction.
- As stated in my response to #13, public statements are not helpful. However, they are possibly a sign of a larger issue either with the Board member that spoke out or the organization for creating a situation where the Board member felt as though they needed to act externally rather than internally.

## Issue 15

Games are played with staff time. Besides waiting until the last minute for needed responses, staff spends hours answering accusatory questions.

Average 0.35

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
2	6	9	1	1

## Comments

- Recently, this has been a time-consuming problem. I don't know if I would term it "games," but Staff time has not been not valued nor respected by some persons. Staff works conscientiously to perform our daily organizational duties, meet the needs of projects and contractors, and to respond to the Board, but when Staff competence and performance are questioned, Staff must respond completely and accurately, and this can be time-consuming (as is this survey).
- Really centered on one board member

- This may only apply to a few board members but it does relate to disharmony and mistrust among Board members and staff
- I am very opposed to the wording of this statement. Oh, oh poor little me. If this is a real problem, then there are obviously specific individuals involved. How many individuals are involved? Are any of them members of the Board?
- I'm not sure that everyone is aware of the amount of time staff spends dealing with unsubstantiated accusations. It's a waste of time and energy.
- I've heard that this goes on and it certainly can be a huge hit to staff morale and productivity, and cause a strong level of mistrust.

### Issue 16

At times morale has been very low. There is the constant worry of an attack over any answer given to a Board member.

Average 0.60

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
4	5	10	1	0

### Comments

- I would say this goes both ways. Since the natural response of the leadership seems to have become a defensive response, it is hard to ask valuable, critical, constructive probing questions and get a thoughtful, productive response.
- There have been times when Board and Staff morale seem low. As a Staff Member, I have worried for the security of my job these last two years as I see the mistrust and accusations grow. I respect this organization as a whole and do not want to see it torn apart nor diminished in its capacity to serve our community and members.
- This may only apply to a few board members but it does relate to disharmony and mistrust among Board members and staff
- I think moral has been low at times, but not for the reason listed. I think morale has been low at times because there is a constant attack by some board members on the staff over unresolved issues.
- Have to assume you are talking about staff morale here and not Board morale.

- Again - I'm not sure if there's general knowledge at the Board level as to how staff is feeling.
- I can understand this. It has unfortunately caused staff to look at even legitimate questions or concerns as an attack.

## Issue 17

Repeated violations of the By-Laws A good example is the Executive Director's appointment of the Nominations Committee members who selected the Board Officer nominees two years ago which led to the public and divisive vote. This hand-selected Executive Committee then performed the Executive Director's annual performance review. These types of actions have been repeatedly taken over the past two years, diminishing this Board's ability to govern..

Average      -0.50

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	4	5	4	6

## Comments

- I do not have the relevant information to form an opinion. If this statement is true, it is concerning.
- I cannot address this issue directly since I am not aware of the specifics, but if our By-Laws or any standing rules are not followed NOR respected by certain Board Members or Staff, then this should be addressed internally and thoroughly, but once a decision is made, then the decision should be accepted, and everyone move forward for the good of the nonprofit.
- The nominations committee referred to was appointed not by the RESNET Executive Director but rather by the Executive Committee in which the person making the statement served on at that time.
- This does not relate to disharmony and mistrust among Board members
- How is this in violation of the by-laws.
- I was on that nominations committee. We nominated people who we thought would perform the duties of the offices well. Nominations were taken on the floor. There was a vote. The problem comes from people not accepting the vote and moving on.

- I think that we need to look again at how the Nominations Committee for the Executive Committee is selected, to ensure that the full Board is OK with the process. I am also concerned that we stopped allowing full Board participation in the review process of the Executive Director. This occurred through the 2013 Board meeting in Orlando, but not since. After 2013, the Executive Committee completed the evaluation, as they had in the past, but I don't recall that it was or has been shared with the Board since then. In 2016, as outlined above, the process did not even operate in normal fashion at the Executive Committee. These are certainly reasons for mistrust.

## Issue 18

Failure to disclose important events / documents to Board of Directors There are many examples of this, but one of importance: the public notice from the California Attorney General that disallowed RESNET's not for profit / tax exempt status (for a month) because RESNET failed to respond to 2 letters from December and February that requested registration information updates. This is an example of information (publicly available on the California Attorney General's Web Site) that should have been shared with the Board of Directors, since there are legal penalties associated with these events.

Average -0.70

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	2	7	2	8

## Comments

- Conflicting information. I cannot distinguish what is true from false to form an opinion.
- I believe Faye's response took care of this.
- This statement is so wrong on so many levels, it is libel and could be construed as slander of RESNET.
- Not a true statement has demonstrated by Kathy Spigarelli's memo to board. Clear example of what leads to mistrust.
- This does not relate to disharmony and mistrust among Board members and all information about this issue was given to board members
- I personally looked into this example when it came up. RESNET staff did everything reasonably possible to resolve this bureaucratic government SNAFU.
- This accusation is false.

- The issues described above have been explained by RESNET staff and do not appear to be the problem that was described. However, we know now that some mistakes were made in the handling of matters pertaining to governance and bylaws, which RESNET staff and the Board have been working to correct.

## Issue 19

Concerns about who owns / runs / operates RESNET For years, the 990 federal tax forms annually filed by RESNET, list as a DBA (doing business as) for RESNET the name “Western Residential Energy Services”. Research shows this company is a non-operating Nevada LLC owned by Steve Baden. Why are they listed as a DBA?

Average      -0.90

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
0	3	5	3	9

## Comments

- Again, I do not have a good enough understanding, but we need to clear the air of this issue.
- Once again, this statement is also wrong, and it is not worthy of addressing. This person does not have the facts straight, but more importantly, has no idea how a nonprofit operates. This is a divisive comment, unfounded, and proven by Staff to be wrong.
- False statement as demonstrated in communication from Faye Berriman to RESNET Board. Another example of what is leading to mis-trust
- This does not relate to disharmony and mistrust among Board members. This topic has also already been explained to the board of directors
- BS in my opinion. I do not think there is one iota of credible evidence that RESNET is not exactly what it claimed to be and what it's incorporating documents claim it to be.
- If this is a concern, then ask for an explanation in a professional, productive, and non-combative way.
- RESNET staff has addressed the questions raised in this point. There does not appear to be any issue.

## Issue 20

Board of Directors “vote stuffing” concerns Mark Jansen has publicly bragged about using his “political machine” to get his “boys” (he named Bob Eipert and Matt Gingrich) elected to the Board. Matt Gingrich currently serves on the Executive Committee as secretary. After he retired, Mark was brought back to the Board and now sits on the Executive Committee without having been elected to that committee by the Board of Directors.

Average -0.85

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	3	3	4	9

### Comments

- Once again, I am not in a position to know the particulars, but I do know Mark Jansen and saw that he has served RESNET selflessly and honorably for many years. Are we truly considering wasting time on a slanderous comment such as this?
- False statement as demonstrated in Mark Jansen's communication to the board. Board members should not attack the integrity of other board members by name. Another example that leads to mistrust.
- A response to this comment from Mark Jansen has already been submitted
- It is not professional to bash, call someone out or discredit a board member in such a way. If there was any concern, this should have been addressed with the staff and Mark. We need to learn and grow from this form of bullying.
- These individuals elected legitimately by those who they represent.
- This accusation is ridiculous and disgusting.
- Mark Jansen working to elect Board members that he favors is not an issue of concern. It's just politics, and nothing that Mark should have to apologize for. I did express concerns to Roy Honican and Steve Baden about Mark assuming a role on the Executive Committee once he was back on the Board, specifically that it was a perfect example of handling things in a way that will cause mistrust. I told Roy and Steve that only the Board has the authority to elect members of the Executive Committee and, even if they continued to insist that Roy could appoint Mark to the Executive Committee, he should seek approval from the Board so that there was buy-in on the decision and it was not done "in the dark of night." As it is, the Board was not informed that Mark was even on the Executive Committee. I did not find out until reading minutes from the Executive Committee at a Board teleconference.

## Issue 21

Suppression of Dissent There are multiple examples. How about a “Letter of Reprimand” from the Executive Committee that is not authorized by the By-Laws of the Organization, fails any test of due process and has a questionable cause of action. Raters / Board Members who do not “take the company line” are (repeatedly and publicly) punished as examples for others to not dissent.

Average      -0.65

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
2	3	3	4	8

### Comments

- RESNET has many ways for Staff and Board to express concerns and follows Robert Rules of Order and even offers reconsideration on dissent comments for every non-unanimous vote by the Board. Minutes properly reflect the activities of the Board. RESNET must have a way to address any Staff or Board member constant disruption to the good of RESNET, including frivolous accusations. Not every action taken by a Board must come under the By-Laws. Standing Rules and procedures to address issues must be developed to address new, complex problems. A Letter of Reprimand is an item that not be specifically addressed in By-Laws.
- The reprimand from the Executive Committee was for making public statements to the media as a board member against a board adopted policy that is in RESNET's standards.
- I do NOT agree with this statement but perhaps it should be discussed at the meeting if several board members agree it is a reality
- If you represent a body of work, why would you speak poorly about that body of work in a public setting? If you have a negative opinion that should be discussed within the organization.
- I do not believe that dissent among Board members is suppressed. If it is, who is doing the suppressing. Haven't yet identified the strong man dictator.
- Board members have the opportunity to express their consent through Board communications. They can also work to help resolve any issues. A board member publicly disparaging RESNET is a violation of the code of ethics.
- Brett's actions outside of the Board were not helpful to RESNET. As stated in my response to question 13 and 14, matters should be handled internally. However, taking

the serious step of reprimanding a member of the Board should include greater effort to understand the reasons why the Board member felt it necessary to speak out publicly.

## Issue 22

Loss of Confidence in Standards Development Independence Our Executive Director had the non-ANSI Policy & Procedures Manual changed so that committee members are nominated by the ED instead of the Committee Chair, leading to undue influence over the standards development process.

Average -040

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	3	8	3	5

## Comments

- Concerning if true, but I have no information on this.
- I am not qualified to address this concern.
- Only the RESNET Board of Directors can change the non-ANSI Standards Policy & Procedures Manual. The person making the statement actually voted to adopted the policy and procedures. Proposed manual jointly developed by chairman of the SMB and the RESNET Standards Manager. Example of what leads to mistrust between staff and board
- This does not relate to disharmony and mistrust among Board members
- Totally disagree here. Standards making has dramatically improved over the past few years thanks to the efforts of RESNET Standars Manager and staff.
- If there are concerns - bring them up in a professional and productive way instead of just making accusations.
- RESNET staff did not respond to this particular accusation from Brett. If this is factually true, then I have concerns and I can see how this move would cause mistrust.

## Issue 23

Loss of Confidence, Creation of Mistrust, Continuation of Disharmony and failure to “come together” We have removed board member’s ability to effectively govern. We have increased the ability of the ED and the Executive Committee to “stuff the Board” and to “control the standards process”. We have effectively demonstrated that we will “censure and publicly punish” those who do not go along. The Board does not have all relevant documents (examples abound as noted above). The ED and the Executive Committee systematically violate our bylaws.

Average      -065

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
0	5	4	4	7

### Comments

- This concern sounds to me like the comment of one person summarizing all his/her accusations, all of which have been proven unfounded. This Board remains a strong, viable, effective Board, and RESNET has passed reviews and audit of independent CPA firms. At no time has RESNET ever lost its exemption, and the nonprofit has continued to grow in accomplishments and in financial stability. This comment appears to be stated to cause invalid, harmful mistrust and to be inflammatory to our nonprofit.
- False statement. The RESNET Board and Executive Committee have faithfully followed RESNET By-Laws. The RESNET Executive Director nor the Executive Committee and standard development authority. Only the RESNET SMB has that authority. The RESNET Board is responsible to appointment of members of the SMB
- I do NOT agree with this statement but perhaps it should be discussed at the meeting if several board members agree it is a reality
- Where is the evidence?
- The Executive Committee keeps meeting minutes which are published. Please give specific examples of any by-laws that were violated or I, for one, can't take this accusation seriously.
- I believe that the Board had a good opportunity to put in place a new structure for improving governance if we would have adapted Steve Byer's recommendations for a Governance Committee to what the Board thought was appropriate and acceptable rather than throw out the entire document/recommendation. I believe that the recommendation asked too much, too fast, which was perhaps a flaw, but did not need to be a fatal flaw if the Board had taken the opportunity to cut it back to something more acceptable.

## Attachment C

<http://www.carvergovernance.com/pg-np.htm>

It is highly recommended that everyone read the entire article. Although this is one model of Board Governance, and there are many others, the main principles are applicable and provide a framework for discussion for the RESNET Board.

Carver's Policy Governance® Model in Nonprofit Organizations

by John Carver and Miriam Carver

This article was originally published as "Le modèle Policy Governance et les organismes sans but lucratif" in the Canadian journal *Gouvernance - revue internationale*, Vol. 2, nos. 1, Winter 2001, pp. 30-48.

This documents contains highlights from the first part of the article with references to RESNET governing issues.

*Text in blue and italics are not part of the original article. It is added for clarification because the article has been heavily edited in order to condense the material.* Plain blue text is for ideas that directly related to RESNET that the Board should consider, but were not part of the original article.

Text in red is from the original article, but highlighted to bring attention to it.

The original RESNET Board model:

“.. a dedicated group of activists served as both board and staff when the organization was a "kitchen table" enterprise. Board members are usually intelligent and experienced persons as individuals.”

- From RESNET’s inception until the last 5-6 years, the Board consisted mostly of Raters and Providers. Board members were chairs of all of the committees and were very active in the day to day issues of running RESNET. RESNET staff was minimal. When RESNET became an ANSI Standards making organization and recognized in building energy codes including the International Energy Conservation Code, there was a fundamental shift of how the Board was organized, and what the function of the Board was. Both of these key shifts were intentional and approved by the full RESNET Board of Directors.

RESNET is evolving:

Simply put, the board exists (usually on someone else's behalf) to be accountable that its organization works. The board is where all authority resides until some is given away (delegated) to others. This simple total authority-total accountability (within the law or other external authorities) is true of all boards that truly have governing authority.”

The Policy Governance model requires that boards become far more enlightened and more competent as groups than they have been. If that means losing some board members as the composition of boards goes through change, then the world will be the better for it. The Policy Governance model is not designed to please today's board members or today's managers. It is designed to give organizations' true owners competent servant-leaders to govern on their behalf.

#### **Board as Owner-Representative and Servant-Leader**

In the business sector, we can easily see that a board of directors is the voice of the owners (shareholders) of the corporation. It is not always apparent that nonprofit organizations also have owners. In neither trade associations nor community agencies is there is a legal equivalent of shareholders, but there is a moral equivalent that we will refer to as the "ownership." ... Looking at ownership in this very basic way, it is hard to conceive of any organization that isn't owned by someone or some population, at least in this moral sense.

The Policy Governance model conceives of the governing board as being the on-site voice of that ownership. Just as the corporate board exists to speak for the shareholders, **the nonprofit board exists to represent and to speak for the interests of the owners.**

- Who are RESNET’s owners? During the early years, RESNET represented the Raters and Providers, and sometimes the interests of the builders. However, as an ANSI Standards making organization, RESNET has a much broader “ownership” or what we normally call our stakeholders. The Board decision making process now needs to include this broader group of owners.

A board that is committed to representing the interests of the owners will not allow itself to make decisions based on the best interests of those who are not the owners.

We are not saying that current consumers are unimportant, nor that staff are unimportant. They are critically important, just as suppliers, customers, and personnel are for a business. It is simply that those roles do not qualify them as owners. They are due their appropriate treatment. To help in their service to the ownership, Policy Governance boards must learn **to distinguish between**

**owners and customers**, for the interests of each are different. It is on behalf of owners that the board chooses what groups will be the customers of the future. The responsible board does not make that choice on behalf of staff, today's customers, or even its own special interests.

Who are the owners of a nonprofit organization? For a membership organization, its members are the owners. For an advocacy organization, persons of similar political, religious, or philosophical conviction are the owners. There are many variations. ... what does the community want the organization for?

- RESNET was originally a quasi trade organization
- RESNET is now more of a community organization – i.e. the energy efficiency community
  - o Providers & raters
  - o Builders
  - o Suppliers
  - o Code Officials
  - o Appraisers
  - o Utilities
- Raters and Providers are critical to RESNET, but RESNET now also needs to address the needs of Builders, Suppliers, Code Officials, Appraisers and Utilities. And, although the decision to become an ANSI standards making organization and to be part of the Energy Code was well-thought out and intentional from a strategic standpoint, the Board never really took the time to reflect on what those changes would mean to the culture and organization of the Board.

Traditionally, boards have developed their relationships largely inside the organization—that is, with staff. Policy Governance demands that boards' primary relationships be outside the organization—that is, with owners. This parallels the concept of servant leadership developed by Greenleaf (1977, 1991), in that the board is first servant, before it is leader. It must lead the organization subject to its discoveries about and judgments of the values of the ownership. It is the board as a body (*not individuals*) that speaks for the ownership, not each board member except as he or she contributes to the final board product. ..Hence, board practices must recognize that it is the board, not board members, who have authority.

**The board speaks authoritatively when it passes an official motion at a properly constituted meeting. Statements by board members have no authority. In other words, *the board speaks with one voice or not at all.* The "one voice" principle makes it possible to know what the board has said, and what it has not said. .... "One voice" does not require unanimous votes. But it does require all board members, even those who lost the vote, to respect the decision that was made. Board decisions can be changed by the board, but never by board members.**

This calls upon the board to be very clear about its expectations, to personalize the assignment of those expectations, and then to check whether the expectations have been met. Only in this way is everyone concerned clear about what constitutes success and who has what role in achieving it.

We recommend that the board use a single point of delegation (*the CEO or Executive Director*) and hold this position accountable for meeting all the board's expectations for organizational performance. The board, in effect, has one employee.

The board creates the CEO; the CEO does not create the board. As the board contemplates its accountability to the ownership, it decides that creating a CEO role will be a key method in

fulfilling that accountability. It is true that a founding father or mother will sometimes be the inspiration for a new organization, so that the board then created occurs after rather than before the founder. If the founder becomes the new CEO, it will seem that the CEO is parent to the board. Boards established in this way make a grave error when they mistake an accident of history for a proper view of their accountability. The CEO role, as such, is even in these cases created and governed by the board (see Carver, 1992).

Consequently, in every case, the board is totally accountable for the organization and has, therefore, total authority over it—including over the CEO. We can say that the board is accountable for what the CEO's job is and that the CEO do the job well. But we cannot say the CEO is accountable for what the board's job is and that the board do its job well.

We have said being accountable in leadership of the organization requires the board (1) to be definite about its performance expectations, (2) to assign these expectations clearly, and then (3) to check to see that the expectations are being met. Traditional governance practices lead boards to fail in most or all of these three key steps.

Board expectations—which are instructions—when they are stated at all, tend to be unclear, incomplete, or a mixture of whole board and individual board member expressions. Board members form judgments of staff performance on criteria the board (as a whole body) has never stated. Regular financial reports report against few or no criteria. Staff members can be seen taking notes of what individual board members say, as if it matters and as if they work for the board members rather than the CEO. Boards decide whether CEO's budgets merit approval when they have never stated the grounds for approval and disapproval. Virtually every board meeting—other than in Policy Governance boards—is testimony to carelessness of delegation and role clarity.

Boards have had a very hard time knowing what to control and how to control it. Policy Governance provides a key conceptual distinction that enables the board to resolve this quandary. **The task is to demand organizational achievement in a way that empowers the staff, leaving to their creativity and innovation as much latitude as possible.** This is a question of what and how to control, but it is equally a question of how much authority can be safely given away. We argue that the best guide for the board is to give away as much as possible, short of jeopardizing its own accountability for the total.

What is there to control? In any organization, there are uncountable numbers of issues, practices, and circumstances being decided daily by someone. The Policy Governance model posits that all of these decisions can be classified as those that define organizational purpose, and those that don't. But the model calls for a very narrow and careful definition of purpose: it consists of what (1) results for which (2) recipients at what (3) worth.

- a. Using input from the owners, staff, experts and anyone in a position to increase the board's wisdom, the board makes ends decisions in a proactive, positive, prescriptive way. We will call the board documents thus produced "Ends policies."
- b. Using input from whoever can increase board wisdom about governance, servant leadership, visioning, or other skills of governance and delegation, the board makes means decision about its own job in a proactive, positive, prescriptive way. We will call the board documents thus produced "Governance Process policies" (about the board's own job) and "Board-Staff Linkage policies" (about the relationship between governance

and management). Both of these categories are means, but they concern means of the board, not the staff.

- c. Using input from whoever can increase its sense of what can jeopardize the prudent and ethical conduct of the organization, the board makes decisions about the staff's means in a proactive, but negative and boundary-setting way. Because these policies set forth the limits of acceptable staff behavior, that is, the unacceptable means, we will call the board documents thus produced "Executive Limitations policies."

## Attachment D



Setting the Standards for  
Home Energy Efficiency

### **RESNET Staff Proposed Activities to be Supported Through RESNET 2018 Budget Request**

#### **RESNET Staff's Proposed 2018 Goals**

- **RESNET and HERS Raters Recognized as the Gold Standard for Measuring and Labeling Home Performance**
- **Maintain and Enhance Credibility of HERS Index Scores Through Robust Quality Assurance**
- **Adopt Water Rating Index American National Standard**
- **Grow Business Development Opportunities for HERS Raters**
- **Increase Demand for HERS Ratings**

#### **2018 RESNET Priorities with Activities**

Priority A

***Setting and Maintaining the RESNET Standards of Quality as the Gold Standard for Home Performance***

Activities:

1. Ensure RESNET standard development process complies with ANSI process
2. Support RESNET Standard Management Board (SMB) evaluation of New Standards and Standard amendment proposals for consistency with RESNET goals, objectives and policies for potential New Work Items (NWIs)
3. Initiate development of a New RESNET/ACCA American National Standard for

## HVAC system installation evaluation

4. Integrate the mid/high-rise Multi-Family/attached dwelling unit project developed criteria into Standard ANSI/RESNET/ICC 301
5. Make RESNET standard development process more transparent by notifying target audiences via e-mail on standard updates and posting on RESNET website
6. Administer RESNET standard amendment public review and comment process
7. Development of the Candidate ANS Water Rating Index Standard
8. Develop amendments to incorporate Standard 380 into the IECC for duct leakage testing
9. Work with industry and partners to complete proposed IECC amendments for the ERI compliance path.
10. Design and present new webinar series on new standard amendments and interpretations
11. Support and guide the Standards Development Committees in the development of RESNET MINHERS Standards and ANSI/RESNET Standards
12. Prepare for the 2021 IECC code change by Updating ANSI/RESNET/ICC Standards 301 and 380 proposal by January 2019
13. Support updating of RESNET MINHERS Quality Assurance Standards
14. Conduct the 5 year Update of Standard ANSI/RESNET/ICC 301
15. Initiate an Update of the RESNET MINHERS Technical Standards (Chapter 1, 3, 5, 6, 8, Appendix A & Appendix B. Also, Chapter 5 is so out of date it needs to be revised ahead of the others)
16. Formally revise the policy on RESNET MINHERS Standards publication to make the Continuous Maintenance version the “official version”
17. Submit to RESNET Board of Directors consideration of developing a Cost Based Rating Index
18. Secretariat support for Standards Management Board and Standard Development Committees
19. Host Annual Standards Management Board face to face meeting and a teleconference

#### Priority B

#### ***Maintaining the Credibility of HERS Ratings and HERS Raters—Sustaining and Enhancing the Quality of HERS Ratings***

##### Activities:

1. Increase RESNET oversight of Rating Providers
  - a. Complete in-field monitoring and mentoring of Quality Agents (25% of all Providers)
  - b. Complete enhanced remote monitoring and mentoring of Quality Agents (25% of all Providers)
2. Work on the enhancing of software consistency
3. Review and approve Provider accreditation and renewal applications
4. Perform 100% review of Rating Provider Quality Assurance Reports

5. Investigate Compliance complaints
6. Manage Provider disciplinary actions
7. Train all Quality Agents
8. Develop proposal on how to capture energy code and utility program compliance work done by raters, where a rating is not being completed
9. Develop and present Webinar Series on Findings from QA Genie
10. Implement QA File and Field Review Checklist
11. Use QA Genie to determine training needs by region, provider, and nationally
  - a. Deliver targeted, needs-based training to raters and Quality Agents via webinar, regional conference sessions, and at the RESNET Conference
12. Refine and Publish Remote QA Protocols & Best Practices
13. Deliver "State of Industry" report on RESNET QA of Providers (to include details on #of providers receiving enhanced QA, examples (names removed) of providers facing disciplinary actions)
14. Review and approve Quality Agent and Rater Instructor accreditations and renewals
15. Coordinate with EPA on quality assurance
16. Maintain the content and integrity of RESNET National Certifying Tests

Priority Priority C

***Enhancing the Transparency of HERS Ratings: RESNET National Registry as a Tool for Quality Assurance and Research***

Activities:

1. Track Quality Assurance File and Field Reviews in the Registry
2. Continue to host and maintain the RESNET National Registry
3. Extract Data for Quality Assurance, Billings and Analysis
4. Develop strategy for using registry data to increase adoption of ERI compliance path, drive energy efficient construction practices and encourage builders to get their homes HERS Rated
5. Create a Public Search for RFIs like we have for Raters

Priority Priority D

***The RESNET Web Site - Our Face and Touchstone: Improving the User Experience***

Activities:

1. Continue to host, support and maintain all websites in RESNET's domain
2. Enhance web sites to be sharper and create better user experience
3. Improve organization and search functionality and provide more targeted content for specific audiences

4. Offer new community based tools to build upon the RESblog, such as listservs, podcasts, to encourage feedback and interaction
5. Track activity to analyze traffic and audience engagement
6. Make RESNET branding consistent- standardize for same logos, font, colors, etc. across all marketing platforms

#### Priority E

### ***Growing the Demand for HERS Rating Services Through Marketing and Advocacy***

#### Activities:

1. Continuous improvement in communications with the following:
  - a. RESNET Board
  - b. Rating Industry
  - c. Energy Smart Builders
  - d. Suppliers Advisory Board
  - e. Code Officials
  - f. Appraisers
  - g. MLS and REALTORS
  - h. Emerging leaders
2. Develop RESNET HERS Associate online training
3. Work with states and local jurisdictions to get the ERI adopted
4. Work with data aggregators to allow the auto-population of HERS Index scores into local MLSs.
5. Renew partnership with ICC and continue to encourage raters to take the IECC Residential Energy Inspector Certification
6. Promote the Appraiser Portal
7. Expand industry partnerships to drive demand
8. Develop an interactive display for expo booths and conferences to demonstrate how the HERS index works
9. Develop and launch a HERS education campaign targeted at REALTORS
10. Develop fact sheets and other materials to help code officials understand the HERS Index and ensure homes using the ERI path are receiving a confirmed rating.
11. Engage in Home Builders Conferences at Expos and other industry events
12. Advocacy of federal initiatives
13. Develop Additional Marketing Resources and Update Existing Brochure
14. Grow earned media and paid media reach
15. Develop videos, infographics, fact sheets and other materials to explain and promote the value of the HERS Index and HERS Raters
16. Develop resources for raters and builders to use to promote HERS
17. Grow membership in EnergySmart Builders, Suppliers Advisory Board, Emerging Leadership Council, and HERS Associates via new resources, webinars, and improved communications

#### Priority F

## ***Building Cohesion in the HERS Industry through the RESNET Building Performance Conference***

Activities:

1. Coordinate, recruit and develop sessions, and market annual Building Performance conference
2. Offer IECC certification exam at the 2018 pre-conference
3. Recruit New Sponsors and Exhibitors
4. Investigate the creation of a scholarship program for the conference
5. Prepare for the 2019 Conference in New Orleans
6. Select site for 2020 Conference

Priority Priority G

## ***Improving Home Performance Through RESNET Water Efficiency Rating (WER) INDEX and HERS Program Delivery***

Activities:

1. Trademark WER INDEX
2. Work with software developers to create WER INDEX calculation software
3. Launch pilot project for WER INDEX
4. Develop WER INDEX training and education program for raters
5. Create marketing plan and materials to promote WER INDEX to builders and raters
6. Draft standards for certification of individuals to label a home with the WER INDEX
7. Highlight new ideas or products that improve energy efficiency from our Suppliers Advisory Board.
8. Support development of HVAC Quality Install inclusion in HERS Index
9. Develop SDC-200 and multi-family/attached dwelling unit Task Force to establish training needs (KSA) for raters to deliver HERS Index on mid-rise and hi-rise buildings

Priority H

## ***Maintaining RESNET Financial and Management Integrity and Sustainability***

Activities:

1. Manage assets, liabilities, and cash flows
2. Investigate new revenue streams to make the organization less susceptible to potential industry disruption
3. Continue annual audits and meeting government requirements for reporting and sharing financial information to continue transparency and confidence in reporting

4. Supervise growing number of employees
5. Hire new employees and conduct orientation
6. Provide monthly internal financial reports
7. Administer contracts
8. Prepare federal and state income tax returns and accompanying reports
9. Create a work plan for 2019
10. Prepare and manage 2019 budget
11. Host two face to face RESNET Board of Directors meetings
12. Support RESNET Board of Directors Executive Committee
13. Update employee manual
14. Manage RESNET insurance coverage and employee benefits



Setting the Standards for Home Energy Efficiency

## Attachment E

# RESNET Board of Directors Briefing Paper on RESNET Board Executive Committee’s 2018 RESNET Operating Budget Request

### I. Introduction

For Fiscal Year 2017 the RESNET Board adopted a bold budget that has expanded RESNET’s ability to meet the growing opportunities for RESNET and the HERS industry. It initiated a flat \$7.50 fee per HERS Rating entered into the registry. We are not requesting any fee increases for 2018.

The board approved the following budget for RESNET in 2017:

Payroll	\$1,015,000
Professional Services	\$1,022,000
Travel	\$ 90,000
RESNET Conference	\$ 260,000
Other	\$ 113,000

Total Budget Authorization                      \$2,500,000

Contingencies    \$295,000

**Total Approved Budget**    **\$2,795,000**

In 2018 the RESNET Executive Committee is not requesting an increase in the approved \$7.50 per rating fee. An increase is being requested for three additional efforts:

- Enhanced RESNET Quality Assurance Oversight
- Addition of Administration Management Position
- Development of Online RESNET Associate Training

### II. Essential Activities of RESNET

In 2017 the RESNET Board Executive Committee identified the following as RESNET’s essential activities:

1. **Standards Development** – RESNET is recognized for the standards it develops and HERS credibility is based on the technical basis of its consensus based standards. The rating industry, home builders, utilities, program

sponsors, code officials and other RESNET stakeholders depend on RESNET's standards. All business models of the HERS industry are built on our standards.

2. **National Registry** – The registry is the hub of rating activity. A home must be entered into the registry in order to print the HERS score and reports. The new QA Genie will be fed from the registry. The data contained in the registry is invaluable for analysis, RESNET billings, reporting to policy makers and for the real estate industry to find rated homes. The RESNET registry will be essential to RESNET's relationship with the Appraisal Institute. Residential real estate appraisers will be dependent on the registry in crediting a home's HERS Index Score in the appraisal.
3. **Quality Assurance** – The end users of HERS ratings (builders, program sponsors, suppliers, etc.) rely on the national consistency of ratings. The RESNET Board has adopted an ambitious policy on enhancing the national consistency of HERS Index scores.
4. **RESNET Web Site** – RESNET's web site is the face of RESNET. It is the touchstone for our industry. The rating industry relies on the site to find standards, interpretations, programs and policies. Consumers use the site to understand the HERS Index, find raters and RESNET Energy Smart Builders.
5. **Marketing and Advocacy** – Marketing is essential in educating consumers, builders, program sponsors, suppliers and stakeholders on the HERS Index and drive demand for RESNET professionals. RESNET has a representative in Washington that looks out for RESNET's interests to the White House, Congress and federal agencies.
6. **Annual RESNET Conference** – The RESNET Conference is vital to RESNET both in terms of its financial solvency, building cohesion in the industry and providing the cutting edge information affecting HERS ratings.
7. **RESNET Water Efficiency Rating (WER) Index and Program Delivery** – For the past three years the RESNET Board has identified the development of a WER Index as a priority.
8. **Administration and Management** – These activities are required to keep the organization operating.

This briefing paper will allocate the proposed budget for 2018 among the essential activities.

The RESNET Board Executive Committee will separately be submitting a proposed 2018 essential activities work plan.

### III. Estimated RESNET Revenue for 2018

RESNET Conference	\$ 550,000
Rater Provider Accreditation Fees	\$ 175,000
Rater Provider Quality Assurance Fees	\$1,545,000
All Other Provider Accreditation Fees	\$ 125,000
Suppliers Advisory Board Memberships	\$ 160,000
Membership Fees	\$ 85,000
<b>Total Projected Income</b>	<b>\$2,840,000</b>

### IV. Proposed 2017 RESNET Operating Budget

#### Standards Development

**2017 Budget Base - \$155,000**

Annual ANSI membership

Professional Services: \$145,000

- Standards Manager (Rick Dixon)
- Standards Administrative Assistant (Emma Bennett)

#### Quality Assurance

**2017 Budget Base - \$375,000**

Payroll

- RESNET Director of Accreditation and Quality Assurance (Laurel Elam)
- RESNET Quality Assurance Manager (Scott Doyle)

Professional Services: \$135,000

- Contract with EnergyLogic for QA Genie
- Psychometrician consultant to review RESNET HERS Rater tests  
Travel
- Other Professional Services Support—TBD part-time field QA contractor

**Additional New for 2018 - \$90,000**

Payroll

- RESNET Field QA Specialist - to be recruited

This amount would enable RESNET to conduct in-field quality assurance oversight on 50% of RESNET Quality Agents every year and provide consistent training to all RESNET Quality Agents in 2018. These activities would be accomplished by adding one full time staff member. Included in the base funding is the addition of one contractor to the Quality Assurance team. Travel is also covered in the base amount.

#### National Registry

**2017 Budget Base - \$150,000**

Professional Services

- Registry data base manager (Jonathan Martin)
- Server Hosting/Maintenance/Support
- Other Professional Services Support - TBD

## **RESNET Web Site**

**2017 Budget Base - \$ 90,000**

### Professional Services

- Server Hosting/Maintenance/Support
- Other Professional Services Support - TBD

## **Marketing and Advocacy**

**2017 Budget Base - \$540,000**

### Payroll

- Director of Communications (Valerie Briggs)

### Travel

### Professional Services: \$300,000

- Federal Advocacy (Carl Chidlow, Winning Strategies)
- Implementation of Marketing Plan
  - o Builder Campaign
  - o Water Index Campaign
  - o Adoption of Energy Rating Index Option Campaign
  - o REALTOR/MLS campaign
  - o HERS Associate Campaign
    - Updates of Web Site to Reflect themes of Campagaigns
    - Trade Advertising
    - New Collateral Materials

## **Conference**

**2017 Base Budget - \$260,000**

## **RESNET Water Efficiency Rating (WER) Index and Program Delivery**

2017 Budget Base - \$199,000

### Pay Roll

- Director of Programs (Ryan Meres)

### Professional Services: \$50,000

- Support services -- TBA

### Travel

**Additional New for 2018 - \$20,000**

### Professional Services

- Development of HERS Associate Online Training Course

The HERS Associate is a priority of the RESNET Suppliers Advisory Board and was adopted by the RESNET Board of Directors. RESNET has developed the learning objectives for the certificate but there has been a lack of interest by organizations to offer the course. RESNET would release an RFP for development of an online course to be provided by RESNET to interested parties.

## **Administration and Management**

### **2017 Budget Base - \$731,000**

#### Payroll

- Steve Baden, Executive Director
- Kathy Spigarelli, Deputy Director
- Faye Berriman, Controller

#### Travel

#### Other

- Financial Audit

#### Professional Services: \$15,000

- Support Services -- TBA

### **Additional New for 2018 - \$105,000**

#### Payroll

- RESNET Operations Manager – To be recruited

The addition of RESNET staff and programs approved by the RESNET Board for 2017 has considerably added to the administrative and management duties of the RESNET Deputy Director. RESNET is in need of a day to day operations manager. This position would allow the Deputy Director to not be restricted by the time constraints of daily operational demands and allow more time for the participation in the growing number of RESNET initiatives and supervision of increased staff.

## **Budget Summary**

Base Budget Total: \$2,500,000

Additional New:

### **Quality Assurance**

#### Payroll

RESNET Field QA Specialist \$90,000

### **Program Delivery**

#### Professional Services

Development of Online HERS Associate Training \$20,000

Associate Training

### **Administration and Management**

#### Payroll

RESNET Operations Manager \$105,000

**Total Budget Request: \$2,715,000**

**V. RESNET Board Executive Committee Recommendation**

Payroll	\$1,210,000
Professional Services	\$1,031,000
Travel	\$ 100,000
RESNET Conference	\$ 260,000
Other	\$ 114,000

<u>Total Budget Authorization Request</u> <u>(Includes "Additional New" requests)</u>	<u>\$2,715,000</u>
--	--------------------

Contingencies	\$ 125,000
---------------	------------

<b>Total Budget Request</b>	<b>\$2,840,000</b>
-----------------------------	--------------------

## Appendix F

**RESNET Board Policy  
013 Electronic Voting  
Adopted February 6, 2011  
Modified on xxxx, 201x**

The RESNET Board has adopted the following procedures for RESNET electronic ballots:

- **Members are not to copy the rest of the board or the committee on their electronic ballot votes** - Electronic ballots shall stand on their own. Because electronic voting takes place over a number of days, copying other members with a vote and comments is seen as an undue influence on the electronic voting process. RESNET staff will send electronic ballots in a form that does not permit the reply to all option.

In order to give proper consideration to a member who votes in the negative on an electronic ballot, the following procedures will be followed:

- **If a member (or members) votes in the negative on an electronic ballot and provides reason(s) for their negative vote** - a reconsideration ballot will be circulated specifying the reason(s) for the negative ballot(s) allowing all members a single opportunity to change their original vote. Members shall be given a minimum of 5 working days to respond to the reconsideration ballot. If members do not respond to the reconsideration ballot within the allotted time, their original vote shall stand.



