



Setting the Standards for Home Energy Efficiency

## RESNET® Board of Directors Meeting Minutes October 17<sup>th</sup>, 2023

Board Members Present	Board Members Absent	Staff Present
Sandy Adomatis Lindsey Elton Philip Fairey Matt Gingrich David Goldstein John Hensley Leo Jansen Mark Johnson Cy Kilbourn Abe Kruger Chris McTaggart Robert Pegues Jonathan Risch Brian Shanks	Jacob Atalla David Beam Emilie Glitch Curt Rich Clayton Traylor	Steve Baden Emma Bennett Scott Doyle Laurel Elam Billy Giblin Clara Hedrick Cardice Howard Ryan Meres Noah Kibbe  <b>Guest Present:</b> Lily Jensen, Kroll, Inc. John Senkovich, Kroll, Inc. Jen Wasilak, Kroll, Inc.

### Call to Order

The meeting was called to order by Mark Johnson, RESNET® Board President at 2:03 p.m. Eastern Time.

### Roll Call

As Philip Fairey, RESNET Board Secretary, was temporarily absent, Clara Hedrick called roll and a quorum was present.

### Approve Agenda

John Hensley moved to approve the draft agenda. Cy Kilbourn seconded the motion. Motion passed by voice vote.

### RESNET® Anti-Trust Policy

As Curt Rich was absent, Mark Johnson reviewed the RESNET® anti-trust policy which was included in the meeting packet.

## **Approval of Draft August 29, 2023, RESNET® Board Meeting Minutes**

Leo Jansen made a motion to approve the draft August 29th, 2023 meeting minutes that were included in the meeting packet. Brian Shanks seconded the motion. Motion passed by voice vote.

### **RESNET® Cyber Security Risk Assessment**

Cardice introduced the topic.

RESNET® conducted its first cyber security assessment in 2019 following a hack. No subsequent incidents have followed.

RESNET's® most recent assessment was conducted by Kroll, Inc..

John Senkovich, Lily Jensen and Jen Wasilak from Kroll presented the findings of the recent RESNET cybersecurity assessment. In the assessment, Kroll looks for opportunities to increase protection and reduce risk. They speak with RESNET® technical and business groups to provide a perspective from a people-first standpoint.

John Senkovich from Kroll reviewed documentation, policies, and procedures, and conducted extensive interviews with members and stakeholders.

An executive summary was prepared and sent to Board in advance of the Board meeting.

John provided a Global Cyber Thread Landscape which shows that attacker sophistication is increasing.

Mr. Senkovich presented a Threat Matrix that showed threats prevalent to RESNET®. The Matrix shows topics that are not implemented, partially implemented, and fully implemented.

He indicated that the Technical Detail report describes the specific high-risk and priority items for RESNET®'s attention in further detail. The report indicates the highest risks and provides recommendations.

Leo Jansen asked if the scope of this assessment was primarily directed at RESNET® staff or if it extended to outside parties (ex. Raters). There was some discussion around third parties, but the assessment focused and provided recommendations mostly on internal parties.

RESNET's® security program strengths include:

Commercial Antivirus – Sentinel One is installed on all workstations

Privileged Access – use of multi-factor authentication.

Server Protection

## Administrative Access Control

John presented Kroll's top findings and recommendations:

- It is recommended to implement training modules to keep users aware of potential risks and resolutions.
- It is recommended to increase identity management and access control. This can be done by restricting the same password from being used across multiple sites and enforcing multi-factor authentication on all applications.
- It is recommended to increase protective technology by having an immutable (unchangeable) offline backup for critical business information.
- It is recommended to have increased spam filtering.
- It is recommended to increase data security by encrypting hard drives and workstations that store confidential information.
- It is recommended to increase identity management and access control by implementing a web filter to protect end-user workstations while offsite from malicious software.

John reviewed the Security Maturity Framework. RESNET®'s current Maturity is at a Level 1.

The NIST Cybersecurity Framework provides an overview of levels of implementation. Further details can be found in the Technical Details report.

Kroll recommends having an incident response and cyber risk retainer, an annual cyber risk security assessment, CISO advisor services, and a Microsoft 365 email security assessment. The landscape of cybersecurity is always changing and conducting annual assessments can implement new, updated technologies.

The board discussed RESNET®'s overall risk and where, on average, organizations typically land on the overall risk scale. John said that RESNET's® commitment to reviewing their security policies bodes well for the overall security risk going forward.

The board discussed the timeline for improving its security measures. John stated there are small items that can be quickly updated to decrease the overall risk rating. The larger items will take more time.

Now that the recommendations and high-risk factors have been determined, the defined maturity should be the focus of the Board when determining the next steps.

Cardice cautioned that RESNET® should not be complacent with cybersecurity and continue to ensure that its assets are protected.

Cardice proposed that a committee be formed to take Kroll's technical report and work

through all the items, then report any recommendations to the executive committee and full board. This will be accompanied by a request for appropriation of funds to accomplish the determined goals.

The board discussed the composition of this committee. The board agreed that board members should be a part of the committee and additional parties would be included as needed. Steve emphasized that cybersecurity should be treated with a similar level of importance as financial auditing.

Kroll's recommendation for next steps is in line with Cardice's proposal above.

Leo and the board discussed backing up the Registry's data as a safeguard. It was determined that this measure is already in place.

### **California HERS® Index Score Resolution, Steve Baden, RESNET® Executive Director**

In August 2023, RESNET® received a letter stating that RESNET® should not conduct Ratings in California. There was communication back-and-forth, and it was determined that ESG Ratings were not controllable by California law and these Ratings could continue.

There will soon be documentation published that will provide more security for Raters.

Steve is anticipating a complete resolution in the coming weeks.

### **RESNET® 2023 Conference Update**

Cardice gave a report on the current activities regarding the upcoming Conference. Registrations are nearing capacity. Final housekeeping details are being finalized.

RESNET® has met its room block commitment. Those who have not booked hotel rooms can contact the Catamaran directly to ask if accommodation is available. There are alternative hotel options available on the RESNET® Conference webpage. Sponsorship and booths are full.

Congressman Levin, a key player in the Inflation Reduction Act, will be giving a short, recorded presentation. There will also be keynote presentations from the VP of KB Homes, the new Vice President of Leading Builders of America, and the Commissioner of the California Energy Commission.

The board compared this year's numbers to pre-covid amounts. The 2023 conference venue can accommodate 400 and registrations are nearing 400.

## **2024 In-Person RESNET® Board Meetings, Cardice Howard**

The Spring Board meeting will be held on April 3<sup>rd</sup> 2024 in Denver, Colorado. All Board members should have received an email containing meeting information.

The fall Board meeting will occur in Boston, Massachusetts on Tuesday, October 29<sup>th</sup>. Invites and information will be sent in 2024 after the Board elections.

### **New Business**

Chris McTaggart asked how to publicly communicate details on the Justice Department report. RESNET's® legal counsel has recommended not discussing this case outside of what was officially reported by the Department of Justice.

The EPA and RESNET® were both unaware that the Justice Department would be releasing this report.

The timeline of when the Board will be advised on how to communicate that RESNET® has no control of the situation as it is led by the Justice Department.

Philip asked if RESNET® could release a statement clarifying exactly what the Justice Department has said and leaving it at that point. Legal counsel has advised against this.

Philip asked if legal counsel could meet with the Board at an emergency Board meeting. John Hensley made a motion to follow Philip's recommendation to initiate an emergency executive session open to all board members. Cy Kilbourn seconded the motion.

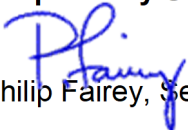
The motion passed by voice vote.

Lindsey Elton asked if this meeting would clarify what messaging the Board can use to answer the questions that RESNET® has encountered. Steve clarified that this would be the desired result of the meeting above and to gain further guidance from legal counsel.

### **Adjournment**

John Hensley made a motion to adjourn. Meeting adjourned at 3:44 PM ET.

**Respectfully Submitted,**

  
Philip Faurey, Secretary