



Setting the Standards for
Home Energy Efficiency



Minutes of RESNET Board Meeting January 20, 2017

Members Present

Jacob Atalla
David Beam
Dave Bell
Steve Byers
Brett Dillon
Bob Eipert
Philip Fairey
Matt Gingrich
David Goldstein
Roy Honican
Cardice Howard
Cy Kilbourn
Abe Kruger
Frank O'Brien-Bernini
Nancy St. Hilaire
Kelly Stephens
Daran Wastchak

Members Absent

Lee O'Neal
Jim Petersen

Staff Present

Steve Baden
Laurel Elam
Kathy Spigarelli

Call to Order

The meeting was called to order by RESNET Board President Roy Honican at 1:02 p.m. Eastern.

Welcome to New Board Members

Roy Honican welcomed the new members of the RESNET Board of Directors: Robert Eipert, Cy Kilbourn and Abe Kruger

Roll Call

The roll was called and a quorum was present.

Approval of Agenda

David Beam made a motion to approve the draft agenda. Nancy St Hilaire seconded the motion. Motion passes by voice vote.

Approval of Draft Minutes of November 2 & 3, 2016, December 7, 2016 and December 20, 2016 Board Meetings

Philip Fairey made a motion to approve the November 2 & 3, 2016, December 7, 2016 and December 20, 2016 Board meeting minutes. Lee O'Neal seconded the motion. Motion passes by voice vote. Robert Eipert abstained from voting since he had not attended all of the meetings.

Disclosure of "Disqualified Person" in RESNET Employment

Kathy Spigarelli disclosed that the employment of Stephanie DeZee, daughter-in-law of Executive Director, Steve Baden, is employed by RESNET. The RESNET Board members have received the document (attachment A) that states Stephanie's job description, work time and salary are compared to similar persons at her level of employment is reasonable and fair to RESNET.

Amending RESNET Administrative Policies Manual

Roy announced that he has directed RESNET staff will draft edits to administrative policies manual to bring its disclosure of "Disqualified Person" on staff and as members of the RESNET Board. The draft then will be presented to the RESNET Board to adopt. The adopted procedures will then be forwarded to the RESNET Board Governance Committee to review to incorporate into the by-laws

Expansion of Membership to RESNET Board Governance Committee

Roy Honican reminded the RESNET Board that the current members of the RESNET Board Governance Committee are Steve Byers, Brett Dillon, Lee O'Neal and Daran Wastchak. Roy announced that Steve Byers has agreed to serve as the chairman of the committee. Mr. Honican expressed the concern that all members of the committee are members of only a single class of membership, Providers. He stated that committee needed to be more diverse. He directed Steve Byers to draft a charter for the committee. This draft charter and the expanded membership of the committee will be discussed at the annual board meeting in Scottsdale.

Adjournment

Philip Fairey made a motion to adjourn. Meeting adjourned at 1:15 p.m. Eastern Time.

Attachment A



To: RESNET Board

A handwritten signature in blue ink that reads "Steve Baden".

From: Steve Baden
Executive Director

Date: January 17, 2017

Re: Disclosure on Stephanie DeZee

This is to disclose to the RESNET Board of Directors that Stephanie DeZee, RESNET's Accreditation/Member Services Manager is my daughter in law.

RESNET has sought the legal counsel from a Los Angeles non-profit law firm, The Law Firm for Non-Profits, P.C. to ensure that RESNET is following the proper procedures with Ms. DeZee's RESNET employment.

Ms. DeZee began a full time RESNET employee in 2010. At the 2010 annual RESNET Board of Directors meeting, I disclosed to the RESNET Board that Stephanie DeZee was my daughter in law. To avoid any appearance of conflict I have not directly supervised Ms, DeZee. RESNET Deputy Director Kathy Spigarelli has been her direct supervisor. Even though I do not directly supervise her, as the executive director I am responsible for all of RESNET staff.

The Law Firm for Non-Profits, P.C. has advised that Ms. DeZee is considered by California rules as a "Disqualified Persons", also known as "Insider Persons". California law does not prohibit relatives of an executive director being employed, but rather that the board of directors be disclosed of the relationship. As part of this disclosure California rules require documentation to the board of directors that the amount being paid to a relative of the executive director is fair and reasonable to RESNET and is for the benefit of RESNET.

Clearly being the manager of RESNET's membership services and provider accreditation is an essential function to our organization.

As a Disqualified Person, Stephanie's job description, work time and salary must be compared to similar persons at her level of employment and that she receives a reasonable and fair compensation for RESNET.

I asked Kathy Spigarelli to conduct a review of Ms. DeZee's job description to determine whether Stephanie DeZee's salary is fair and reasonable to RESNET.

Ms. Spigarelli used the California Center for Non-Profit Management and Compensation 2016 Report for this comparison. The report is a comparison of 492 non-profits in California.

Kathy found that Stephanie works a 40 hour week with a job description that most closely matches the "Membership Director/Manager" description in the report. She was compared to 925 individuals in that category.

The job description for the category from report that was used states:

Develops and implements programs to attract and retain members of the organization; manages the database; oversees regular communications to members, including newsletter, invitations to events and activities and solicitations; ensures that members' inquiries and problems are responded to promptly; researches and develops new methods to increase membership.

I have attached the job description for Ms. DeZee that was prepared by Ms. Spigarelli

Stephanie's salary for 2017 is \$47,500.00. According to the Non-Profit Management and Compensation 2016 Report, the average salary for the 925 individuals in this job category is \$53,229.00 with the median salary being \$50,960. Ms. DeZee salary clearly fits within this schedule.