

# **RESNET Board of Directors Briefing Manual**

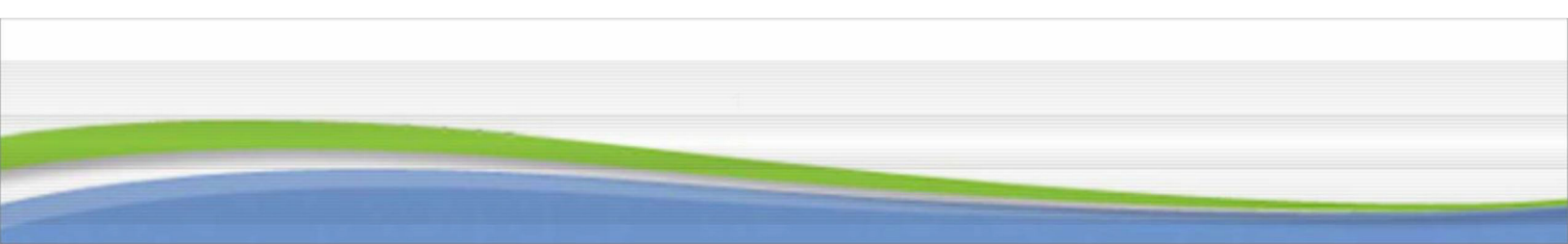
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# **RESNET Board of Directors**

## **Introduction to the RESNET Board**

The primary responsibilities of the RESNET Board of Directors are:

- Maintain strategic vision of organization
- Fiduciary oversight of organization
- Governance oversight of organization's compliance to the RESNET By-laws, the laws and regulations of the State of California and the IRS rules for (501)c3 organizations

## **Strategic, Fiduciary and Governance Responsibilities of the RESNET Board**

Following are descriptions of the strategic, fiduciary and governance responsibilities of the RESNET Board:

### **Strategic**

The RESNET Board sets the strategic direction of the organization by adopting the RESNET strategic plan and setting annual priorities.

### **Fiduciary**

The board is responsible for the financial health of the organization by setting the annual budget, reviewing the monthly financial statements and receiving and reviewing the annual independent financial audit.

### **Governance**

The Board responsibilities to maintain governance oversight is as follows:

- Amend Bylaws
- Amend Articles of Incorporation
- Hire and fire Executive Director
- Entering into debt over \$5,000.00
- Disband the Organization

To maintain the Board's focus on its strategic, fiduciary and governance responsibilities, the RESNET bylaws and Board policies have delegated the operational authority to the RESNET Executive Committee (elected by the board), the RESNET Executive Director (appointed by the board) and the RESNET Standing Committees (established by the board). This frees the Board from being bogged down by day-to-day operational and management issues.

## **Board Meetings**

Due to the geographic diversity and large number of board members, the RESNET Board conducts most of its business by electronic ballots and regularly scheduled once every two months teleconference meetings.

The Board has two annual face-to-face meetings:

- Spring business meeting
- Fall business meeting

## **Board Electronic Voting Procedures**

The Board has adopted the following procedures for electronic balloting:








- RESNET staff will send ballot and supporting information electronically to board members. A Board member has 10 days to vote.
- A board member can vote yes, no or abstain. Abstained votes are counted for quorum purposes. A no vote must include a reason why a negative vote was cast.
- If a member (or members) votes in the negative on an electronic ballot and provides reason(s) for their vote, a reconsideration ballot will be circulated specifying the reason(s) for the negative ballot(s) allowing all member a single opportunity to change their original vote. Members shall be given a minimum of five (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.

## **Board Membership**

The RESNET Board members are representatives of the membership category that elected them. RESNET Board members have staggered two-year terms and are eligible to run for re-election by their membership category.

Following are the current members of the RESNET Board of Directors:

			
Jacob Atalla KB Home Water Efficiency	Jim Amorin Appraisal Institute Appraiser	David Beam InsulateAmerica Contractor	Lindsey Eco Achievers Rating Company
			
Philip Fairey FSEC Provider	Sandy Galo TopBuild Home Services Provider	Matt Gingrich Energy Diagnostics Rating Company	Emelie Cuppernell Glitch PSD Provider
			
David Goldstein NRDC Associate Member	John Hensley Building Performance Solutions Provider	Kat Burgess Construction Consultants Provider	Mark Johnson International Code Council Code Representative

			
Cy Kilbourn Ekotrope Provider	Abe Kruger SK Collaborative Rating Company	Chris McTaggart The BER Provider	Curt Rich NAIMA Suppliers Advisory Board
			
Jonathan Risch DPIS Builder Services/Ei Providers	Brian Shanks Beazer Homes Production Builder	Clayton Traylor LBA Production Builder	



## **RESNET Board Executive Committee**

The RESNET By-Laws defines the RESNET Board Executive Committee as being composed of the officers of the board:

- Board President
- Board Vice President
- Board Secretary
- Board Treasurer
- Immediate Past Board President

Board Officer Election takes place at the February Board meeting each year.

The 2021 members of the RESNET Executive Committee were:

- John Hensley, Board President
- Mark Johnson, Board Vice President
- Philip Fairey, Board Secretary
- David Beam, Board Treasurer
- Matt Gingrich, Immediate Past Board President

Board officers have single year terms. The president of the board can only serve two consecutive terms.

The executive committee provides the operational oversight of the RESNET Executive Director and ensures that the annual priorities of the organization are met.

Section 4.02 of The RESNET By-Laws defines the executive committee responsibilities as, “shall possess and may exercise all the powers granted to the Board of Directors, except the power to amend the Articles of Incorporation or Bylaws, approve amendments to the RESNET Standards, approve the annual operating budget, and to in-debt the Corporation in an amount above \$5,000.00.”

Any decision made by the Executive Committee can be overturned by a majority vote of the full Board of Directors at a regularly scheduled or special Board meeting.

Section 6.02 of the RESNET By-Laws provides that, “The Executive Committee shall establish the compensation of the Executive Director.”

The Executive Committee also conducts the annual evaluation of the executive director.











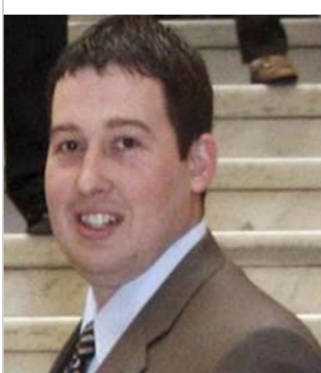

## **RESNET Executive Director**

Section 6.02 of the RESNET By-Laws defines the responsibilities of the RESNET Executive Director as: “conduct the day-to-day business of the Corporation under the direction of the Board of Directors. Such direction shall be provided through the Executive Director’s job description, the Corporation’s budget, and direction provided by the Executive Committee. The Executive Director shall serve as an ex-officio, non-voting, member of the Board of Directors and Executive Committee. Consistent with the direction provided by the Board of Directors, the Executive Director may enter into contracts, hire and supervise staff, sign checks and generally communicate on behalf of the Corporation.”

The RESNET Executive Director is Steve Baden.



# RESNET Staff

			
Steve Baden Executive Director sbaden@resnet.us	Emma Bennett Standards Development Administrative Assistant emma@resnet.us	Faye Berriman Controller fberriman@resnet.us	Valerie Briggs Communications Director valerie@resnet.us
			
Rick Dixon Standards Manager rick@resnet.us	Scott Doyle Technical Director, Quality Assurance and Training <a href="mailto:scott@resnet.us">scott@resnet.us</a>	Laurel Elam Director of Accreditation and Quality Assurance laurel@resnet.us	Billy Giblin <i>Quality Assurance Field Specialist</i>
			
Cardice Howard Acting Deputy Director cardice@resnet.us	Neal Kuris Energy Modeling Director	Ryan Meres Programs Director ryan@resnet.us	Christine Do Administrative Assistant <a href="mailto:christine@resnet.us">christine@resnet.us</a>

# **RESNET Standards**

A key function of RESNET is to set the standards of quality in building energy performance. RESNET is accredited by the American National Standard Institute (ANSI) as a Standards Development Organization.

RESNET has two sets of standards:

- ANSI Approved National Consensus Standards
- RESNET Non-ANSI Standard “Mortgage Industry National Home Energy Rating Standards

The RESNET Board has adopted procedures for its standard development activities:

- RESNET ANSI Standards Development Policy and Procedures Manual posted at [http://www.resnet.us/standards/RESNET\\_SDO\\_Procedures\\_v1\\_1\\_01-02-2012.pdf](http://www.resnet.us/standards/RESNET_SDO_Procedures_v1_1_01-02-2012.pdf)
- RESNET Non-ANSI Standards Development Policy and Procedures Manual posted at [http://www.resnet.us/standards/RESNET\\_Non-ANSIRESNET\\_Procedures\\_8-18-14.pdf](http://www.resnet.us/standards/RESNET_Non-ANSIRESNET_Procedures_8-18-14.pdf)

In order to maintain its status as a Standards Development Organization, the RESNET Board of Directors must delegate its standard development activities to a balanced Standard Management Board.

The RESNET Standard Management Board purpose is to oversee the maintenance of the RESNET ANSI and Non-ANSI standards and amending the standards. Philip Fairey serves as the chairman. The chairman of the Standards Management Board is Philip Fairey of the Florida Solar Energy Center. Members are listed at <http://www.resnet.us/professional/about/standards-committee>

The RESNET Standard Management Board has established the following Standard Development Committees:

- **Standards Developments Committee 200 Instruction, Assessment and Certification** – The RESNET Standards Development Committee 200 is responsible for oversight of RESNET’s education, training, assessment and certification standards. The members are selected and approved by the Standards Management Board. Sharla Riead of the Accurate Rater Network serves as the committee chair. Members are listed at: <http://www.resnet.us/professional/about/standards-development-committee-200>
- **Standards Developments Committee 300 Technical** – This committee is responsible for oversight of the RESNET technical standards, with members selected and approved by the Standards Management Board. Gayathri Vijayakumar of Steven Winter Associates serves as the committee chairwoman. Members are listed at: <http://www.resnet.us/professional/about/standards-development-committee-300>

- **Standards Development Committee 900 Quality Assurance** - The RESNET Standards Development Committee 900 is responsible for oversight of RESNET's quality assurance and sampling technical standards. The members are selected and approved by the Standards Management Board. John Hensley of Building Performance Solutions, LLC serves as committee chairman. Members are listed at: [http://www.resnet.us/about/standard\\_development\\_committee\\_900](http://www.resnet.us/about/standard_development_committee_900)
- **Standards Development Committee 1100 Water Rating Index**—The RESNET Standards Development Committee 1100 is responsible for oversight of the RESNET Water Rating Index technical standards. The members are selected and approved by the Standards Management Board. Jacob Atalla of KB Home serves as committee chairman. Members are listed at: [http://www.resnet.us/professional/about/Standards\\_Development\\_Committee\\_1100](http://www.resnet.us/professional/about/Standards_Development_Committee_1100)

# **RESNET Standing Committees and Task Forces**

## **RESNET Standing Committees**

To better achieve its goal of setting the standards for quality, the RESNET Board of Directors has established standing committees. Each committee's purpose is to provide program policy and implementation recommendations. The chairs of the committees are appointed by the board. Members of committees are volunteers and are appointed by each committee's chairman.

The following are the RESNET standing committees:

- **RESNET Accreditation Committee** - The RESNET Accreditation Committee is responsible for the oversight of RESNET's accreditation application review process and accreditation procedures. Sandy Beck serves as the chairman of the committee. For a listing of committee members click on <http://archive.resnet.us/about/committees/committee.aspx?CommitteeID=13>
- **RESNET Ethics and Appeals Committee** - The RESNET Ethics and Appeals Committee is responsible for review and determination of quality assurance appeals and ethics violations. Dave Bell is the chairman of the committee. Members are listed at <http://www.resnet.us/about/ethics-and-appeals-committee>
- **RESNET Software Consistency Committee** - The Software Consistency Committee was formed by the RESNET Board as part of a mechanism by which RESNET can improve consistency of HERS Index scores and modeled energy consumption (based on the RESNET/ICC ANSI Standard 301) among RESNET accredited HERS Rating Software Tools and enhance accreditation testing parameters. Members are listed at: <https://www.resnet.us/about/standards/committees/software-consistency-committee/>

## **RESNET Working Groups**

RESNET also relies upon temporary working groups aimed at specific subjects identified by the RESNET Board or Executive Committee.

A working group's main responsibilities are to develop initiatives and recommend amendments to RESNET standards.

Working group members include a broad representation of stakeholders of RESNET standards and services.

The current working group established by the RESNET Board is:

- **Incorporating When Energy is Used in HERS Index** - The charter of the task force is to develop a policy recommendation to the RESNET Board whether to incorporate when energy is used and/or load flexibility in HERS Index Scores. The chairman of the working group is David Goldstein of the Natural Defense Council.

## **RESNET Suppliers Advisory Board**

Energy efficient and renewable energy product suppliers play a critical role in improving the energy performance of homes. RESNET sees the industry as a key strategic partner. To give suppliers a voice in RESNET and to benefit from the industry's perspective, RESNET has created a RESNET Suppliers Advisory Board.

The purpose of the RESNET Suppliers Advisory Board is to provide an opportunity for suppliers to better understand RESNET; network with other suppliers, customers and HERS raters; and to provide supplier input to the RESNET Board of Directors.

Curt Rich of the North American Insulation Manufacturers Association is the chairman of the RESNET Suppliers Advisory Board.

The 2021 RESNET Suppliers Advisory Board members are:

APA - The Engineered Wood Association  
April Aire  
Centricity  
CertainTeed Insulation  
DuPont Building Innovations  
Ingersoll Rand  
Johns Manville  
North American Insulation Manufacturers Association  
Owens Corning  
Panasonic Eco Solutions  
Retrotec Inc.  
Sunrun

## **About RESNET**

### **What is RESNET?**

The Residential Energy Services Network (RESNET) was founded in 1995 as an independent, non-profit organization to help homeowners reduce the cost of their utility bills by making their homes more energy efficient.

RESNET is a California registered membership, tax exempt, public purpose not-for-profit organization.

As well as developing the HERS Index, RESNET is also responsible for the national training and certification standards for HERS Raters.

RESNET is an American National Standards Institute (ANSI) accredited standard development organization.

To date over 2.7 million home's energy performance have been rated through RESNET's standards.

### **RESNET By-Laws**

RESNET is governed by a set of By-Laws that was adopted by the RESNET membership in March 2012. The By-Laws are posted at <http://www.resnet.us/about/bylaws.pdf>

### **Services Provided**

RESNET offers a suite of services aimed at improving the home energy performance for new and existing homes.

The legacy product is home energy ratings for new and existing homes. The HERS Index is the industry's standard for measuring and labeling a home's energy performance. Over 244,000 homes are rated and issued a HERS Index Score annually. As well as developing the HERS Index, RESNET is also responsible for the national training and certification standards for Raters. In order to qualify as a certified RESNET rater, home energy professionals must first complete the required rigorous training and testing and then agree to abide by the RESNET Code of Ethics and Standards of Practice.

## Organizational Culture

The basic foundation of RESNET's culture is that it is an independent, membership based organization that promotes market-based initiatives to improve home energy performance in the U.S.

The key values of the organization are:

- Independent of Governmental Funding – RESNET is supported through its services, accreditation fees and proceeds from its annual conference. It is not dependent on government grants.
- Transparency in Decision Making Process – All of RESNET's decision making is transparent by postings on its web site as well as direct e-mails and social media. Board meetings are publicly announced and open to the public. All minutes of the RESNET Board are posted on the RESNET web site.
- Striving to create a more diverse staff and industry.
- Involvement of Industry and Stakeholder Groups – RESNET offers access to decision making by inclusion of industry representatives on its board of directors, standing committees and taskforces.
- Consensus Based Standards Development – All amendments to RESNET standards must undergo a public review and comment process. Any one is able to submit a standard amendment online.
- Lean Staffing and Administrative Overhead – The enabling of industry and stakeholder involvement in the standing committees and task forces in decision making allows for a lean staff and low administration.
- Highly Skilled and Dedicated Base of Home Energy Raters – Certified RESNET raters are represented among the leading professionals of applied building science. RESNET assists in keeping up-to-date with the latest technologies, best practices and business development opportunities through a national conference and webinars.

## RESNET Vision Statement

*A net zero energy residential sector by 2040*

## RESNET Mission Statement

*To make the energy use of all homes transparent, thereby driving residential sector energy use toward net zero.*



# **RESNET Goals and Priorities**

**Adopted by RESNET Board of Directors on September 20, 2021**

## **RESNET Goals to Achieve Our Mission:**

- Lead Path to net zero
- Maintain and Enhance Credibility of HERS Index Scores
- Grow Business Development Opportunities for HERS Raters
- Enhance RESNET and HERS Raters recognition as the Gold standard for testing, measuring and labeling home performance
- Grow business development opportunities for HERS Raters and the rating industry
- Enhance existing and build new collaborations with allied groups leading to better building performance and reduced carbon emissions
- Increase the percentage of new homes that receive a HERS Rating
- Increase the consistency of HERS software programs
- Maximize the value that RESNET provides its members by understanding their needs, goals, and pain points and planning adjustments as necessary
- Facilitate inclusion of energy, water and carbon performance into mortgage financing and real estate appraisals

## **2022 RESNET Priorities:**

- Maintain and enhance the RESNET National Registry as a tool for quality assurance, data for publicly traded housing industry's corporate Environmental, Social and Governance (ESG) reporting and research.
- Enhance recognition of RESNET's Standards as the "Gold Standard" for inspecting, testing, and labeling a home's energy, water, and carbon performance.
- Maintain the credibility of RESNET's Ratings & HERS Raters accuracy and consistency through quality assurance oversight
- Introduce new business opportunities for RESNET professionals.
- Grow the demand for HERS Raters' services through collaborations, communications, and advocacy.
- Continue to support the RESNET Software Consistency Committee.
- Develop a field manual for HERS Raters, RFIs and QAD's as a tool that allows them to easily and effectively understand RESNET's technical standards.
- Foster energy efficient affordable housing through a collaboration with Habitat for Humanity International.

- Position HERS Raters as the preferred "go-to source" for verification of IECC compliance for code officials and builders.
- Maintain the RESNET website – the primary form of communication between RESNET and its stakeholders.
- Improve water efficiency of homes via the RESNET water efficiency standard & HERS<sub>H2O</sub> Program.
- Build cohesion in the HERS Industry through the annual RESNET Building Performance Conference.
- Promote the use of HERS Index scores for publicly traded builders' ESG (Environmental, Social, and Governance) accounting and reporting.
- Create a Carbon Rating Index to be reported as part of the HERS certification report.
- Maintain RESNET financial & management integrity and sustainability.

## **RESNET Membership Structure**

As a membership based not-for-profit organization, a key strength of RESNET is its members. RESNET has nine categories of membership:

- Accredited Providers (Rating, Rater Training and HERS Software)
- HERS Rating Companies
- Energy Smart Builders
- Contractors
- Suppliers Advisory Board
- Water Efficiency Rating Index Advisory Board
- Appraiser Organizations
- Building Code Official Organizations
- Associate Members

Each membership category elects its representatives to the board.

## **RESNET Key Stakeholders**

RESNET relies on working with the rating industry, the housing industry and others to further its mission and goals. The relationships with these organizations are critical in creating a market for high performance homes. These relationships are not based on funding but rather on opening up the market for trained and certified RESNET professionals.

These stakeholder groups include:

- **Home Energy Raters and Providers** – The over 1,900 certified RESNET raters and over 100 Providers represent the key infrastructure of the organization.
- **Home Building Industry** – Not only are home builders a key end user of rating services but they are critical in marketing the HERS Index Score to consumers. they also play a critical role in advocacy at the local, state and national levels
- **Program Sponsors** – Utilities across the nation rely upon RESNET standards for the testing and certification of a home's energy performance for residential public benefit programs.
- **Building Code Officials** – Over 300 state and local code jurisdictions have added a HERS Index Score option to their energy code. RESNET and the International Code Council has entered into a collaboration to make HERS Raters the go-to option for verification of code compliance.
- **Real Estate Industry** – RESNET has entered into a partnership with the Appraisal Institute to provide the outreach and tools for appraisers to consider a home's HERS Index score into the appraisal.
- **Utilities** – Utilities across the nation rely on certified RESNET HERS Raters and the HERS Index for their new homes incentive programs.
- **Environmental Protection Agency (EPA)** – EPA's ENERGY STAR for new homes relies upon certified home energy raters and RESNET quality assurance process as the basis for its program.
- **U.S. Department of Energy (DOE)** – The DOE Near Zero Energy Home Program is an important "proving ground" for the design and construction of
- near zero energy homes. DOE uses the RESNET HERS Index in measuring the performance of homes participating in the program.
- **Green Home Initiatives** – Led by the USGBC LEED for Homes Program and the NAHB Green Building Program, green home initiatives are using the RESNET HERS Index to measure points for high energy performance homes.
- **Contractors** – Contractors play a critical role in the construction of high performance homes.

## **RESNET Business Plan**

In 2004 the board adopted a policy of being self-sufficient on an ongoing basis without relying on government grants or contracts. Through this effort RESNET has been able to meet 100% of its operation through accreditation/membership fees, testing fees and its income through its annual conference.

Currently there are over 1,900 HERS raters in all 50 states that have been certified through RESNET's standards. In 2021 over 305,000 homes in the U.S. were rated and issued a HERS Index Score.

RESNET's economic success is based upon the business success of the HERS industry and builders. RESNET's income flow is based upon the number of homes a rating provider rates. The more ratings conducted, the more income RESNET receives. RESNET's fundamental business plan is to continue to grow the rating industry by creating more demand for the services.

## **RESNET Budget**

Annually the board approves a budget to fund the organization's operation and services. The following is the 2022 budget that was approved by the Board on October 13, 2021:

### **2022 Projected Income**

Rater Provider Quality Assurance Fees	\$2,025,000
RESNET Conference	\$250,000
Testing Fees	\$250,000
Provider Accreditation Fees	\$246,000
Suppliers Advisory Board Memberships	\$120,000
Membership Fees	\$40,000
RESNET Registry Income	\$10,000
Interest Income	\$30,000
<b>Total Projected Income</b>	<b>\$ 2,970,000</b>

### **Approved RESNET 2022 Budget**

#### **Payroll - \$1,350,000**

Executive Director – Steve Baden  
Deputy Director – Cardice Howard  
Accreditation and Quality Assurance Director—Laurel Elam  
Communications Director – Valerie Briggs  
Program Director – Ryan Meres  
Technical Director, Quality Assurance and Training – Scott Doyle  
Senior Accountant – Faye Berriman  
Field Quality Assurance Specialist—Billy Giblin

#### **Professional Services \$995,000**

RESNET Standards Manager  
Energy Modeling Director  
RESNET Conference and Meeting Coordinator  
Database Manager  
Government Relations  
RESNET QA Support  
Hosting, Maintenance and Support of Servers  
Registry Support  
RESNET Web Site Maintenance  
Marketing and Advocacy  
Financial Audit  
IT Service Support

Professional Employer Organization (PEO)  
 Administrative Assistant  
 Miscellaneous Contractual Support  
 Financial Audit  
 Human Relations/Payroll Contractor  
 Miscellaneous  
 s Contractual Support  
     QA Genie  
     RESNET Test Support  
     General Administrative Support

**Travel** **\$120,000**

**RESNET Conference** **\$310,000**

**Other** **\$183,000**

Credit Card Service Fees  
 Computer & Software  
 Insurance  
 Internet Services  
 Legal Services  
 Meetings  
 Miscellaneous Other  
     Dues  
     Licenses  
     Subscriptions  
     Memberships  
     Storage  
 Office Expenses  
     Copying and Printing  
     Postage  
     Supplies  
 Telecommunication Services  
     Telephones  
     Internet

**Total Budget** **\$2,958,000**

## **Key RESNET Board Policies**

The board has adopted a set of policies governing board and RESNET staff activities.

The policies manual is posted on the RESNET web site at

[http://www.resnet.us/about/Policies\\_and\\_Procedures\\_Manual.pdf](http://www.resnet.us/about/Policies_and_Procedures_Manual.pdf)