

RESNET Board of Directors Briefing Manual

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Duties and Responsibilities of Being a RESNET Board Member

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

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 of the monthly financial statements and receiving the annual financial compilation.

California law does not require RESNET to have a financial audit until its budget surpasses \$2 million. The board can request an audit at any time. RESNET has just completed its first audit of the year 2016 and will continue to receive audits every year.

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 with a regularly scheduled once every two months teleconference meeting.

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 Members

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 board:



Jacob Atalla
KB Home
Water Efficiency



Jim Amarin
Appraisal Institute
Appraiser



David Beam
Insulate America
Contractor



Dave Bell
TopBuild
Provider



Emelie Cuppernell
PSD
Provider



Bob Eipert
Bremen Energy
Rating Company



Philip Fairey
FSEC
Provider



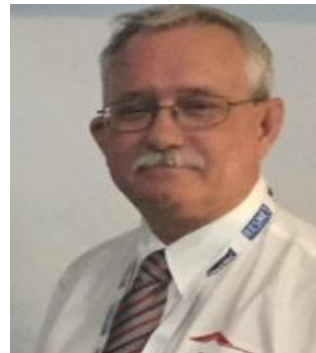
Matt Gingrich
Energy Diagnostics
Rating Company



David Goldstein
NRDC
Associate Member



Andrew Harris
Richmond American
Builder



John Hensley
Building Performance Solutions
Provider



Roy Honican
Blue Grass Energy
HERS Rater



Mark Johnson
International Code Council
Code Representative



Cy Kilbourn
Ekotrope
Provider



Abe Kruger
SK Collaborative
Rating Company



Paulette McGhie
Energy Inspectors
Provider



Chris McTaggart
The BER
Provider



Clayton Morris
DPIS Engineering
Provider



Curt Rich
NAIMA
Suppliers Advisory Board



Clayton Traylor
LBA
Production Builder

RESNET Board Executive Committee

The RESNET By-Laws defines the 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 2018 members of the RESNET Executive Committee are:

- Nancy St. Hilaire, Board President
- Matt Gingrich, Board Vice President
- Philip Fairey, Board Secretary
- Dave Bell, Board Treasurer
- Roy Honican, 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



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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 Standards “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
- RESNET Non-ANSI Standards Development Policy and Procedures Manual posted at 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. 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. Chris McTaggart serves as the committee chairman and was appointed by the Standards Management Board. 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 serves as the committee chairman and was appointed by the Standards Management Board. 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 serves as committee chairman and was appointed by the Standards Management Board. Members are listed at:
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 serves as committee chairman and was appointed by the Standards Management Board. Members are listed at:
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 Task Forces

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

A task force's main responsibilities are to develop initiatives and recommend amendments to RESNET standards.

Task force members include a broad representation of stakeholders of RESNET standards and services.

RESNET Suppliers Advisory Board

Energy efficient 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 is the chairman of the RESNET Suppliers Advisory Board.

RESNET Suppliers 2018 Advisory Board members are:

Air King
APA - The Engineered Wood Association
April Aire
Bonded Builders Warranty Group
Centricity
CertainTeed Insulation
Covestro, LLC
DuPont Building Innovations
Ingersoll Rand
Johns Manville
LP Building Products
North American Insulation Manufacturers Association Owens
Corning
Panasonic Eco Solutions
Quiet Cool Systems
Retrotec Inc.

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 Raters, who are recognized by federal government agencies such as the U.S. Department of Energy, the U.S. Environmental Protection Agency and the U.S. mortgage industry.

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

To date over 2 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 200,000 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.

RESNET also has introduced certifications for improving the energy performance in existing homes. It has created standards and certifications for home energy audits, Energy Smart Contractors and RESNET Energy Smart Home Performance Teams.

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.
- 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 November 4, 2016

RESNET Goals to Achieve RESNET Mission By 2020:

- Through Education, Marketing and Market Demand, 50% of all new Homes Are HERS Rated
- Through Education, Marketing and Market Demand, the Average HERS Index Score on New Homes Will Meet the Target Energy Rating Index Scores of the Current Published Version of the IECC
- Through Education, Marketing and Market Demand, 25% of All HERS Rated Homes Are WER Rated

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
- Energy Smart 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 the key infrastructure.

- **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 Jurisdictions** – Over 300 state and local code jurisdictions have added a HERS Index Score option to their energy code. This will expand dramatically with the ICC adopting an Energy Rating Index option to the International Energy Conservation Code.
- **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 RESNET standards, certified home energy raters and RESNET quality assurance process as the basis for its program.
- **U.S. Department of Energy (DOEE)** – 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 1,000 HERS raters in all 50 states that have been certified through RESNET’s standards. In 2018 over 230,000 homes in the U.S. were rated and issued a HERS Index Score.

RESNET's economic success is based upon the business success of its raters and Energy Smart Contractors. 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 2019 budget:

2019 Projected Income

RESNET Conference	\$500,000
Rater Provider Accreditation Fees	\$175,000
Rater Provider Quality Assurance Fees	\$1,650,000
All Other Provider Accreditation Fees	\$125,000
Suppliers Advisory Board Memberships	\$160,000
Membership Fees	\$ 75,000
Testing Fees	\$240,000
Total Projected Income	\$2,925,000

RESNET 2019 Budget

Payroll -

\$1,090,000

Executive Director – Steve Baden
 Acting Deputy Director – Cardice Howard
 Accreditation and Quality Assurance Director—Laurel Elam
 Controller – Faye Berriman
 Standards Administrative Assistant – Emma Bennett
 Technical Director, Quality Assurance and Training – Scott Doyle
 Communications Director – Valerie Briggs
 Program Director – Ryan Meres
 Field Quality Assurance Specialist—Billy Giblin

Professional Services

\$1,176,000

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
 QA Genie
 RESNET Test Support
 General Administrative Support

Travel **\$ 110,000**

RESNET Conference **\$ 280,000**

Other **\$ 140,500**

Credit Card Service Fees

Copying & Printing

Insurance

Internet Services

Legal Services

Meetings

Misc.

Postage

Software

Telephone

Supplies

Contingencies **\$ 122,500**

This amount will be reserved for the board to apply to unexpected opportunities or contingences. If these funds are not encumbered in 2018, they will be applied to the RESNET reserve.

Total Proposed Budget **\$2,925,000**

Key RESNET BoardPolicies

The board has adopted a set of policies governing board and RESNET staff activities. The policies manual is posted on the RESNERT web site at http://www.resnet.us/about/Policies_and_Procedures_Manual.pdf