

# ***“Keeping Everything on the Level”***

## **RESNET 2005 Building Performance Conference**

**March 1, 2005**

- **Steve Baden – Executive Director, RESNET**
- **Ben Adams – MaGrann Associates, RESNET Board**

**Code of Ethics**

**Standard Disclosure**

**Standards of Practice**

# Code of Ethics

- Developed by a Quality Assurance subcommittee as part of the Standards Amendment development process
- Based on industry standards, including the existing Real Estate (Realtor) code of ethics
- Addresses:
  - Professional Conduct
  - Representations of Services and Fees
  - Conflict of Interest
- May be superseded by a more stringent ethics code required by a Provider or any other authority under which rating services are being provided, such as:
  - Client
  - Government agency
  - Program

# Code of Ethics

- Integrated in Quality Assurance provisions of current standards amendment
- Ch. 1.4.C.7 defines an adjudication procedure for determination of ethics issues including:
  - Filing of complaints
  - Investigation of complaints
  - Required response
  - Disciplinary action
- RESNET has established a 5-member Ethics Committee responsible for this process

# Code of Ethics

- Must become part of a Provider's standard Rater agreement by April 1, 2005
- Professional conduct and representation of fees provisions are self contained
- Conflict of interest provisions are dependent on a standard disclosure tool...

# Standard Disclosure

# Standard Disclosure

- Ch. 1, 4.C calls for written provisions that prohibit undisclosed conflicts of interest but allow waiver with disclosure
- The form itself does not attempt to define “conflict” or “financial interest”
- Rather, the Standard Disclosure form provides a neutral and comprehensive mechanism for full disclosure of all interests and relationships
- Clients, customers, and programs are then free to apply their own thresholds for what is acceptable in their context...

# Standard Disclosure

- **Notification**

The “Home Energy Rating Standard Disclosure” form adopted by the RESNET Board of Directors shall be completed for each home that receives a Home Energy Rating and shall be provided to the rating client and made available to the home owner/buyer.

- **In addition, Ch. 3, B.3.a. requires that the report itself contain...**

(9) The following statement in no less than 8 pitch font:  
“The Home Energy Rating Standard Disclosure for this home is available from the Rating Provider”. At a minimum, this will include the Provider’s mailing address and phone number.



# Standard Disclosure

- **Programmatic application example:**
  - **Fannie Mae qualification for EEM financing**

All raters and rating providers must disclose their financial interest in the home being financed with a Fannie Mae Energy Efficient Mortgage to the home buyer and mortgage lender using the “RESNET Home Energy Rating Standard Disclosure” Form.

Raters nor the rating provider who are the seller, agent for the sale, the builder or the developer of the project of the home being financed can not rate the home for a Fannie Mae Energy Efficient Mortgage.

# Standard Disclosure

- Must be provided to the rating client beginning April 1, 2005
- Will be incorporated into new versions of accredited rating software

# Standards of Practice

# Standards of Practice

## WHY?

- Help clients of rating services to understand what is and what is not required in a home energy rating
- Enhance credibility of rating services
- Limit raters' liability

# Standards of Practice

## How Developed

- Drafted by Standards of Practice Drafting Subcommittee
- Approved RESNET Standards of Practice Task Force
- Adopted by RESNET Board of Directors

# Standards of Practice

## Members of Task Force

Ed Carr, Comfort Home Corp.  
Dennis DiBello, MD Rater  
Skye Dunning, NC Rater  
Tracy Fogelsong, NV Rater  
Steve Gleaves, HomeEnergy Fix  
Rex Hammon, ConSol  
Chip Henderson, CONTECTS  
Bill Kelley, MO Rater  
Galo LeBron, Energy Inspectors

C.T. Loyd, Nelrod Company  
Jim Maletta, WI Rater  
Douglas Meek, WI Rater  
Lee O'Neal, NSpects  
Terry Smith, OH Rater  
Dick Stone WI Rater  
David Walker, TX Rater  
Kristina Weyer, Southface  
Gary Wollin, WA Rater

# Standards of Practice

- Establishes minimum and uniform standards for certified raters
  - Minimum Rated Features
  - Rating Report
  - General Limitations and Exclusions

# Standards of Practice

Where to Find

**[www.natresnet.org/standards](http://www.natresnet.org/standards)**



# Standards of Practice

## What's it Means to a Rater's Bottom Line

- More educated client with realistic expectations
- Demonstrates your commitment to a high standard of quality and ethics
- Limit on liability