



IAQ RADIO+

Show Number: 763 BLOG

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Kristy Cohen, RIA CEO
Darrell Paulson' IICRC Shareholder Group Spokesperson
Mark Springer, RIA Restoration Advocate Carrier Relations

State of the Cleaning and Restoration Industry; RIA & IICRC C-Suite Weigh In!

Good day and welcome to IAQ Radio+ episode 763 blog. This week we welcomed Leslie Anderson, Kristy Cohen, Darrell Paulson and Mark Springer for an industry update, a discussion on common interests and collaboration between IICRC and RIA.

Nuggets mined from today's episode:

Leslie and Darrell: Please provide an update on the status of Conflict of Interest policy development and implementation?

Leslie: Thanked Pete for his time and efforts for putting a draft policy together. The policy aims to ensure transparency and honesty in declaring potential conflicts of interest among volunteers and board members. The policy is currently in legal review. After legal review the policy will be voted upon and adopted by the IICRC board of directors and then be instituted within the organization.

Darrell: Under the Conflict of Interests Policy, potential conflicts of interest will be declared and the actions to be taken in the event a conflict exists. Many years ago, the IICRC had a Conflicts of Interest Policy, the policy was lost in the shuffle of restructuring and abandoned. The old policy needed updating, and Darrell tasked Pete Consigli with revision of the policy.

Kristy and Mark: Is there any similarity between what RIA is working on and what IICRC is working on?

Mark and Kristy from RIA commended IICRC's efforts and highlighted the importance of leading by example in ethical practices.

Kristy: RIA is an IICRC shareholder and Kristy represents RIA at IICRC Shareholders meetings. IICRC Shareholders vetted the IICRC Conflict of Interest Policy prior to review by IICRC's Board of Directors. RIA's Conflict of Interest Policy is an important component of RIA's governance.

Mark: RIA has had ethics issues in the past. RIA's Code of Conduct begins at the top with leadership setting a good example. A Code of Ethics component is rooted in the CR (Certified Restorer) program.

Leslie: As your role as IICRC Chairperson, please share your vision for where you will be leading the Institute on your watch?

Leslie's vision is to elevate the IICRC Brand, Leslie discussed elevating the IICRC brand internationally and providing direction for career development in the industry through education and community partnerships. To be a guiding light providing jobs, careers and career paths for registrants.

Kristy and Mark: *Please share RIA's plan for industry growth based on ethics and unity?*

Kristy: Over the prior course of RIA's history the role of restorers has not always been valued or understood by regulators, legislators, carriers, and other groups whose policies directly impact restorers. The RIA never had a seat at the insurance carrier's table. Now the RIA has a seat at the table and is putting ethics front and center and building trust.

Mark: Rather than both the RIA and IICRC writing fire standards, we now have one unified fire standard. Code of Ethics is the right thing to do. Mark considers sustainability more important than growth. Prior to the AGA (Advocacy and Government Affairs), RIA played no role in legislation that affected restorers. A driving factor for some of this legislation was driven by unethical, unscrupulous and embarrassing actions of some restoration contractors. According to Brent Walker, Coalition Against Insurance Fraud (https://insurancefraud.org), over \$300

billion in fraud is perpetrated annually and 10% of property claims have an element of fraud.

The relationship between restorers and carriers has been abrasive and distrustful; suspicion and animosity were abundant. RIA opened dialog and now is engaged in meaningful conversations with carriers. The big complaints of restorers have changed: they used to be Xactimate pricing and 3rd party administrators; RIA has been able to obtain significant improvements in those areas. The new complaints are: slow payments, adjusters ghosting restorers and adjusters changing contractors' pricing.

A contributing factor to most fractured relationships is lack of communication or miscommunication. With the help of Randy Rapp, PhD and Purdue University, RIA's stakeholders created the Certified Restorer Body of Knowledge (CR BoK). RIA's domains and pillars of knowledge are based on the CR BoK. Several career insurance adjusters have completed both the CR and WLS courses recognizing and appreciating the value of these advanced designations.

Kristy and Mark shared RIA's plans for industry growth, emphasizing ethics and unity. They highlighted the importance of updating the RIA code of ethics, requiring ethics training, and establishing a formal grievance policy to enhance industry credibility and trust with stakeholders.

Leslie, can you share anything with our audience on IICRC's position on the initiative for California to establish protocols for evaluating property damage from wild land fire and smoke residues?

Leslie: A task force has been created to create preemptive documents.

Darrell, anything you can share with our audience in your role as IICRC's Shareholder Spokesperson? Specifically, do you think there will be some "new blood" voted to the IICRC board at this fall's annual shareholder meeting?

Darrell explained his role as IICRC Shareholder Spokesperson, noting that while board elections are upcoming, three current board members are likely to be reelected, leaving two open seats that will likely be filled by younger, qualified candidates. He described the ongoing work to align IICRC and RIA's separate career

tracks into a unified educational path, which is currently in its final refinement stage before seeking external feedback from both organizations' boards. Darrell clarified that his spokesperson role involves coordinating shareholder meetings and ensuring appropriate representation on the board, separate from the board's responsibilities.

Rather than referring to new board members as "new blood", Darrell refers to them as new eyes. All candidates have been vetted by the nominating committee which is comprised of shareholders. The one common thread that runs between all the candidates is qualifications.

Darrell: The IICRC Shareholder's meet monthly. As the Shareholder's Spokesperson Darrell is the shareholder's liaison with the BOD.

The past 2 years, RIA has had "sold out" conventions and a packed expo hall in Dallas and West Palm Beach. What can you share on RIA's plans for the 2026 convention next April in Savannah?

Kristy: Savannah, GA April 27-29, 2026. 80th Anniversary. Building on existing momentum. New things, bigger and better. More opportunities for structured peer-to-peer networking. Curated concurrent sessions and tracks for different levels of experience from newbies to mature. More variety. Changing the Town Hall format to provide more opportunities for members to engage with leadership. Legislation and Carrier Relations session. Register Now!

Question for Kristy: What is the plan for the CR program, post Marty King?

Kristy: RIA is in the process of strategically reorganizing and revamping the CR program. As good stewards of the program, the new program will be distinctively built upon the CR Body of Knowledge's prerequisites 4 pillar courses: (Fire Loss Specialist, Water Loss Specialist, Content Loss Specialist and Environmental Specialist). The new course will focus on Leadership principles, Management fundamentals, and Ethics. More information will be provided in Savannah.

ROUNDUP

Global Restoration Watchdog & Industry Historian, Pete Consigli.

- Today is the first time he is wearing both IICRC and RIA attire.
- Mark Springer brought the CR BoK home.
- The Gap Still Exists, Poor communication between restorers and carriers is an ongoing problem and has gotten worse.
- While serving on the IICRC board and leading the call for a Conflict-of-Interest Policy, Pete compared the Conflict-of-Interest policies of varying groups: restoration, cleaning, environmental, independent adjusting and public adjusting and found parallels between them. A good way to create a Conflict-of-Interest policy is to review the policies of other organizations.
- Recommends that the IICRC create BoKs for cleaning and inspection following the model of the CR BoK.
- At the 2008 RIA convention in Baltimore Farmers Insurance offered \$25K as matching funds to create a defense fund for litigation over ethical issues.
- Insurance carriers have found better trained restoration firms make better insurance risks than less credentialed firms resulting in lower premiums.
- Some of us in the 4th quarter of our lives feel a duty to pass on knowledge and experience to the next generation.
- In a relay race, the team that passes the baton most smoothly often wins the race.

RadioJoe:

• Happy to see more diversity on the IICRC board and another woman as Chairperson.

Leslie:

- Together when we share and collaborate it makes us all stronger. In one boat all paddling in the same direction.
- Leslie: Over 1,000 insurance adjusters attended IICRC: water, fire, AMRT and trauma crime scene cleaning courses. Collaboration and trust are building.

Kristy:

RIA is serving as a voice for the restoration industry in a meaningful way. RIA
is a place for restoration businesses of all sizes. There is a place for you and
the opportunity to volunteer!

Mark Springer:

- Mark's business was started by his father as an independent. Mark was fiercely independent. Mark's business grew to eight locations and when it was sold to private equity, he did \$0 in managed revenue.
- Only 2 presidents of RIA Rusty Amarante (BELFOR) 2009 and Jeff Moore (ATI) 2005 weren't independents.
- RIA's blueprint for collaboration is based upon position statements laid out in a series of peer reviewed white papers. 50% or more of the committee's members who drafted these documents were independents.
- Mark recently presented 8 of the RIA position papers to a large insurance carrier.
- While Mark is willing to talk with anyone, he refuses to engage in the backand-forth engagement common on social media.

Darrell:

- Enjoys collaborating with all the experienced pros on today's panel.
- Offered the advice that when you want to express an alternative opinion to the one a committee is proposing to bring a solution or better yet bring 3 solutions to demonstrate that you have thought about the issue. When you do this there is a high probability that you will be taken seriously.

Z-Man signing off

TRIVIA:

Name the IRS category designation for organizations that are not organized for profit and primarily serve the interests of their members, such as trade associations, business leagues and chambers of commerce.

Answer: 501 (c) (6)

Answered by: Don Weekes, Ottawa, Ontario Canada