

NADCA 2022 ANNUAL REPORT

Highlights

ACR, The NADCA Standard
Downloaded in **83** countries

Open Air Plenums
White Paper Released

661
New
ASCS

International Energy Study
Launched with University of Pavia

103% increase
in ASCS in past 10 years

125%
of budgeted revenue

\$688,658
Revenue over budget

U.S. Energy
Study at the
University
of Colorado
at Boulder

92%
Member Retention

11th year
with record-setting
membership numbers

The pandemic remained a global emergency at the close of 2022 with hope for endemic classification in the new year, but in 2022, the economy, the labor market, and the Association saw the lagging effects of pandemic-control measures and fast-spreading variants. Hiring and retaining employees proved to be the biggest challenge for the industry, with heightened awareness of indoor air quality and the measures needed to keep occupants safe bringing more jobs and more Air System Cleaning Specialists (ASCS) specifications to job bids. Specifying the ASCS is a tremendous nod to the legitimization of the industry, but that, combined with labor shortages, created challenges in delivery of service to customers. Positives arising from the workforce issues were the alliances and partnerships forged by NADCA member companies in order to meet the demands of the industry and job-specific scopes of work.

Wall Street proved to be a bear, with the S&P 500 closing out its worst calendar year performance since 2008, on a low note. The benchmark index fell more than 5% in December, finishing 2022 down almost 20%. You will see the consequences to NADCA's investment accounts in the following report. Despite the ongoing challenges, NADCA's volunteers and staff stayed the course, expending an abundance of resources on the science of it all. The Board of Directors understands that the industry needs validation through science in order to reach the pinnacle of consumer awareness and broader indoor air quality community acceptance, and this especially includes the Environmental Protection Agency (EPA). NADCA responded to the EPA's Request for Information (RFI) "Better Indoor Air Quality Management to Help Reduce COVID-19 and Other Disease Transmission in Buildings: Technical Assistance Needs and Priorities to Improve Public Health Assistance Needs and Priorities To Improve Public Health," fully intending that air duct cleaning would finally gain the acceptance and recognition from the EPA that would catapult the industry forward. NADCA's submission is an important opportunity for the industry to ensure that HVAC system cleaning is incorporated into the EPA recommendations for supporting IAQ related improvements in schools

and commercial buildings. The EPA will analyze information received from this RFI to consider and support the potential development, improvement, and implementation of technical assistance efforts (e.g., information, tools, training, guidance) and other strategies (e.g., incentives, recognition efforts) to support IAQ related improvements in the nation's building stock, with a particular emphasis on schools and commercial buildings. The Association hopes to see positive results from the information provided on behalf of the industry and NADCA's members.

TREASURER'S REPORT

For the period January 1 to December 31, 2022

Overview

The Association's finances have seen an eleven-year positive trend continue. Operating revenues exceeded budget and operating expenses were held to **100%** of budget. NADCA closed out 2022 with revenue of **\$3,451,266** and expenses of **\$2,918,438**, and a projected net income of **\$532,828**, well ahead of the budgeted net income of **(\$143,440)**. The Association ended the year with total net assets of **\$6,203,452**.

Revenues

Membership dues account for **41%** of the Association's revenues, followed by Certification & Training (**34%**) and Annual Meeting (**14%—up from 7% in 2021** because pandemic restrictions were lifted). NADCA's affinity partnership with Sunbelt Rentals accounted for **5%** of the organization's revenues in 2022. Overall revenues for 2022 were **\$3,451,266** compared to 2021 audited, actual revenues of **\$3,047,558**.

Expenses

Administration is the largest expense category at **54%** of total expense and includes the following: management services, standards and specifications marketing manager, staffing, office space, committee expenses including approximately **\$255k** in

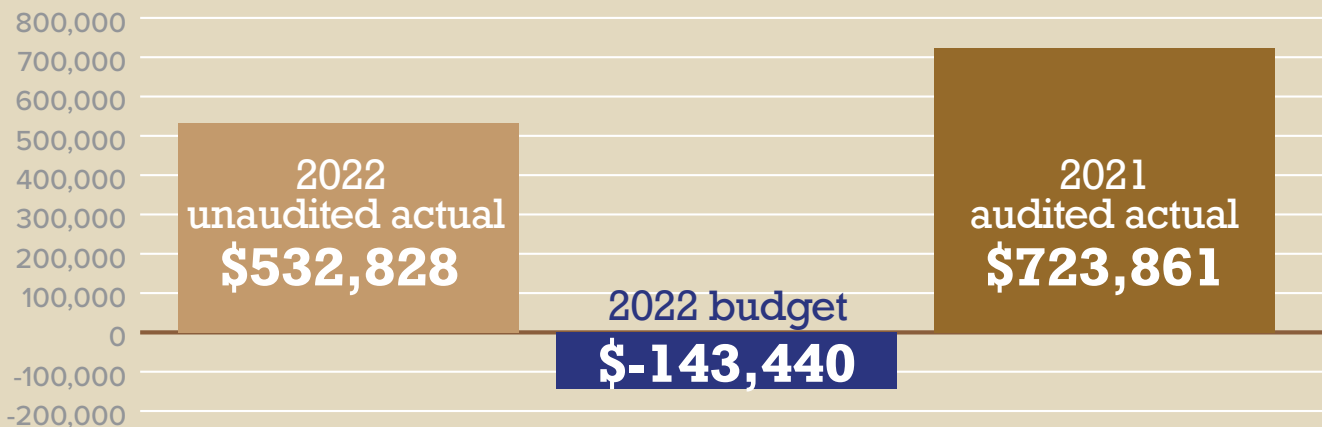
FINANCIAL SUMMARY	2022		2021
OPERATING REVENUES	2022 UNAUDITED ACTUAL	2022 BUDGET	2021 AUDITED ACTUAL
Administration	1,584,388	1,321,080	1,609,742
Annual Meeting	481,263	557,600	201,605
Certification & Training	1,172,349	727,950	1,070,132
Other Events	115,206	77,814	76,625
Publications	98,061	78,164	89,453
TOTAL OPERATING REVENUES	\$3,451,266	\$2,762,608	\$3,047,557
OPERATING EXPENSES			
Administration	1,580,356	1,637,325	1,329,020
Annual Meeting	666,695	718,045	507,228
Certification & Training	356,777	313,668	295,844
Other Events	191,388	117,866	86,351
Publications	123,222	119,144	105,253
TOTAL OPERATING EXPENSES	\$2,918,438	\$2,906,048	\$2,323,697

marketing initiatives and campaigns, certification item writing projects and exam development, ANSI fees, public relations, legal fees, trademark enforcement legal fees, sales commission expense, credit card processing fees, insurance, postage, general design and printing, storage fees, taxes and filing fees, telephone, database maintenance and licensing, website maintenance and hosting, staff travel, energy study expenses, and a brand new website ready to launch in Q2 of 2023. Annual Meeting follows at **23%** of total expense and then Certification & Training at **12%**. Overall expenses for 2022 were **\$2,918,438** compared to 2021 audited, actual expenses of **\$2,323,697**.

Comparison to Budget

This year, the Association budgeted an unrestricted net income (loss) of **(\$143,440)**. Revenues for 2022 exceeded more aggressive budget goals, with actual results of **\$3,451,266**, compared to a budget of **\$2,762,608**. Expenses are always tightly managed and have historically been under budget at year end, to some degree. In 2022, the investment in scientific efforts in conjunction with the University of Colorado and the University of Pavia, as well as a new website, pushed expenses to the full allocation, ending the year at 100% of expense budget. Expenses were **\$2,918,438**

Unrestricted Net Income Comparison



compared to a budget of **\$2,906,048**. Overall, the Association realized an unrestricted net income loss of (\$837,724), with **every bit** of that coming from investment losses.

Investments

NADCA adheres to a conservative investment and surplus policy guideline and remains dedicated to diversification of its investment portfolio, but it is not immune to market turns and this year provided evidence as such. In 2022, NADCA's portfolio yielded a total loss on investment of **(\$1,370,552)**, compared to **\$388,325** in 2021.

Closing

NADCA's net assets **decreased by 10%** in 2022, compared to a **16%** increase in 2021. Despite these market losses, the Association remains financially strong and continues to recognize certification and the rise of customized training, science-based activities, Breathing Clean initiatives, and the Standards and Specifications marketing efforts as the key value drivers for stakeholders. The Association, in spite of losses in 2022, maintains adequate reserves to support the operations of the Association for a term of 26 months, if needed. Operationally, NADCA has the funds necessary to execute both its operational and strategic initiatives, continue to support research and development in the IAQ space, and deliver a high level of support to the members.

Annual Meeting Committee

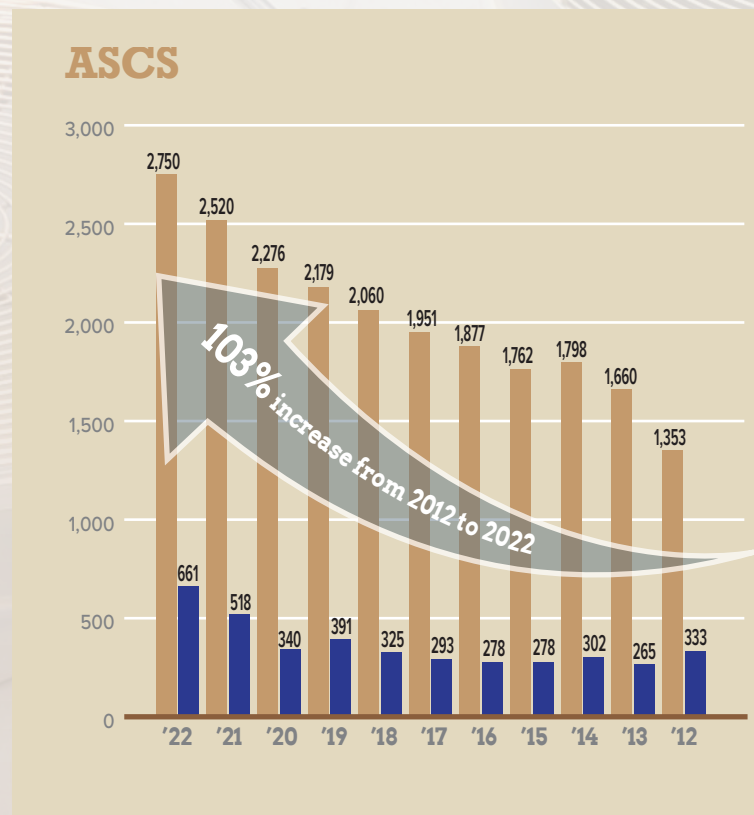
NADCA's 33rd Annual Meeting at the Gaylord Rockies Resort & Convention Center in Aurora, Colorado welcomed **506** total attendees, about double the attendance at the 2021 meeting. COVID protocols and restrictions were lifted, allowing the meeting to return to higher capacity seating. 2022 also saw the return of the exhibit hall, which welcomed **34** exhibiting companies in **55** booths and four truck spaces. Sunbelt Rentals continued their sponsorship of the NADCA Member Party which was held at the Mile High Station in Denver, Colorado. The venue occupies the former Midwest

Steel and Ironworks building and the original building dates back to the turn of the century (1897). NADCA's ASCS and CVI training courses were in high demand after being limited in 2021. There were **85** attendees at the ASCS training course and **23** at the CVI session.

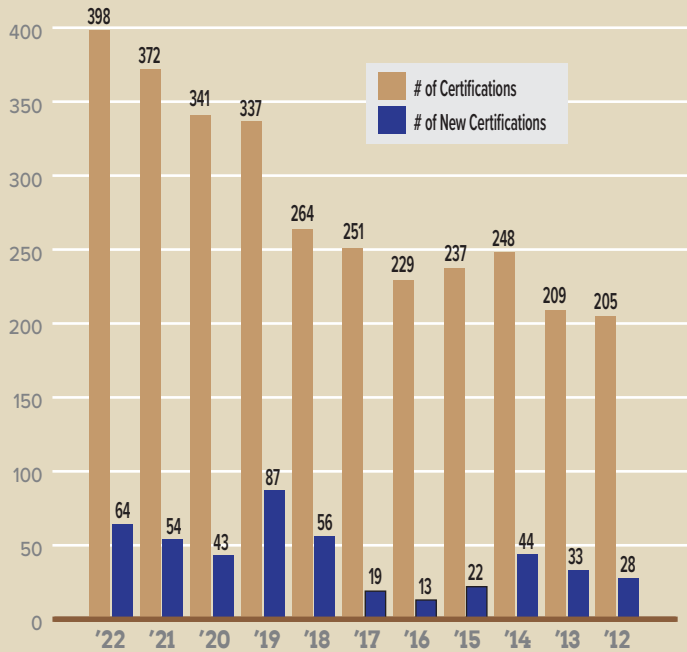
NADCA's keynote speaker was Susan Frew, a trade service expert who presented, "Rockstar Recruiting for a New Generation." Susan touched on the state of the labor market, ideas for keeping employees engaged, retention efforts, and walked attendees through the development of a personal hiring plan.

Certification Committee

The Certification Committee is tasked with developing and maintaining NADCA's industry-leading certification programs to ensure that members are performing air duct cleaning to the highest standards, and in accordance with ACR, The NADCA Standard. As part of this process, every five years, NADCA performs a job analysis (JA) of its



CVI



certifications to ensure that the exams accurately reflect the current practices of an ASCS or CVI. NADCA completed the JA in 2022 and will embark on another round of item writing, as this is the next step in ensuring that NADCA's certification exams are fair and valid. It is important to be sure that any certification or licensing body using an examination to verify competence is certain that the examination is measuring actual knowledge and skills required for competent performance. This process allows the Association to maintain an exam process that is legally defensible and relevant.

The Certified Ventilation Inspector (CVI) exam was administered for the first time in Italian in 2018, and to date, **108** Italian members have earned their CVI. It is a goal of the Association to continue efforts to build awareness of the CVI certification and the value it presents to both the certificant and the customer. This advanced certification demonstrates knowledge of HVAC systems & components and how they impact indoor air quality. It also demonstrates proficiency in HVAC system inspection and helps provide customers with a high level of confidence

that a CVI certified individual has the knowledge necessary to support recommendations. In addition to the Italian candidates, the association added another **47** new CVIs to the Association this year for a total of **64** new CVIs in 2022. The Association will continue to invest in marketing efforts to build awareness and market demand for the CVI.

Education and Safety Committee

Along with certification, education remains the core of NADCA's mission, and the Education & Safety Committee strives to maintain, update, and develop new training programs that will keep our technicians and industry experts on top of new advancements in technology, products and practice.

In 2022, NADCA hosted **seventeen** custom training sessions, earning more than **\$100k** in revenue. This has become a sustained source of growth, both in terms of certification numbers, revenue, and resource allocation. Custom training sessions are held at the host's facility with a ten-person minimum requirement. NADCA provides the trainer and the course materials and the host provides the meeting space and meals. This is a wonderful and cost-effective way for companies to certify a group of employees and raise their company profile.

Online education continues to also be a source of revenue for the Association. In 2022, there were more than **340** webinars purchased, resulting in over **\$38k** in revenue.

Scientific Committee

NADCA's Energy Study Task Force continued its work with Dr. Mark Hernandez from the University of Colorado, Boulder. In July of 2019, the task force began a formal study of an HVAC system in Johnson, Vermont, monitoring all aspects of the system studied, including temperature, humidity, CFM, particle counts and static pressure. The study monitored—in real time—energy and performance improvements in a commercial system as various components were cleaned according to ACR, The NADCA Standard. In 2020, the task force continued its work with another study, mirroring that of the

one in Vermont. This study was conducted in Pearl, Mississippi and in 2021, NADCA embarked on its third and final energy study in San Antonio. Due to recurring technological challenges, the team essentially ran out of time as the seasons changed and the compressors stopped running continuously. The Task Force regrouped and in 2022, Dr. Hernandez, together with Scientific Committee Chair, Michael McDavid and Tyler Batchelder, worked to secure a site directly at the University of Colorado at Boulder. This study was successfully completed and data analysis began in late 2022. Concurrently, NADCA began a parallel study at the University of Pavia in Italy with Dr. Tullio Facchinetti. The Italian study will not only mirror the energy study phases and capture that data for comparison in another geographic location, but will also measure resoiling over time, with the goal being science-backed and data driven decisions around maintenance schedules, indoor air quality sustainability after cleaning, and other theories which will be fleshed out during this multi-year study.

The task group charged with writing the Open Air Plenums White Paper has completed their work and the paper has been released. The paper addresses common contaminants found in open air plenums that can adversely impact the conditioned space, and provides guidance for the inspection and cleaning of those areas.

Ventilation Maintenance Technician (VMT) Training Program

The Ventilation Maintenance Technician (VMT) Online Training program remains the optimum way to train entry-level technicians in a cost-effective manner. In total, **2,078** technicians have registered for this (full) course since it launched in 2011, learning about basic safety, access openings, containment, tools and equipment, and how to clean HVAC systems in accordance with ACR, The NADCA Standard. Hundreds more have taken one or multiple modules, but have not yet completed the entire coursework.

The Education Committee, in partnership with the Fall Technical Conference Committee, continues to provide hands-on training at the Fall Technical Conference each year, allowing attendees to apply those skills taught by the VMT Training Program as they work through the course instruction. Attendees see training stations that mimic in-the-field scenarios and have an opportunity to use the tools and technology to learn how to master each task. The training area is meant to replicate the HVAC system and related components and allow attendees to test the techniques taught in the VMT classroom or online sessions. Technicians are provided a validation sheet to take back to their company owner or supervisor that shows the training and proficiency achieved in specified areas. To complement the VMT Training Program and the ASCS to the ACR Standard Training Course, NADCA continues to offer virtual reality training. While temporarily put on hold during 2020 and 2021 due to COVID-19 restrictions, the headsets were onsite at Fall Tech and attendees were able to immerse themselves into a real mechanical room in a virtual environment and answer real-time questions about the system, identifying components and even air flow direction.

Finance Committee

This standing committee was formed in 2013 to provide financial oversight for the organization. The Finance Committee is chaired by the most recent outgoing Board Treasurer and consists of the current Board President, current Board Treasurer, and three NADCA members-at-large.

In addition to reviewing and approving the annual budget presentation to the Board of Directors, the committee also reviews the pricing structure throughout the organization, making recommendations and changes in support of the budget and strategic goals of the Association. They approve the audit firm and subsequent audit documents, set long term financial goals and surplus spending guidelines, and review quarterly financial statements. The 2022 audit firm is selected and initial field work is underway. This audit is slated for completion in June, 2023.

International Affairs Committee

NADCA's international membership growth continues to hit new milestones. The Association ended 2022 with **368** members from **26** countries. NADCA's International Affairs Committee is appointed to focus on the needs and interests of members from outside the United States. In support of its international efforts, NADCA participates in presentations and events across the globe. NADCA continues to enjoy a mutually beneficial relationship with AIIA. In 2022, **117** NADCA members came from our partnership with the organization, a slight increase over 2021 numbers.

The Board of Directors is dedicated to international growth and the development of guidelines and training that more closely align with the HVAC components and ductwork found in different regions across the globe. This will help NADCA's international members not only clean to ACR, The NADCA Standard, but have access to additional and specific information that will help them achieve a visibly clean environment in the most efficient manner.

Industry and Public Relations Committee

The Industry Relations (IR) team works to nurture and build upon relationships with exhibitors and sponsors to expand the opportunities for our existing Associate Members, and to network and find new products and services of value to the NADCA member. Since 2020, when the pandemic began to create new challenges for businesses and individuals alike, companies have generally been cutting sponsorship dollars and reallocating it to other functional areas like employee compensation in order to retain their staff. 2021 saw that trend continue and in 2022, NADCA experienced similar challenges with its Associate Members.

Total sales were **\$263,000**, which represents a 71% increase over 2021 sales. This increase mainly reflects the reemergence of the Annual Meeting exhibit hall.

Annual Meeting sales for 2022 were **\$156,000**, compared to **\$59,000** in 2021 when the exhibit hall was eliminated to accommodate COVID-19 restrictions in Broward County, FL. Prior to 2021, Annual Meeting sales had seen a steady **5–10%** revenue growth each year since 2012. The 2022 Fall Technical Conference had a record-breaking year in terms of exhibitor and sponsor revenue, with over \$19,000 earned. This represents a **28% increase** over 2021.

In 2022, the IR team generated almost \$12,000 in Associate Member revenue, comprising eight new companies, and renewal of five lapsed members. This revenue is consistent with every year since 2014, with the only outlier noted as 2021's record \$21,000. The unusual Associate Member revenue netted in 2021 is likely due to many companies allocating marketing dollars to new industries in the indoor air quality space.

2022 digital advertising sales shattered revenue projections with almost \$32,000 in revenue, a **45%** increase over 2021. NADCA digital advertising opportunities include ads on **nadca.com**, HVAC spotlight emails, Air Conveyance banner ads, and retargeting ad campaigns. The digital revolution continues to grow as more and more Associate Members embrace non-print forms of advertising as a way to increase brand awareness and engage with members.

Publications advertising in *DucTales* (including Buyer's Guide), saw an increase of **14%** over 2021 sales revenue. Overall, *combined* digital and publications ad sales have continued to grow over the years, generating over \$70,000 in non-dues revenue in 2022.

Anti-Fraud Task Force

The Anti-Fraud task force was formed in 2016 to provide consumer education and information tactics to key stakeholders such as the Division of Consumer Affairs, the BBB, and the State Attorneys General. In addition to the Breathing Clean consumer marketing campaign that was launched in 2016, **BreathingClean.com** is the go-to resource for consumers and members looking for information to support and promote their certification and membership to the customer. The Anti-Fraud

Task Force has been broadly inactive in terms of *responding* to fraud, as they've built and maintain positive relationships with the **50** States Attorneys General and staff continues to manage reported violations. Consumer and member complaints about “bait and switch” tactics, and non-members claiming NADCA certification and membership are the two most frequent reports received each year.

NADCA staff also works with the Ethics Committee and Anti-Fraud Task Force on trademark infringement issues. The Association goes to great lengths to ensure that all logo use or claims of membership or certification by non-member companies or non-certified individuals are addressed swiftly and aggressively, in an ongoing effort to protect members' investment in NADCA and the industry.

From 2014–2022, NADCA received **464** reported violations and has successfully closed **444** of those to date, for a **96%** close rate. *Closed* indicates that the violator has ceased use of the logo or false claim, or has acknowledged use under assumption of membership and has either renewed their membership or completed the join process.

NADCA continues a partnership with Yoshki and their logo protection software, and the Yoshki Radar service that crawls the internet searching for NADCA's trademarks. Once the team receives information about a violator, either from the Radar report or from a complaint sent in by a consumer or a member, they take the appropriate steps to have the logo removed from the violator's website or printed materials. Yoshki Radar works in parallel to the original software tool that allows members to place the Yoshki logo on their website indicating NADCA membership. A customer can then click that logo and receive instant confirmation of NADCA membership. If the company is not a member, the verification will fail and the customer will be alerted. It provides a competitive advantage for NADCA members and supports the Association's effort to enforce trademark infringement. NADCA is *proactively searching* for trademark violators in addition to *reacting* to complaints received. This is representative of the commitment to resources that NADCA's Board of Directors is willing to give to protect members and the industry.



Website

As you will see in the following text, some key metrics will show a decline in interactions. The NADCA website task force, together with the staff, spent time in 2022 building the infrastructure for a new website at nadca.com. The bulk of the work was completed in Q4 and the group expects to launch the new site in early 2023.

2022 Key Insights and Metrics

When comparing January–December 2022 metrics to the same period in 2021, many data categories of NADCA.com website analytics saw the following results:

- Organic Search (**55%**), Direct Traffic (**30%**), and Referrals (**10%**) are the top 3 Channels driving traffic to the NADCA website
- Users were up across the world, including a **184%** increase in Germany, **859%** increase in Russia, **179%** increase in Netherlands and **244%** increase in Switzerland
- The top five countries driving traffic to the site this year were U.S., Canada, India, Germany and the United Kingdom
- Sessions decreased by **22%**
- New Users decreased by **26%**
- Average session duration increased by **16%**

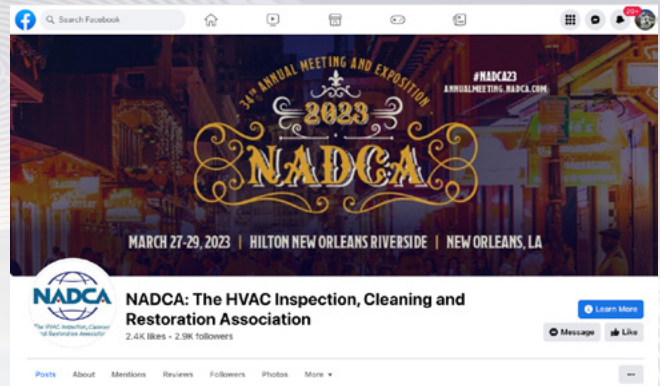
- The bounce rate improved by **7%**, making for an improved user experience
- Sessions driven by Social Media channels accounted for **3.8%** of the site's overall traffic, with the most visits from Facebook and LinkedIn
- Marked increase in visits from Reddit, Instagram, Yelp and Pinterest, areas identified for future targeted marketing efforts
- Pages that saw the most significant increase in traffic included NADCA Membership, Classroom Training, Contact Us, How to get Certified, Fundamentals of a High-Velocity Air Duct System, Renewals, ACR and the Air Duct Scams blog

Top 10 Pages Visited:

- Homepage
- Find a Professional
- Homeowners
- Cost and Time Estimates
- How to get ASCS Certified
- NADCA Certifications
- Avoid the Scams
- Proper Cleaning Methods
- Dealing with Pet Dander blog

NADCA & Breathing Clean – Social Media Overview

NADCA continued dedicated marketing efforts where it finds its members, those in the air duct cleaning industry, and consumers/homeowners on social media. The statistics below provide an overview of 2022 data and analytics for NADCA's trade and Breathing Clean social media accounts.



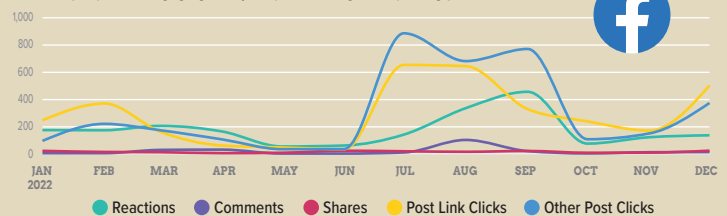
NADCA Trade Facebook (NADCA trade)

Activity Overview

- Fans: **2,399** (17.6% increase)
- # of Posts: **208** (3.7% decrease)
- Impressions (organic and paid combined): **846,799** (24.8% increase)
- Link Clicks: **3,439** (17.6% decrease)
- Total Engagements: **9,525** (7.2% increase)
 - › **3,614** Other Post Clicks
 - › **2,083** Reactions
 - › **167** Shares
 - › **222** Comments

Engagement Comparison, by Month

See how people are engaging with your posts during the reporting period.



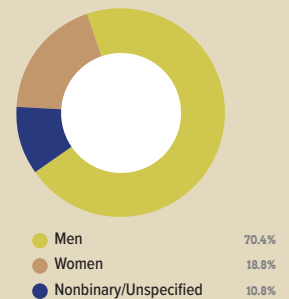
Facebook Page Fan Demographics

Review your audience demographics as of the last day of the reporting period.

Audience by Age

13-17	0.1%
18-24	1.3%
25-34	20.9%
35-44	39.6%
45-54	21.8%
55-64	10.1%
65+	6.2%

Audience by Gender



LinkedIn (NADCA trade)
Activity Overview

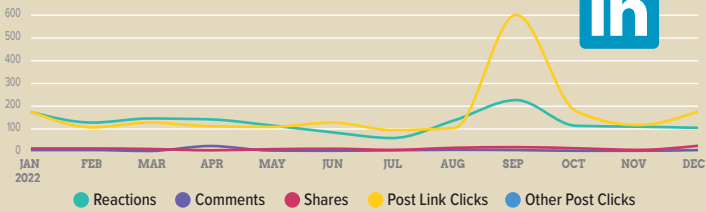
- Fans: **1,821 (25.2% increase)**
- # of Posts: **180 (8.2% decrease)**
- Impressions: **49,812 (9.6% decrease)**
- Post Clicks: **2,010 (22.4% increase)**
- Total Engagements: **3,735 (12.3% increase)**
 - › **1,522** Reactions
 - › **140** Shares
 - › **63** Comments



Breathing Clean
Facebook (Breathing Clean)
Activity Overview

- Fans: **3,273 (3.1% increase)**
- # of Posts: **125 (0.0% increase)**
- Impressions (organic and paid combined): **587,708 (66.1% increase)**
- Link Clicks: **2,559 (25.5% decrease)**
- Total Engagements: **10,007 (22.4% decrease)**
 - › **1,833** Reactions
 - › **1,896** Shares
 - › **448** Comments
 - › **3,271** Other Post Clicks

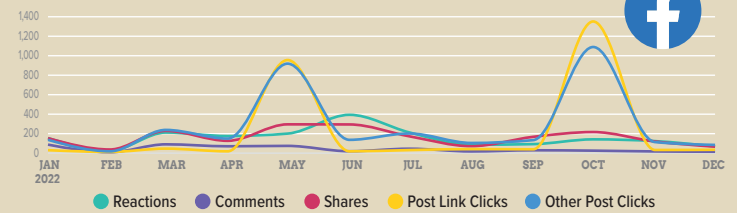
LinkedIn Engagement Comparison, by Month
See how people are engaging with your posts during the reporting period.



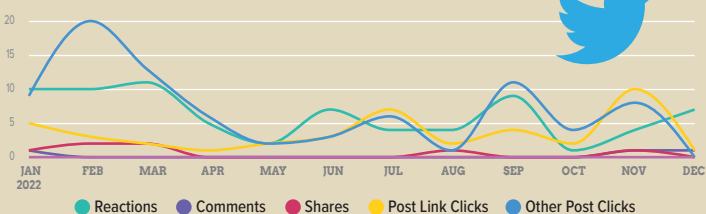
Twitter (NADCA trade)
Activity Overview

- Fans: **1,678 (4.4% increase)**
- # of Posts: **191 (0.5% increase)**
- Impressions: **11,008 (80.8% decrease)**
- Post Clicks: **42 (40.8% decrease)**
- Total Engagements: **209 (56.1% decrease)**
 - › **74** Likes
 - › **7** Retweets
 - › **3** Comments
 - › **83** Other Post Clicks

Breathing Clean Engagement Comparison, by Month
See how people are engaging with your posts during the reporting period.

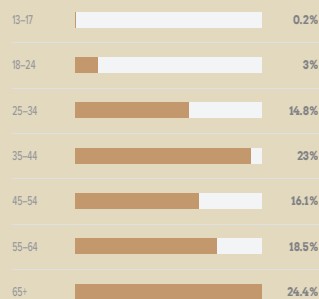


Twitter Engagement Comparison, by Month
See how people are engaging with your posts during the reporting period.

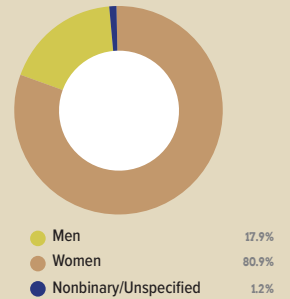


Breathing Clean Page Fan Demographics
Review your audience demographics as of the last day of the reporting period.

Audience by Age



Audience by Gender



NADCA Trade – Paid Social Media Overview

Throughout 2022, NADCA launched five paid ads on Facebook. Some ads featured a variety of creative assets. Ads promoted a variety of programs and events including ACR, The NADCA Standard; 2022 Annual Meeting & Exposition; 2023 Annual Meeting & Exposition; and 2022 Fall Technical Conference.

Paid Ad Stats (Facebook)

- Reach: **418,130**
- Engagement:
 - › Link Clicks: **2,630**
 - › Reactions & Shares: **179**

NADCA Breathing Clean – Paid Social Media Overview

In 2022, NADCA launched four paid ads on Facebook for Breathing Clean to promote the Spring and Fall consumer campaigns ('Spring for Cleaner Air' and 'Fall for Cleaner Air'). For the Fall campaign, three different creative executions were promoted.

Paid Ad Stats (Facebook)

- Reach: **210,593**
- Engagement:
 - › Link Clicks: **2,245**
 - › Reactions & Shares: **89**

Commercial Activities

In 2022, NADCA again allocated dollars from its Industry & Public Relations budget to participation and exhibition at several industry events. COVID restrictions did prevent the Association from attending all of the scheduled events throughout the year, mostly due to continued travel challenges and other industry meetings continuing their virtual meeting set up. NADCA likes to harness opportunities to reach targeted individuals and companies across the industry, including mechanical engineers, specifiers, facility managers, air conditioning contractors, indoor air quality specialists and other key industry segments. NADCA remains focused

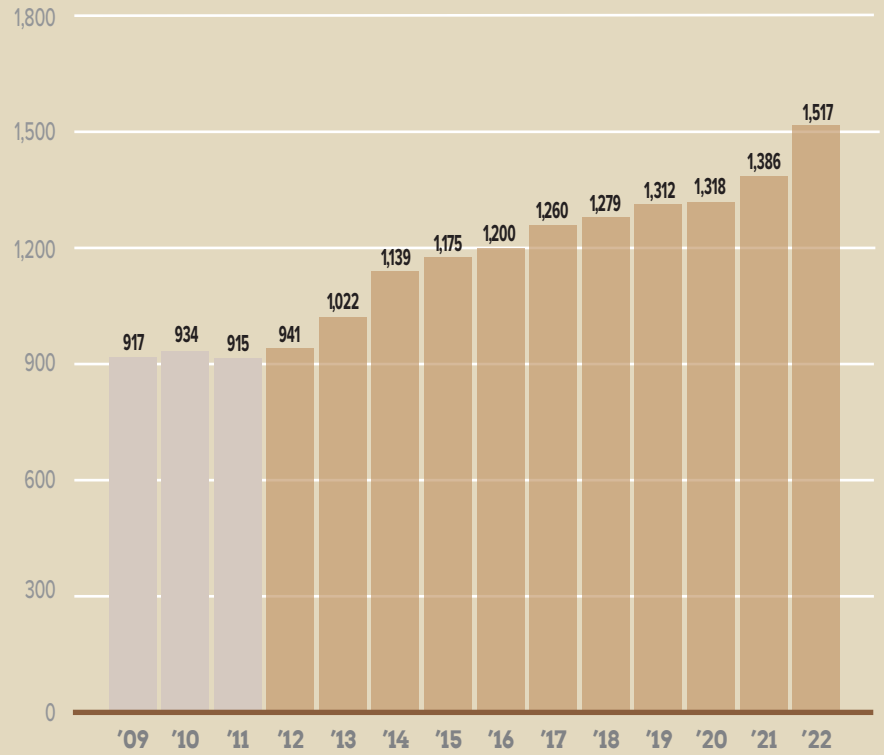
on presentations of the General Specification in CSI 3-Part Format, and ACR, The NADCA Standard at industry events, but expect to see more information about NADCA white papers and energy study results in the coming year.

Collaboration with industry affiliates helps to boost NADCA's brand recognition as the go-to experts in the field of duct cleaning. This also helps NADCA's reach extend beyond the niche air duct cleaning industry and into the larger indoor air quality conversation. Collaboration efforts continue to ensure that NADCA has volunteers seated on industry standard setting committees to provide a voice for the industry served by the members.

NADCA also works to support its affiliate partnerships and maintains its Memorandum of Understanding (MoU) with IAQA and AHR Expo, as well as the Allied Industry Partners. Participants in the Allied Industry Partners (AIP) include IAQA, ABRA, EIA, AIHA, ACGIH, and BHA. The purpose of the AIP MoU is to identify and recognize the current standards and credentials developed and administered by the Allied Industry Partner organizations and to create a stronger voice in legislative issues that may affect the industry. The Allied Industry Partners are like-minded industry associations who recognize the need for a combined list of acceptable standards and credentials. NADCA's standards and certifications are collectively and individually recognized and promoted by the participating associations. This broadens NADCA's reach and builds bridges with ancillary industries, from biorecovery to healthcare to standard setting.

NADCA continues to nurture its relationship with the Global Biorisk Advisory Council (GBAC) since the Association's participation in authoring the publication of a scientific paper titled, "Biological Air Quality Considerations for Non-Healthcare, As Built Environments," in 2021. The GBAC Executive Director will be presenting at the 2023 Annual Meeting as NADCA looks to build upon this existing, and very important, relationship.

Membership History



Membership Committee

The Membership Committee is tasked with enhancing member benefits and promoting those benefits to current and prospective members in order to increase and retain membership. The Committee also oversees NADCA's growth strategy and member surveys. NADCA continues to set growth and retention records. In 2022, NADCA set its eleventh straight membership record with **1,517** members.

NADCA carries on with supporting its existing repository of member benefits with updated and focused educational content that spans both U.S. and international markets to advance the industry and the Association, driving toward NADCA's strategic growth targets here in the United States and overseas.

Analysis of NADCA's data tells us that **40%** of the membership have been members for ten years or more and **59%** have been members for five years or more. There are **106** companies with membership of **25** years or more and **91** members with **20+** years (*but less than 25*).

Membership History

In 2022, **264** companies had their membership terminated for not meeting membership requirements (non-compliance with ASCS certified staff or lack of proof of insurance). This is a **21%** increase over 2021 terminations and research says that pandemic challenges contributed to this increase, whether health related, labor market challenges, financial, or otherwise. This compares to **218** terminations in 2021, **121** terminations in 2020, **180** terminations in 2019, **174** terminations in 2018, **146** terminations in 2017, **154** terminations in 2016, **138** terminations in 2015,

55 terminations in 2014, **44** terminations in 2013, **118** terminations in 2012, **41** terminations in 2011 and **27** companies terminated in 2010.

As of December 31, 2022, there were **84** pending member companies, almost half the number at the same time in 2021. A company's membership status will be pending until all membership requirements are met. During pending membership status, a company is not a NADCA member, cannot claim NADCA membership and is not eligible for NADCA benefits, including use of the NADCA logo. A company is not a NADCA member until it has been issued an official NADCA Membership Certificate. Pending companies can remain in pending status for a maximum of six months. Within this six-month timeframe, they are required to provide proof of insurance and have at least one individual pass the ASCS examination. At the conclusion of the six-month period, all pending companies that have not complied with the qualifications of membership are terminated. Should they wish to pursue membership again in the future, they must reinitiate the application process from the beginning.

NADCA continues, for the eleventh consecutive year, to break retention records across every trade association benchmark with another outstanding renewal rate of **92%** in 2022. As is customary, the Board of Directors and Executive staff consider the sustainability of that renewal rate, even as membership numbers and termination numbers increase (terminations at a rate of 118% from 2020 to 2022, likely due to environmental and financial stressors) and that just strengthens the Association's message to the industry: NADCA members realize absolute value in their membership and now more than ever, as duct cleaning is appearing in more and more job specifications and the consumer market at large is acutely attuned to indoor air quality as it relates to health and longevity, NADCA membership and training remain at the foundation of this industry's success.

NADCA Regional Coordinators

NADCA's Regional Coordinators provide support and mentoring to new and existing members within

their regions to ensure that members receive access to a network of support. The Regional Coordinator program is important because NADCA members face various challenges in their day-to-day work that can be very specific to things like climate, licensing and local regulation. For members in non-English speaking countries, the Regional Coordinator also provides translation and cultural variance assistance. Finding mentorship from an individual who understands and navigates similar challenges is an invaluable part of the NADCA membership benefit blueprint.

Leadership Development Committee

The Leadership Development Committee is charged with identifying qualified candidates who are interested in serving on NADCA's Board of Directors.

This committee identified a slate of five highly qualified candidates to fill four open Regular Director positions on the 2023–2025 Board of Directors. NADCA utilizes technology that brings efficiency and security to the election process. Ballots were sent to each regular NADCA voting member's email address through third party ballot voting software company, Big Pulse. Electronic ballots maintain a higher level of accuracy and protect the integrity of the process.

Tyler Batchelder from Chuck's Heating & Air Conditioning was elected to his first three-year term. **Colin Trudo** from Blackmon Mooring & BMS CAT was also elected to his first three-year term. Incumbents **Hugo Hernandez** from A Plus Enviro-Services and **Paul Keller, Jr** from Service-Tech Corp were both re-elected to their second three-year terms on the Board of Directors.

NADCA members can be confident they will receive exemplary levels of support and participation from the newly elected board members, as well as those returning to continue their service. Their willingness to share their time and expertise with others serves to prove they are committed to their service as a NADCA director and the industry at large.

Fall Technical Conference

NADCA's Fall Technical Conference Committee supports NADCA members through regional training conferences and direct technical assistance. The Fall Technical Conference is designed to help industry members become the best they can be by offering certification, training and hands-on application to all levels of technicians. The 2021 conference allowed for a return to in-person attendance after a virtual conference was held in 2020 at the height of the pandemic. In 2022, attendance hit an all-time high and the Fall Tech Committee excelled with both technical and advanced tracks, as well as new hands-on stations designed to address industry trends. The meeting was held at the Hard Rock Hotel in Atlantic City, NJ and a total of **293** individuals attended. Of the 293 registered, **207** were first-time attendees. NADCA hosted 15 exhibitors who shared knowledge with a tight-knit group of technicians, eager to learn about the products and services available to help them work smarter, more efficiently, and effectively. There were **124** attendees at the full-day ASCS training course and **14** attended the CVI training.

Standards Committee

The Standards Committee is tasked with developing NADCA's standards and specifications—primarily, *ACR, The NADCA Standard for Assessment, Cleaning & Restoration of HVAC Systems, DEDP, The Dryer Exhaust Duct Performance Standard, and NADCA's General Specification for the Cleaning of Commercial Heating, Ventilating and Air Conditioning Systems*. Both standards and the General Specification document are available for free at [nadca.com](https://www.nadca.com).

To date, there have been **24,517** downloads of *ACR, The NADCA Standard*, from **more than 100** countries, and more than **23,000** hard copies of the booklet have been sold or given away at industry educational sessions and events. In 2022 alone, it was downloaded more than **4,300** times in **83** countries. Following the United States, these



countries had the most downloads: Canada; UAE; India; Saudi Arabia; Australia; Qatar; Italy; and the United Kingdom.

The NADCA General Specification document outlines what proper HVAC system cleaning entails and promotes the use of NADCA members and certified ASCSs for commercial cleaning projects. In 2017, NADCA worked with the Construction Specification Institute to reformat the existing *NADCA General Specification* into CSI 3-Part Format. The purpose of doing so was to ensure this document can be easily used and adopted by mechanical engineers, architects and specifiers when developing their own specifications for commercial HVAC cleaning projects. The document now includes the 3-Part sections including Part 1: General; Part 2: Products; and Part 3: Execution, and has been well-received by the target communities. During the past five years, there were more than **3,900** downloads of the *General Specification* in the new CSI 3-Part Format.

Increasing the frequency with which the NADCA certification is cited in specifications is the key focus of this initiative. This ties directly to NADCA's overarching efforts to drive business to the members.

NADCA invests significant resources each year to promote this specification to ancillary and relevant markets (architect, engineer, facility manager) in an effort to build that awareness and ultimately, a requirement in all specifications for a NADCA-certified ASCS to have oversight of the project. These efforts have been moving the needle and while the Association is playing a long game with this, the impact for NADCA members earning job bids has been proven significant.

To date, NADCA has reached more than **31,600 individuals** working in various roles such as architects, engineers, facility managers and specification writers.

Members are encouraged to download *The General Specification* and share it with bid writers. Indoor air quality professionals report that best practices include hiring the NADCA member company with the most certified individuals on staff to perform their duct cleaning services. This reinforces the notion that it pays to invest in your staff.

NADCA's best-performing LinkedIn posts in 2022 were all related to polls that were posted by the Standards and Specifications Manager. It seems that solicitations and opportunities to interact are attracting more attention than traditional posts have in the past. Specifically, one post about HVAC system projects requiring a game plan, followed by a multiple choice question, garnered **2,258** impressions. Another post in the Facilities Management Group on LinkedIn saw **4,205** impressions. The post talked about new construction and post-construction cleaning needs.

Bylaws Committee

The bylaws document specifies how the Association is to be governed. A copy can be found in the Members Only section at nadca.com.

Ethics Committee

The Ethics Committee was originally appointed for the primary purpose of evaluating the Association's logo use policies, as well as other policies related to the use of NADCA's intellectual property. The committee is also actively engaged in reviewing allegations of unethical conduct by NADCA members. In 2022, the Association received three ethics complaint submissions, all of which were resolved satisfactorily. The committee activates when a complaint is received in order to review and take action according to the NADCA Policies and Procedures when deemed necessary.

The committee also works with the Anti-Fraud Task Force and the NADCA attorney, if warranted, to police and protect NADCA's trademarks. These efforts continue on behalf of NADCA members in order to monitor and prevent misuse of the NADCA logo for competitive advantage.

Strategic Planning

NADCA's strategic plan sets the direction and establishes priorities for the Association. It defines the Association's view of success and prioritizes the activities that will make this view a reality. The strategic plan helps to guide committees, board members and executive management toward fulfilling the initiatives outlined in the plan, thereby achieving the short and long term goals of the Association. NADCA staff maintains a focus on the directives of the plan and delivers measurable results that can be tied directly to the strategic mission of the organization.

NADCA held its first strategic planning session with their new management team in 2014 and developed five pillars of engagement. They were: Market Research; Membership Recruitment; International Recruitment; New Member Retention; and Membership Retention/Renewals. In 2017, the Board of Directors met to do a deep dive into those five pillars and re-set the focus of the organization for the next three years. Each year since then and until 2021, the Board of Directors

reviewed the strategic initiatives and reset goals where appropriate. In 2021, the Board of Directors held an in-person strategic planning session that included two members at large and one non-member contributor. The group worked over the course of two days and ultimately outlined a high level strategy for the next one to three years. This includes three pillars: Validation; Transformation; and Brand. In 2022, the Board and its Committees focused the bulk of their work on science and the push to develop and deliver to the members and the industry, science-backed data to support the work of the members.

Management Review

NADCA is entering its eleventh year of partnership with AH, a leader in the Association Management community. They were the first licensee of the American Society of Association Executives (ASAE) Certificate in Association Management Program, they are charter-accredited by the AMC Institute (to an American National Standards [ANSI] standard)

and employ the highest number of credentialed staff members of any association management company (AMC) worldwide. AH is also the first and only AMC to be Platinum Certified by the Customer Service Institute of America.

NADCA's scope of work is the driving document behind the management agreement. The Board of Directors reviews the scope of work against the strategic objectives for the year and makes approvals based upon those established directives. The Board of Directors participates in an annual review of the management partner, including all direct and support staff services. In addition, there is an ongoing and open line of communication between the Board of Directors, the Chief Executive Officer and the Partner and Chief Executive Relationship Officer at AH. This allows for immediate resolution to any real or perceived issues. The partnership with AH has been one of mutual respect, professionalism, transparency, accountability and success! NADCA's management contract with AH was renewed for a three-year term beginning in 2021.

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