



NFRC PCP Bulletin 2011-10

PROCEDURES: NFRC 700, NFRC 704, and NFRC 713
DATE: November 30, 2011
SUBJECT: Clarifications regarding NFRC PCP revenue form; IVP information form; and NFRC 704 updates.

The following bulletin will provide clarification on the recent topics of discussion:

- The verification of a licensee's sales revenue regarding NFRC participant's fee.
- An explanation concerning the difference between participation fees and membership fees.
- Modifications to the NFRC 704-2012 regarding CMA program fees and PCP invoicing.
- The information form for the Independent Verification Program (IVP) to be completed by participants.

If you have any questions concerning the information in the *NFRC Bulletin*, please contact NFRC at 301-589-1776; email: info@nfr.org.

Item 1: 2012 Participant Fee based on NFR 704-2012

The previous distributed bulletin regarding the participant's responsibility to submit a form verifying the licensee's sales revenue have contributed to many questions. The following provides clarification regarding many of the questions, as well as a link to the revised form NFRC participants can submit for the sales revenue verification. **NOTE: If you have already submitted the sales revenue form, you do not need to resubmit the form.**

- Each licensee (window or door manufacturer, pre-hanger, private labeler) shall use their company's North American sales revenue figure from all "whole fenestration products" (doors, windows, and skylights) regardless of whether the products are NFRC certified to select the revenue category. The revenue does not include other company component revenue such as installation, product components such as hinges, slabs, etc. Please use sales revenue from the most recently audited fiscal year.
- For international participants, the sales revenue is based on US dollars and the rate of conversion can be based on the day you provide the revenue category.
- The following are NFRC licensees are excluded from the new participation fee schedule: Attachment Product (Applied Film) Manufacturers; Glazing Suppliers; Applied Film Glazing Suppliers; and Site-Built Licensees.
- A form is available on the NFRC website:
<http://www.nfrc.org/documents/2011-11-24PCPParticipantSalesRevenueAffidavit.pdf>
- In some cases participants are requesting their previous year's participation fees; unfortunately, NFRC cannot provide any historic fees paid by NFRC participants. Please contact your accountant and use the most recent audited financials.

Item 2: Participant and Membership Fees

Many participants have questions concerning the difference between the participant fees listed in the NFRC 704 and the new membership fee.

- The fees are separate and provide the company with two ways to engage in the work of NFRC.
- The participation fees listed in the NFRC 704 are for manufacturers, pre-hangers, glazing suppliers, certification programs, laboratories, and CMA participants who are participating in an NFRC certification program.
- The membership fee of \$2000 is for all fenestration industry representatives, such as manufacturers, and all affiliated industry organization members, such as trade associations, certification agencies, laboratories, and general contractors. NFRC membership is for companies that want to take advantage of the members' benefits. Here are just some of the benefits:
 - Stay on top of cutting edge information with NFRC member publications, latest industry news, and having access to a host of web-based services through the Members Only section of the NFRC Web site.
 - Your voice will be heard since only members may vote for the NFRC board of directors, on issues and documents at the subcommittee and committee levels, or be elected to leadership positions.
 - Your organization will save money by receiving discounted meeting registration fees and, in the case of fenestration manufacturers, reduced charges for certifying products.

Item 3: Recent modifications to the NFRC 704 – Fee Schedule

- The following is an explanation for the modifications to the NFRC 704.
 - Section 1.1, Processing Fees, was modified providing details regarding the invoicing and deadlines for PCP fees.
 - The annual CMA participation program fees for Spacer and Frame participants and the component fee for frame components listed in Section 5, NFRC 705 – CMA fees were modified.
- The revised NFRC 704 can be download from the NFRC website:
<http://www.nfrc.org/programdocs2.aspx>

Item 4: Independent Verification Program (IVP) clarifications

- The program document governing the IVP is the NFRC 713. This document is currently under development. NFRC will distribute the document to NFRC participates in January 2012 for review and comments. During the NFRC Spring meeting, a forum will be held to discuss the IVP.
- The Pilot Program for the IVP is underway. The Pilot Program is a year long process for NFRC to “work out the kinks” for the IVP.
- During the Pilot Program, participants will not be subject to the compliance actions listed in the NFRC 713.
- The IVP is an enhancement to the NFRC PCP; therefore all licensed NFRC

participants will partake in the IVP.

- When the IVP is implemented in 2013, participants will no longer need to validate product lines when **recertifying** those product lines.
- An information form was recently distributed to NFRC participants. This form is for administrative purposes and does not mean your company was selected for IVP testing. The only request is to fill out the form and submit to NFRC.
- The company contacts listed on the information form is the individuals who are responsible and can provide NFRC the proper support. In some cases, the same individual may be the contact.
 - Product Ordering Contact: This individual will support NFRC when dealing with any complications to obtain a product for IVP testing.
 - Compliance Contact: This individual will support NFRC when dealing with the NFRC 713 compliance issues.
 - Financial Contact: This individual will support NFRC when dealing with NFRC 713 financial issues.
- The cost of the IVP has been accounted for in the new fee structure. Additional financial costs may occur in the case of IVP failures and subsequent compliance testing.

This bulletin can be downloaded from the NFRC website:

<http://www.nfrc.org/bulletins.aspx>