

**Sigma Phi Epsilon Fraternity
National Board of Directors
Conference Call Meeting Minutes
August 28, 2012**

National Directors in attendance:

Bert J. Harris, III, Florida, '74	Grand President	2013
Christopher L. Bittman, Colorado, '85	Grand Treasurer	2013
William J. Broadlick, Washington State, '13	Student Director	2013
Austin J. Collins, Alabama, '13	Student Director	2013
Phillip A. Cox, Indiana, '84	National Director	2013
Thomas B. Jelke, Ph.D., Florida International, '90	National Director	2013
Justin D. Kingsolver, Indiana, '12	Student Director	2013
Billy D. Maddalon, North Carolina State, '90	National Director	2015
Daniel W. McVeigh, Texas Wesleyan, '90	National Director	2017

Headquarters staff present:

Brian C. Warren, Jr., Virginia, '04	Executive Director
Lynn C. Cutter, William Smith, '09	Executive Coordinator
Andrew P. Lemens, Drake, '08	Director of Fraternity Operations

National Directors absent:

Shawn McKenna, Maine, '77	Grand Secretary	2015
Richard W. Bennet, III, Central Missouri, '74	National Director	2017

Guests:

Michael G. Ellis, Purdue, '84	Technology Task Force Chairman
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Call To Order

The meeting was called to order by Grand President Bert J. Harris, III on August 28, 2012 at 7:05 p.m. Eastern Daylight Time by conference call. Written notice and agenda was provided in advance.

Year-End Performance

Grand President Harris called on Executive Director Warren to present on the 2011-2012 Fraternity performance in the areas of recruitment, manpower, academics, communication, and finance.

Executive Director Warren stated there was good performance considering the behavioral issues of the fiscal year. Executive Director Warren noted overall recruitment was below the previous year, but the average recruitment per chapter was roughly even.

Executive Director Warren stated those behavioral issues led to a significant number of charter evocations and membership reviews.

Executive Director Warren explained there have been previous concerns raised with the decrease in total chapters, but SigEp has seen great results from investing resources in currently chartered chapters and limiting the commitments of the expansion team. Executive Director Warren added that there will be a presentation for a multi-year expansion growth plan at the November meeting.

Executive Director Warren stated there are multiple chapters hugging the forty-man line, many of which are new to the list due to membership reviews conducted by the staff or the enforcement of standards internally.

Executive Director Warren stated SigEp is continuing to move the needle by one or two hundredths in regards to grade-point-average spring to spring and fall to fall.

Executive Director Warren pointed out a big reason for the most recent 0.02 increase is due to the performance of southern pledge model chapters where more resources have been allocated.

Executive Director Warren stated the number of individuals volunteering at the local level has increased, which helps to understand what chapters are doing at the local level.

Executive Director Warren pointed out that a major part of the Regional Directors job is to impact recruitment, and teach chapters how to recruit the right way with the right message. Executive Director Warren added this year, the Regional Directors were armed with over 40 hours of training surrounding the Balanced Man Program, stating there is a good marriage between recruitment and the Balanced Man Program this year.

Executive Director Warren called on Grand Treasurer Bittman to speak on the financials.

Grand Treasurer Bittman stated the operating income on the income statement shows the bulk of the financial picture and shows that the staff has done a great job controlling expenses.

Grand Treasurer Bittman explained the main drivers of controlling expenses were the management of travel expenses by the staff.

Grand Treasurer Bittman added that the program expenses were lower than the financial plan.

Executive Director Warren stated this was due to scheduling conflicts with the Life After College program last spring, so the programs have been rolled over into this academic year. Executive Director Warren added this is not ideal, because two or three programs scheduled to be delivered, were in fact not delivered.

Executive Director Warren explained the reasons for an increase in salary expense are because Seth Irby has been added to the Programs & Events Team, the 2012-2013 Regional Directors received an extra week of training in Richmond, and there was a modest severance package offered to an employee.

National Director Jelke added he would like to see one page added in the future about these main drivers of revenue increases or decreases and expense increases or decreases.

Grand Treasurer Bittman and Executive Director Warren agreed.

Revised Chapter Bill Discount Model

Grand President Harris called on Executive Director Warren to present on the discount model.

Executive Director Warren explained that currently \$94,000 is awarded in early-pay discounts, adding that there has been previous discussion regarding whether this incentive is actually affecting behavior, the membership experience, or driving best practices at the local level, beyond financial management.

Executive Director Warren added that the staff is recommending an alternative solution—replace the early-pay discount model with a system that rewards comprehensive chapter performance by making a contribution to each Buchanan Cup recipient’s Educational Foundation scholarship fund, specifically, the staff recommends awarding silver Buchanan Cup recipients with a \$2,500 scholarship contribution and gold Buchanan Cup recipients with a \$5,000 scholarship contribution to the chapter’s respective Educational Foundation Scholarship Fund. Executive Director Warren added the staff also recommends that each scholarship contribution be dependent on matching alumni contributions.

Executive Director Warren added that the staff is making this recommendation for next fiscal year, considering most chapters have worked on a financial plan that considers the current discount model, adding that this also allows for a two-year window to build the pool to help fund this effort.

Executive Director Warren pointed out this proposed model is a great way to achieve sustainable performance from high achieving chapters, who are the energy givers and brand defining chapters.

Executive Director Warren added there needs to be more time spent with the Foundation in regards to the management of the funds and the matching gift fundraising efforts.

The National Directors agreed to table this discussion until the November meeting, and reinclude this information in the agenda.

Technology Task Force Report

Grand President Harris called on Technology Task Force Chairman Mike Ellis to speak on behalf of the Technology Task Force.

Brother Ellis explained that the initial charge of the Technology Task Force focused on challenges facing the Fraternity with potential solutions in a technology product or platform. Brother Ellis added that as the task force investigated solutions, it found that a single platform with the right functionality was the best option for SigEp.

Brother Ellis stated that after considering several options, ChapterSpot was identified as the leading solution because of their ability to provide a custom and sustainable platform capable of integrating with SigEp’s national database.

Executive Director Warren added that the partnership with ChapterSpot would aid in consistent chapter operations, brand alignment, AVC corporate governance, facility and financial management, communication and engagement, officer transition, document retention and non-traditional revenue growth.

Brother Ellis stated the task force requests additional time to consider the best solution to support chapter and AVC financial operations.

National Director Philip A. Cox moved the board to approve the task force recommendation that a ChapterSpot partnership be created contingent upon agreeable contract terms.

Seconded by National Director Thomas B. Jelke.

Unanimously approved.

National Director McVeigh suggested this benefit be communicated at the same time the discount model is proposed.

Assessment Model

Grand President Harris called on Executive Director Warren to discuss the assessment model.

Executive Director Warren stated the staff is recommending that the National Board of Directors endorse and adopt a two-pronged approach to member assessment utilizing the University Learning Outcomes Assessment (UniLOA), built specifically for Sigma Phi Epsilon.

Executive Director Warren explained this assessment tool is being adopted by more and more institutions each year.

Executive Director Warren pointed out UniLOA tracks seven areas that align with the desired outcomes of the Fraternity's membership experience as implemented through the Balanced Man Program, including critical thinking, self-awareness, communication, diversity and cultural awareness, citizenship and civic responsibility, leadership, and healthy relationships.

Executive Director Warren explained SigEp members will be assessed upon joining or no later than the first semester of membership, at the conclusion of each leadership event in which the member participates, at graduation or immediately following, at approximately six month post-graduation, and at approximately three year post-graduation.

National Director Jelke added UniLOA is a well recognized company, stating that surveying externally will give the assessment more credibility.

National Thomas B. Jelke moved the board approve the recommendation to adopt a two-pronged approach to member assessment utilizing the University Learning Outcomes Assessment (UniLOA) and authorize Executive Director Warren to move into a contract.

Seconded by National Director Philip A. Cox.

Unanimously approved.

Balanced Man Program

Grand President Harris called on Executive Director Warren to discuss the Balanced Man Program.

Executive Director Warren explained the information provided was mostly an attempt to update the board on the work that's been done by the Balanced Man Program Task Force.

Executive Director Warren stated the current regional directors are better prepared to impact the balanced man program and membership experience than any group in the past ten years, adding that staff has continued to get positive feedback on how chapters are receiving the better explained version of the balanced man program.

Student Director Collins stated when Regional Director Andrew Palmer came to Alabama this semester, his presentation of the Balanced Man Program was a dramatic improvement from previous years and the best he has seen since joining SigEp.

Executive Director Warren added there is still a lot of work to be done and that there are several deficiencies of the program, as well as unintended consequences.

Executive Director Warren explained the task force will prepare a more refined proposal for how to evolve the program, the role the ritual will play and the role technology will play, for the November meeting.

Grand President Harris stated the task force hopes the future product will be one that is demanded by both current pledge and balanced man program chapters.

Executive Director Warren explained the staff has continued to bounce ideas off of undergrads, alumni and volunteers, as this needs to be a grassroots effort and not totally driven by the staff.

National Director Maddalon stated he is encouraged that there is a market-driven component and one that is reflective of pledge model chapter concerns and thoughts.

The Board agreed to add the Balanced Man Program to the November meeting agenda and that no vote is needed at this time.

2013 Conclave

Grand President Harris called on Executive Director Warren to discuss the 2013 conclave financial plan.

Executive Director Warren asked the Board to table this discussion for a future meeting so the staff can continue to work with a few alumni on the sponsorship initiative, before anything affects programming or the cost of attendance.

Executive Director Warren explained there are several immediate things that can affect expenses. First, the move from Dallas to Phoenix will help decrease travel expenses. Second, the Friday night event can be changed to something less expensive. Third, the staff is working on the sponsorship options.

The Board agreed to table discussion until the next meeting.

Executive Director Warren asked for the National Directors to contact him directly regarding any feedback on the sponsorship information provided in the materials.

Letter from Dr. Ed Hammond

National Director Billy D. Maddalon moved the board approve the letter from Dr. Ed Hammond.

Seconded by National Director Philip A. Cox.

Unanimously approved.

Order of the Golden Heart Nomination Task Force

National Director Daniel W. McVeigh moved the board approve the Order of the Golden Heart Nomination Task Force as written.

Seconded by Thomas B. Jelke.

Unanimously approved.

Other Business

Grand President Harris asked the National Directors to refer any questions regarding the SENH Interim Report to Executive Director Warren privately.

Executive Director Warren explained the Leadership Event dates are for information only and in the future will include upcoming anniversaries and housing dedications.

Executive Director Warren stated the November meeting will take place November 9-11, 2012, adding that due to scheduling conflicts and steep prices, the meeting will not take place in Richmond.

National Director Maddalon suggested the meeting take place in Charlotte.

The Board agreed to allow Executive Director Warren to have discussions with National Director Maddalon regarding hosting the meeting in Charlotte, and make an announcement on location later in the week.

Adjournment

Grand President Harris thanked the National Directors and Brother Ellis for their time.

Grand President Harris adjourned the conference call at 8:45 p.m. Eastern Daylight Time.