

**Sigma Phi Epsilon Fraternity
National Board of Directors
Conference Call Meeting Minutes
September 23, 2011**

National Directors in attendance:

Bert J. Harris, III, Florida, '74	Grand President	2013
Christopher L. Bittman, Colorado, '85	Grand Treasurer	2013
Shawn McKenna, Maine, '77	Grand Secretary	2015
Richard W. Bennet, III, Central Missouri, '74	National Director	2017
William J. Broadlick, Washington State, '13	Student Director	2013
Austin J. Collins, Alabama, '13	Student Director	2013
Phillip A. Cox, Indiana, '84	National Director	2015
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
Andrew P. Lemens, Drake, '08	Director of Fraternity Operations
Lynn C. Cutter, William Smith, '09	Executive Coordinator

National Directors absent:

Thomas B. Jelke, Ph.D. Florida International, '90	National Director	2013
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Call To Order

The meeting was called to order by Grand President Bert J. Harris, III on September 23rd at 1:30 p.m. Eastern Standard Time by conference call. Written notice and agenda was provided in advance.

Minutes of Previous Meeting

Grand President Harris called for approval of the National Board of Directors' meeting minutes from the 52nd Grand Chapter Conclave in Phoenix, Arizona held Sunday, August 14, 2011

Student Director Austin J. Collins moved the Board approve the August 14, 2011 meeting minutes.

Second by National Director Philip A. Cox.

Unanimously approved.

Fraternity Performance Update

Grand President Harris called on Executive Director Brian C. Warren, Jr. to give the Fraternity performance update.

Executive Director Warren reminded the Board that during the spring 2010 meeting the Directors requested that the staff have serious conversations with the volunteers of both Mississippi Alpha and Alabama Theta about the future of their respective chapter. Executive Director Warren reported that there was a good response from both groups, which agreed to address standards, recruitment practices, academic performance, and member development programming.

Executive Director Warren noted that the Alabama Theta volunteers created a state of urgency and the chapter responded with a 0.4 increase in GPA and recruited 20 new members. Executive Director Warren suggested to Grand President Harris that he draft a letter to Chapter Counselor Randy Vice for all his hard work and dedication to the Alabama Theta chapter.

Grand President Harris agreed and also noted that he would like to draft a similar letter of thanks to Past Grand President Stephen B. Shanklin and several key parents at Mississippi Alpha.

Executive Director Warren provided an update on new member recruitment. Executive Director Warren stated, to date, there are 1,374 new registrations and that the number will change significantly each day because of the percentage of total new members recruited in the early fall. Executive Director Warren pointed out that current registrations are just 40 more than where SigEp was to date in 2010. Executive Director Warren explained that the 52 men listed under expansion are from successful efforts at Alabama and Florida State.

Executive Director Warren summarized that the Fraternity is doing well with recruitment. Many chapters are outperforming 2010 efforts, which was one of the best in SigEp's history. Executive Director Warren promised to provide the Board more news regarding recruitment and manpower at the next meeting in October.

Executive Director Warren presented on the impact chapter situations will have on fall and spring bill revenue, and how a loss in revenue may affect programs or services. The Fraternity budgeted for 14,800 total members on the fall and spring bill. Executive Director Warren noted that with the closure of California Tau and membership reviews at Texas Mu and Illinois Zeta, the total manpower projection is 14,900. Any other significant reviews of membership may put the Fraternity below its budgeted number.

Grand President Harris asked for Executive Director Warren to discuss the closure of California Tau.

Executive Director Warren stated that District Governor David R. Calderon and Director of Fraternity Operations, Andrew P. Lemens discussed chapter sanctions with administrators at California Polytechnic State University- San Luis Obispo in order to determine options other than closure of the California Tau chapter. Withdrawing recognition was the only option that the university would entertain. Executive Director Warren noted that the university was under a lot of pressure from local media and looking to make a statement in the Greek community. California Tau's Chapter President, Rick Collette, submitted a letter to Grand President Harris notifying him of the chapter's desire to surrender its charter.

Grand President Harris called for a motion to accept the California Tau charter surrender.

Student Director Justin D. Kingsolver moved the Board to accept the California Tau charter surrender.

Seconded by Student Director William J. Broadlick.

Unanimously approved.

Virginia Eta Alumni

The Board discussed the dormant Virginia Eta chapter, the complaint made by a few of the Virginia Eta Alumni, and the overview and recommendation from General Counsel Douglas M. Nabhan.

Executive Director Warren stated that the Sigma Phi Epsilon house at Virginia Eta at 150 Madison Lane, Charlottesville, VA 22903 is vacant and boarded up. Executive Director Warren stated that it is his understanding that the building is not being used.

Grand President Harris called on Executive Director Warren to speak about the financial implications of this trial, to date and in the future.

Executive Director Warren stated that the Fraternity has been billed for more than \$50,000 in legal fees since the closure of the Virginia Eta chapter in 2009. More than \$36,000 was billed during the 2010-2011 fiscal year. Since the start of the 2011-2012 fiscal year, the Fraternity's D&O insurance carrier has been covering legal expenses on a reservation of rights basis.

Grand President Harris emphasized to the Board that SigEp could potentially spend \$20,000-40,000 in the current fiscal year solely on this case.

Grand President Harris called for a motion to authorize the General Counsel to proceed according to his recommendation and use option 1, 2, and/or 3 at his preference; and that the Board authorize and approve all three recommendations and their related findings.

National Director Daniel W. McVeigh moved that the Board adopt the motion recommended by Grand President Harris.

Seconded by National Director Phillip A. Cox.

Unanimously approved.

Committee Appointments

Grand President Harris asked the Board to approve the appointment of the Audit Committee.

National Director Billy D. Maddalon moved the Board to approve the Audit Committee appointment and charter, as attached hereto.

Seconded by Grand Secretary Shawn McKenna.

Unanimously approved.

Strategic Plan Implementation

Volunteer Task Force

Grand President Harris called on National Director Cox to present on the Volunteer Task Force.

National Director Cox presented the purposes of the Volunteer Task Force charter, and explained that they would review the past recommendations, as implemented, as well as determine our status with volunteer programming (specifically recruiting, training and retaining volunteers). National Director Cox stated that based on these findings, the Volunteer Task Force will then make a further recommendation to the Board.

National Director Phillip A. Cox moved the Board approve and appoint the Volunteer Task Force according to the charter, as attached hereto.

Seconded by National Director Richard W. Bennett, III.

Unanimously approved.

Higher Education

Grand President Harris called on National Director Bennett to present the Fraternity's efforts to partner with higher education.

National Director Bennet stated that he has had several discussions with Past Grand President Dr. Edward H. Hammond, Grand President Harris and Executive Director Warren in regards to formulating several steps in an action plan to move forward in the higher education portion of the Fraternity's strategic plan.

National Director Bennet noted that we currently measure grade point average and a resolution of the 52nd Grand Chapter Conclave increased our standards, but we do not have metrics in place surrounding retention and graduation rates, both from past years and from our partner institutions.

National Director Bennet stated that this initiative is going to be a multi-step process. First, Executive Director Warren is working with his staff to put in place the ability to collect overall retention and graduation rates. Second, the Board will need to establish a task force to put together best practices to improve those metrics and put them in the Regional Director's and District Governor's hands to not only measure, but also raise standards.

National Director Bennet noted that Past Grand President Hammond has suggested that SigEp representatives attend a higher education meeting in late October with several university officials and raise questions surrounding fraternities and their relationship with host institutions.

National Director Bennet stated that ultimately the Board would create an advisory board that would consist of external individuals including university administrators, faculty members and student life directors to meet off-site and discuss how SigEp and fraternities at large are functioning, and provide feedback on an annual basis on their findings and discussions.

National Director Bennet announced that the final step would be to create an outreach program and perhaps reach out to other Greek organizations and pull them into the movement of working closer with higher education institutions.

Grand President Harris agreed that relationships with our host institutions is important and that the Fraternity's meeting with university leaders in late October is an important step in the process. Grand President Harris suggested that costs be considered and that the outcomes of the October meeting may necessitate a reevaluation of the budget to determine if a reallocation of funding is needed.

Grand President Harris encouraged the National Directors to send National Director Bennet and Executive Director Warren any questions they would like presented to the University Presidents.

Buchanan Cup Task Force

Grand President Harris called on National Director Bennet to present on the Buchanan Cup Task Force.

National Director Bennet stated that the Buchanan Cup Task Force will review the 2013 Buchanan Cup criteria and make any suggestions.

Grand President Harris pointed out that this task force will come and go in about three weeks, as their work is immediate.

Grand President Harris called for a motion to approve the Buchanan Cup Task Force according to the charter, as attached hereto.

National Director Richard W. Bennet, III moved the Board to approve the Buchanan Cup Task Force.

Seconded by National Director Daniel W. McVeigh.

Unanimously approved.

District Governor Task Force

Grand President Harris called on National Director McVeigh to present on the District Governor Task Force.

National Director McVeigh stated the District Governor Task Force will look at the needs and concerns of the current district governors.

National Director McVeigh pointed out that the primary objective of the District Governor Task Force will be to determine how the Fraternity can best deliver support to the district governors, as well as try to improve district governor communication with the staff and the Board.

Grand President Harris called for a motion to approve the District Governor Task Force according to the charter, as attached hereto.

National Director Daniel W. McVeigh moved the Board to approve the District Governor Task Force.

Seconded by Student Director William J. Broadlick.

Unanimously approved.

National Philanthropy Task Force

Grand President Harris called on Executive Director Warren to present on the National Philanthropy Task Force, since National Director Jelke was not available for the conference call.

Executive Director Warren stated that the formation of the National Philanthropy Task Force came out of Resolution 24 passed at the 52nd Grand Chapter Conclave in Phoenix, Arizona asking for a task force to consider the value of a national philanthropic partner and for them then to make a recommendation to the Board suggesting potential partner(s).

Executive Director Warren noted that this task force would ultimately be looking to partner with a group whose activities and mission statement align with SigEp's mission statement.

Student Director Justin D. Kingsolver moved the Board to approve the National Philanthropy Task Force according to the charter, as attached hereto.

Seconded by Student Director Austin J. Collins.

Unanimously approved.

Equity Management Fund Task Force

Grand President Harris called on Grand Secretary Shawn McKenna to present on the Equity Management Fund Task Force.

Grand Secretary McKenna noted that the Equity Management Fund Task Force must first take a step back and understand the criteria for the equity management fund and decide whether the program should be promoted, rather than how to promote the program.

Grand Secretary McKenna suggested it be added that the ex-officio needs to be aware of this committee and that Grand Treasurer Bittman needs to sign off.

Grand Treasurer Bittman expressed concerns for the equity management fund's long term intent and pointed out that at any given point all chapters could ask for their money back.

Grand President Harris agreed with Grand Treasurer Bittman's concerns and noted that the recommendation of the Equity Management Fund Task Force, although it will be presented to the Board, will go to the SigEp National Housing (SENH) for a vote.

Grand President Harris called for a motion to approve the Equity Management Fund Task Force charter with the foregoing changes.

Grand Secretary Shawn McKenna moved the Board approve the Equity Management Fund Task Force accordingly.

Seconded by National Director Billy D. Maddalon.

Unanimously approved.

Branding Task Force

Grand President Harris called on National Director Maddalon to present on the Branding Task Force.

National Director Maddalon noted that the formation of the Branding Task Force came out of Resolution 20 passed at the 52nd Grand Chapter Conclave in Phoenix, Arizona directing that the fraternity consider the branding across all areas—the Fraternity, Foundation and SigEp National Housing.

Student Director Kingsolver suggested that this task force also look at which agents can use the SigEp brand and how individual chapters are affected by any branding related decisions.

National Director Maddalon suggested we modify the Scope of Work to read “the Fraternity, its chapters, Educational Foundation, and SigEp National Housing.”

Grand President Harris called for a motion to approve the Branding Task Force charter with the suggested edits.

National Director Billy D. Maddalon moved the Board to approve the Brand Task Force charter with the suggested edits.

Seconded by Student Director Justin D. Kingsolver.

Unanimously approved.

Governance Task Force

Grand President Harris presented on the Governance Task Force.

Grand President Harris noted that over the years, our conclave has adopted resolutions that may or may not have made it in SigEp policies and this committee will be overseeing such edits.

Grand President Harris called for a motion to approve the Governance Task Force according to the charter, as attached hereto.

National Director Billy D. Maddalon moved the Board to approve the Governance Task Force.

Seconded by National Director Phillip A. Cox.

Unanimously approved.

Ritual Task Force

Grand President Harris noted that the Ritual Task Force information was not included in the information provided for the conference call.

Grand President Harris asked the Board for their support in making Grand Secretary McKenna liaise and Brother Salvatore A Moschelli chairman of the Ritual Task Force.

Grand Secretary McKenna stated that the Scope of Work will come from Resolution 17 passed at the 52nd Grand Chapter Conclave in Phoenix, Arizona.

Grand Secretary Shawn McKenna moved the Board to approve the Ritual Task Force charter according to the foregoing terms.

Seconded by National Director Phillip A. Cox.

Unanimously approved.

Report on Vendor Review Process

Grand President Harris discussed the vendor review process.

The Board noted that the audit committee would review and evaluate the auditor relationship. That duty should remain with the audit committee.

Executive Committee

Grand President Harris noted that he had been advised that the Student Directors had selected Student Director Broadlick to serve on the Executive Committee.

National Director Austin J. Collins moved the Board elect Student Director William J. Broadlick to the Executive Committee.

Seconded by Student Director Justin D. Kingsolver.

Unanimously approved.

October NBD Meeting

Grand President Harris noted the proposed meeting agenda for the National Board of Director's meeting scheduled for October 14-15th in Chicago.

Grand President Harris opened the discussion for a potential date change.

Grand Treasurer Bittman stated that there should be consideration for more frequent contact via video, proposing that the next Board meeting be a video conference.

Grand President Harris asked Executive Director Warren pursue video conferencing for future Board meetings.

Grand President Harris pointed out that the in person Board meetings are expensive and cost the Fraternity between \$5,000-10,000, so we should host as many video or phone conferences as possible, to limit the spending and suggested that the next in-person meeting be December 3-4th.

National Director Maddalon agreed that the Board should consider the video conferences a complement to the in-person meetings because some issues require the National Directors to be in the same room.

The National Directors agreed that the next in-person meeting should be December 3-4th, 2011, and overlap with the Association of Fraternity Advisor's Annual Conference.

Executive Director Warren noted that the Association of Fraternity/Sorority Advisors meeting is December 3-4th in St. Louis, Missouri.

Grand President Harris asked Executive Director Warren to determine whether the arrangements made with the Chicago O'Hare Hilton could be modified to allow the Board to meet 3-4 December 2011 in St. Louis and next in Chicago.

Adjournment

Grand President Harris adjourned the conference call at 2:54 p.m. Eastern Standard Time.