

**Sigma Phi Epsilon Fraternity
National Board of Directors
Conference Call Meeting Minutes
June 23, 2014**

National Directors in attendance:

Phillip A. Cox, Indiana '84	Grand President	2015
Christopher L. Bittman, Colorado '85	Grand Treasurer	2015
Richard W. Bennet III, Central Missouri '74	National Director	2017
Billy D. Maddalon, North Carolina State '90	National Director	2015
Daniel W. McVeigh, Texas Wesleyan '90	National Director	2017
Shawn McKenna, Maine '77	National Director	2015
Thomas B. Jelke, Ph.D., Florida International '90	National Director	2019
Garry C. Kief, Southern California '70	National Director	2019
Erik D. Mikkelsen, Utah State '14	Student Director	2015
Marshall Miller, Valparaiso '14	Student Director	2015
Shawn McKenna, Maine '77	National Director	2015

Headquarters staff present:

Brian C. Warren Jr., Virginia '04	Chief Executive Officer
Julie Ross	Finance Director
Hillary Hackett	Executive Coordinator

National Directors absent:

Sawyer J. Hicks, Davidson '14	Student Director	2015
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Call to order

The meeting was called to order by Chief Executive Officer Brian C. Warren Jr. on Monday, June 23, 2014 at 6:05 p.m. Eastern Daylight Time.

Adoption of meeting minutes

Chief Executive Officer Warren called for approval of the minutes from the Spring Meeting in Chicago, Illinois held April 4 - 5, 2014.

National Director Thomas B. Jelke moved the Board to approve the minutes from the April 2014 meeting.

Seconded by National Director Garry C. Kief.

Unanimously approved.

Education Foundation Update

Before providing the Fraternity's financial report, Warren reviewed the key discussion points and resolutions passed during the June 16, 2014 Educational Foundation Board of Trustees meeting.

CEO Warren announced the Foundation's projected fundraising revenue to be \$1,100,000 at fiscal year-end and noted this performance would exceed dollars raised in the prior fiscal year by roughly \$200,000. He then went on

to credit the majority of the increase to the new Fundraising team's ability to call and visit donors more frequently, thereby growing Board of Governors membership by 40%.

CEO Warren moved on to summarize the Trustees' decisions to adopt, for the 2015 fiscal year, a Spending Policy of 4.5% of the rolling three-year average of the fund balance and a Management Fee of 1.5% of the fund balance, assessed quarterly at .375%.

Before concluding the Foundation report, CEO Warren announced the Trustees' approval of a \$1,000,000 grant to the Fraternity in support of its 2014 fiscal year programs and services.

Fraternity Financial Report

CEO Warren delivered the Fraternity's income statement and balance sheet as of May 30, 2014. Warren noted the Fraternity's growing membership as the primary driver of revenues exceeding budgeted projections. He noted responsible spending in the areas of staff travel, printing, and postage as the primary driver of expenses below budgeted projections.

CEO Warren closed by forecasting a slight operating deficit at fiscal year-end, but one well below the budgeted amount.

Grand Treasurer Bittman stressed the importance of the Fraternity's investment in programming and fundraising, and reminded the Board of its decision to budget accordingly in the current and future fiscal years. Warren added that the Fraternity hit all of its programming goals for the 2014 fiscal year and is planning to continue enhancing the experience in future years.

Insurance

CEO Warren provided a recommendation for comprehensive insurance coverage for the 2015 fiscal year. The policies, with coverage limits, included:

Warren pointed out the changes to the general liability policies in terms of coverage, carrier, and premium given the hardened insurance environment and Liberty Surplus Insurance Corporation's exit from the Fraternity market. He also provided a ten-year historical perspective to the changes, reviewing trends in self-insurance and premium.

CEO Warren asked the Directors to approve the recommended insurance coverage at the proposed premiums.

National Director Garry C. Kief moved the Board to approve the staff's recommendation with Admiral Insurance as the Fraternity's primary general liability policy provider, sub-limits of \$250,000 per occurrence and \$500,000 aggregate (per chapter) for undergraduates and chapters, and a self-insurance reserve funded at \$400,000. .

Seconded by National Director Shawn McKenna.

Unanimously approved.

2014 – 2015 Budget

CEO Warren proposed a budget for the 2015 fiscal year. Warren expressed the need to continue strengthening the services and programming offered to undergraduate members to ensure an experience that is relevant and safe. Warren also expressed the need to further invest in fundraising efforts that will result in additional funding for programs and services.

National Director Garry C. Kief moved the Board to adopt the proposed budget for the 2015 fiscal year.

Seconded by National Director Daniel W. McVeigh.

Unanimously approved.

Adjournment

Chief Executive Officer Brian C. Warren Jr. adjourned the meeting on Monday, June 23, 2014, at 8:03 p.m. Eastern Daylight Time.