

**Sigma Phi Epsilon Fraternity  
National Board of Directors  
Meeting Minutes**

**Chicago, Illinois  
April 23, 2010**

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National Directors in attendance:

|  |                   |      |
|--|-------------------|------|
| Christopher L. Bittman, Colorado, 1985         | President Pro Tem | 2011 |
| Bert J. Harris, III, Florida, 1974             | Grand Secretary   | 2011 |
| Zachary P. Barilleau, LSU, 2010                | National Director | 2011 |
| Richard W. Bennet, III, Central Missouri, 1974 | National Director | 2011 |
| Matthew B. Eisen, Yale, 2010                   | National Director | 2011 |
| Phillip A. Cox, Indiana, 1984                  | National Director | 2013 |
| Thomas B. Jelke, Ph.D., FIU, 1990              | National Director | 2015 |
| Billy D. Maddelon, NC State, 1990              | National Director | 2015 |
| Shawn McKenna, Maine, 1977                     | National Director | 2015 |
| Adam J. Motycka, Toledo, 2010                  | National Director | 2011 |

Headquarters staff present:

|                                      |                    |
|--------------------------------------|--------------------|
| Brian C. Warren, Jr., Virginia, 2004 | Executive Director |
| Julie W. Ross, James Madison         | Finance Director   |
| Mitchell E. Goldich, Lehigh, 2009    | Regional Director  |

Guests:

Thomas A. Barton, Loras, 1989  
Donald A. Burgio, Rensselaer Polytechnic, 1989  
Frank E. Butterfield, Southern California, 1983  
David R. Calderon, California State Polytechnic-Pomona, 1988  
Mitchell G. Crane, West Chester, 1977  
Dr. Edward H. Hammond, Emporia State, 1966  
Carey E. Heckman, Dartmouth, 1976  
Salvatore A. "Sam" Moschelli, Lawrence Tech, 2000  
Troy P. Queen, Florida, 1996  
Steven R. Ruttner, Washington, 1979  
David A. Thompson, Lehigh, 2006  
Renato G. Villacorte, California State Polytechnic-Pomona, 1991

**Call to Order**

Executive Director Brian C. Warren, Jr., called for the attention of the National Directors and made them aware of Grand President Garry C. Kief's absence. Citing Article III, Section 5, of the Bylaws, Brother Warren requested a motion to select a president pro-tem.

National Director Shawn McKenna motioned for Grand Treasurer Christopher L. Bittman to serve as president pro-tem during the absence of Grand President Kief. Grand Secretary Bert J. Harris, III, seconded, and the motion was unanimously approved.

*Motion by: Shawn McKenna*  
*Seconded by: Bert J. Harris, III*  
*Unanimously Approved*

Following the approval of the motion, the meeting was called to order by President Pro-Tem Christopher L. Bittman at 2:00 p.m. Central Time in the London Room of the Hilton-O'Hare Airport Hotel in Chicago, Illinois.

All guests were welcomed. President Pro-Tem Bittman thanked the alumni, volunteers, and task force chairmen in attendance for taking time away from family and friends in order to participate in the meeting.

### **Minutes of Previous Meeting**

The August 16, 2009, National Board of Directors' meeting minutes were approved.

*Motion by: Bert J. Harris, III*  
*Seconded by: Shawn McKenna*  
*Approved*

The Board emphasized its desire to see the minutes drafted and distributed quickly in order to expedite the approval process and share discussion openly with the membership.

### **State of the Fraternity**

Executive Director Brian C. Warren, Jr., led the presentation on the state of the Fraternity.

Executive Director Warren began discussion with an update on the Fraternity's performance in the areas of academics, recruitment, and manpower.

Executive Director Warren pointed out the difficulty in tracking, analyzing, and reporting this type of relevant information to stakeholders and asked for the Board's support in considering alternative information management solutions. The Board asked that the staff present a thorough assessment of information management needs and propose solutions to be discussed by the Board at a later date.

The information provided by Executive Director Warren clearly illustrated that chapters adopting the RLC model consistently out-perform all others. RLC chapters significantly out-perform the average SigEp chapter in GPA, recruitment, and manpower.

When reviewing the average performance of chapters by conference, it was clear that the Fraternity is strong in the Big 10, and that there were opportunities for enhanced service and support to SEC, Big East, and ACC chapters.

## Academics

|               | All Chap. | BMP     | Pledging | RLC   | Colonies | Big 10 | Big 12 | SEC  | ACC  | Big East | Pac 10 | Ivy  |
|---------------|-----------|---------|----------|-------|----------|--------|--------|------|------|----------|--------|------|
| # of Chapters | 183/241   | 150/195 | 33/46    | 29/36 | 16/18    | 8/11   | 12/12  | 6/9  | 8/10 | 5/10     | 5/9    | 4/5  |
| Mem. GPA      | 3.028     | 3.024   | 2.892    | 3.20  | 3.08     | 3.30   | 3.07   | 2.84 | 3.18 | 3.26     | 3.07   | 3.31 |
| # above ACA   | 68/142    | 51/68   | 17/68    | 21    | 6/8      | 7/7    | 5/8    | 1/3  | 4/7  | 1/4      | 1/5    | 1/2  |

## Recruitment

|              | All Chap. | BMP  | Pledging | RLC   | Colonies | Big 10 | Big 12 | SEC  | ACC | Big East | Pac 10 | Ivy |
|--------------|-----------|------|----------|-------|----------|--------|--------|------|-----|----------|--------|-----|
| New Mem.     | 5543      | 4515 | 1028     | 1021  | 295      | 372    | 376    | 331  | 220 | 249      | 229    | 125 |
| Chapter Avg. | 23        | 23.1 | 22.4     | 29.3  | 16.3     | 33.8   | 31.3   | 36.7 | 22  | 24.9     | 25.4   | 25  |
| +/- 08-09    | (9)*      | +30  | (53)*    | (37)* | +65      | +2     | (87)*  | (2)  | +19 | +27      | (26)   | (3) |

## Manpower

|               | All Chap. | BMP  | Pledging | RLC  | Colonies | Big 10 | Big 12 | SEC   | ACC  | Big East | Pac 10 | Ivy  |
|---------------|-----------|------|----------|------|----------|--------|--------|-------|------|----------|--------|------|
| # of Chapters | 241       | 195  | 46       | 36   | 18       | 11     | 12     | 9     | 10   | 10       | 9      | 5    |
| Avg. Size     | 61.0      | 59.4 | 66.7     | 82.7 | 37.5     | 100.0  | 108.3  | 106.6 | 60.9 | 62       | 70.5   | 75.4 |
| Avg. Growth   | 0.84      | 1.94 | 1.41     | 1.92 | 4.4      | 7      | 3.6    | 7.1   | 5.4  | 1.7      | 3.33   | 5.6  |

National Director Richard W. Bennet, III, encouraged the staff to double its efforts to secure data illustrating chapter performance against campus and Greek community performance.

Before closing discussion, Executive Director Warren introduced the online “Report Card” created to provide the Fraternity with live updates on progress toward achieving objectives set in the Strategic Plan. Directors Richard W. Bennet, III, Phillip A. Cox, and Thomas B. Jelke each encouraged the staff to include performance according to the program model in the “Report Card.”

## Staff Structure

After concluding discussion on the state of the Fraternity, Executive Director Warren presented the 2010-2011 staff structure. The 2010-2011 staff is comprised of 42 total employees, 39 for the Fraternity and three for Sig Ep National Housing, LLC. This number is equal to the total number of staff members in 2009-2010, but the number of staff members on each team is markedly different.

When considering the makeup of the staff, Executive Director Warren pointed out the need to align the staff with the Fraternity’s Strategic Plan and ensure that more positions on the staff interact with undergraduates and volunteers daily. For this reason, Executive Director Warren proposed an increase in traveling staff members and an increase in the members of the staff focused on volunteer recruitment, education, and engagement.

Executive Director Warren also pointed out his philosophy that each employee must have the skill set and passion to do his or her job well. For this reason, several of the open Richmond staff positions that are typically filled by a Regional Director are being presented to the public, but specifically to SigEp alumni. The process of filling positions focused on communication and member development is an example of this shift.

### **Alumni and Volunteer Services**

The 2010-2011 proposed staffing plan increases the size of the Alumni and Volunteer Services (AVS) Team to six. Under this model, the AVS Team houses the Database Manager and Membership Coordinator.

The increased size of this team allows for three staff members to interact with and support District Governors, alumni, and volunteers on a daily basis. It also allows for targeted attention to Strategic 35 chapters, specifically to help fill all necessary AVC positions and get an AVC in a position to proceed with fund raising.

### **New Chapter Development**

The 2010-2011 proposed staffing plan calls for a four-person New Chapter Development Team. Similar to the Expansion Teams the Fraternity has had in previous years, this team is responsible for the creation of new chapters. Under the proposed staffing model, the New Chapter Development Team would also be responsible for the cultivation of new chapters and servicing those chapters through the chartering process. To better support SECs, Executive Director Warren proposed an SEC consultant position that would mirror the Regional Director position, but focus entirely on SECs.

The Fraternity's number of SECs is almost equal to the average number of chapters in a region. SECs require a different type of service than older chapters. Conversations with alumni and undergraduates at SECs are mostly centered on creating good operating habits rather than assessing current practices and refining those practices. This SEC position will focus on creating good habits and ensuring sustainable success at our SECs.

The creation of this position will also free up a significant amount of time for our Regional Directors. Regional Directors can now dedicate this time and attention to the success of other chapters in their respective region.

### **Chapter Services**

The Chapter Services Team is changed significantly in this new staff structure. We have eliminated the Senior Director of Chapter Services position and one of the Director of Chapter Services positions.

The new structure calls for one Director of Chapter Services to manage 11 Regional Directors, a Membership Coordinator, and an Administrative Coordinator. These changes, coupled with the changes in New Chapter Development, will result in more face time with our chapters. The more focused roles will allow for greater efficiency and better overall service.

## **Communication**

There are significant opportunities for improvement in all areas of communication. Historically, the staff has had a one-person communication team and that individual spent a majority of his time on the Journal.

The 2010-2011 staff structure calls for a three-person team—a Director, a Communications Manager, and an Online Communication Specialist. This three-person team will be responsible for building a communications infrastructure, drafting an annual communications plan, and executing that plan.

We have already hired Gay-Lynn Carpenter to be our Director of Communications. Gay-Lynn has worked with us before in a consulting capacity and brings to SigEp a tremendous amount of knowledge and experience.

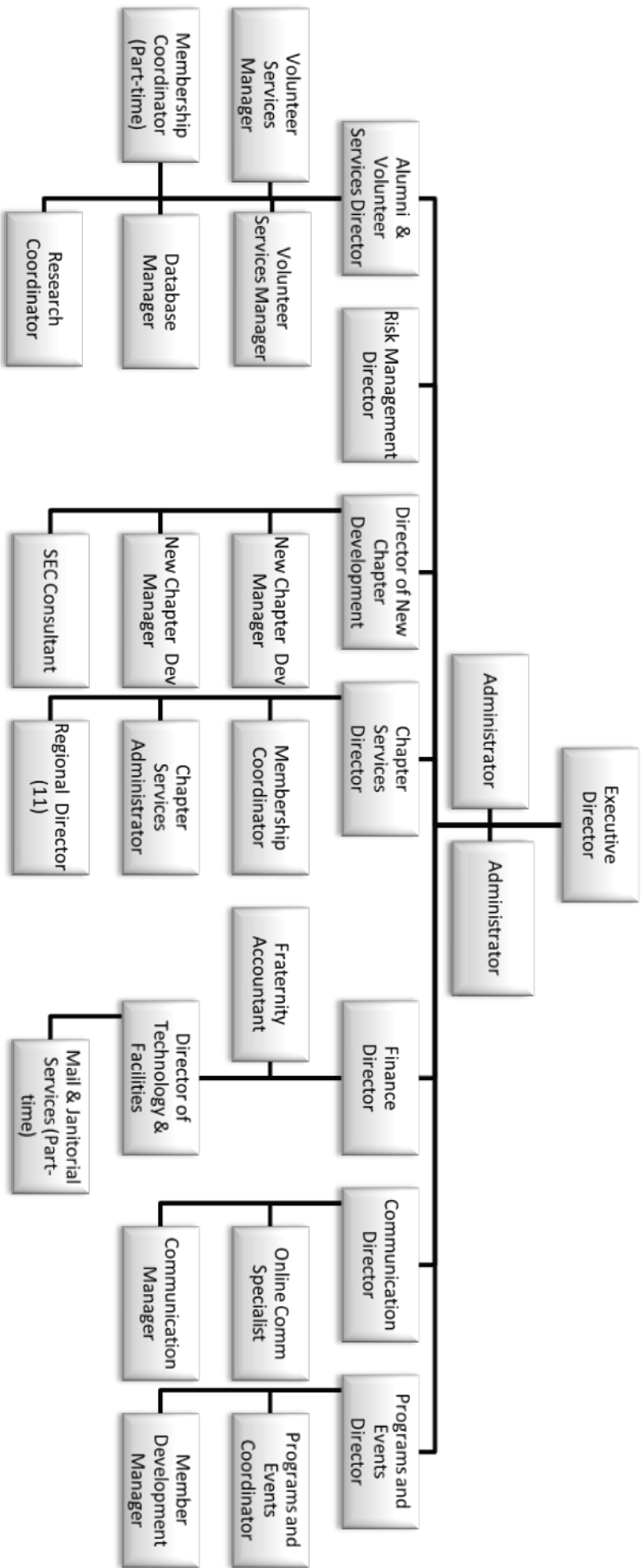
The other two positions are currently vacant.

## **Programs and Events**

The Program and Events Team was created to increase the effectiveness of SigEp programs and events by integrating them with other services and programs.

The 2010-2011 staff structure calls for a three-person team—a Director, a Membership Development Manager, and an Administrative Coordinator.

The Membership Development Manager position is currently vacant. Ideally, this individual has experience with curriculum execution and program implementation, as we are looking for someone who can oversee the execution of all development programs—local, regional, and national. We are not intending to hire this individual from the Regional Director pool.



## **2010-2011 Operating Plan**

Following a review of the staff structure, Executive Director Warren presented the working draft of the 2010-2011 Operating Plan, once again pointing out the importance of alignment with the new Strategic Plan.

## **Sig Ep National Housing, LLC (SENH)**

Three SENH proposals for vote were presented and passed.

1. Approve SENH Directors' appointment of Jonathan J. Kucera as President of Sig Ep National Housing, LLC.
2. Approve appointment of Brian C. Warren, Jr., as Secretary-Treasurer of Sig Ep National Housing, LLC.
3. Approve SENH Directors' amendment of SENH's Operating Agreement, Section 4.01, Number of Directors, Appointment and Tenure.

*Motion by: Bert J. Harris, III*

*Seconded by: Richard W. Bennet, III*

*All Three Votes Unanimously Approved*

## **Task Forces**

The task force reports were presented.

David R. Calderon presented the District Governors Task Force report.

Renato G. Villacorte presented the National Recognition Task Force report.

David A. Thompson, Jr., presented the Diversity Task Force report.

Steven R. Ruttner presented the Communication Task Force report.

At 6:00 p.m. Central Time, President Pro-Tem Bittman called for a break in the meeting until 7:00 p.m. and invited all guests in attendance to join the Board for dinner.

## **Fraternity Finances**

Grand Treasurer Christopher L. Bittman reviewed the current financials projecting the Fraternity to finish the fiscal year in the black. Brother Bittman cautioned that although financials show a large surplus at this point in the fiscal year, the surplus will come down over the remainder of the fiscal year and that the Fraternity should also prepare for the Educational Foundation grant to not be paid in full.

An Educational Foundation Board of Trustees' meeting is scheduled for May, 2010. Following that meeting, the Fraternity should receive an update on how much of the outstanding 2008-2009 grant will be paid and a timetable for payment of the 2009-2010 grant. To date, \$75,000 of the 2009-2010 grant has been paid.

The Board was pleased with the changes to the presentation of the financial plan and its transparency.

The financial plan was presented and adopted.

*Motion by: Richard W. Bennet, III*

*Seconded by: Shawn McKenna*

*Approved*

After approval of the financial plan, Grand Treasurer Bittman presented an update of the Fraternity's Investment Committee. At the conclusion of that presentation, Mark A. Schmid, University of Detroit-Mercy, 1981, was appointed to the Investment Committee.

*Motion by: Shawn McKenna*

*Seconded by: Phillip A. Cox*

*Approved*

### **Executive Session**

The Board entered into executive session.

### **April 24, 2010**

President Pro-Tem Bittman called the meeting to order at 9:00 a.m. Central Time and begin with task force reports.

Dr. Edward H. Hammond presented the Partnering with Higher Education Task Force report.

Thomas A. Barton presented the Leadership Task Force report.

Frank E. Butterfield presented the Sound Body Task Force report.

Following the task force reports, Brother Bittman asked Executive Director Warren to deliver the Insurance Report.

### **Insurance Report**

The staff is working with our broker, Willis North America, to prepare for our insurance renewal. Renewal is scheduled for July 1, 2010. At the last renewal, we kept our primary layer of general liability insurance with carrier Liberty Surplus subject to the following limits:

- \$100,000 per occurrence and \$300,000 aggregate SIR limit (SIR stands for Self-Insured Retention, which is our deductible); and
- \$1,000,000 per occurrence/\$2,000,000 aggregate limit.

Due to our low loss ratio, we successfully negotiated a deal to lock in the premium rate on the Liberty primary layer for a three-year policy term. This premium rate was 18% less than the last policy period. Also, with this renewal, we now have a \$300,000 stop loss aggregate which has been unlimited for the past few policy terms. This means the most SigEp would have to pay out of pocket during a policy term



would be \$300,000 if hit with multiple losses. With a \$300,000 aggregate, we are funding our 2010 SIR account at \$240,000 (80% of aggregate), which is much less than the previous \$450,000 funding level. This means we are taking “savings” now versus having potential SIR “leftovers” after the five-year statute of limitations expires.

We are still subject to an annual review by Liberty, and there will be no change in premium unless:

1. There is a material change in operations.
2. The earned premium to incurred loss ratio exceeds 50%.
3. There is a material change in the insured’s financial condition.
4. Membership exposure increases by more than 15%.

Our umbrella general liability insurance coverage, which has a \$5,000,000 per occurrence and aggregate limit, is through Interstate Fire & Casualty Company and is up for renewal on July 1, 2010.

There was a change on our Directors’ & Officers’ (D&O) Liability Insurance coverage at the July 1, 2009, renewal. Our previous limit with RSUI was \$2,000,000 with a \$2,500 deductible. We maintained the coverage with RSUI but increased our limit to \$5,000,000 for the national Fraternity, Educational Foundation and Sig Ep National Housing, LLC, with a \$2,000,000 sub-limit for Alumni and Volunteer Corporations and chapters. Most of the costs associated with D&O claims involve legal fees and expenses, which are paid in addition to the policy limit until such time as the primary indemnity limit is exhausted. The primary area of exposure for fraternities is that of Employment Practices Liability. SigEp has about 115 chapters/AVCs participating in this program. The coverage protects both entities and is offered at an affordable rate of \$500 a year. We secured a two-year policy term at the last renewal. This policy expires June 30, 2011.

To save additional premium expenses, we made a change to our Member Accident Protection Program with Markel by decreasing the limit of coverage from \$100,000 to \$25,000 at the July 1, 2009, renewal. The renewal premium for the \$100,000 limit was considerably higher due to the heavy utilization of this coverage by our members. After studying our loss records, we determined that, in the past six years, there have only been six claims that have been above the \$25,000 level and most involved payouts less than \$5,000.

We continue to believe this is a valuable benefit to our members, as well as an important loss control tool. MAPP allows us to protect our SIR fund while providing members with an alternative to litigation for payment of their medical expenses when injured at a fraternity event. This policy is up for renewal on July 1, 2010.

Following Executive Director Warren’s overview of the insurance report, President Pro-Tem Bittman called for a recess and the meeting broke for lunch.

President Pro-Tem Bittman called the meeting to order at 1:00 p.m. Central Time and asked Executive Director Warren to deliver the chapter operations report.

### **Chapter Operations Report**

Chapters Below the Academic Requirement: According to legislation passed at the 2001 Grand Chapter Conclave, chapters must achieve and maintain a chapter GPA at or above a 2.6. The following 15 chapters failed to meet that requirement for Fall, 2009, and received a letter of notification via the post office and an e-mail notifying them as such and presenting the Headquarters staff as a resource to help them improve their performance.

| <b>Chapter</b>         | <b>School</b>                          |
|------------------------|--|
| Alabama Theta          | Jacksonville State University          |
| Alabama Zeta           | Huntingdon College                     |
| Kansas Epsilon         | Emporia State University               |
| Mississippi Alpha      | University of Mississippi              |
| North Carolina Nu      | University of North Carolina-Charlotte |
| Ohio Kappa             | Bowling Green State University         |
| Ohio Lambda            | Kent State University                  |
| South Carolina Epsilon | Coastal Carolina University            |
| Tennessee Theta        | Middle Tennessee State University      |
| Texas Chi              | Texas A&M-Corpus Christi               |
| Texas Delta            | University of Houston                  |
| Texas Epsilon          | Lamar University                       |
| Virginia Lambda        | Longwood University                    |
| West Virginia Delta    | Davis & Elkins College                 |
| West Virginia Gamma    | Marshall University                    |

Chapters Below Manpower Requirement: According to legislation passed at the 2001 Grand Chapter Conclave, chapters must achieve and maintain the following minimum performance:

1. On a campus with fewer than eight national fraternities, chapters must maintain 25 men or be in the top quartile on campus.
2. On a campus with eight or more national fraternities, chapters must maintain 40 men or be in the top quartile on campus.

The following 19 chapters have failed to meet that requirement for manpower and received a letter of notification via the post office and an e-mail presenting the Headquarters staff as a resource to help them improve their performance.

Campuses with Fewer than Eight National Fraternities:

| <b>Chapter</b>         | <b>School</b>                           | <b>2010 PMR</b> |
|------------------------|---|-----------------|
| Kansas Epsilon         | Emporia State University                | 16              |
| North Carolina Nu      | University of North Carolina-Charlotte  | 18              |
| Florida Zeta           | University of Tampa                     | 19              |
| Illinois Xi            | DePaul University                       | 19              |
| Virginia Lambda        | Longwood University                     | 20              |
| Alabama Theta          | Jacksonville State University           | 21              |
| North Carolina Omicron | University of North Carolina-Greensboro | 23              |
| Tennessee Kappa        | University of Tennessee-Martin          | 24              |

Campuses with Eight or More National Fraternities:

|                    |                                     |    |
|--------------------|-------------------------------------|----|
| Wisconsin Theta    | University of Wisconsin-Platteville | 25 |
| New York Delta     | Rensselaer Polytechnic Institute    | 26 |
| Indiana Delta      | Indiana State University            | 29 |
| Wisconsin Zeta     | Marquette University                | 30 |
| California Eta     | University of California-Davis      | 33 |
| California Pi      | Stanford University                 | 34 |
| Pennsylvania Gamma | University of Pittsburgh            | 36 |
| North Carolina Xi  | Appalachian State University        | 36 |
| Kentucky Delta     | Western Kentucky University         | 36 |
| Tennessee Theta    | Middle Tennessee State University   | 36 |
| Michigan Eta       | Michigan Technological University   | 38 |

National Director Cox began conversation regarding the Strategic Plan's reference to a mutually agreed upon size and how that may influence future reports. The minimum manpower requirements are established in the Bylaws, and any change to this minimum standard requires a change of the Bylaws.

Executive Director Warren pointed out the significant decrease in the number of chapters below the minimum manpower requirement, 26 in 2009 to 19 in 2010.

Alumni Advisory Council (AAC) Vote: At the inception of each Alumni Advisory Council<sup>1</sup>, the terms of the AAC are agreed upon by the Alumni Advisory Council members, members of the Alumni and Volunteer Corporation, and members of the undergraduate chapter. When the terms of the AAC are satisfied, wholly or to a satisfactory degree, the Headquarters staff recommends the National Board of Directors dissolve the AAC.

Chapters are expected to remain under the authority of the AAC from six months to two years. At the end of two years, a decision must be made to extend the Alumni Advisory Council in six-month increments or withdraw the chapter's charter.

The Headquarters staff recommended that the following chapters remain on AAC status:

| <b>Chapter</b>       | <b>Campus</b>                | <b>AAC Start Date</b> |
|----------------------|------------------------------|-----------------------|
| Texas Beta           | University of North Texas    | November, 2007        |
| Wisconsin Zeta       | Marquette University         | November, 2007        |
| North Carolina Xi    | Appalachian State University | May, 2008             |
| North Carolina Nu    | University of NC-Charlotte   | September, 2008       |
| North Carolina Delta | University of NC-Chapel Hill | March, 2009           |
| New Jersey Beta      | Rutgers University           | March, 2009           |
| Florida Xi           | Florida Atlantic University  | January, 2010         |

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<sup>1</sup> Alumni Advisory Councils are organized and operated in accord with Article V, Section 11, of the Grand Chapter Bylaws of Sigma Phi Epsilon

The Headquarters staff recommended that the Alumni Advisory Council for the Virginia Kappa Chapter at Virginia Polytechnic Institute and State University be dissolved.

| <b>Chapter</b> | <b>Campus</b> | <b>AAC Start Date</b> |
|----------------|---------------|-----------------------|
| Virginia Kappa | Virginia Tech | November, 2008        |

*Motion by: Richard W. Bennet, III (Included chapters remaining on AAC status and removal of Virginia Kappa from AAC status)*

*Seconded by: Shawn McKenna*

*Approved*

Charter Withdrawal: The staff made a recommendation for the withdrawal of the Ohio Lambda Chapter's charter. The Board asked to table the discussion and requested additional details on the living situation of the members before making a decision.

Sigma Epsilon Chapters (SECs): Executive Director Warren explained the process of applying for a charter. The Board expressed its concern with the length of time it takes for the average SEC to charter. Executive Director Warren agreed and asked to discuss the issue again during the fall meeting once the SEC position on staff has an opportunity to make an impact.

Following Executive Director Warren's chapter operations report, President Pro-Tem Bittman asked for other task forces to deliver their report.

Brother Mitchell G. Crane delivered the Awards and Recognition Task Force report.

Brother Carey E. Heckman delivered the Program Evaluation Task Force report.

Brother Salvatore A. "Sam" Moschelli delivered the Ritual Task Force report.

Brother Billy D. Maddalon delivered the Program Outcomes Task Force report.

Brother Troy P. Queen delivered the Tragos Quest to Greece Task Force report.

*Motion by: Shawn McKenna presented a motion following the Tragos Quest to Greece discussion that the Executive Director be granted authority to approve Renaissance initiations conducted during Leadership Continuum programs, specifically the Tragos Quest to Greece.*

*Second by: Bert Harris*

*Unanimously Approved*

Before adjournment, the National Board of Directors carefully considered a proposal made by alumni of Virginia Eta regarding the Fraternity's asset protection agreement. After thoughtful discussion, the National Board of Directors of Sigma Phi Epsilon Fraternity decided to reject the revised asset protection agreement proposed by the Virginia Eta alumni, deeming the decision to be in the best interest of Virginia Eta.

*Motion by Bert Harris: To reject the proposed revised asset protection agreement. Furthermore, to encourage the executive director to take actions consistent with our organization's mission to protect the assets in Charlottesville, Virginia, for the purpose of turning those assets over to a group of alumni who*

*represent the overall alumni of that chapter and wish to cooperate with the University of Virginia to re-open the chapter.*

*Finally, should the current alumni board take any action inconsistent with the mission of our Fraternity, we authorize the law firm of Williams Mullen to pursue all available remedies in securing the property and filing a lawsuit to enforce the Transfer of Assets Agreement.*

*Second by: Billy Maddalon*

*Unanimously Approved*

At 4:00 p.m. CST, the Board adjourned the public meeting and entered into executive session.