**Sigma Phi Epsilon Fraternity**

**Meeting of the National Board of Directors**

**April 26 and 27, 2019**

**Houston, Texas**

**National Directors in attendance:**

Christopher L. Bittman, Colorado ’85 Grand President

Billy D. Maddalon, North Carolina State ’90 Grand Secretary

Daniel W. McVeigh, Texas Wesleyan ’90 Grand Treasurer

Charles E. Amato, Sam Houston State ’70 National Director

Bruce W. Anderson, Texas-Austin ’71 National Director

Thomas B. Jelke, Ph.D., Florida International ’90 National Director

Garry C. Kief, Southern California ’70 National Director

Bradley C. Nahrstadt, Monmouth ’89 National Director

Benjamin J. Pavich, Christopher Newport ’18 Student Director

Jacob H. West, Missouri State ’18 Student Director

Victor K. Wilson, Georgia Renaissance National Director

**Headquarters staff in attendance:**

Brian C. Warren Jr., Virginia ’04 Chief Executive Officer

Paul K. Andersen, Northern Iowa ’16 Sr. Chapter Services Director

Heather M. Kirk Chief Comm. Officer

Jennifer P. Meals Finance Director

Stacy D. Nicodemus Programs & Events Director

Zach W. Stull, Nebraska ’14 SENH Managing Director

**Guests**

Stephen Young, Kansas ’80 SENH Director

**Call to Order**

Grand President Bittman called the meeting to order at 5:40 p.m. local time on Friday, April 26, 2019.

**Conclave Overview & Hotel Tour**

Programs and Events Director Stacy Nicodemus walked directors through the draft agenda for the 56th Grand Chapter Conclave and received feedback. The directors requested the addition of a Ruck reception to celebrate the program’s 20th year and several Saturday night receptions for various stakeholder groups after the Alumni Awards Dinner concludes.

After discussion concluded, Nicodemus guided the directors through a tour of the Marriott Marquis Houston’s conference space, pointing out meeting rooms and ballrooms that correspond to specific agenda items.

**Buchanan Cup**

Programs and Events Director Nicodemus presented the Buchanan Cup Nominating Committee’s report to the directors on behalf of the committee chairman.

*National Director Thomas B. Jelke moved the staff to reconsider the Buchanan Cup application to streamline the process, making it a less arduous effort without losing the high standards of the award. Further, the staff will report back to the directors on strategies to increase the number of chapters submitting applications in 2021.*

*Seconded by National Director Bradley C. Nahrstadt.*

*The motion passed by unanimous vote.*

The staff committed to have a response to the Board’s requests by Conclave.

*National Director Garry C. Kief moved to accept the committee’s report and to request the committee to consider the application submitted by Missouri Eta based on merit and not the timing of the application submission.*

*Seconded by National Director Victor K. Wilson.*

*The motion passed by unanimous vote.*

**Order of the Golden Heart**

CEO Brian Warren presented the Order of the Golden Heart Nominating Committee’s report on behalf of the committee chairman. The directors accepted the committee’s report.

*Student Director Jacob H. West moved to accept the committee’s report.*

*Seconded by Grand Treasurer Daniel W. McVeigh.*

*The motion passed by unanimous vote.*

At 8:25 p.m., Grand President Bittman called for an executive session, followed by recess until the following morning.

**Call to Order**

Grand President Bittman called the meeting to order at 8:22 a.m. local time on Saturday, April 27, 2019. Bittman noted that the Board accepted the SENH’s April 10, 2019 letter requesting action on specific governance and reporting items. He committed to working with staff to ensure each item is acted on by Conclave.

**Motion to approve minutes**

*National Director Victor K. Wilson moved to approve the minutes of the Oct. 5 and 6, 2019, meeting in Boulder, Colorado.*

*Seconded by National Director Bradley C. Nahrstadt.*

*The motion passed by unanimous vote.*

**SigEp Learning Communities**

National Director Bruce Anderson presented a report and recommendations from the SigEp Learning Community Task Force. Anderson voiced the need for continued volunteer support, especially in the absence of a full-time employee driving the program forward. He went on to discuss a proposed structure for committee, organized into three groups focused on recognition and review, resources, and training, respectively. He also proposed immediate testing of new resources and applications with housed and un-housed chapters to ensure a timely Conclave rollout and service at the Conclave Hub. Anderson suggested allowing chapters to utilize the current application until a new application is launched at Conclave. Lastly, Anderson proposed charging a new committee to develop a staggered review of current learning community chapters and determine recognition based on the updated application and criteria.

*National Director Bradley C. Nahrstadt moved to accept the task force’s testing and volunteer structure recommendations, specifically to create an ad hoc committee, chaired by Director Anderson, with the following members:*

*Recognition and Review:*

* *Bruce Anderson (chair), General Counsel, Texas National Guard*
* *Chris Graham, Director of Fraternity and Sorority Life at Florida State University*
* *Matt Engelhardt, Director of Campaign Operations at Johns Hopkins Carey Business School*
* *Holly Lovern, Gender Violence Services Coordinator at Carolina’s Women’s Center*
* *Bayard Gennert, Senior analytics expert at McKinsey Solutions*

*Resources*

* *Dr. Thea Zunick (chair), Director of Student Life at University of the Sciences*
* *Chris Gassman, Commercialization Manager at MAAL Associates, LLC*
* *Callie Verderosa, Consultant at Plaid, LLC*
* *Matt Huggins, Senior Associate BC&T–Financial Management at Grant Thornton LLP*

*Training*

* *Staff Director of Education (chair)*
* *Austin Chapman, Sales Representative at Paycom*
* *Eleanor Oi, Director of Diversity Programming at the University of Rochester*
* *Larry Whitman, Regional OEM Account Manager at Dealer Tire*
* *Holly Lovern, Gender Violence Services Coordinator at Carolina’s Women’s Center*
* *Troy Hanson, Lieutenant Commander, United States Navy*

Director Jelke suggested the Board add someone who currently works on a college campus and specializes in living/learning environments.

*Seconded by Student Director Jacob H. West.*

*The motion passed by unanimous vote.*

**SigEp’s 125th Year**

Grand President Bittman noted that SigEp will reach its 125th year in 2026 and underscored the importance of doing two things — envisioning what the Fraternity looks like in 2026 and considering how to appropriately celebrate such a historic milestone. SigEp’s current strategic plan is almost a decade old and since its conception, several pieces of important legislation have passed (most notably BMP alignment and substance-free facilities) and new programs and resources have been introduced (The Phillip A. Cox Volunteer Institute, BMP App, Balanced Man Scholarship marketing materials, Life After College, Rising Leaders and more). Additionally, the landscape of higher education is changing, with shifting demographics, different student and parent expectations, and a return toward in loco parentis.

Grand President Bittman asked National Director Tom Jelke to share the results of a survey circulated to roughly 200 stakeholders — volunteers, higher education professionals and donors — to guide future strategic planning discussion. Following Director Jelke’s presentation and discussion, Bittman called for the creation of two task forces to advance the aforementioned issues and prepare SigEp for its 125th year.

*Grand Secretary Billy Maddalon moved the creation of two task forces: a strategic planning task force charged with organizing and executing a strategic planning process that yields a plan that guides the Fraternity through its 125th year; and, a celebration task force charged with making recommendations for commemorating SigEp’s 125th year at the local and national levels.*

*Seconded by Student Director Jacob H. West*.

*The motion passed by unanimous vote.*

Director Jelke suggested that an undergraduate director participate in each initiative. Grand President Bittman requested the staff work with him to follow up with the stakeholders recommended for each task force.

**Board Governance**

After the 2017 Conclave, a task force was formed to study the alumni nominations process and make recommendations for how to improve the process and ensure the following:

* that serving on the alumni nominations committee is a rewarding experience for undergraduates at Conclave;
* that relationships with alumni are stewarded during a highly emotional process; and,
* that nominees possess the skills and experiences to address the current needs of the organization and industry.

Grand Treasurer Daniel McVeigh, who chaired the task force with directors Anderson and Clark and past Grand President Ed Hammond, made several recommendations at the Board’s fall 2018 meeting:

* The NBD should be more involved on the front end of the nominations process to help guide the undergraduate committee members, articulate the needs of the Board, and offer perspective on which nominees have the skill sets needed to effectively serve the organization.
* An alumni director should be added to the committee as a liaison to elevate the professionalism of interview questions and the general nominating process. The alumni director should also serve as a key contact for selected and non-selected candidates.
* After each round of interviews, the committee should communicate decisions to non-selected nominees immediately and with feedback. Additionally, candidates still in contention should be given an expected timeline for the remainder of the process.
* The Board should consider articulating some minimum level of qualifications in calls for nominations communicated by the staff.

At the Board’s request, the task force created a timeline for addressing each recommendation. Grand Treasurer McVeigh presented the task force’s timeline and facilitated discussion.

*National Director Kief moved the timeline be adopted and followed, and that a national director serve as a non-voting member of the committee to ensure a professional process is followed and alumni are communicated with throughout the process.*

*Seconded by National Director Nahrstadt*.

*The motion passed by unanimous vote.*

CEO Warren provided an overview of terms concluding at Conclave and the vacancies that will be filled through the election process. The Board requested that Warren provide regular updates on the nominating process and notified when individuals are nominated for a director position.

Bittman asked that the Board nominate Victor Wilson and Amy Hecht for reappointment to serve an additional two years as national directors.

*Grand Treasurer McVeigh moved that Wilson and Hecht be nominated for reappointment and that the Board take formal action at Conclave.*

*Seconded by National Director Nahrstadt.*

*The motion passed by unanimous vote.*

Bittman called for a recess at 10:25 a.m. local time and reconvened the meeting at 10:42 a.m. local time.

**Fiscal Year 2020 Communication Plan**

Chief Communications Officer Heather Kirk presented the fiscal year 2020 communication plan. Kirk unscored the intent and desired outcomes of the plan before reviewing details and a method for evaluating the plan’s impact. Kirk committed to providing regular updates throughout the upcoming fiscal year on communication topics, frequency, engagement and effectiveness.

Bittman called for a recess at 11:55 a.m. local time for lunch and reconvened the meeting at 12:25 p.m. local time.

**Chapter sites**

Chief Communications Officer Heather Kirk presented an update on the recently launched chapter website initiative. Kirk noted that 171 chapters have launched a chapter site and have a trained vice president of communication as a result of programming offered at the 2019 Carlson Leadership Academies. On a monthly basis, chapter officers and volunteers will receive an emailed report card with a grade on how they are doing with implementation and what they can do to improve their implementation score over the next 30 days. District governors will receive a summary report to keep them aware of performance in their respective district. The initial batch of report cards saw a 70 percent open rate, far greater than the average 30 percent open rate for other SigEp communications.

National Director Charlie Amato asked that the staff run correlation analysis to understand if report card scores were in any way correlated with specific chapter operation variables.

**Review of Audited Fiscal Year 2018 Financial Statements**

CEO Warren shared the Feb. 7, 2019, SigEp Audit Committee meeting minutes, which note the committee’s acceptance of 2018 audit for each of SigEp’s corporate entities. Warren then reviewed the financial statements for each corporate entity, explaining year-to-year variances and noting the drivers of increased net assets.

*National Director Kief moved the Board accept the report of the auditors for each corporate entity.*

*Seconded by National Director Nahrstadt.*

*The motion passed by unanimous vote.*

Grand Treasurer McVeigh provided a report on behalf of the SigEp Investment Committee and an update on the RFP process launched in early April. McVeigh shared that 13 responses were received by the due date and that a recommendation regarding a future outsourced chief investment officer (OCIO) will be made in late June with a goal of transferring assets by the end of SigEp’s fiscal year.

**Review of Fiscal Year 2019 Financial Statements**

CEO Warren reviewed the current-year financial statements through Feb. 28 for the Fraternity and SigEp LEAD Fund. Warren shared details of discussions with SigEp’s insurance broker and subsequent conversations with Grand Treasurer McVeigh regarding the self-insurance retention reserve. Warren recommended SigEp adjust its *self-insurance retention (SIR)* policy accordingly.

*Grand Secretary Maddalon moved the Board revise the SIR policy to reflect the following:*

* No less than $500,000 should be deposited annually into the SIR restricted account,
* Unused funds should be released and removed as a liability on the balance sheet after three policy periods, and
* Should a claim remain open after three policy periods, the staff is directed to reserve and continue to restrict the maximum potential payout (deductible) until the claim is settled, i.e., reserve $250,000 on a three-year-old claim until the claim is settled.

*Seconded by Student Director Ben Pavich.*

*The motion passed by unanimous vote.*

SENH Managing Director Zach Stull presented the SENH financial statements and provided an in-depth update on SENH’s relationships with Union Bank and Trust and with Branch Banking and Trust.

SENH Director Steve Young followed Stull’s comments by presenting two recommendations proposed by the SENH Board.

* SENH Directors recommend Stephen L. Young as SENH president and Arthur J. Siccardi, Jr. as SENH vice president to the Sigma Phi Epsilon National Board of Directors for confirmation.
* SENH Directors respectfully ask the National Board of Directors of Sigma Phi Epsilon to approve a new position on the SENH Board of Directors (from one of the existing vacancies) to permit the immediate past SENH president to serve one additional two-year term as a voting director on the SENH Board, unless that individual has been elected to serve on the NBD or declines to so serve.

*National Director Kief moved the Board accept the recommendation from SigEp National Housing and appoint Stephen L. Young, Kansas ’80, SENH president and Arthur J. Siccardi, Jr., Florida ’98, SENH vice president.*

*Seconded by Student Director Pavich.*

*The motion passed by unanimous vote.*

Bittman reiterated the National Board’s strong confidence in Young and Siccardi.

No action was taken on the second recommendation. Bittman noted the Fraternity’s appreciation for Maddox’s length of service and dedication to SigEp, and asked Jelke to include governance in the strategic planning process and to consider this model for each board.

**Adjournment**

Grand President Bittman asked the staff to organize a conference call in late June to consider a fiscal year 2020 budget, review the staffing model, and prepare for Conclave. Bittman adjourned the meeting at 4:25 p.m. local time.