



Notice: Invoicing Changes

WHAT

Starting with the 2024-2025 academic year, the administration of bills from the Fraternity to chapters will change. Most line items in the Insurance and Member Safety Bill, formerly assessed in the spring will be moved to the fall, and the Programs and Services Bill will be moved to the spring. To better balance the per-man fees between each bill, the two Self-Insured Retention (SIR) line items will continue to be administered in the spring.

WHEN

The overall billing schedule will remain the same.

Bill Name	Invoice Date	Due Date
Fall Bill - Insurance and Member Safety	September 10th	October 10th
Spring Bill - Programs, Services and Self-Insurance	January 10th	February 10th

*A full breakdown of the items included on these two bills can be found at the end of this memo

WHY

This change has been made for philosophical and operational reasons:

- Closer alignment of bills to their purpose** - The current bill alignment dates back several years to when the Fraternity was invoiced for its insurance in the winter. SigEp is invoiced for its Fraternity-wide liability insurance when it renews, which now happens in July. The organization must pay this invoice in July, but currently does not collect the revenue from chapters until January. This delay can force the fraternity to borrow to bridge that time gap. This shift in dates helps avoid that need. This frees these funds to be used in ways that directly benefit undergraduate members. Similarly, our largest annual program, Carlson Leadership Academy, takes place around the spring bill date. Shifting this cost to the spring will better align the program to the bill date.
- Quicker finalization of amounts for the academic year** - This change will help chapters budget for their full academic year earlier and more accurately. Currently, fall membership fluctuations cause delays in finalizing the Fraternity’s insurance bill and the corresponding amounts due from chapters. With this change, we will be able to provide chapters the finalized amounts for the entire year during the summer, instead of finalizing part in the summer and the remainder in the fall.
- Bringing the two bills closer to the same amount** - While flipping the bills makes sense from a timing perspective, we know membership is at its lowest in the early fall before recruitment is completed. To help chapters satisfy their fall 2024 bill, we’re deferring certain insurance payments to the spring which will balance the fall and spring bill amounts, and help chapters manage their cash.

FAQ

Will this make our costs go up?

Total costs for the chapter will not be affected by these changes. The change adjusts the timing of what is billed, not amounts.

If this makes sense, why were the invoices misaligned in the first place?

If you go back several years, SigEp's insurance policy ran on a calendar year instead of an academic year like they do now. This meant that the insurance related bill issued in the winter was sent out mere days after insurance renewal. When that timeline for insurance renewal changed, the billing schedule for chapters did not change correspondingly.

Will this hurt some chapters more than others?

This does not affect the total annual amount billed to chapters. The bills will still be based on the Periodic Membership Report (PMR), which is a snapshot of the chapter roster on March 1st each year. That number is used for per-man calculations the following academic year. Individual chapter collection schedules could mean that some chapters will have to make internal changes to meet the new schedule. With this change, the amount billed per member each semester will be more equitable for most chapters.

What if we do not usually collect enough dues by mid-October to pay this bill on time?

There are a few options for chapters to explore to help this. Incentivize members to pay early by offering a discount or special event for members who pay early. Send invoices to members earlier in the fall or at the end of the summer. Communicate dues amounts for the fall semester at the end of the spring semester, along with the planned payment schedule so members know what to expect when they arrive back on campus. We advise that members' payments to the chapter are due by the first day of classes each term to ensure an operational budget starting day one.

How can we lower our insurance bill?

The easiest and most effective way to keep your chapter's bill low is to take providing a safe chapter environment very seriously. The Fraternity also continues to offer discounts to accredited SigEp Learning Communities. A combination of these will allow your chapter to qualify for Tier 1 insurance, which is the lowest per-man rate.

If the SIRs are insurance related, shouldn't it be tied to the insurance bill?

While the SIRs are related to insurance, they aren't used to pay premiums. These funds are only used when expenses arise directly related to a claim or potential claim. These expenses can occur at any time during the year. This gives us more flexibility concerning the collection of these fees.

Why are the SIRs staying in the same semester if everything else is moving?

The SIRs are remaining in the spring in a specific effort to better balance the two semester's invoices. Currently, the average difference between the Programs and Services Bill and the Insurance and Risk Management bill is nearly \$100/man. By leaving the SIRs in the spring, this average difference drops to less than \$3.00/man across the country. These differences are national averages for all chapters. Individual chapters will see the specific effects of this differently depending on their size and their insurance tier.

Can we pay in smaller installments instead of one large payment?

We consider those options on a case-by-case basis. If that is something you and your chapter would like to explore, you must reach out as soon as possible. Waiting until the due date or a few days before is too late to discuss an inability to pay a bill in full. As soon as you feel you need this option, let the Headquarters finance team know and they can work with you on a plan. Late payments, absent an agreed upon payment plan, will result in the application of a finance charge (18% APR) to the unpaid balance each month the balance remains unpaid.

We are looking to pilot a more structured process for installment payments in the fall.

QUESTIONS

Do you still have questions after reading through the FAQ? Please reach out to [Cait Bernabe](#), Accounts Receivable Accountant.

2024-2025 New Billing Dates

Fall 2024: Insurance and Member Safety Bill

Bill date: September 10, 2024

Due: October 10, 2024

Chapter Base Fee:

- Chapter services: member safety training and education, crisis response support, member safety and risk management programming.
- Policy administration and broker fees.
- Directors and Officers insurance premium, covering the chapter, AVC officers and involved volunteers.

Per-man Fee:

- **Tier 1** – Chapters that are SigEp Learning Communities (SLC) and/or 2023 Buchanan Cup recipients with NO safety incidents or claims over the prior two calendar years.
- **Tier 2** – This is the base insurance tier. It represents housed chapters that have adopted and implemented a substance-free policy with NO member safety incidents or claims over the prior two calendar years; OR unhoused chapters with NO member safety incidents or claims over the prior two calendar years that are neither an SLC nor Buchanan Cup recipients.
- **Tier 3** – Chapter has one member safety incident or claim over the prior two calendar years.
- **Tier 4** – Chapter has had multiple member safety incidents/ claims over the prior two calendar years.

Spring 2025: Programs, Services and Self-Insurance Bill

Bill date: January 10, 2025

Due: February 10, 2025

Chapter Base Fee:

- 2025 Carlson Leadership Academy
 - Registration, meals and lodging for eight undergraduate officers to attend the Carlson Leadership Academy.
- 2025 Conclave
 - Registration and hotel for delegate and alternate delegate and a travel stipend of 15¢ per mile round-trip from the chapter's campus.
 - Hotel and travel stipend for a designated volunteer.

Per-man Fee x (Number of brothers on the March 2024 PMR)

The breakdown of the per-man fee is as follows:

- Annual programs and services fee
- Contribution to SigEp National Housing's Housing Loan Fund
- Contribution to your Chapter's Chapter Investment Fund (CIF)
- Technology fee
- Chapter-specific SIR account
- General SIR account

Actual amounts to be communicated at a later date