

Spring 2023: Insurance and Member Safety Bill

Bill date: January 10, 2023 Due: February 10, 2023

A 1% monthly financing fee will be assessed on all overdue invoices on the mySigEp statement of accounts.

Chapter Base Fee: \$2,296

- 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 – \$123.86:** Chapters that are SigEp Learning Communities (with approved accreditation by Dec 1, 2022) and/or 2021 Buchanan Cup recipients with NO safety incidents or claims over the prior two calendar years.
- **Tier 2 – \$186.30:** 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 SigEp Learning Communities, nor Buchanan Cup recipients.
- **Tier 3 – \$216.51:** Chapter has one member safety incident or claim over the prior two calendar years.
- **Tier 4 – \$277.93:** Chapter has multiple member safety incidents and/or claims over the prior two calendar years.

Self-insurance Per-man Fees:

- \$25 – Chapter-specific general liability account
- \$25 – General self-insurance account

For example: \$2,296 + ((Tiered Per-man Fee + \$50) x Number of brothers on the March 2022 PMR)

Discounts:

- *Chapters that achieved a 100% participation rate in the 2022 annual Brotherhood Questionnaire will receive 5% discount off the tiered Per-man Fee or 20% off the chapter base fee, whichever amount is greater.*
- *Sigma Epsilon Chapters (SECs) pay half of the per-man annual fees for the first two years to encourage saving for installation. After four consecutive billing cycles (two years), an SEC will be billed as outlined above.*

Frequently Asked Questions

1. How do we pay our spring bill?

By Jan. 10, the detailed invoice will be accessible for review and payment through the mySigEp statement of accounts (for help on how to view the chapter statement, click [here](#)). You can pay via credit card on mySigEp, however, you can help our Fraternity avoid unnecessary credit card processing fees by mailing a check to Sigma Phi Epsilon Fraternity at 310 S. Arthur Ashe Boulevard, Richmond, VA 23220. Be sure to include your chapter name and “spring bill” on the memo line.

2. Can our chapter make multiple payments?

Yes, but note that the spring bill is due in full Feb. 10, 2023. After the deadline, the bill will be assessed a 1% monthly late fee on the remaining overdue balance. We recommend paying as much as possible before the deadline to decrease the monthly late fee if you are unable to pay in full.

3. Why is there a 1% monthly fee on outstanding balances?

When SigEp's cash balance isn't large enough to cover insurance related fees in full, the fraternity must finance those fees and pass off the financing charges to chapters. This monthly 1% fee allows chapters greater flexibility than the previous 5% one-time late fee that was administered.

Any chapter worried about fulfilling its financial obligations to the Grand Chapter should contact the Fraternity's accountant, [Cait Bernabe](#), immediately to discuss available options.

4. Why did we implement a tiered premium model in 2017?

Our insurance premiums increased 60 percent between 2012 and 2017. Since 2014, four major insurance carriers have left the fraternity insurance market. In the same period, our loss ratio increased to the highest it's been in the Fraternity's history. The Fraternity was not able to bear the burden of this increase without also increasing costs. SigEp developed a tiered system to correlate with a chapter's behavior and performance, which means chapters that consistently follow risk management policies get a lower relative insurance premium per-man. Chapters were assigned tiers objectively based on their number of member safety incidents related to risky behavior in the last two calendar years.

Since 2017, our loss run has greatly improved, and it's because of chapters implementing the strategies that promote strong member safety and a focus on development and health brotherhood.

5. Who do I talk to about my chapter's tier?

Tiers incentivize chapters that have not had member safety incidents over the last two calendar years, and have been accredited as a SigEp Learning Community and/or received a Buchanan Outstanding Chapter Award in 2021. This incentivizes the strategies – strong member development, volunteer engagement, healthy growth, etc. – that foster a positive chapter culture and reduce risk. For questions on your chapter's slated tier, [contact](#) your chapter's Chapter and Volunteer Services Director.

6. How are this year's discounts determined, and how are they tied to member safety?

Accredited SigEp Learning Communities and/or 2021 Buchanan Cup recipients with NO member safety incidents are now slated in Tier 1 and receive the best rate for insurance. All chapters that achieved a 100% participation rate in the 2022 Brotherhood Questionnaire received 5% discount off the base (Tier 2) Per-man Fee or 20% off the Chapter Base Fee, whichever amount is greater. Your chapter's participation in the survey allows the Fraternity to assess cultural trends, allocate resources for member safety training, and better understand the needs of our brothers.

7. Who can I work with to achieve these credits in the future?

If your chapter applied for a Buchanan Cup in 2021, it should've received an in-depth analysis of your chapter's operational success. Each section outlined specific areas of improvement the review committee suggested you prioritize. Reviewing your rubric with your chapter's volunteers is a great way to understand where your chapter currently is and where it needs to be to be eligible to receive a Buchanan Cup in 2023. Remember, you must be an accredited SigEp Learning Community to qualify for a 2023 Buchanan Cup.

Our staff is ready to help develop a plan for your chapter to further implement best practices in recruitment, the membership experience, and chapter leadership and culture. These areas of operations directly relate to your chapter's ability to keep members safe and provide a valuable experience. For support, email chapter.services@sigep.net, or search for your chapter [here](#).

8. Why was a self-insurance per-man fee established in addition to the tiered per-man fee? How will this offset the costs of claims?

SigEp's general liability provider requires a deductible, or out-of-pocket contribution, of \$500,000 before it will cover any expenses tied to a claim. Historically, a portion of the spring bill's per-man fee has been allocated to a general self-insurance account used to cover any required out-of-pocket payments. This meant chapters with a history of behaving responsibly and adopting risk-reducing policies were paying for chapters responsible for claims.

9. What is the breakdown of chapters in each tier?

Tier	Per-Man Fee	Tier Criteria	Percentage of Chapters
1	\$123.86	Chapters that are SigEp Learning Communities (with approved accreditation by Dec 1, 2022) and/or 2021 Buchanan Cup recipients with NO safety incidents or claims over the prior two calendar years.	34.9%
2	\$186.30	Chapter is housed and has adopted and implemented a substance-free policy with NO member safety incidents or claims over the prior two calendar years; OR chapter is unhoused with NO member safety incidents or claims over the prior two calendar years.	57.3%
3	\$216.51	Chapter has one member safety incident or claim over the prior two calendar years.	7.3%
4	\$277.93	Chapter has multiple member safety incidents and/or claims over the prior two calendar years.	0.5%

10. What does the base fee cover? Can our base fee be lowered?

The base fee consists of support and services offered to all SigEp chapters. These include member safety training and education activities, staff to support member safety education and crisis response, educational programming, and coverage of fees charged by our insurance broker. The majority of the base fee is allocated to education/training, support services and crisis response, rather than administrative fees. This fee also contains the premium for Directors and Officers coverage for the chapter and the AVC.

A chapter cannot opt out of the base fee or other insurance-related fees to reduce its bill. These fees are critical to securing coverage required by nearly all campuses and providing adequate protection to you as you deliver a life-changing experience on your campus.

11. How can the AVC pay the Directors and Officers premium?

AVCs that want to continue to pay this cost as they have in the past should work with their chapter on that arrangement. AVCs cannot make online credit card payments directly from the chapter's mySigEp statement, but are welcome to mail in a check to Sigma Phi Epsilon Fraternity at 310 S. Arthur Ashe Boulevard, Richmond, VA 23220. Be sure to include the chapter's name and "spring bill D&O coverage" on the memo line.