

The Sig House

A Quarterly Newsletter from the Board of Grand Trustees - Winter 2006

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Basic Math

For most people, math is not a strong suit. Many even have trouble making change and balancing a bank account. And when it comes to geometry, algebra and calculus....forget it. But there are two basic math equations that speak volumes to how well or poorly House Corporations and Active Chapters work together: R-R=R and R+R=R.

Translated into plain English, R-R=R means Rules without Relationship equals Rebellion. The House Corporation that uses this approach stays distant and aloof from Active Chapter except for collection and rules enforcement. Since actives are still maturing, they inevitably will make some immature decisions when it comes to financial accountability and care of the chapter house. With a detached House Corporation, these bad decisions usually trigger a parental response. Angry phone calls or emails from House Corp rain down on the officers or a surprise visit tirade ensues with comments like "This place looks like s*&#!"

With the R-R=R equation, Active Chapter rebellion is predictable because young brothers carry a fair amount of pride and "I can do it myself" attitude. The rebellion may manifest itself openly or subversively. Open rebellion is in your face. Subversive rebellion is the smile of compliance followed with a failure to follow through. Whether open or subversive, the effects are the same. Either little changes or matters get worse.

R+R=R, on the other hand, translates into Respect plus Relationship equals Responsibility. When a House Corporation takes the time to

respectfully and regularly interact with active brothers about positive things, the tone of the relationship radically changes. Most young brothers have a desire for approval and a need to be appreciated. Take the time to find ways to compliment and encourage. Gush over rush success and improved grades. Praise the latest house cleaning, charity fundraiser or renovation project.

Take this equation to a personal level. Ask questions like:

- **♦** Where did you come from?
- **♦** What are you studying?
- How do you spend your time?
- **♦** Have you thought about running for office?
- ♦ What about Sigma Chi is most important to you?

The answers to these questions are very important to the one being asked. Make those answers important to you as well. A closer relationship can be further developed through Active/Alumni social events, House Corp Board Meetings held at the chapter house, mentoring, attending initiation ceremonies, helping with Initiation Week, athletic event tailgates and other ways. Be creative. These contacts should focus on nurturing the "brother" aspect of the relationship. These brothers already have parents and aren't looking for more.

Another advantage of R+R=R is you can get a sense of who the potential leaders are. At Active Chapter, the cream doesn't always rise to the top. Some obvious leaders still don't recognize they have the talent. An older brother's encouragement could make all the difference. Effective Active Chapter officers always make House Corp's job much easier because

they will be more likely to enforce **Q** What are current interest rates? accountability. Chapter governs itself, the easier House Corp's job is.

The beauty of this basic math is it takes much less time than the damage control House Corps deal with when things are in crisis. Use the R+R=R formula for success. Not only will you focus on positive outcomes, you'll nurture lifelong relationships with new Sigma Chi brothers.

Constantine Capital

One of the primary charges of the Grand Trustees is to improve chapter house conditions for livability and to address life/safety improvements like fire sprinkler systems. Sigma Chi has an outstanding money source available known as Constantine Capital, Inc.(CCI) that can help make those goals a reality.

What follows is a O&A featuring information from the CCI web page together with comments from CCI's Board President Jimmy Walker to help understand what CCI might do for your house corporation:

O How much money can CCI lend? **A** Up to \$250,000.

• What kind of house corporation participation money is needed?

A [Walker] It's good to shoot for at least 20%. That amount could be raised through the Sigma Chi Foundation on a tax deductible basis for educational components of the House.

• What if the university owns the House?

A [Walker] Often we see the university owning the land and granting a long term lease (like 40-80 years) to the house corporation, which then constructs the improvements. We can make a loan if the house corporation has a leasehold interest. CCI is looking for "tangible" collateral. If the university owns the House, and we are unable to take a collateral interest in the real estate or leasehold estate, then perhaps we could provide financing for furniture, fixtures and equipment.

The better Active A CCI's loan rates are competitive with the commercial mortgage market and the loan process is less complicated.

• What is the term of the loan?

A CCI loans can have up to a 30 year pay back plan but the remaining balance comes due in 5 years. If payments have been made as agreed and the house corporation is in good standing, CCI can consider renewing the note for another 5 years.

• What collateral does CCI require?

A [Walker] CCI needs a 1st or 2nd mortgage and normally requires local alumni or house corporation officers to personally guarantee an aggregate amount up to 20% of the loan, with no one alumnus representing a disproportionate amount of the guarantee.

O So what's the first step in applying for a CCI loan?

A Contact the Sigma Chi Director of Housing at Sigma Chi Headquarters who can help put together a loan application.

The Grand Trustees encourage house corporations in need of funding to take advantage of this "in-house" option. For more information, www.sigmachi.org>Members>Housing >Constantine Capital, Inc.

Board of Grand Trustees An Historical Prospective

Ever since its creation in 1903, the Board of Grand Trustees has been a wellrespected and useful partner in Sigma Chi governance. Starting as a group of five senior Fraternity leaders, its mandate was to oversee the Endowment Funds, the precursor of the Sigma Chi Foundation. The Endowment Funds included programs of aid for chapter houses, scholarships, student aid and The Magazine.

As the Fraternity grew in size and importance, so did the Endowments and with them, the Board of Grand Trustees. In 1936, the Board was enlarged to nine members; in 1955 the number of Grand

Trustees was set at the present number of fifteen at the Centennial Grand Chapter.

With the creation of the Sigma Chi Foundation in 1939, the Grand Trustees' continued to concentrate on Fraternity-related assets, with a tightening focus on housing and house corporations, the numbers of which grew at an ever-increasing rate, especially after World War II. However, as time passed, because the Board was loath to publicize its valuable work, they began to be criticized as "an elephant's graveyard for decrepit former Grand Praetors," and a "holding tank" for Grand Consuls-in-waiting.

The proposed 1975 Governing Laws reflected this unfortunate misinformed attitude. In radically reorganizing the structure of the Fraternity, the draft, brought forward for adoption at the Grand Chapter of the same year, made no mention whatever of the Grand Trustees. A separate, appointed committee was created to oversee the Endowment, and the question as to who was going to be concerned with housing issues was ignored completely. Fortunately, as the result of some late night bargaining, the Board was given a reprieve and language continuing its existence was restored to the Constitution and Statutes, which were then passed on a Motion to Reconsider. The mission of the Grand Trustees was clarified, focusing them completely on housing issues.

Almost immediately, the make-up of the Board began to change. Younger members were elected and functioning committees were organized. At one point, in the early 1980's, the ages of sitting Grand Trustees ranged from the early 30's to over 90. In 1985, the Board was given the responsibility of making mortgage loans from the Endowment and a Mortgage Credit Committee was created to undertake and manage this function. At the same time, Grand Trustees began a transformation into the Fraternity's "think-tank."

chapters and house corporations were experiencing in securing liability and property insurance at reasonable cost, Grand Trustees lead an Insurance Commission to tackle the problem. Three years later, the Risk Management Foundation was rolled out. Not long after, in order to modernize chapter property financing, the Board brought forth the concept of a Sigma Chi mortgage bank and Constantine Capital, Inc. was born. Both organizations, wholly-owned subsidiaries of the Sigma Chi Corporation, and originally staffed by Grand Trustees, were innovative approaches to Fraternity insurance and mortgage lending concerns and quickly became the envy of the Greek world.

Today, the Board of Grand Trustees continues serving its mandate to provide liaison and expertise to active chapters and house corporations in all aspects of Fraternity housing management and financing. To assist in their work, the Grand Trustees successfully pushed for a full-time Director of Housing at Headquarters, a position currently held by Chris Moran. Their Mission Statement, adopted in 2003 states:

The Mission of the Board of Grand Trustees is to assist our house corporations in the acquisition, construction, renovation and maintenance of chapter houses that are appropriate residences for our brothers and worthy of the reputation of Sigma Chi.

Grand Trustees serve several functions by virtue of their offices: As Grand Officers, they are Members of the Grand Council and serve ceremonial functions, representing the General Fraternity at such events as Initiations and chapter house dedications. They are also available to address Sigma Chi gatherings and present awards.

Individual Trustees consult with house corporations in all possible areas of chapter housing, including administration, fund raising, recruitment and retention of board

Aware of the problems that active chapters and house corporations were experiencing in securing liability and property insurance at reasonable cost, Grand Trustees lead an Insurance Commission to tackle the problem. Three years later, the Risk Management members, and other specialized areas including leases, insurance, contracting and regulatory concerns. They also serve as local, front-line access to the individual specialties of other Trustees and services of the Board and General Fraternity.

As a Board, they are senior elected volunteer officers with a high level of protocol; they are an estimable collection of talents and skills focused on property, legal and fund-raising needs of chapters; they continue as a "think-tank" and most recently, they have been assigned to manage and implement the mission of Long Range Planning Imperative #5.

Last, but not least, they maintain their position as Sigma Chi's most esteemed leadership pool – more than half of the Grand Consuls elected since 1903 have had previous service as Grand Trustees.

The Board of Grand Trustees is proud of its history and confident of its future. Grand Trustees look forward to continue making valuable contributions to the Fraternity in service to their brothers and the White Cross of Sigma Chi.

By Bruce Morgan Casner, Chairman, Board of Grand Trustees

Pick Me! Pick Me!

When it comes to House Corporation Board elections, are candidates scarcer than snowballs in h-e-double hockey sticks? This is a common frustration where the same few brothers shoulder the responsibility for life. So, how do you get others to raise their hand and step forward? Some suggestions:

Communicate Regularly. Uninformed brothers are uninvolved brothers. If you don't tell them what's going on and give them a reason to get involved, they won't. Regular newsletters get the word out and help recruit the willing.

Put Them on a Pedestal. Most brothers love recognition. Turn a "thankless" job into a position of honor. Hand out kudos and certificates, praise and congratulations. Do this at every opportunity, including board meetings

and newsletters. Volunteers are attracted to positive, uplifting environments.

Socialize. People like helping people they know but easily dodge commitment to strangers. House Corp should sponsor several socials each year to break the ice. Golf tournaments, rafting trips, pub crawls and other social events promote brotherhood and a desire to join in.

Encourage. Volunteers need to know they are doing the right thing. Remember to build them up and ask if they need help. Value their opinions.

Remember as a kid waiving your hand wildly to be recognized by the teacher? Age tempers that need to stand up and stand out. It takes someone to get the ball rolling. Let'er roll! Pick me, pick ME!

Fighting Fire With a Safe Facility

According to the United States Fire Administration, an estimated 150 fires will occur in fraternity and sorority facilities this year. The Center for Campus Safety indicates that an average of 15 student housing fire fatalities have occurred each year from 2000 to 2005.

These numbers are unacceptable and can be prevented through simple fire safety measures. Well maintained facilities compliant with fire and health standards, complimented with education and awareness remain the keys to reduce and control risks.

There are a number of items that consistently cause fire safety problems:

Candles. A leading cause of fire among Greek housing, the dangers of candles begin with the exposed and often unattended flame. In 2002, 40% of candle fires started in the bedroom, resulting in 30% of associated deaths according to the National Fire Prevention Association. Members should restrict the use of candles throughout the facility.

Space Heaters. Common within 3. The more abuse you take, the more facilities throughout the colder months, space heaters pose a dangerous risk to members. It is recommended that 4. You can go anywhere you want if you facilities prohibit or restrict the use of look serious and carry a clipboard. space heaters.

Halogen Lights. Halogen bulbs can reach 970 to 1200 degrees Fahrenheit. Fabrics, paper, and plastic products burn quickly when in direct contact or near them.

Smoking. Smoking materials are the leading cause of fire deaths in the United States. Roughly 25% of all fire deaths in 2001 were attributed to smoking materials. Enacting a no smoking policy throughout the chapter house is a common sense solution.

Flammable Liquids. Cleaning compounds, gasoline, etc. should be stored in a dry and secured location, away from water heaters and boilers.

Laundry Facilities. Dryers should have lint traps and exhaust vents cleaned regularly.

Simple steps can be taken to prevent the outbreak of fire within chapter facilities and avoid a potentially fatal or costly It behooves all house accident. corporations to review conditions at their chapter house and remind the residents several times a year about fire and life safety issues.

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Murphy's Laws for **House Corp Boards**

Hidden beneath daily activity is a mysterious world of unexplainable rules and causes. For house corporation board members, this is particularly true. Consider the following:

- 1. A pat on the back is only a few centimeters from a kick in the pants.
- 2. Don't be irreplaceable. You'll never get off the board.

- abuse you'll get.
- 5. Never raise two issues in a demand letter. The reply will discuss the one you are least interested in, and say nothing about the other.
- 6. If at first you don't succeed, quit. No sense in being a fool about it.
- 7. Dad said there would be days like this. He just never said there would be so many.
- 8. Everything can be filed under "Miscellaneous."
- 9. Never delay the ending of a meeting or the beginning of cocktail hour.
- 10. Error free correspondence will develop errors in the mail.
- 11. Success is just a matter of luck. Just ask any failure.
- 12. There is never enough time to do it right the first time, but always enough time to do it over.
- 13. If you're good, you'll be given all the work to do. If you're really good, you'll get out of it.
- 14. People are always available for board participation in the past tense.
- 15. If it wasn't for the "last minute", nothing would ever get done.
- 16. You always get the greatest recognition for the things you did wrong.
- 17. All difficult problems can be solved by asking, "What would the Lone Ranger do?"
- 18. All vacations create chapter house crises, except for yours.
- 19. The former House Corp Board President will be held responsible for everything that goes wrong until the current President quits.

We're Here to Help

Your Board of Grand Trustees is here to assist Sigma Chi house corporations in a myriad of ways. Besides many years of service to Sigma Chi in various capacities, there is almost 500 years of combined professional expertise in such things as real estate development, property management, project administration, politics, maintenance, renovation, insurance, tax planning, accounting, construction, fund raising, legal, education, housing, risk management and more.

While each Grand Trustee is assigned specific provinces to oversee, this combined expertise is available to all house corporations. The key to tapping this gold mine is to contact your province's Grand Trustee with a specific request for assistance. If your request is out of your Grand Trustee's specific area of expertise, other colleagues will assist in providing real solutions.

Give us a try. The Grand Trustees are here to help. Please use to the contact information on the cover page.

We Aren't Alone

The Grand Trustees rely on the assistance of Sigma Chi Headquarters staff to process information, provide databases and other necessary administrative tasks. We lean heavily on Chris Moran, Sigma Chi Director of Housing. Chris is invaluable to achieving our goals and purpose. Contact him at:

> Sigma Chi Fraternity 1714 Hinman Avenue Evanston IL 60201

Email: chris.moran@sigmachi.org Phone: (847) 869-3655 x227 Fax: (847) 869-4906

