



# The Sig House

*A Newsletter from the Board of Grand Trustees*

## BOARD OF GRAND TRUSTEES

**Rich Thompson (2011)** [rich.thompson@sigmachi.com](mailto:rich.thompson@sigmachi.com)  
Chairman Ph 503.977.7974  
Newsletter Editor/ Website Manager/HCOTS Coord.  
Northwestern, The Big Sky

**Scott Ross (2013)** [hsross@bellsouth.net](mailto:hsross@bellsouth.net)  
Vice Chairman Ph 662.494.2593  
Alabama/Gulf Coast, Southern

**Ray Baumgarten (2013)** [rbaumgarten@tulsanational.com](mailto:rbaumgarten@tulsanational.com)  
Treasurer Ph 918.231.0700  
Oklahoma/Arkansas, Northern Missouri, Southern Missouri

**Rich Hronek (2011)** [hronekfam@gmail.com](mailto:hronekfam@gmail.com)  
Secretary Ph 330.606.0827  
Northern Indiana, Northern Ohio, Southern Indiana,  
Southern Ohio

**Bill Bringham, Jr. (2013)** [ECBFInl@att.net](mailto:ECBFInl@att.net)  
Ph 847.446.7890  
East Illinois, East Michigan, Wisconsin/Northern Illinois,  
West Michigan, West Illinois

**Bill Bowlin (2015)** [bbowlin@caslp.com](mailto:bbowlin@caslp.com)  
Ph 281.499.4747  
East Texas, North Central

**Bruce Morgan Casner (2013)** [Bruce.Morgan.Casner@sigmachi.com](mailto:Bruce.Morgan.Casner@sigmachi.com)  
Ph 202.543.4600  
Eastern, Hudson Valley, Mid Atlantic, Ontario/Quebec

**Tom Ely (2011)** [tely@bellsouth.net](mailto:tely@bellsouth.net)  
Ph 931.358.4981  
Alabama Northern, Kentucky, West Tennessee

**John "Tony" Flores (2011)** [john.flores@sigmachi.com](mailto:john.flores@sigmachi.com)  
Ph 559.304.0686  
California Central Valley, Southern California

**Tommy Geddings (2015)** [tommygeddings@sigmachi.com](mailto:tommygeddings@sigmachi.com)  
Liaison to Executive Committee Ph 803.435.4770  
Georgia, North Carolina, South Carolina

**Breck Grover (2013)** [dbgrover1@comcast.net](mailto:dbgrover1@comcast.net)  
Ph 720.913.5033  
East Tennessee, Rocky Mountain

**Dan Harrop (2011)** [DanHarrop@sigmachi.com](mailto:DanHarrop@sigmachi.com)  
Ph 401.274.8337  
Connecticut/Rhode Island, North Atlantic, Northwestern  
New York

**Bill Robinson (2013)** [bill.robinson@sigmachi.com](mailto:bill.robinson@sigmachi.com)  
Ph 239.293.5239  
Central Florida, North Florida, South Florida

**Bob Schock (2011)** [robert.schock.zo@sigmachi.com](mailto:robert.schock.zo@sigmachi.com)  
Ph 816.300.0604  
Central, Kansas

**Steve Schuyler (2015)** Ph 520.745.6221  
[sgschuyler@sigmachi.com](mailto:sgschuyler@sigmachi.com)  
Southwestern, Utah/Nevada

**Harvey Silverman (2015)** [harveyas@aol.com](mailto:harveyas@aol.com)  
Liaison to Grand Praetors Ph 703.319.8806  
Central Pennsylvania, Eastern Virginia, Western Virginia,  
West Virginia/Western Pennsylvania

**Chad Ward (2015)** [chad.ward@sigmachi.com](mailto:chad.ward@sigmachi.com)  
Ph 972.571.5202  
Central Texas, Northern Texas

**John Watson (2015)** [John.Watson@sigmachi.com](mailto:John.Watson@sigmachi.com)  
(Canada) Ph 604.277.7028  
California Bay Area, Los Angeles Coastal

## First Impressions

There is an old saying "You never get a second chance at a first impression". This is never truer than at the beginning of the school year when major recruiting is done. Besides organizing informative and fun events for the rushees, the chapter house needs to be looking its absolute best. Effective cleaning and removal of excess furniture and stored goods is a must. Windows, doors, walls and floors should be repaired and spit shined. In a phrase: Put on the Ritz! and you'll make a lasting impression of rushees, their parents, alumni, university officials, the neighbors and community.

**Spit Shining.** Move in condition of the chapter facilities is often a wildcard. Some chapter houses are relatively well maintained while others "need work" (a lot of work). To attract the best pledges, the facilities should be clean and good repair. If the house is unclean and shabby, what kind of pledges will you attract? (Answer: Those that don't mind living like pigs.) Strive for the best condition that your money and sweat equity can muster.

**Rental Agreements.** The primary function of a house corporation is to administrate owned or rental chapter house facilities. If the house corporation owns the property, a rental agreement needs to be executed between the house corporation and active chapter. If the chapter house is owned by private investors or the university, the house corporation needs to execute a rental agreement with those entities and another one with active chapter.

**Condition of Premises.** Whatever condition the facilities are in, a written

Condition of Premises should be prepared. That list should include separate list for each bedroom and one for the common areas. A Condition of Premises specific to the bedroom occupied should be provided to each resident. The Condition of Premises for the common areas can be delivered to the Consul. Each one of these documents establishes a benchmark for measuring normal wear and tear which excludes broken windows, holes in the walls and doors and other damage not caused by normal wear and tear. It also documents if there are existing damages so that the tenant won't get blamed for something he didn't do. Upon move out, the Condition of Premises is used to compare move out with move in condition. If warranted, money can be retained from the security deposit.

**Security Deposit.** A reasonable amount of money should be collected from each tenant to secure payment of the house bill and damage to the premises. This should be at least \$200 and more if you can get it. The security deposit may be inadequate to cover what is owed but at least it will help. You can press for formal collection for the balance.

**Rules.** A list of reasonable rules should be included in the rental agreements and clearly posted in the House including prohibitions on smoking, candles, etc.

**Fire & Life Safety.** Evacuation routes and emergency procedures should be clearly posted and reviewed at the first active chapter meeting and again at the beginning of each semester. For owned chapter houses, the house corporation should perform at least quarterly inspections accompanied by the House Manager and Consul to review the fire alarm system, smoke detectors, fire extinguishers, exit signs and emergency

lights for proper function. Hallways, stairwells and exits clear from obstructions

### **Cleaning & Maintenance Inspection.**

At least every two months, the house corporation should inspect the facilities for cleanliness and repair. In particular, review the kitchen and bathrooms where unclean conditions are a health hazard. Take appropriate action.

**Fund Raising.** With rising operation costs, many chapters fall short in rent revenue to address ongoing maintenance and repairs. Fund raising should be part of every house corporation's purpose whether to raise money for renovation, new construction or scholarships. Even universities are constantly fund raising. Where do you think all those new dormitories and buildings come from? Fraternities are no exception. Fund raising has many benefits:

- ▶ Provides the money necessary to effect repairs
- ▶ Provides a sense of higher purpose for the house corporation. Long range planning and execution is much more satisfying than short term crisis management.
- ▶ Creates a volunteer "magnet". Successful brothers like being part of a successful and visionary purpose.
- ▶ Rallies the alumni. Even though many alums don't make it to Homecoming every year, newsletters showing them the good work their donations have facilitated do make a big impact and reinforce the staying power of Sigma Chi.

As you enter the new school year, rally your house corporation to handle the business of effective chapter house management. Making a great first impression is worth its weight in gold and success breeds success.

### **Ask the Grand Trustee**

**Q** What is the primary and secondary purposes of the house corp?

**A** The primary purpose of a house corporation is to own or lease housing on behalf of the chapter. Secondary function is to do fund raising for renovation, new construction and scholarships.

There are many articles written about various house corp functions at the Grand Trustee's website [www.TheSigHouse.org](http://www.TheSigHouse.org)

**Q** Who owns the house corporation?

**A** The house corporation board of directors are elected alums who manage the corporation. While the house corporation may own property, no one personally owns the corporation (no stock or dividends). It is set up as a not for profit corporation for the benefit of the chapter.

**Q** What kinds of things can a house corporation own?

**A** The house corp can own land, housing, furniture, appliances and funds raised for the benefit of chapter.

**Q** Can the house corporation dictate to active chapter and otherwise control chapter activity?

**A** The house corp has no authority over active chapter operations except as it affects the landlord-tenant relationship. Chapter operations are the responsibility of the Chapter Advisor and Grand Praetor. If the house corp sees red flags like hazing and illegal activity, it should make these issues known to the Grand Praetor and Chapter Advisor for further action.

**Q** There are two sample rental agreements posted at the Grand Trustee website at [www.TheSigHouse.org](http://www.TheSigHouse.org), one for individuals and one for the chapter (master). Is it recommended that both of these be used?

**A** Yes, both forms should be used if the house corp owns the chapter house. The individual rental agreements are necessary so that the house corp can enforce payment and terms on individual brothers. If individuals don't pay or follow the terms, the house corp can evict them. The master rental agreement is between house corp and the chapter. It puts responsibility on the officers to maintain the common areas, enforce reasonable rules of conduct and those rules required by Sigma Chi, the university and chapter bylaws.

*Have a burning house corp question? Email [rich.thompson@sigmachi.com](mailto:rich.thompson@sigmachi.com)*

### **Fund Raising 101**

This information is to assist those who are considering undertaking a capital campaign. You are encouraged to seek professional assistance when appropriate. You may need an architect, engineer, attorney, accountant or other professional consultants to assist in formulating and executing your campaign. While these professionals don't work for free, they usually save your fund raising team considerable money, time and headaches.

Before designing your campaign, you will first want to understand the options for your prospective donors. Basically, you can provide your prospects with two donating options: (1) gifts that are tax-deductible or (2) gifts that are not tax-deductible. Some house corporations may be able to qualify for an IRS approved 501c3 corporation which allows tax deductible gifts. This is usually because the chapter house is a recognized historical property. Most chapter houses, however, do not qualify so the house corp needs to explore other options including those provided by Sigma Chi:

**Sigma Chi Foundation** was established in 1939 and is a 501c3 approved organization. Contributors may make tax-deductible contributions to either the Foundation's General Fund or to a specified Chapter Fund. A contribution made to a Chapter Fund is a gift exclusively for the designated chapter.

The donor can deduct the entire gift. Contributions to the Chapter Fund are restricted exclusively for educational purposes like a scholarship room, computers, wiring the chapter house for computers, educational programming and scholarships.

**Constantine Capital Incorporated (CCI)** was established in the late 1980s to meet the needs of chapter houses. CCI provides fixed-rate loans to house corporations that are in good standing with Sigma Chi. The loans are secured primarily by a lien on the chapter house.

**The Feasibility Study.** Is the fund raiser feasible? Perform these tasks:

#### **Internal Research**

- Review past fund raising efforts. Success or failure?
- Develop the scope of work, budget and schedule.
- Identify top donor prospects.

**Interview.** Conduct personal interviews with prospective campaign leaders, potential donors and volunteers. Get candid opinions about the program's viability.

**Fund Raising Necessities.** A success fund raiser has these fundamental elements:

**Alumni Database.** This is the cornerstone upon which all successful fund raisers are built. A comprehensive database of all chapter alumni *must be* developed which includes email addresses for maximum efficiency and reduced costs. Using email focuses more funds on the goal and less on the message. This contact information is needed for newsletters, event announcements, campaign goals and updates.

#### **Effective Communication Strategy.**

**1. Produce Newsletters.** Newsletters are essential for conveying the scope and cost of the project for which funds are needed as well as informing of events, where are they now articles and bragging on the chapter achievements. Plan on doing 3-4 a year. There are companies like Affinity Connection [www.affinityconnection.com/sector\\_greek.htm](http://www.affinityconnection.com/sector_greek.htm) and Pennington & Company [www.penningtonco.com](http://www.penningtonco.com) which can provide professional newsletter services.

**2. Produce a Video.** YouTube provides a free (a very good price) way to communicate your message. You can video the chapter house to evoke fond memories and the areas that need improvement to demonstrate the need. Many alums may not have visited the chapter house in many years. A picture, in this case, is worth a thousand dollars (and maybe more).

**3. Host a Website.** Websites are cheap and available 24/7. Contact Sigma Chi Alumni Services at [www.sigmachi.org](http://www.sigmachi.org) for a *free* website like the one used by the Grand Trustees at [www.TheSigHouse.org](http://www.TheSigHouse.org). Websites can include many things like a member database, donor information, explain the fund raiser and much more.

## **Sigma Chi Fraternity's Constantine Capital, Inc.**

Provides affordable financing options to house corporations that own Sigma Chi chapter houses for:

- Chapter House Purchase
- Life & Fire Safety Upgrades
- New Construction
- Renovation
- Loan Guaranty

FOR DETAILS GO TO:

[www.SigmaChi.org](http://www.SigmaChi.org) > Members >  
Housing > Constantine Capital

OR CONTACT:

[robert.schock.zo@sigmachi.com](mailto:robert.schock.zo@sigmachi.com)  
[tom.burton@abrealty.com](mailto:tom.burton@abrealty.com)

**4. Use Email Often.** Email is free, fast and effortless. When sending mass emails, make sure to include an opt out option for those that don't want to be bothered.

Some general principles to follow in your fund raising efforts include:

- **Seek Investment, Not Charity.** Donors don't want to feel they're giving away money. They want to feel they're *investing* in a worthy cause.
- **Urgent & Legitimate Need.** "Urgency" is the single most important word in fund raising. If your need can be deferred, no one will get enthused and little will get accomplished. The project *must* get donors excited.
- **Clearly Communicated.** The plan must be crystal clear in its scope. Major donors often take a very close look at the overall planning. They didn't get rich using sloppy business practices.
- **Strong Chairman.** Often considered the most important element of a successful campaign, a strong chairman is able to recruit volunteers, to influence the size and timing of key gifts, and to give the campaign the priority it must have to succeed. A strong chairman is unrelenting in his drive to reach the campaign goal.

• **Enthusiastic Internal Support.** The enthusiasm of the

fund raising committee can have a major effect on the campaign. United and positive financial support by volunteers creates the right climate for success.

• **Challenging Yet Realistic Goals.**

The goal has to be sufficient to satisfy your overall plan. Don't fall into the trap of "the higher the goal the more we can raise." The goal must be honest and relate to the need. You will find it difficult to recruit manpower when the campaign goal appears unrealistic.

• **Adequate Lead-off Gifts.**

Successful campaigns require substantial lead-off gifts from "heavy hitters", the house corp board, the fund raising committee and active chapter members (Yes, actives should donate too. Even though the dollars won't be large, the symbolism is huge for alums). The goal should be to have at least **50% of the goal** committed before announcing the campaign. On average, 90% of your goal will come from 10% of your donors.

• **Name Your Project.**

Ask major givers if they want to fund a special project within the overall renovation project (like new furniture, the chapter room, the kitchen, etc.). If the donation is large enough, consider naming a room for the donor.

• **Competent Campaign Management.**

A fund raising campaign is big business and requires skillful management. Some of the characteristics to look for are thoroughness, superior communication skills, recruiting the right people and maintaining momentum.

• **Timing.**

If the economy is struggling, your campaign should be deferred. Avoid conflicts with other fund raising efforts.

• **Payment Options.**

While getting donations upfront is preferred, allowing multiple year payments will encourage a greater dollar commitment from many.

Fund raising is a basic responsibility of every house corporation. If you don't have one going, put together a plan and put it to work for your chapter.

**2010 HCOTS a Success!**

The fifth Grand Trustees **House Corporation Officers Training Seminar** was held in conjunction with Balfour Leadership Training Workshop at the University of North Carolina in Chapel Hill.

Twenty nine house corp. officers learned about the Millennial Student, Corporate Governance, Risk Management, Chapter House Inspections & Maintenance, Project Planning and Fund Raising.

Some attendee comments:

I just wanted to say thank you for allowing me to attend HCOTS. The information I've learned from this past weekend and words from other brothers will be extremely beneficial for Iota Omicron's house corp. *Greg Sheil*

Thanks for an information packed three days. *Chuck Heyl*

HCOTS should be mandatory for all house corporation officers. The resources and valuable information presented was almost overwhelming. We continued discussions well into the night. Just learning that we are not alone was very reassuring. *Rob Bedoe*

Congratulations to the brothers that attended on behalf of their house corp:

- |                 |                                 |
|-----------------|---------------------------------|
| Jared Anderson  | Univ of Tennessee-Martin        |
| Ryan Baker      | Dalhousie-St. Mary's            |
| Rob Bedoe       | Bradley University              |
| Rob Bell        | California State-Fresno         |
| John Boone      | Ball State                      |
| Mike Burrows    | California State-San Bernardino |
| Chuck Colton    | Univ of Arizona                 |
| Arlen Driscoll  | Univ of Texas-Austin            |
| John Hays       | Virginia Tech                   |
| Chuck Heyl      | Southeast Missouri State        |
| Nick Hoffman    | Western Connecticut State       |
| Scott Hoyer     | Wabash College                  |
| Ken Hurdle      | Univ of Maryland                |
| Joel Jesse      | Univ of Houston                 |
| Dave Keller     | California State-Chico          |
| John Kindle     | Univ of North Dakota            |
| Cricket Kingham | Oklahoma State                  |
| Ryan Lindsey    | California State-San Diego      |

- |                 |                             |
|-----------------|-----------------------------|
| Randy Pratt     | Univ of Minnesota           |
| David Rowland   | Southern Methodist          |
| Gregory Sheil   | Western Illinois University |
| Joe Sholden     | Southern Methodist          |
| David Silek     | Radford University          |
| Nick Spagnola   | Cal Poly-Pomona             |
| Michael Waldman | Princeton University        |
| Shaun Weaver    | Fort Hays State University  |
| Nicholas Weiss  | Embry Riddle (Florida)      |
| Alan Williams   | Univ of Western Ontario     |
| Donald Wood     | Westminster College         |

And thanks to the faculty that gave freely of their time and expertise: Grand Trustees Rich Thompson, Bruce Morgan Casner, Tony Flores, John Watson, Bob Schock, Harv Silverman and Bill Robinson plus Steve Davidson of Risk Management Foundation and Patrick Alderdice of Pennington & Company.

**We're Here to Serve**

The Board of Grand Trustees is available to assist house corporations in a myriad of ways. There is over *600 years of combined professional expertise* in such critical areas 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 outside of your Grand Trustee's specific area of expertise, other colleagues will assist in providing real solutions. Give us a try. We're here to serve.

