

SC Meeting Minutes, January 18 - 19, 2013

ALPHA CHI SIGMA FRATERNITY

Minutes of the Supreme Council Meeting

Indianapolis, IN

January 18 – 19, 2013

The Supreme Council convened for in the Order of Altotus Library. Present were GMA Randy Weinstein, AK '90; GCA Helen Webster AP '94; GPA Mark Evaniak BΣ '80; GMC Jonathon Wenzel Δ '96; and GR Patrick J. Johanns, AΘ'81. Present for all or parts of the meeting were staff members Teresa Clark, Donna Sheline, AGR Marena Humphress, GE Brian Coppola, Christy Gesell, E '94; Chuck Carroll, Z '90; PR John Becker, I '86; Merryn Cole, AΘ '03; PR Michael Clager, ΓI '89; and Information Technology Administrator Harold Cowan, I'88. Cameron Humphress, and Ryder Humphress were present at noon on Saturday.

After a meal of delivered Little Caesar's pizza, GMA Weinstein called the meeting to order at 12:33 PM. He welcomed all members who were present, checked for any conflicts of interest, discussed the schedule, and asked members of the council to review their activities.

GMA Weinstein

1. Conflict of Interest – No conflicts of interest were noted with the items on the agenda.
2. Conclave Motion 15: Committee to look at PR numbers – The committee will look at suggesting an appropriate ratio of Professional Representatives. Potential committee members were discussed. The committee will report to the GPA.
3. Conclave Motions 21 and 36: Science Outreach/Second Object Committee – Potential committee members were discussed. The committee will report to the GMC. Merryn Cole will be on this committee.
4. Expansion – In the recent past, Alpha Chi Sigma has taken a passive approach on expansion, the GMA would like us to take a more active approach to expansion. This topic will be discussed throughout the weekend.
5. Solicitation – Keep as an SC team effort, not just GPA.

GCA Webster

6. Chapters that did not send delegates to Conclave Beta Phi and Gamma Eta
 - a. Beta Phi is truly a chapter at risk and further action will need to be taken. They have not turned in an Active Chapter Register in two years. The GCA is considering a trip.
 - b. Gamma Eta got a wake-up call with the probation and is responding well.
7. District Counselors – DCs have been active and new DCs are doing well.
8. Expansion
 - a. Alcorn colony – After a discussion, they have been doing a good job in submitting paperwork. We are waiting a report about their readiness to become a chapter.
 - b. Boston University of Mu – Not quite ready to progress to colony status; need to confirm with NEDC Feferico.
 - c. Stanford (Alpha Alpha) of Sigma – They are ready to become a colony.
 - d. Georgia Southern University of Alpha Omega – They are ready to become a colony.
 - e. Southeastern Missouri State of Beta Psi – They are ready to become a colony.
 - f. University of California of Irvine of Beta Gamma – Not much happening here.
 - g. Midwestern University – A discussion of granting permission to initiate members explored potential parent chapters. Waiting to hear from NCDC Gessell.

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- h. Occidental (Beta Mu) – There is a reactivation opportunity here.
- 9. Alcohol Awareness Training – It is now a requirement to become a star chapter. The GCA will write an article for the Chrome and Blue.
- 10. Best Chapter Award – The best house and non-house chapter awards will be formally merged into 1 award.

GPA Evaniak

- 11. PR Elections – With the reduction in the numbers of PRs, there is a need to balance in the number of PR terms starting in each year. There was a suggestion that in the next election that the 5th place vote getter be appointed for 1 year. PR statements will be posted online and hard copies sent out by request.
- 12. Solicitation
 - a. The solicitation seemed to work well.
 - b. Documents went out in a timely fashion.
 - c. Of special note was the fact that 97 Brothers from the 20 – 29 donated.
 - d. Donations to the Reserve fund went up from \$6,000 to \$8,000.
- 13. ACS
 - a. The luncheon went well and the next meeting will be in New Orleans.
 - b. The fall meeting will be in Indianapolis. It might be nice to have an activity at the National Office
- 14. AIChE
 - a. Hurricane Sandy depressed the attendance at the Alpha Chi Sigma Social planned for it.
- 15. Expansion – Las Vegas, Cincinnati, and Richmond are possibilities for professional expansion opportunities.
- 16. Group and Chapter Formation – A set of guidelines for how to form a Professional Group or Chapter would be helpful.

Brad Hulse with Morgan Stanley reviewed our financial investments at 2:00 pm.

- 17. Asset Allocation – We currently have 55% of our assets in equities. This is slightly more conservative than our target of 60%.
- 18. Economic Outlook – The US government seems hesitant to take action on structural aspects of our debt and budget. Until this happens, there will be uncertainty in the markets. Morgan Stanley projects low inflation during the next year. There are worries to the market dynamics when monetary policies are changed as the economy picks up.
- 19. Portfolio Returns – 2012 was good year for investments with a 10.11% return on our portfolio. Over the long run though, the Fraternity has achieved a good return given the risk (volatility) of the portfolio.

GMC Wenzel

- 20. Sourcebook (Pledge Manual) – It is about time for a re-write. One thought is to make part of it part of it electronic with a pdf that can be downloaded. This would allow the inclusion of color in the document. It would be an option to have a hard copy for the sourcebook and have supplements in an electronic format.
- 21. Rush Brochure – These are not being used much or promoted at chapters but there might be a need for an expansion brochure.
- 22. Flameless candle rebate – There is interest in continuing this program.
- 23. Fall installations of Boston Pro, Gamma Omega, and Delta Alpha – These went well.
- 24. Regalia – Some robes need to be restocked.
- 25. Conclave Motions 23 and 24 – Scouting and age restrictions for wyvern pins have been removed. We do have some 4th level pins completed.

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26. Charter preservation project – About a dozen chapters have submitted the photos of their charters.
27. Website content – The GMC suggested that we look at re-organizing the website.
28. Trademarks – “The Hexagon” is not trademarked.
29. Other merchandise – Items that could be sold were discussed. Charms for bracelets, bike jerseys, and hockey jerseys were a few of the opportunities discussed.

Groopt

30. At 3:30pm the Council listened to a web presentation by Patrick Allen of Groopt demonstrating the services that they could provide our chapters. The SC determined that it could have value for the chapters if they adopt it. The GR was directed to work with Groopt to roll out this service to our members.

GR Johanns

31. Membership – Alpha Chi Sigma has initiated 65,822 members since its inception in 1902. In 2012, 1,314 people were pledged and 1,154 were recorded as initiated. These may be record numbers.
32. National Website – The national website, www.alphachisigma.org, is an important source of information for members, prospective members, and the outside world. It allows us to accept contributions online. In 2012, over 20% of total professional contributions were received online. Accepting regular monthly donations online would be a valuable addition to our abilities. A review and re-organization of the menus could help make it more useful.
33. Web Donations – The use of the web to make donations has grown steadily to 22.2% of total donations in 2012. I expect this trend to continue and think it will be worthwhile to review the possibility of monthly contributions in 2012. The ability to make monthly donations could increase the total amount people donate annually.
34. Investments
 - a. Our investments went from \$643,281 on December 31, 2011 to \$708,036 on December 31, 2012. One important aspect of our portfolio is that we receive a good return for the risk. Over the last 11 years our portfolio has earned a rate of 5.6% per year with a standard deviation of only 9.15. The S&P has had a rate of return of 4.0% with standard deviation of 15.45%.
 - b. The average for our quarterly balance for the last 12 quarters is \$645,721. Our budgetary policy directs that we can transfer 4% of this average or \$25,829 to our budget for 2013.
35. Insurance – Our insurance broker, James Favor, died in the fall of 2012 but his business is continued by his associates. We are still waiting to get a firm quote for coverage in 2013.
36. Mileage – As of January 1, 2013, the Federal Business Mileage Rate is \$0.565 per mile. Our forms have been updated to reflect this change.
37. Property Taxes – A change in the Indiana tax code clarifying that fraternities are not subject to property taxes should result in a refund of property taxes paid over the last two years and remove this expense from our budget in the future. This change also tips the financial balance in favor of purchasing a new property instead of leasing.
38. Professional Fraternity Meeting – GR Johanns and GMC Evaniak attended the Professional Fraternity meeting in Rochester, NY in September 2012. The GR was elected to the board of the Professional Fraternity Association as President Elect. He will assume the presidency in September 2013 in St. Louis, Mo. Some of the speakers and topics are highlighted below. Speakers like these could add a lot to a district or national meeting.
 - c. All Comer’s Policy – Some universities have introduced policies that require organizations to take anyone who wants to be a member. These policies are being hotly debated and may affect us.

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- d. **Response Ability – Being an Everyday Hero** – Mike Dilbeck spoke about Bystander Behavior where people see bad things happen and do not act to change it. He presented a program that helps train people to go from being a bystander to an everyday hero.
 - e. **Only the Bravest and Most Successful** – Jeffery Hayzlett conveyed the message of “Adapt, Change or Die.” Fraternities need change things in order to attract new members.
 - f. **SpinWeb – The science of social marketing** by Michael Reynolds (<http://www.spinweb.net/>) Michael Reynolds spoke about how to bring people to your website and keep them coming back. It stressed the idea of inbound marketing which is any marketing tactic that relies on earning people’s interest instead of buying it. People come to your site for the content you provide. High quality content includes things like educational blogs, informative articles, training videos, and eBooks
39. PFA’s President’s Academy – I have been working closely on this and it is not certain that it will take place in 2013 yet.

GE Coppola

40. Content – Content is needed for The Hexagon.
41. Reliability – Hard to find people to generate content.
42. Ideas – A variety of ideas were discussed and a schedule of articles for the next year was planned.

At 6:30 pm we took adjourned to enjoy a taco bar from Qdobo in the National Office. The Supreme Council reconvened at 7:00 pm in session.

43. SC summer meeting
 - a. The SC discussed the value of inviting the District Counselors for a summer meeting. With 5 new DCs, a focus on hazing prevention in university administration, and an emphasis on expansion, it was determined to ask the DCs to see what dates would work best.
 - b. The PR chair and Expansion Director will be invited for this meeting.
44. Professional Representatives – Goals for the PRs to accomplish during the next biennium were considered.

We adjourned at 8:05 pm.

Informal discussions continued in room 306 of the Candlewood Suites until fatigue or common sense drove everyone to bed. After a good breakfast and accidently setting off the building alarm, the SC reconvened in closed session to discuss personnel and risk management issues.

At 10:30 the Council reconvened in open session

45. Expansion
 - a. Proposition giving Alcorn State permission to petition for a charter was approved.
 - b. Proposition approving a Boston University colony was approved.
 - c. Proposition approving a Stanford colony was approved.
 - d. Proposition approving a Georgia Southern colony was approved.
 - e. Proposition approving a Southeastern Missouri State colony was approved.
 - f. A discussion of a proactive approach to expansion was explored. The types of schools that would make good prospects were discussed. Expansion teams could be very effective in identifying prospects and forming contacts needed to form a new chapter.
46. Budget – The Fraternity took in \$388,869 in 2012 compared to expenses of \$422,685. (Note: The budget would have shown an income of \$433,169. We had planned on using \$44,300 from the reserves that would have been counted as income. No money was drawn from the reserves in 2012 so our

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budgeted income actually exceeded expenses by \$10,484.) The major differences between the projected budget and the actual assessed.

- a. GEICO Partnership: The money received from our partnership with GEICO (\$19,345) was lower than our projected value of \$25,000. As our partnership continues we should get better at projecting this value.
 - b. From Reserves: As noted previously, we did not transfer \$44,169 from our reserves because we had enough money in our checking accounts to pay the bills in 2012.
 - c. Salaries: The salary budget line was \$92,658 compared to a planned \$89,875. Extra salary expenses can mainly be attributed to extra hours worked by Teresa and Donna during Marena's maternity leave.
 - d. Hexagon: Publication expenses (\$42,135) were lower than expected (\$48,000.)
 - e. Solicitation: Changes during the year in solicitation plans led to an increase in costs from \$16,000 to \$20,614.
 - f. District Counselors: \$9,959 was spent on this budget line compared to a planned \$6,500.
 - g. Collegiate Programs: No tie-dye programs were done in 2012 due to scheduling conflicts.
 - h. Conclave: Conclave came in under budget. \$124,900 projected, \$106,094 spent.
 - i. Professional Representatives: No money was spent from \$3,000 budgeted for this line.
47. The attached budget was approved.

A lunch break was taken at 12:10pm to eat carryout orders from McAllister. The council reconvened at 1:02.

48. Video Histories – The GPA will follow up on continuing acquisition of videos. The GR will have the Jonte video done by the summer meeting.
49. Relocation – Plans and concerns about relocating the National Office were presented and expressed. The GR will continue to look at alternative properties and bring the SC into the loop for consideration and approval if a strong candidate property comes to light.
50. Hexagon Plan – GE Brian Coppola presented a written plan for major articles for the Hexagon for the next year. It met approval.
51. Hazing – Educating our membership about what constitutes hazing needs to remain a priority. Strategies for conveying our condemnation of actions that would be interpreted as hazing were considered. Changes to the source book and trainer's manual were suggested. A letter will be sent to MAs reminding them of our policies and their need to be aware of the hazing policies of the Fraternity and their university.

There being no more business, the meeting was adjourned at 2:52 pm. GMA Weinstein headed toward the airport to catch his flight home. GR Johanns departed for home also. GPA Evaniak, GCA Webster, GPA Wenzel and GE Coppola stayed and had dinner with some of the local Brothers at the Rathskeller. They departed on Sunday.

Respectfully submitted,



Patrick Johanns, AΘ 1981
Grand Recorder

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Budget

INCOME

COLLEGIATE CHAPTERS

Pledge Fees	49,600
Initiation Fees	161,675
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COLLEGIATE	211,275

PROFESSIONAL MEMBERS

Contributions	65,000
Web donations	24,000
Extra SC donations	3,000

OTHER INCOME

Dividends & Interest (Bank)	200
Sales	7,500
Misc. Income (FD reimburse FR)	4,000
Conclave Receipts	0
Extraordinary Donations	4,000
Partnerships - GEICO	20,000
FROM RESERVE FUND	25,800
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SUBTOTAL	61,500

EXPENSES

MEMBER SERVICES

Staff Salaries	95,033
GR Management Fee	8,200
Benefits	2,851
FICA & IN Unemployment	7,793
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Members Services	113,877

NATIONAL OFFICE

Professional Service	7,500
Insurance	11,300
Communications	1,650
Telephone	650
800 Readyline	400
FAX/email	600
Utilities	3,100
Gas	1,300
Electricity	1,800
Water & Sewer	0
Grounds Maintenance	3,000
Office Supplies	1,000

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Building Maintenance	2,200
Equip. Rental & Repair	4,500
Postage	2,000
United Parcel Service	1,000
Property Taxes	0
Data Processing	4,500
RE NetCommunity	5,500
Annual fee for hosting	5,500
Training	1,200
Bank, Misc. & CrCd Fees	9,500
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National Office Operation	63,450

PROGRAMS

Purchase-Resale/Gratis	15,000
25-50 yr pins	150
Miscellaneous	5,000
Publications	57,200
HEXAGON	48,000
HEXAGON Editor Fee	8,000
Web Site Serv - comcast/apollo	1,200
Solicitation	25,000
Chapter 5%	3,500
Awards-star (annual)	1,000
Supreme Council	5,500
SC Expansion Trvl	3,000
OA Travel	3,000
District Counselors	15,000
Dow	0
Expansion	5,000
Conclave Fund	30,000
Professional Assoc.	5,000
Ritual & Regalia	5,000
Regalia Installation	2,000
**Collegiate Programs	3,000
**Professional Programs	1,000
Professional Branch	
Professional Representatives	1,000
Professional Chapters	
**Program Development	1,000
Legal Expenses/ DO	1,000
Special Needs	

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<i>Sedlak Fund</i>	<i>1,000</i>
Programs	188,350
TOTAL GF INCOME	364,775
EXPENSES	365,677
RESERVES	(902)

House Fund Income
Reserve Fund Income

BUDGET BY CATEGORIES

Income

Pledge & Init Fees	211,275
Prof. Contributions	92,000
Reserve Fund Income	0
From Reserves	25,800
Conclave	
Other: NBol Int., Sales, Misc., GIK	35,700
Total Income	364,775

Expenses

Member Services	113,877
National Office	63,450
Hexagon	56,000
WEBSITE SERVICES	1,200
Solicitation	25,000
Chapter 5%	3,500
25/50 yr pins & sol T-shirts	150
Conclave	30,000
Programs	64,500
	<hr style="width: 100%; border: 0.5px solid black;"/>
	293,177
Leadership	1,000
Ritual	7,000
SC, DC's, PR's	27,500
Expansion	5,000
Coll & Prof Activities	5,000
Other	27,000
Total Expense	365,677

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Propositions Passed at the January SC Meeting

Proposition 4421

1/18/13

Maker: Grand Recorder Patrick J. Johanns

The Grand Recorder is directed to sign a contract with Groot to set up a social media web using Fraternity data. The use of the Fraternity data will be strictly limited. It is understood that the cost to the Fraternity at the national level is free.

For: 4 Against: 0 Result: Passed Unanimously

Proposition 4422

1/18/13

Maker: Grand Master Alchemist Randy Weinstein

The Supreme Council will meet at Grand Chapter expense in July 2013. The District Counselor, Expansion Director, and PR Chair will be invited at Grand Chapter Expense for leadership training.

For: 4 Against: 0 Result: Passed Unanimously

Proposition 4423

1/18/13

Maker: Grand Recorder Patrick J. Johanns

The attached budget for the Fraternity for 2013 be adopted.

For: 4 Against: 0 Result: Passed Unanimously

Proposition 4424

1/18/13

Maker: Grand Master Alchemist Randy Weinstein

The Supreme Council grants permission to the Alcorn State University Colony of Gamma Beta to submit a formal petition to become a Chapter of the Fraternity. The colony is invited to submit a petition for a charter to the subordinate chapters at its earliest convenience.

For: 4 Against: 0 Result: Passed Unanimously

Proposition 4425

1/18/13

Maker: Grand Collegiate Alchemist Helen Webster

The members of the fraternity at Boston University, Boston, MA be recognized as Boston University colony of Mu Chapter of the Alpha Chi Sigma Fraternity.

Justification: The group at Boston University is strong, and we anticipate this to continue. They will be recognized as a colony until they either move to chapter status or are declared inactive.

For: 4 Against: 0 Result: Passed Unanimously

Proposition 4426

1/18/13

Maker: Grand Collegiate Alchemist Helen Webster

The members of the fraternity at Stanford University, Stanford, CA be recognized as the Alpha Alpha colony of Sigma chapter of the Alpha Chi Sigma Fraternity.

Justification: The group at Stanford University is strong, and we anticipate this to continue. They will be recognized as a colony until they either move to chapter status or are declared inactive.

For: 4 Against: 0 Result: Passed Unanimously

Proposition 4427

1/18/13

Maker: Grand Collegiate Alchemist Helen Webster

The members of the fraternity at Georgia Southern University, Statesboro, GA be recognized as the Georgia Southern colony of Alpha Omega chapter of the Alpha Chi Sigma Fraternity.

Justification: The group at Georgia Southern is strong, and we anticipate this to continue. They will be recognized as a colony until they either move to chapter status or are declared inactive.

For: 4 Against: 0 Result: Passed Unanimously

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Proposition 4428

1/18/13

Maker: Grand Collegiate Alchemist Helen Webster

The members of the fraternity at Southeast Missouri State University, Cape Girardeau, MO be recognized as the Southeast Missouri State colony of Beta Psi chapter of the Alpha Chi Sigma Fraternity.

Justification: The group at Southeast Missouri is strong, and we anticipate this to continue. They will be recognized as a colony until they either move to chapter status or are declared inactive.

For: 4 Against: 0 Result: Passed Unanimously