

**Minutes**  
**Executive Council of Phi Kappa Psi Fraternity**  
**January 23, 2017 – Telephonic Meeting**

**Call to Order**

With President James Boyle presiding, the meeting of the Executive Council of the Phi Kappa Psi Fraternity was called to order at 6:45 pm Eastern Time.

**Attendees**

EC Members

James Boyle (SWGP)  
Shannon Price (SWVGP)  
Mike Flechas (SWP)  
David Moyer (SWAG)  
Jaipartap S. Ranu (Archon District I)  
Dustin Meeks (Archon District III)  
Nicolas Sharp (Archon District IV)  
Nicolas Suarez (Archon District V)  
Thomas Zorrilla (Archon District VI)

Other Officers

Barrett Anderson (Attorney General)

Staff

Mark Guidi (Executive Director)

Absent

Xhoni Qyteza (Archon District II)

**Programming Update**

Brother Guidi provided an update on our programming strategy generally and Regional Officer Training specifically. The last set of Regional programs completed 48 hours prior to this EC call so feedback and final attendance numbers are still being compiled. However, directionally we interacted with approximately 600 members which includes about 8% of our undergraduate population.

Overall, feedback has been excellent and extremely positive. We gathered both pre- and post-feedback from all participants and as that is evaluated we'll report out specific results. Based on feedback we'll revised and enhance the program prior to next year's offering.

Our next major programming effort is WWLS scheduled for the week of June 22 – 25 in Indianapolis.

**Finance Update**

Br. Guidi walked the EC through a number of financial documents including a 12 month cash flow, year-to-date budget-to-actuals reports and current AR report. Both the cash flow and budget-to-actuals were created for the first time 48 hours before the call and need to be scrubbed and refined. However, for the sake of transparency Br. Guidi felt it was necessary to present them now even though they were in rough form.

The budget-to-actuals report through the first six months of this fiscal year showed the Fraternity approximately \$292K behind in terms of net income. This is due to a number of factors the largest being the \$370K in unexpected and hence unbudgeted items "surprises". Due to aggressive cost management on the part of staff rather than realizing the full \$370K deficit, costs were managed so as to mitigate \$78K of that amount.

On the cash flow, some key items are missing on both sides of the equation.

- Cost-wise we need to include the Permanent Fund contribution of ~\$60K later this year and the \$110K Canonsburg contribution.
- Revenue-wise we need to include contributions from the Permanent Fund which will be \$110K this year; grant requests which, using low-end estimates, should be approximately

\$400K over the year and about \$300K before June. There are also other sources of revenue such as royalties, conference registrations, etc. that need to be incorporated.

Br. Boyle also noted some additional opportunities including accounting for the \$215/man fee vs. \$200 which is currently in the model.

The EC also discussed the AR report which continues to show approximately \$200K in debt that is 90+ days old and owed to HQ by active chapters. Most of those chapters are on payment plans and are current. There are a few remaining who have not engaged with HQ staff and for those we will be filing charges. Most notably was Maryland Alpha who owes about \$17.5K. The Finance Committee also committed to helping serve as collections agents and help motivate chapters to pay more promptly.

Coming out of this discussion there were a number of actions including:

- Extend the cash flow projection out to 18 months
- File charges against Maryland Alpha for delinquent account of ~\$17.5K
- Provide an aging AP report

### **Insurance Reserve Increase**

The EC discussed the proposed increase in the insurance fee by \$15/man for the next two terms to replenish the general fund after the unexpected need to increase our insurance reserves by \$201K last term. After discussion it was deemed better for our undergraduate members we do this with one billing vs. two so long as there was a clear explanation as to why the bump was being implemented and it was a separate line item. It was also noted that this change was discussed with all the treasurers during Regional training.

Br. Boyle made a motion to approve the pass through and raise the insurance fee by \$15/man for the next two terms. Br. Price seconded the motion and the EC passed the motion unanimously.

There was also discussion of possibly leaving the cost there to create a reserve fund to cover "surprises" in insurance and legal fees. This will be discussed further at the March EC meeting.

Br. Guidi also informed the EC that the insurance company through Ned Kirkland had already informed us that in the fall insurance premiums will go up \$10/man. This would be on-top-of the \$15/man that was just approved. This will also be discussed at the March meeting.

### **Internet Code Of Conduct**

The EC briefly discussed the Internet Code of Conduct that was approved by ad interim vote. The staff has the action to get this distributed and publicized. Br. Anderson stated that now we have this code of conduct in place he would be following up with Br. Hammer to ensure it is adhered to.

### **Chapter Advisor Petitions**

The EC considered the petitions of seven individuals who had requested to become advisors to six of our chapters. Br. Guidi informed the EC some had been trained and for those who had not, plans were in place to get them trained this term. Additionally, only two of the individuals lived outside our ideal 50 mile radius from the chapter and both of those individuals had been trained.

After a short discussion Br. Flechas made a motion to approve all the requests. Br. Price seconded the motion and all the petitions were approved unanimously.

It was also requested that the updated advisor manual be provided to the EC for review and comment. Br. Guidi confirmed this would happen this week and the EC would have almost a month to review and can provide comments during the February 21<sup>st</sup> call with staff.

## **Colony Petition Package & Accreditation Structure**

Br. Guidi requested all members of the EC review the provided colony petition package and the accreditation structure in advance of the February 21<sup>st</sup> call with staff. At that time these topics will be discussed and we would like to receive the EC's feedback so we can revise these documents.

## **Walk-On Agenda Topics**

### Georgia Alpha

Br. Boyle provided the EC with an update regarding Georgia Alpha and their interactions with the Foundation. There continues to be a concern on the part of Georgia Alpha alumni on how the Foundation is acting with regard to some of the financial transactions that have occurred in the past. Br. Boyle wanted the EC to be informed in the event they heard about some of the back-and-forth.

### Standards

Br. Guidi provided the EC with a brief update regarding the situation at Nebraska Alpha. This should be finalized this week and appears to be heading down a path that will involve a 12 month suspension of activities at that chapter, a membership review as well as training for those members who remain. A proposal is being presented to the University this week and we expect final conclusion of this shortly.

### Founder's Day Events

Br. Boyle reminded everyone that if they are traveling to a Founder's Day event to speak it must be covered by the hosting chapter or alumni association or paid for out of pocket. Providing speakers as a service for free is no longer feasible within the Fraternity's operating budget.

### Philosophy Meeting Follow-up

Br. Boyle requested everyone provide feedback on what came out of the Philosophy discussion in the Fall. The goal is to have something finalized by WWLS in June.

## **Upcoming events**

- February 21<sup>st</sup> – EC call to review staff reports and historical information in advance of the next EC meeting
- March 4<sup>th</sup> – EC meeting in Saint Louis.

## **Appendix A – Motions**

Motion made to: Approve the \$15/man pass through of the insurance reserve increase

Motion: Br. Boyle

Second: Br. Price

Passed Unanimously

Motion made to: Approve seven chapter advisor petitions

Motion: Br. Flechas

Second: Br. Price

Passed Unanimously

## **ACTIONS**

### **Executive Council Meeting January 23<sup>rd</sup> Telephonic Meeting**

Extend the cash flow projection out to 18 months. Amanda Baldwin

File charges against Maryland Alpha for delinquent account of ~ \$17.5K. Mark Guidi

Provide an aging AP report. Amanda Baldwin

Updated advisor manual be provided to the EC for review and comment. Rob Nagel, Executive Council

All members of the EC review the provided colony petition package and the accreditation structure in advance of the February 21<sup>st</sup> call with staff. Ron Ransom, Michael Morin, Executive Council

Those in attendance of the Philosophy meeting in December provide feedback of the outcomes of the meeting. EC Board Members, Mark Guidi