

ALPHA THETA CHAPTER OF SIGMA CHI FRATERNITY, INC.

Alpha Theta Chapter
founded 1882

M.I.T.
founded 1861

August 25, 2005

Minutes of the meeting of the Board of Directors of the Alpha Theta Chapter of Sigma Chi Fraternity, Inc. held April 11, 2005.

The meeting was called to order at 7:22 PM in the Chapter House Library.

Present:	Karl Büttner '87 (Board)	Josh Littlefield '81 (Board)	Adam d'Amico '99 (Board, Chapter Advisor)
	Bryan DeLeon '05 (Consul, Board)	Herb Mower '65 (Board)	Mark Curtiss '87
	Daniel Craig '03 (Board)	Mike DeLaus '82 (Board)	Brian Guerrero '06 (House Mgr, Board)
	Kevin Krsulich '08 (Spring Rep, Board)	Jay Krone '74 (Board)	Josh Lake '07 (Quaestor, Board)
	Brian Wilt '07 (Pro Consul)	Joe Sikoscow '06 (Workweek Manager)	Peter K. Hadley '72
	Bo Kim, Alpha Phi '04 (R.A.)		
Absent:	Dan Scolnic '07 (Rush Chair)	Doug Bailey '72 (Board)	Aaron Doody '07 (Fall Rep, Board)
	Phil Hum '06 (Board, G.Z.)	Austin Ford '07 (Fall Rep, Board)	

Minutes of the February 8, 2005 meeting were accepted as distributed by e-mail.

CORPORATE REPORTS

President – Karl Büttner

1. Scholarship Dinner date has been changed to May 14 so that MIT's new President Susan Hockfield can attend. It will be one her first fraternity functions at MIT and we will be proud to introduce her to Alpha Theta. The new date is the Saturday before finals, but it will only take a few hours, and Consul Bryan DeLeon agrees it shouldn't be too much of a burden on the actives.

To accommodate the date change, the venue has been changed to the Hotel@MIT from the original plan of holding it at the Faculty Club. It will be slightly more expensive, but it is a very nice space for such an event.

Costs for the Scholarship Dinner will be \$60 per plate for alumni, with a small, subsidized charge assessed to the house for the actives' meals. Many alumni will be in attendance, and many others flying in from around the country.

2. The AILG held a meeting the previous Wednesday and discussed the following topics:

Accreditation – The AILG will create an accreditation program for ILGs at MIT that will set

standards, conduct inspections, and review chapters with a “visiting committee” style which will be independent from the Institute. Dean for Student Life Larry Benedict wants to off-load this to the AILG. Standards/criteria for accreditation have not been published yet, but they will be soon.

It seems like a good thing if it can happen. The biggest hurdles seem to be manpower for visiting houses on a frequent basis. The ultimate goal is to publish a list of accredited houses that could be used in many ways; for example, by the Institute for approving student housing, by parents and incoming students during rush.

According to Adam D’Amico, they have conducted pilot runs on two houses, Theta Delta Chi and Student House. The accreditation team did not have the appropriate size, so they may have to expand the time or budget in order to have sufficient staff to handle.

In the near future, we will need to decide if we should volunteer for the next pilot round. It would probably not be a negative thing, and Herb commented that in other types of accreditation, it is usually a good idea to go first. If we do volunteer, we should probably volunteer some manpower to help the visiting committee.

Increasing Cost of Living – MIT is finally increasing dorm rent, up to \$4800 per year. As a result, ILGs can now raise their rates to cover their costs yet still remain competitive with the dorms. Mark Curtiss noted that it would be useful to hear feedback from the actives about the tradeoffs between housebill costs and amenities. Will be discussed in the Treasurer’s report.

Herb Mower noted that after the AILG meeting, he spoke with Associate Dean for Alcohol Education and Community Development Danny Trujillo and Director of FSILG Alumni Relations Bob Ferrara, Theta Chi ’67. The pointed out that they now have \$150 per year budgeted for house corporations to use for risk management training/work that can include dinners for discussion about risk management.

3. MIT will be bringing fiber optic cables to the door of all FSILGs. The current bandwidth is considered adequate now, but may not be for the future. The cost to MIT is comparable to maintaining the T1 lines currently going to each house. Inside the house will be the responsibility of the individual houses, and Brian Wilt and Adam are on top of it.
4. Herb noted that the Annual Fund does seem to be doing well. We definitely have not reached last year’s total, but there are many months and another Beaver Sig pending. Stewart Howe sends reminders to previous donors who haven’t donated in the last 2-3 years. Karl asked if extending the number of years for the reminder mailings would help, to which Herb replied he was unsure.
5. Mark noticed in the FSILG Tool Kit being assembled by MIT (background on which Karl handed out, and more info can be found at <http://alum.mit.edu/ccg/living-groups/fsilg-toolkit.html>) that MIT now has a service to setup event registration and payment systems online. Karl noted that the also have services to manage databases and websites, among

others that have traditionally been done independently. Josh Littlefield said that MIT has been rolling this service out to clubs, and is now moving on to ILGs. We should learn more about this because it could be helpful in the future.

Capital Campaign – Karl Büttner (for Doug Bailey)

1. We are still planning on carrying out the renovation, and planning for the necessary Capital Campaign progresses. Doug has planned meetings with Bob Ferrara about making connections with MIT people experienced in fundraising. Also, very interested in using MIT's FSILG Tool Kit to assist in the campaign, if it can be of help.

Alumni House Manager – Danny Craig

1. Conducted an informal survey of the physical plant needs of the house, identifying short and medium term needs.

Of primary importance is the Boston Fire Department abatement order for inadequate sprinkler coverage in bedrooms with lofts. Obtaining quotes from firms for adding adequate coverage is occurring, but no real progress has been made yet.

The heating system of the house is also in disrepair. Most of the heat exchanger fan coil units are failing. Furthermore, a pipe burst in the vestibule during the winter, and there is a risk of a similar burst in the zero floor. This situation should be addressed during workweek.

Leaking toilets and overflowing urinals in the second and third floor bathrooms have also been a problem and should be addressed during workweek.

Earlier in the semester, the sewer main backed up due to grease being disposed down the wrong drain in the kitchen, causing an overflow of waste in the sub-basement. Jay Krone noted that the house used to hire a roto-rooter to clear out the pipes from the kitchen to the street. The service cost around \$100. Liming the sub-basement also helps dry it out any decomposing material.

2. A recurring theme regarding the physical plant is that institutional knowledge is lost very easily. Some form of Alumni House Manager's Work Week Checklist or other method of maintaining knowledge from year to year, either paper or electronic, would help.
3. It was also observed during the abatement issue and the late dorm license mess that the city does not deal with the house in a consolidated way. Egress (Inspectional Services), Dorm License (Licensing Board) and Abatements (BFD) are all essentially independent of each other and having one does not necessarily mean that the others are satisfied.
4. Karl noted that we will need to budget for fixing the sprinkler coverage in the near term, and shoring up the heating system by next winter. The plumbing can be addressed by the chapter or by contractors. We do have access to an IRDF credit line of \$100,000 that we have yet to borrow from.

5. The house manager should keep a log of action in order to show any relevant authority that an honest effort is being made.

Treasurer – Josh Littlefield

1. Current Financial State of the Corporation:

The corporation has some money in the bank, has been receiving lots of donations, and not many expenses because the chapter has not settled with rent and expenses with the corporation.

So far, about \$20,000 in donations has been received. The budget estimated \$17,000, while last year's donations totaled \$22,000, so there is a good chance that we will meet last year's total. Additionally, if we are on track to break even for the scholarship dinner, budgeted at \$2000.

Recent expenses have been primarily maintenance totaling \$14,000. A large amount has been for the plumbing and heating systems, including the replacement of circulator pumps in the heating system, unclogging the sewer line, cleaning the sub-basement, urinal repairs, and many American Alarm service calls due to toilet overflows. However, about \$2500 of that \$14,000 includes the service contract with American Alarm. All the expenses were justified because they were definite problems in the physical plant. Perhaps it is just a bad year, but it may be typical to spend this amount of money on maintenance. Hopefully with the Alumni House Manager in place, we can deal with these systematic issues in a more consolidated way instead of individually.

2. Rent

In the previous year, the rent due to the corporation was \$50,000, which was a slightly over 4% increase from the previous \$48,000 amount. The average rent increases have typically been approximately 3%. The last four years has been slightly different. During the transition to freshmen on campus, rent stayed constant at \$44,000 for three years, before increasing to \$48,000 and then \$50,000 last year. Expenses have been increasing faster than rent, however. Insurance has been increasing steeply over the last few years by approximately 8% per year. Property taxes are also set to rise this year as well. With several large maintenance issues on the horizon, at least a 4% increase (\$2000) will be needed.

The question is how sensitive are the actives to rent increase? Queastor Josh Lake replied that there is always grumbling, but it is not a big issue. Karl asked if housebills are a sensitive rush issue, or even an issue that comes up at all, to which Lake replied not really, and that he believes chapter housebills to be comparable other fraternities and with dorm rents, especially if meals are counted.

Mark stated that while he is sensitive to economic diversity, in order for the chapter and the corporation to function, an increase of more than 4% is necessary. We should not have to borrow money for ongoing operations. In the current real estate market, a 4-8% increase in

operating costs, and thus rent, is in order. Otherwise, we cannot authorize as many repairs. In total, we have two revenue sources; donations and rent. Donations have been high in the last couple years, but that cannot be expected to continue indefinitely. If needed, we could plan over a longer term, so that the chapter could know what to expect in rent increases several years in advance. Josh stated that with the increased contributions, we will probably make our budget plus \$3000 with about \$30,000 in the bank, which is not much. Herb reminded everyone that we really should have about 10% of the value of the house (\$1.5 million) in cash, while Josh said that two quarters of operating expenses would suffice.

Karl commented that we probably need to recover from the three years of not increasing rent, so more than 4% is reasonable. If the rent were raised to \$54,000, it is still a smaller percentage increase than the jump from \$44,000 to \$48,000. Assuming 25 brothers living in the house, a \$4000 increase spread over two semesters would increase the housebills by \$80 per person per term. Joe Sikoscow stated that \$80 per term would not be a problem for most brothers, but some do operate on very tight budgets. Herb asked if we could set aside some scholarship money to help. Mark and Josh said that the issue is tricky if the money is not used for "scholarship" purposes, plus it could also affect financial aid packages from MIT. Josh Lake said that there are currently five brothers not living in the house, some of whom are sophomores. The house charges these non-residential upperclassmen \$500 per term in dues. Joe said that for most of the non-residential brothers, the issues were social or parental, not financial.

Josh Littlefield moved to set the rent for 2005-2006 at \$54,000, with Herb Mower seconding. The motion passed without objection.

CHAPTER REPORTS

Consul – Bryan DeLeon

1. The chapter received notice that Alpha Theta was included in the will of the late John Lunsford '53. At this point we do not know yet what he left to Alpha Theta. Herb will handle it and will also mention it in the next Beaver Sig.
2. The FSILG office has sent the insurance paperwork that will be given to Josh Littlefield.
3. The chapter has begun the search for a new Resident Advisor and is currently getting recommendations from the FSILG office. Current RA Bo Kim might stay, in which case she will remain RA, but she will not know until the middle or end of April.
4. From Dan Scholnic, Rush Chair: Rush retreat was held at Applebrook on the first weekend of April. Most of the chapter attended, including most of the freshmen. No alumni were able to attend this year.
5. During Campus Preview Weekend, seven pre-frosh stayed at the house and most of the freshmen brothers hosted pre-frosh as well, totaling between seven and ten. Although there were a record number of host applications this year, the chapter hosted about the same number of pre-frosh as last year.

Since we usually pledge a couple of our pre-frosh each year, Dan has set up a handler list to keep in touch with them. One is coming back to Boston and attending a concert with some of the actives. Herb suggested sending notes to all the pre-frosh thanking them for staying at

the house.

There were some CPW rule infractions, but none at Sigma Chi. The worst incidents took place at Sigma Alpha Epsilon, and Sigma Phi Epsilon.

6. Elections for the fall term will be held on Friday, May 6.
7. There was a worry that Boston licensing rules might prohibit the housing of non-MIT affiliated boarders following the Alpha Epsilon Pi incident with their Northeastern member/boarders. Fortunately, the current interpretation will not affect the ability of houses to rent to summer boarders.
8. SAE and SigEp (see CPW notes above) have been existing outside of the Inter-Fraternity Council. They have been able to hold large parties without being policed by the Judicial Committee, as well as remain largely unaffected by CPW or Rush rules. It is unknown how such behavior is affecting SigEp's status as Institute-approved housing, but they currently have members living in their houses. SigEp will be restructuring this summer.

Mark commented that this is the nightmare situation: to have rogue fraternities that, while different in the eyes of MIT and the IFC, are no different from mainstream fraternities in the eyes of neighbors and the community. If these rogue chapters cause trouble, it will reflect on all the MIT ILGs, regardless of the fact that they have no control over these houses. Karl suggested that the Institute might want to publish a list of expelled houses to freshmen and parents to discourage them from joining and propagating a bad situation.

9. Summer house will most likely be full. Thirteen brothers will be staying, two from other schools (Indiana and UConn), as well as nine girls confirmed and also Bo.

Summer rents were decreased in order to be competitive, after having been raised excessively in the last couple years. Now, a quad rents for \$1000, a triple for \$1150, and a double for \$1300.

Summer house is projected to generate about \$20,000 in revenue and \$15,000 in profit.

Pro Consul – Brian Wilt

1. The chapter will be holding Derby Days in the fall, around the end of September.
2. Sigma Chi Headquarters has been pushing for chapters to adopt an eight week pledge program. In order to continue with our existing pledge program, we will need an exemption from our Grand Praetor.

If Alpha Theta were to conduct an eight-week pledge program, initiation would have to be held in November, which would be a major disruption for the academic schedules of both brothers and pledges. It also hurts the ability for introspection that is supposed to be central to I-week.

Karl motioned to support the chapter in arguing for a fall semester pledge program and initiation following IAP as the best way to support both academics and brotherhood at Alpha Theta. Adam seconded, and the motion carried without objection.

Quaestor – Josh Lake

3. In an effort to straighten out the chapter's taxes, Ben Wang '04, who was the last Quaestor to file taxes for the chapter, has been consulted. Josh Littlefield noted that the AILG treasurer's manual appeared helpful but not complete. More work will need to be done before the tax issue is resolved.
4. There are three actives who have been delinquent with housebill payments. Two for only this semester. One has been delinquent for three years and owes approximately \$10,000. Ben has offered to help with this issue as well. Littlefield commented that we have leverage through MIT to withhold diplomas until they have paid their debts, so we should act quickly because that leverage is gone after they graduate. The alumni expressed great disappointment that such a situation had been allowed to develop, and the undergraduates commented that they felt the situation could be resolved in short order.
5. The Class of 2004's sophomore deposits have been paid out.

House Manager – Brian Guerrero

1. Nothing new beyond the same physical plant issues discussed in the previous board meeting, other than the leaking washer.

BUSINESS

Work Week Budget Approval

1. Workweek Manager Joe Sikoscow suggested the following list of potential projects that are typically conducted during workweek or were part of the physical plant survey.
 - Third floor toilet, which was replaced last year, is still leaking and should be fixed.
 - The laundry room floor tiles are peeling up and should be replaced
 - The fourth floor shower divider is not tiled on its underside and is rotting.
 - Several doors are missing knobs and closers
 - Ethernet should be upgraded to take advantage of the new fiber optic cable
 - Two of the new dining room chairs need to be finished
 - The serving room counter is in need of replacement
 - Several balusters need repair
 - Standard cleaning, painting
 - There has been one complaint of water leaking through the roof, but it has not been confirmed
2. Discussion:

The chapter should Roto-Rooter the main sewer line to help prevent clogs like were experienced this year.

Adam reminded that the piano needs tuning the pool table refelting, both of which are chapter expenses.

A couple mattresses should be replaced, as usual.

Including mattresses and sewer, it should be possible to stay within \$4280, but the Ethernet upgrade may not happen.

Last year, workweek cost \$3500.

3. Herb moved to allocate \$4000 for workweek. Josh seconded and amended the motion to include delegating authority to the Alumni House Manager to approve changes. The motion carried without objection
4. Josh said that the workweek manager should sort the post-workweek report by project.

Other Business

1. Karl asked that everyone at the meeting personally invite all the local alumni they keep in touch with to the Scholarship Dinner.

Tentative dates for future Corporate Board meetings were retained as follows: September 19, 2005 and November 14, 2005 for the annual meeting.

Scholarship Dinner will be held on May 14, 2005 at the Hotel@MIT.

Senior dinner is scheduled for May 24, 2005.

There is an AILG breakfast on Wednesday, April 13, 2005 at Twenty Chimneys in W20.

The meeting adjourned at 10:01 PM.

Respectfully submitted,
Daniel R. Craig, Class of 2003
Corporate Clerk