

THE DELTA CHI FRATERNITY, INC.
MINUTES
BOARD OF REGENTS MEETING
OCTOBER 20, 2020

The video conference call meeting of the Board of Regents of The Delta Chi Fraternity, Inc. was called to order by Aaron Otto, “AA”, at 8:02 p.m. EDT on October 20, 2020.

The following members of the Board were present: Aaron Otto, “AA”; Tom Carroll, “CC”; Ronald Martin, “DD”; Miles Washburn, Retiring “AA”; Shaun Hollenbeck, Regent, Region I; Josh Klein, Regent, Region II; Grant Herrin, Regent, Region III; Mark Sexton, Regent, Region IV; Max Harper, Regent, Region V; Suraj Maraboyina, Regent, Region VI; Jack Rodican, Regent, Region VII; Ben Dundas, Regent, Region VIII; Darren Talbert, Vice Regent, Region IX.

Also present at the meeting: Jerod Breit, Executive Director; David Gault, Legal Advisor; Donald La Plante, Parliamentarian.

Staff members present: Heather Lockwood, Senior Director of Field Operations; Davis Millard, Director of Member Safety; James Ratliff, Director of Finance; Paul Bierman, Director of Meetings and Events; Divante Hamilton, Director of Fraternity Growth; Alex Brown, Director of Education and Leadership Programs

1. EXECUTIVE DIRECTOR REPORT—Brother Breit provided an update on recent activities:
 - 163 Associate Members participated in the virtual oaths.
 - There are currently 1016 Associate Members towards the “super goal” of 1050.
 - The mail balloting for the Delta Chi Law changes is in progress.
 - Chapters are receiving 1 on 1 virtual coaching.
 - The virtual Associate Member program is in progress.
 - Delta Chi has seen a drop in membership at a much lower level than most other NIC fraternities.
2. VIRTUAL “A”s ACADEMY AND REGIONAL LEADERSHIP CONFERENCES—Alex Brown, Director of Education and Leadership Programs and Paul Bierman, Director of Meetings and Events provided a presentation on the virtual “A”s Academy and the Regional Leadership Conferences for 2021.
3. EXPANSION UPDATE—Divante Hamilton, Director of Fraternity Growth, provided an update on the Fraternity’s expansion activities for the fall 2020 term and plans for future years.
4. MINUTES—It was moved by Rodican, seconded by Washburn and the motion carried unanimously to approve the minutes of the Board of Regents meeting of September 7, 2020.
5. EXPULSION PROCEEDINGS AGAINST BLAKE BAILEY—It was moved by Klein, seconded by Rodican and the motion carried unanimously to commence expulsion proceedings against Blake Bailey, Eastern Washington ‘16, for conduct unbecoming a Delta Chi specifically violation of Basic Expectation #2 involving unwanted sexual contact.
6. MARTLET INC. BOARD OF DIRECTORS—It was moved by Sexton, seconded by Hollenbeck and the motion carried unanimously to appoint the following to one-year terms on the Board of Directors of Martlet Inc. for a term beginning August 20, 2020: Gregory Hauser, Nic Kern, Ronald Martin, William Tallman, Miles Washburn.

THE DELTA CHI FRATERNITY, INC.
MINUTES
BOARD OF REGENTS MEETING
OCTOBER 20, 2020

7. INVESTMENT ADVISORY COMMITTEE—It was moved by Washburn, seconded by Rodican and the motion carried unanimously to appoint Brandon Konda to a three-year term on the Investment Advisory Committee, ending in 2023.
8. FRATERNITY HEADQUARTERS HOUSING FUND LOAN—It was moved by Herrin, seconded by Carroll and the motion carried unanimously to approve the proposed resolution, attached to the minutes, regarding the loan of funds from the Housing Fund to purchase the International Headquarters.
9. BUDGET PRESENTATION—Jerod Breit, Executive Director and CEO, and James Ratliff, Director of Finance, made a presentation on the finances to date for the 2020-2021 fiscal year and the proposed revised budget.
10. REVISED BUDGET—It was moved by Klein, seconded by Sexton to amend the proposed budget in the area of the Risk Management Assessment to approve credits to chapters that met the deadlines and procedures for removing men from their rosters, but exceeded the 20% cap per chapter. The motion failed with Klein and Sexton voting yes and the remainder of the Board voting no.
11. NEXT MEETING—The next meeting of the Board of Regents will be a video conference call on Tuesday, November 24, 2020 at 8 p.m. EST.
12. ADJOURNMENT—The “AA” adjourned the meeting at 9:53 p.m. EDT.

Respectfully submitted,
Tom Carroll, “CC”

Prepared by:
Donald E. LaPlante, Parliamentarian

APPROVED _____

THE DELTA CHI FRATERNITY, INC.
MINUTES
BOARD OF REGENTS MEETING
OCTOBER 20, 2020

RESOLUTION—As approved in Minutes Item 8

WHEREAS, the Board of Regents approved parameters for the purchase of a headquarters building in Indianapolis on March 12, 2019, and;

WHEREAS, these parameters included a purchase price not to exceed \$1,900,000, and approved the use of \$750,000 from the New Headquarters Reserve Fund and a transfer of funds from the Housing Fund of up to \$1,200,000, and recapitalization of the Housing Fund with the proceeds of the sale of the Iowa City property, resulting in “a long term loan from the Housing Fund of \$900,000 to \$950,000.”

WHEREAS the purchase price of the Indianapolis Headquarters Building was \$1,392, 165.00. \$392,265.00 was transferred to the Housing Fund on June 30, 2020. The Iowa City property recently sold for \$350,000. The net gain on sale of the asset of \$301,020.77 will be transferred to the Housing Fund, leaving \$698,979.23 to be recapitalized to the Housing Fund.

WHEREAS, Martlet, Inc. is the record title holder of the Indianapolis property, and the Fraternity currently pays rent to Martlet, Inc. of \$11,000 per month.

WHEREAS, Martlet, Inc. is a holding company under IRS Code §501(c)2. As such its sole purpose is to hold title to property, collect income therefrom, and turn over the entire amount, less expenses, to the Fraternity at the end of each year.

WHEREAS, it is the intent of the Board that no less than \$18,000.00 and up to \$36,000(formerly reserved in the New HQ Reserve) will be transferred to the Housing Fund each year until the amount of \$698,979.23 is recapitalized, and;

WHEREAS, the Executive Director, with the approval of the Executive Committee, shall have the discretion in any year to reduce the amount transferred to the Housing Fund if he determines that the funds are needed for Fraternity operations, or increase the amount if there is a surplus.

NOW THEREFORE, in consideration of the following, the Board of Regents does resolve as follows:

1. The proceeds of the sale of the property at 314 Church St., Iowa City, Iowa, minus depreciation, shall be transferred to the Housing Fund. It is anticipated that this amount shall be approximately \$301,020.77.
2. Subject to the provisions of Paragraph 3, no less than \$18,000.00 and up to \$36,000 will be transferred annually to the Housing Fund, until the amount of \$698,979.23 is recapitalized.
3. With the approval of the Executive Committee, the Executive Director shall have the authority to reduce the amount paid from the General Fund to the Housing Fund pursuant to Paragraph 2, to cover Fraternity operating expenses.

THE DELTA CHI FRATERNITY, INC.
MINUTES
BOARD OF REGENTS MEETING
OCTOBER 20, 2020

REVISED BUDGET—As approved in Minutes Item 10

INCOME	
Associate Member Dues	163,800.00
Initiation Dues	304,425.00
Membership Dues	426,868.00
Risk Management Assessment	722,325.00
RMA Programming	250,000.00
Foundation Grants	43,000.00
Foundation Office Exp	-
Supply Sales	87,400.00
Grant Income from Martlet	133,500.00
Inv Income-GF	140,000.00
Other	76,400.00
	2,347,718.00

EXPENSES	
Fraternity Operations	292,093.00
Programming	27,000.00
Headquarters	396,675.00
Risk Management Expenses	747,325.00
Salaries & Benefits	1,078,500.00
Depreciation	16,125.00
Overhead	(60,000.00)
Reserve Expense Accounts	-
	\$ 2,497,718.00

\$ (150,000.00)

CHANGE IN RESERVES	Updated Budget
GENERAL FUND RESERVE	(25,000.00)
RISK MANAGEMENT RESERVE	(25,000.00)
STRATEGIC PLANNING RESERVE	(100,000.00)
TOTAL	(150,000.00)