



Delta Chi Alumni Muster



**We need your participation,
time and money!**

January 27, 2024

Agenda



- Brief Snapshot of Board Members by Org
- Big picture
- Vision
- Past compared to Present
- Alumni problems
- House needs
- What others are doing
- Organizational changes?
- Donate & Enjoy!
- **Next steps: Decide & Start**

Org Members



- **Alumni Board of Trustees**

- Mark Maier, President
- Joe Jenkins

- **Kimball Corp**

- Mike Rimer, President
- Mark Maier
- Scott Turer
- Tony Hinsen
- Dale Spadafora
- Shawn McGinley
- Clay Talarek

- **Alumni Association**

- Frank Visconti, President
- Dale Spadafora
- Rich Mich



Big Picture

- Good news
 - We stopped the decline and are stable
 - We still have a house and an active chapter with good guys
- Bad news
 - House needs costly improvements
 - Actives need to take better care of the house
 - Alumni need to give/get more
- Recent improvements **but need more faster**
 - Routine communications and alignment with Alumni and Execs (not with average bro)
 - Good relations with PSU
 - Little trouble with SC and other Frats
 - Actives paid 100% KC fee 3 years
 - Actives close to solvent per current year
 - Fewer "Deadbeats"
 - Legal contracts, IDs, insurance
 - Damages down from a \$75K high to \$30-40K

Vision



Actives

- Fun, safe, clean environment
- Learn from mistakes
- Ran effectively by Actives
- Produce good citizens, taxpayers and leaders

Alumni

- Place we're proud to visit with friends and/or family
- To be welcomed back & feel comfortable in our house
- Pass on traditions, stories, experience and/or mentorship
- Host more Alumni events at good ole 424

House enjoyed by Actives and Alumni!

Past vs Present



| | | Past | Present |
|---------|----------------------|-------------------------|-------------------------------------|
| Alumni | Visit | Came Back | Missing |
| | Contribute | Donated | Dried Up |
| | Enjoyment | Enjoyed House | Get Nothing |
| Actives | Greek Life | 2-4 Years | 1-2 Years |
| | Chapter Leadership | 3 Year Seniors | 1 Year Juniors w/ Lots of ABT |
| | Control | Centralized | Spread over 7 orgs/systems |
| | PSU / Township | Supportive | Adverse (better this year) |
| | Membership/Occupancy | 60, Most Lived In-house | 80, Most Live Out (in-house 1 year) |
| | Financial Recourse | Informal (no contract) | Legal Contracts, IDs & Insurance |
| | Parties | Kegs in Basement | Cases/Booze Throughout |
| | Condition of House | Nice Home | Place To Party / Disgusting |
| | Furniture | Formal | None or Crap |

Alumni Problems



- **Overall**
 - Older
 - Same guys doing all the work
 - Need more and younger members
- **Alumni Board of Trustees**
 - Do not live near State College
 - Consumed by day-to-day survival
 - Limited time to mentor
- **Kimball Corp**
 - Slow to respond
 - Highly reliant on Nittany Coop
 - Only has \$50K in reserves for catastrophic problem, not enough for major projects
- **Alumni**
 - Limited participation
 - Limited donations



\$160K House Needs (Minimum)

- **\$40K** Club Room: Replace floors
- **\$25K** Club Room: Remodel to casual TV/movie lounge tiered seating
- **\$10K** Founders Room: Restore formal reading library
- **\$10K** Dinning Room: Refurbish
- **\$50K** Bathrooms: Renovate all 4 (2F, 3F, Ladies, Pledge)
- **\$25K** Basement party room: Refurbish to sports bar with HVAC, pong, foos
- **\$__K** Remodel Z Suite into what?
- Outdoor walled party area in South parking lot between Elk Alley and PIKE

- *Current budget allows us to maintain **but not improve***
- *Raise Through Capital Campaign*
- *Develop Project Plan For Timing*



What Others Are Doing

- Some of our issues are Macro (most frats follow the trend)
- Some are doing it better
 - Who has a nice house, good guys and fun parties?
 - Example PIKE @Bama <https://www.youtube.com/watch?v=2wPtFEqBOMk>
- How do they do it?
- Other current experiences?

Organizational Changes?



| Option | Description | Pros | Cons |
|-------------------|---|---|---|
| 1) House Director | House "Director" controls | Gets cleaning/repairs done Stability | \$100K/y Actives mere tenants = No learning |
| | House "Dad" guides | Lets Actives stay in control | \$75K/y Less effective? Hard to find right person |
| 2) Alumni Managed | Alumni take major functions | More like an apartment Stable Cheaper than a HD | Need more Alumni to do it Less brotherhood flexibility Actives mere tenants = No learning |
| 3) Hybrid Use | <u>Split use of House – both generate revenue:</u> <ul style="list-style-type: none"> • Actives limited use of common areas • Alumni rent rooms • Revenue funds bills & partial renovations • 1-3 Year Plan | <u>Chapter</u> <ul style="list-style-type: none"> • Use of nice house for events • Simplified budget • "Inherit" refurbished home <u>Alumni</u> <ul style="list-style-type: none"> • Reset w/out losing \$ • Refurbish w/out wear & tear • Strengthen alumni connection | <u>Chapter</u> <ul style="list-style-type: none"> • Find alternative housing • Lose members (not see LT value) • May negatively impact Rush <u>Alumni</u> <ul style="list-style-type: none"> • Manpower; no small task • Shifts operational onus to alumni • Internal/external resources? |
| 4) Shut Down | Shut down and sell the house | Alumni base stay connected until extinct | <ul style="list-style-type: none"> • No house • No one to carry on tradition |
| 5) Others? | | | |

Donate & Enjoy!



- Funds
 - Capital Campaign and raise \$160,000 - \$200,000
 - Donate more than Alumni annual nominal amount; larger capital contribution
 - 1-2 Year Campaign; Work as we raise - projects along the way
 - **What can we do now? Example: 70 Alumni on this call who care**
 - **\$1,000 each = \$70,000** = Club Room floors & TV lounge
 - **\$700 each = ~\$50,000** = Renovate Bathrooms
 - **\$350 each = ~\$25,000** = Refurbish Basement Party Room (keep beer downstairs), or Founders + Dining Rooms
- Time (High/Medium/Low)
 - **High:** Join ABT – fill a role in need, such as comptroller, hiring manager, etc.
 - **Medium:** Take point on a specific project (PM floor install)
 - **Low:** Mentor actives in an area you have expertise
- Enjoy Events
 - 70s Reunion was great. **Need more at the house!**
 - June work/clean day with Actives
 - Fall Homecoming, Golf Outing, Other?



Next Steps

- Assess if Alumni donate and step up
- Quick Survey Following Meeting
 - Consolidate Feedback
 - Gauge Support
- Document options
- Decide and start

Back-up

Hypothetical Example



- Living quarters renovated for paid alumni club
 - Fee per room per semester/year
 - Football/Blue/White/Arts Fest/Graduation
- Examples:**
 - \$2,500 per alumni x 30 rooms = \$75,000
 - 30 rooms x 7 home games x \$500-\$600 = \$105,000 – \$126,000



\$125k/Year

- Pay Bills
- Fund Renovations



- Actives pay dues for use of common areas of the house for events but not occupancy
 - Chapter meetings
 - Social events
 - No access to rooms
- Example: \$1,000 * 50 brothers = \$50,000

Hypothetical Example

- Split use of the house may generate \$100k-\$150k/year, for total of \$300k – \$450k over 3 years
 - Enough to:
 - Pay bills ~\$50k + ~\$50k for live-in house manager/sitter
 - Renovate House
 - Renovations May Create “Renaissance”
 - Generate interest in alumni capital contributions
 - Only ~30 Alumni to pay to rent room (top level contributors)
 - Remaining Alumni most likely contribute to the revamp

