

DAMAGE AND MAINTENANCE POLICIES

The following is a sample damage and maintenance policy to help reduce the amount of abuse that occurs to a facility during the academic year. Remember that the alumni board is dealing with undergraduates mostly between the ages of 18-21. The key to a good damage and maintenance policy is that all costs associated with intentional damage are not taken from long-term reserves. They must be taken from either the security deposits, paid by the individual who did the damage, or taken from the chapter's events budget.

Intentional Damage

If intentional damage is done to a room or a common area, the first step is to determine who did the damage. If an individual is identified, the person should pay 150% of the cost to repair the damage. The additional 50% is deposited in a scholarship fund for the chapter. All repairs should be conducted by a certified repairman, thus eliminating the risk of chapter member craftsmanship.

If nobody is able to determine who did the damage then the cost is paid in one of three ways. 1) If the damage occurred in an individual's room the individual's security deposit is charged. 2) If the damage occurred to the common area then the general security deposit is charged. 3) If the chapter prefers, 150% of the cost of repair can be taken from the chapter's events budget, however, one of the above payments is preferred.

Long Term Maintenance

When the alumni board makes a major repair to the facility the alumni board should start a reserve fund for the next time that repair must be made. (e.g. if the roof is replaced, the alumni board should start a roof reserve fund by dividing the estimated cost of the next new roof by the expected number of years the roof will last). Given this approach, the alumni board will have the money on hand the next time a project needs to be completed and the alumni board will not have to attempt to raise money or increase the debt on the property. As a guide, many state universities' building and grounds departments keep 10% of rental revenue as a budget for long-term maintenance.

SAMPLE DAMAGE DEPOSIT – \$300 Monthly Rent

Tenant (Yearly Security Deposit)	Non-Tenant (Yearly Security Deposit)
\$300 Room Deposit	-- (Out of house member)
\$20 Key Deposit	-- (Out of house member)
\$100 Common Area Deposit	\$100 Common Area Deposit
\$420 Total Yearly Security Deposit	\$100 Total Yearly Security Deposit