

FUNCTIONS OF THE HOUSE CORPORATION

The house corporation, a not-for-profit corporation formed under state law, supervises the physical plant or chapter house. It is a legal entity that holds the title to all real property and through which all loans are negotiated. This group, through an annual meeting or through mailed ballots, elects a Board of Directors. The board usually includes a president, vice president, secretary, treasurer, members-at-large (three or more). The chapter offices of Treasurer, Alumni Chairman, and President frequently hold one seat on the board, though all three are a resource to the board. The chapter president may serve as ex-officio members of the board.

The basic functions of the board of directors are listed below.

- a) Provide general advice and guidance to undergraduate officers in managing the property.
- b) Supervision of long-term housing, authority for financial details related to housing, and direction of planning for future housing needs, including management of the chapter's reserve fund.
- c) Coordination of general alumni activities, communications, and reunions to encourage the alumni to continue their interest and support of the chapter and the Fraternity, especially if there is no alumni chapter.
- d) Meet regularly to review the rent, finances, upkeep on the physical plant, insurance coverage, and to provide input to the bylaws of the chapter that relate to the house corporation (capacity, room charges, reserve fund allowance, etc.).

A chapter house must be operated as any other commercial property and at its best provides a home away from home for students to learn and develop leadership skills throughout their college years. Many chapter houses are currently suffering from deferred maintenance and a lack of savings for future repairs. By managing the property as a business venture, you will ensure that the property is enjoyed for generations to come.