



Best Practices for PGD House Corporations

There are many types and variations of housing assets within Phi Gamma Delta from traditional chapter houses owned by house corporations to houses owned by universities or private parties. In other instances, chapters have lodges or private residences that used by members. We recognize that these different types of housing assets will require different levels of oversight and involvement by house corporations and that some of the items listed below will not be applicable.

1848 Properties Inc. will be developing resources and support materials as appropriate to assist House Corporations in accomplishing the items listed below.

With the goal of providing excellent housing House Corporations are encouraged to meet or exceed the following best practices.

Corporate/Fiduciary:

1. Report annually to the Graduate Brothers of the chapter on the financial and physical condition of their assets
2. Conduct an annual meeting. (Preferably in conjunction with the chapter's Pig Dinner, to maximize attendance and participation of the chapter's graduates)
3. Meet at least annually with the chapter to explain HC operations
4. File state and federal filings on time including form 990s and 941 (if you have employees)

General Operations:

1. Conduct either bi-annual or quarterly inspection of the asset (1848 Properties has a recommend inspection list.)
2. Invite undergraduates (Chapter President, Treasurer, House Manager) to attend house corporation meetings and inspections
3. Conduct HC meetings at the assets location (provides visibility to the HC and provides an inspection opportunity)
4. Organize and implement an annual house improvement weekend
5. Hire a graduate advisor or house director living on-site (for chapters with houses that have at least ___ men living in the asset).
6. Implement a no pet's policy allowed policy in asset's facilities

Finances/Budget:

1. Review annually that P&C insurance to insure it is commensurate with HC's asset
2. Create a reserve study and review annually
3. Maintain cash reserves equal to at least six (6) months of operating expenses
4. Operate in full compliance with HR/Payroll practices in their jurisdiction
5. Insure PGD room & board rates are at or above average rate charged on campus
6. Review/compare condition of assets to other fraternities on campus (Our goal is to be in the top 30% of assets.)
7. Implement a scheduled maintenance plan to reduce peaks and valleys in facility condition and extend the life of the facility assets.
8. Charge parlor fees to members not living in the house for their share of the cost of use and enjoyment of the chapter house.
9. Have an alternative minimum flat annual rate rental amount that the chapter is obligated to pay regardless of actual occupancy.
10. Have a written room contract with each individual tenant that is guaranteed by a parent/guardian.
11. Charges a room damage deposit and have a room inspection form that tenants use when moving in/out of the house.
12. Budget for higher than expected operating costs (recommended at least 5% over planned budget)
13. Budget for bad debt (recommend at least 5% bad debt as part of their standard budget)
14. Require chapters to have a local rule for a live-in requirement, so if/when house occupancy rates fall below 90%, members would be required to live-in or move in
15. Require the chapters implement a local annual housing assessment (e.g. \$50/man/semester) designated for care and upkeep of the chapter house.

Safety & Security:

1. Perform an independent safety inspection annually (insurance company, university, fire dept.)
2. Perform fire drill/alarm system tests at the same frequency that is done with university housing on their campus (recommended 2x/yr. minimum).
3. Equip and maintain property with appropriate entry system for security
4. Require chapter officers/House Manager/Chapter Advisor to perform a monthly inspection of the asset to assess operational & safety issues. (1848 Properties has a recommended inspection list)
5. Require that chapters hire outside security for large social events
6. Install sprinkler head guards on sprinkler heads to prevent accidental discharge of water
7. Install and maintain smoke detectors and carbon monoxide detectors in accordance with local fire regulations
8. Replace batteries for smoke detectors semi-annually