

MJ SORORITY POSITION PAPER

COLLEGIATE CHAPTER MEMBERS AND CHAPTER ADVISORS SERVING ON THE LOCAL HOUSE CORPORATION BOARD

Does this make sense for your House Corporation?

Pursuit of strong risk management will sometimes get in the way of solid business practices. A prime example of this is the reluctance of a house corporation board to have either collegiate chapter members and/or chapter advisors on the board. The fear being the threat this could pose of not “fire walling” liability away from the HC of the chapter operations.

In that the chapter operations and house corporation operations are equally and jointly insured under your organizations national insurance policy, this should be less of a concern for the liability.

We do believe that the increase in the communication between the two operations will be greatly enhanced which ultimately provides for a healthier relationship between the two entities.

One recommendation of helping to narrow this liability would be to have them as non-voting members of your local house corporation board and a minority in number.

The local house corporation is taxed at running the most optimum business for its resident members/other members and using available resources to do so makes sense.

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