

# FRMT News

The FRMT Risk Management Newsletter, Prepared by Kirklin & Company, LLC.

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## WHEN YOUNG ALUMNI RETURN

Brad John, Past Director of Chapter Management, Delta Upsilon Fraternity

Many chapters yearn for involvement from their younger alumni. They feel that recently graduated members may be more “in touch” with what is going on in the chapter. Those young alumni that do return are often all too eager to offer support the chapter through social interaction. While this can be a positive, it can cause problems for a chapter that is trying hard to follow the current Loss Prevention Policies set forth by the (Inter)National Fraternity.



All of these situations could have potentially been avoided if the chapter took as tough a stance with their alumni as they do with the undergraduate chapter members. Though the exact wording in each Fraternity’s Loss Prevention Policies varies, all policies identify that the rules and regulations apply to all levels of Fraternity membership.

Undergraduate Chapters, with the support of their alumni advisors, should take a few proactive measures to prevent an incident involving returning alumni. Some simple guidelines follow:

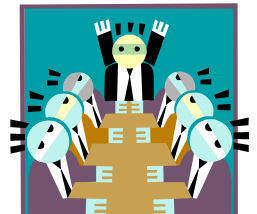
Many young alumni fail to recognize that they too must adhere to the Fraternity’s Loss Prevention Policies. In more than a few instances, young alumni returning to a chapter social function have been the cause of a claim or lawsuit.

One of the most horrific scenarios occurred when an alumnus returned to a chapter function and after becoming intoxicated, sexually assaulted a female. Alumni have also been involved in perpetuating hazing traditions. In a recent loss, an alumnus of a chapter rented and drove a moving van while pledges were blindfolded and forced to drink in the back. An intoxicated pledge fell out of the back of the van and was killed.



Not only does injury occur to third parties, sometimes the injury happens to the alumni themselves. A recent example involved an alumnus that purchased bulk quantities of alcohol. After purchasing the alcohol for a chapter party, the individual became intoxicated and fell off the balcony of the chapter house.

- ✓ Have a copy of the Loss Prevention Policies posted in a visible place.
- ✓ Don’t pass up the opportunity to speak with guests before the event. Talk to people about the security measures you have in place to ensure their safety.
- ✓ Have an action plan on how to respond to alumni that are violating the Loss Prevention Policies.
- ✓ Enlist the support of the whole chapter and alumni advisory board members.
- ✓ Include a copy of the Fraternity’s Loss Prevention Policies with correspondence sent to alumni regarding the event.



By following these simple suggestions you can help avoid an incident involving returning alumni. Consult with your Fraternity Headquarters for further information and suggestions.

### FRMT, Ltd.

A Bermuda Reinsurance Company working in partnership with the Royal Global insurance organization to compliment the risk management programs of each member fraternity, such as the publishing of this risk management newsletter, and providing the following member fraternities with a comprehensive liability insurance program:

Acacia  
 Alpha Epsilon Pi  
 Alpha Gamma Rho  
 Alpha Kappa Lambda  
 Alpha Tau Omega

Chi Phi  
 Delta Chi  
 Delta Tau Delta  
 Delta Upsilon  
 FarmHouse

Kappa Alpha Order  
 Kappa Delta Rho  
 Phi Kappa Psi  
 Phi Kappa Tau  
 Phi Kappa Theta

Pi Kappa Phi  
 Pi Lambda Phi  
 Psi Upsilon  
 Theta Xi  
 Zeta Beta Tau  
 Zeta Psi

# 'BURNING DOWN THE HOUSE'

Alan V. Wunsch, Executive Director, Pi lambda Phi Fraternity



No one can ever sufficiently plan emotionally or physically for a chapter house fire, but we can be prepared in advance to take care of the financial implications and also set up systems to deal with the aftershocks of these types of tragedy's. A chapter house fire is all too common on college campuses today.

Some common sense items to take care of in advance, so if a fire occurs you are in a prepared state include:

1. Having regular fire drills with the chapter, if anyone pulls a fire alarm as a joke sanction them as all too often people think it is a joke and do not leave the building. See recent Seton Hall University fire.
2. Have working fire extinguishers and smoke detectors checked regularly.
3. Have evacuation routes posted throughout the house as people become disoriented in a fire.
4. Keep off premises a list of all brothers with their school and home addresses for all brothers, greek advisor, chapter advisor, house corporation officers, insurance broker and International/National Headquarters.
5. Make sure that you have adequate property insurance to rebuild the chapter house and for all chapter and house corporation contents.
6. Make sure that all brothers have adequate renter's insurance for their personal belongings, as the property insurance covering the house and contents is not for brother's personal items.
7. Install a sprinkler system in the chapter house. Sprinklers save lives.

If tragedy does occur and a fire happens in your chapter house here are some effective tips to deal with the situation.

1. Immediately after everyone is out of the house have a head count to see if anyone is missing and may be trapped inside. The fire department needs to know this for a potential rescue.

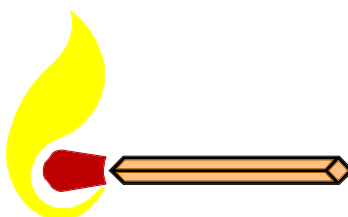


2. When fleeing a fire do not try to take any items. Scrap books, paddles, graduate school applications, etc... are replaceable, but you are not.

3. Make sure everyone is wearing proper clothing, as many times fires occur late at night and people are not dressed to be outside in 20 degree weather.

4. Contact the greek advisor, house corporation president, chapter advisor, headquarters and insurance broker.

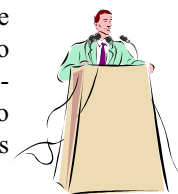
5. Take care of the member's emotional and physical needs - Take advantage of counseling which is offered by the school. Make sure that people have temporary housing, clothing and basic toiletries. Colleges will usually open up residence hall space or other fraternities will provide space until more permanent housing is found.



6. Take advantage of any college of fraternity special funds for emergencies for basic needs - clothing, books, toiletries.

7. Have the Dean of Students speak to your professors about accommodating exam and class schedules. Professors are very sensitive to these issues.

8. Establish who the media contact for the chapter will be. That is the only person authorized to speak on behalf of the chapter concerning the fire. Too many people speaking is not good.



9. Call a chapter meeting as soon as possible to make sure everyone is doing okay and fill in all members on the status of the house and to provide updates.

10. Stay calm and utilize all resources available to you, take advantage of offers of support from the College, other fraternities/sororities, deans, headquarters.

You can never be prepared for the emotional and physical toll of a fire but you can plan to be prepared to deal with the after effects. Hopefully you will never have to deal with this issue.

## BE YOUR INTERFRATERNAL BROTHERS' KEEPER

The 21 member fraternities of the FRMT, Ltd. program are in business together. Loss experience of any one member fraternity will affect the future insurance costs of all 21 member fraternities. If a member of any FRMT, Ltd. member fraternity, undergraduate or alumnus, is aware of unsafe behavior being practiced by any other member fraternity, please provide this information to the administrative office of your national fraternity. Please forward it to the attention of the Executive Director/Executive Vice President.

***To report, or not to report: that is the question:  
Whether 'tis nobler in the mind to suffer  
the slings and arrows of furious alumni,  
Or to remain silent against a sea of troubles,  
And by ignoring them, end them?***

Tyson Vaughn, Director of Chapter Management, Delta Upsilon Fraternity

Too often in our chapters, we look at small repercussions like social probation or educational seminar requirements as the worst that can happen. The chapter thinks that alumni are sick of the poor behavior; the (Inter) National Fraternity will be upset and levy huge sanctions or fines. Chapters seldom see or hear about the accidents that went unreported that are now costing tens of thousands in defense costs and in judgments because a chapter tried to cover up, or ignore an accident's financial repercussions.

Many times, that small incident: a simple trip, fall, or even property damage, can result in a large settlement or a civil suit where the chapter and or the Fraternity are held liable. In much the same way a small cut can cause an infection if you don't take care of it, if left unreported, a small slip or a minor incident can turn into a huge legal battle.

For example, a claim is pending on a sexual assault that occurred nearly two years before the suit was brought. Another assault occurred nearly 1000 days before notice of the suit was presented to the Fraternity headquarters. Thousands of dollars in defense costs were used just to locate, interview and piece the story back together. This could have been easily averted had the chapter simply reported the incident when it happened.

Here are some additional reasons why reporting immediately, and honestly are imperative to protecting the financial well being of the chapter:

1. When the right people can be contacted to investigate or manage an incident, very often the total amount spent for that service is less than a potential settlement or judgment.
2. Early reporting can also ensure that the truth is not forgotten. Time allows witnesses to move on and forget about what happened. It also then increases the potential for the claim to be more expensive and costly to you and the Fraternity.
3. Early reporting can ensure that a claim is settled prior to your graduation. Oftentimes, claims that are a result of an unreported incident can be made months, even years, after the incident. Litigation will require many people to return to the site for depositions and hearings. Try explaining that to your boss!
4. There have been cases where members who weren't cooperating with an investigation, i.e. trying to hide or not report information were named individually in a claim and were found guilty and required to pay a large percentage of the claim.
5. Reporting early allows the Fraternity time to find someone to represent the chapter before lawyers start contacting the chapter and its members.
6. Early reporting gives people of authority the opportunity to control and manage the situation, often times, calming parents, students and others who, if not communicated with, often allow their anger to boil over into a lawsuit.

Every Fraternity has a reporting process or protocol. Make sure you are aware of it, and make sure that you are using it! An ounce of prevention is worth thousands of dollars of cure!

## **Servant bucks the “what’s in it for me?” trend!**

David Wright, Litigation Management Services, LLC

In his book “21 Indispensable Qualities of a Leader”, writer John Maxwell lists then describes each trait in detail with an example. My eye caught the word – “Servanthood” within the list – an expression rarely heard outside of church.

As a definition, a servant differs from a slave, as their actions are voluntary and starts by placing another's needs above yours – accepting their desires as valid and important. By seeing the needs of others then initiating action to assist you become what I call a “gap-filler”. By bridging the gap, through sincere, purposeful, friendship to others – literacy education in a local elementary school in the afternoon for 1 hour – or filling a gap as a Big Brother, you become a leader to others. Serving requires effort, time and commitment but the rewards are greater than you can imagine.

How do you start? If you have a desire to be a gap-filler, start telling others your plans, read the local paper and an opportunity will present itself quickly. You will see the dynamics of serving as others in the chapter ask, “How can I help?” How is your chapter known on campus to others – is the kind of reputation you will be proud of as an alumni in several years?

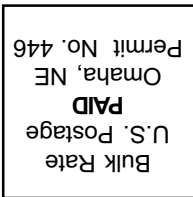


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## **WE ARE OUR BROTHER'S KEEPER**

Duane Wimer, Executive Vice President, Delta Tau Delta Fraternity

For years, many corporations have provided training to interested employees to enable them to obtain certification in CPR, First Aid and other areas of emergency response and care. This training is seen both as an employee benefit and a way to improve the environment of the work place in regard to health and safety issues. Obviously having these skills could potentially save a life in the event of an accident or emergency health situation and is a sign that the corporation cares for its employees.

We have begun to see a similar trend in the Greek world. Many undergraduate chapters are now requiring certain officers and encouraging other interested members to obtain similar certifications. Alcohol poisoning and the effects of “drunkenness” appear to be areas of focus in training being pursued. Certainly in the collegiate environment where many students are at an age where they still feel they are invincible, it is easy to think of instances in which these skills would be extremely important.

Many campuses have started to require and/or encourage members of Fraternity chapters, dormitory advisors and others be certified for the above mentioned reasons. Many universities offer this training, at no cost, as a service to their students.

Hopefully these students will never have to deal with a situation that will require their skills. Preparation for these emergency situations in their chapter, dormitory, family and everyday life certainly shows a caring for others and their community. We appreciate those institutions providing these services to their undergraduates and encourage your chapter to take advantage of these services. We commend those chapters that have made an effort in this area previously and encourage you to continue your good work; after all we are “our Brothers Keeper”.