



CONCLAVE
ORLANDO 2019

PROPOSED LEGISLATION

As submitted by the Judiciary Committee



April 15, 2019

Fellow Fraters,

In accordance with Chapter I, Section 11 of the Black Book of Tau Kappa Epsilon International Fraternity, the Judiciary Committee presents the following items of proposed legislation to be considered by the Grand Chapter at the 2019 Conclave of the Fraternity found to have been submitted in proper form, along with the advisory recommendation of the Grand Council.

All Fraters are reminded of the following provision within Chapter I, Section 11 of the Black Book: “Proposed legislation shall be submitted to a vote of the Grand Chapter at Conclave, but may not be amended from the floor unless the amendment is solely for the purpose of clarification of language. Any questions of whether a proposed amendment is solely for the purpose of clarification of language shall stand referred to the Judiciary Committee.”

All proposed legislative changes to the International Constitution require approval by three-fourths of the votes cast at Conclave (Art. XVI, Section 1), and changes to the International Bylaws and Traditions require approval by a majority of the votes cast at Conclave (Chapter XXXII, Section 1). Language to be removed is signified by ~~strikethrough~~ and language to be added is signified by underlining.

On behalf of the Judiciary Committee, I thank all Fraters who have submitted proposed legislation, and hope that you will join us in Orlando, Florida this August for what is sure to be another great Conclave.

Yours In The Bond,

Jason B. Blank, Esq.
Alpha Pi #688
Judiciary Chairman
Life Loyal Teke



Proposed Legislation # 1
Proposed Amendment to the International Bylaws and Traditions
(Must pass by majority vote)

Proposed by: Judiciary Committee

Purpose and Scope:

The Founders Housing Fund (FHF) is a limited liability company with autonomous power. The Grand Council trusts in the member of the FHF to make well-educated and strong decisions supporting its stated mission. Direct oversight of each loan is unnecessary and could infringe on the rights of the FHF board.

Grand Council Recommendation- Yes to Pass.

CHAPTER IX
The Founders Housing Fund, LLC

SECTION 1. The Founders Housing Fund, LLC. The purpose of The Founders Housing Fund, LLC shall be to hold monies of non-operating and dormant chapters of the Fraternity for their future use upon reestablishment of such chapter to active status and to provide loans to chapters of the Fraternity for the construction and remodeling of chapter houses. ~~The terms and conditions of each loan shall be determined from time to time by resolution of the Grand Council.~~



Proposed Legislation # 2
Proposed Amendment to the International Bylaws and Traditions
(Must pass by majority vote)

Proposed by: Judiciary Committee

Purpose and Scope:

As it stands, there is no vehicle to avoid the forced consideration of unlawful (i.e. forced hazing, racial discrimination, etc.), absurd (i.e. all wearable TKE letters shall be no less than 36” tall), or blatant time-wasting legislative proposals (i.e. 43 individual pieces of legislation addressing one word at a time in a specific section of the Black Book). In the event that such legislation were to be proposed, this amendment allows for oversight by the Grand Council in the event of concern, at the recommendation by the Judiciary Committee, to address such proposals prior to their placement before the Grand Chapter to ensure an effective and efficient legislative process.

Grand Council Recommendation- Yes to Pass.

CHAPTER I:
Conclaves of the Grand Chapter

SEC. 11. ***Amendments and Legislation.*** All proposed legislation that is intended to be presented at the Con- clave must be presented in writing to the Offices of the Grand Chapter on or prior to January 31 of the year in which Conclave is to be held. The January 31 deadline shall not apply to proposed legislation that is authored by members of the Grand Council or the Judiciary Committee. Such legislation shall stand referred to the Judiciary Committee, which shall in turn distribute all legislation through the Chief Executive Officer to the Grand Chapter in as timely a manner as practical, but in no case later than April 15 of the Conclave year. Such proposed legislation shall be submitted to a vote of the Grand Chapter at Conclave, but may not be amended from the floor unless the amendment is solely for the purpose of clarification of language. Any questions of whether a proposed amendment is solely for the purpose of clarification of language shall stand referred to the Judiciary Committee. The Grand Council may exclude from consideration, upon recommendation of the Judiciary Committee, any proposed legislation which, on its face, runs afoul of state, national, or Fraternal law. The Grand Council shall be made aware of the Judiciary Committee's recommendation to exclude any proposed legislation no later than April 10th for any year in which Conclave shall be held. Distribution of proposed legislation may be by first class mail, electronic transmission, or by publication on the official Fraternity website.



Proposed Legislation # 3
Proposed Amendment to the International Bylaws and Traditions
(Must pass by majority vote)

Proposed by: Judiciary Committee

Purpose and Scope:

This proposal addresses concerns raised by the Fraternity's insurance carrier with the responsibilities of the Board of Advisors not being explicitly separated in our governing documents as they related to the oversight and management of real property assets. This legislation is mostly cosmetic in nature, bifurcating the already prescribed responsibilities in Chapter XIII between the separate oversight committees and making such other changes in language to effectuate this separation. We believe this legislation best protects the property and liability interests of each chapter through the separation of control over chapter operations/advisement and management of real property.

To that extent, the proposal separates the duties from the current Board of Advisors, grants such authority to a new not-for-profit corporation to be created, and such other modifications to aide in effectuating the goal. Much of the language has long existed in the Black Book and is now simply being repositioned into the newly titled chapter. This separation creates a clear and unambiguous distinction between the guidance roll of the Board of Advisors and the managerial role of the new Chapter Housing Corporations.

Grand Council Recommendation- Yes to Pass.

CHAPTER XIII:
The Board of Advisors ~~and Chapter Corporation~~

SECTION 1. ***How Constituted.*** ~~The activities of each collegiate chapter shall be supervised by a~~ Board of Advisors consisting of the Chapter Advisor, the Chapter Prytanis, the Chapter Crysochylos, and at least four other persons, the majority of whom should be alumni or honorary members of the International Fraternity shall provide education and guidance to each collegiate chapter as necessary. The Board of Advisors shall act in compliance with the Articles of Incorporation, Constitution, Bylaws, laws, traditions, usages, obligations, and principles of the Fraternity and to set by example the standard of conduct for collegiates and non-members to emulate. The elected members of the Board of Advisors shall serve for a term of four years or for terms as approved by the Board of Advisors, and until their successors are elected, and all vacancies except as hereinafter provided shall be filled by the members of said Board. No member of any Board



~~of Advisors may be a member of the board of any Chapter Housing Corporation. The Chief Executive Officer shall have power to remove from office at his discretion, for violation of the Articles of Incorporation, Constitution, Bylaws, laws, traditions, usages, obligations, principles or ritual of the Fraternity or other good cause, any member or members of a Board of Advisors, and may fill by appointment all vacancies thereby created.~~

SEC. 2. **Officers.** The Board shall annually choose a Chairman, Vice Chairman, Secretary and Treasurer, which latter two officers may be combined in one person if desired. The members shall hold office until their successors are elected and shall not lose their right to vote by reason of holding office. No member of any Chapter Housing Board may be elected to the board of any Board of Advisors or Chapter Corporation.

SEC. 4~~3~~. **Motions by Members of Chapter.** Any member of the said chapter may present written motions or resolutions for the consideration of the Board, or any matter within its jurisdiction, which, if seconded in writing by another member, shall thereupon be discussed and voted upon in the same manner as if offered by a member of the Board.

SEC. 5~~4~~. **Appeals.** Any chapter may, by majority vote, appeal to the Chief Executive Officer from any decision or action by the Board of Advisors, with further right of appeal from his decision to the Grand Prytanis.

SEC. 6. **Sinking Fund.** ~~Whenever any chapter shall be or become indebted for other than current expenses, it shall be the duty of the Chapter Corporation to establish a sinking fund for the retirement of such debt, and to require said chapter to pay monthly to the Treasurer of the Chapter Corporation a sum sufficient for said sinking fund, and also to cover its taxes, insurance and a reasonable depreciation on its property, the amount of which shall also be fixed by the Chapter Corporation.~~

SEC. 7. **Powers and Duties.** ~~Whenever property shall be held for the use of any chapter, the Chapter Corporation shall have the power to require repairs, insurance, the payment of taxes, special assessments, mechanics' liens, judgments and all other matters necessary for the protection and preservation of such property. No encumbrance or conveyance of such real estate shall be made without its consent. It shall have power to prohibit any act or omission which may waste or damage the said property.~~

SEC. 8. **Title to Property.** ~~The title to all real and personal property of the several collegiate chapters shall vest in and be held by the Chapter Corporation for such collegiate chapters.~~

SEC. 9. **Chattel Mortgages, Etc.** ~~Chattel mortgages, conditional sales contracts and any other contract granting a security interest in property used by any collegiate chapter shall be executed only by the proper officers of the Chapter Corporation, when authorized by a proper resolution of the Board of Directors.~~



~~SEC. 10. **Control and Disposition of Personal Property on Loss of Charter.** In the event that the charter of any collegiate chapter shall be withdrawn or surrendered, the control and custody of the personal property held by or for the use of such chapter shall devolve upon the Chapter Corporation, and it shall dispose of the same as directed by the Grand Council. All monies, and the proceeds of sale of such personal property of said chapter, shall be held by the Fraternity to the credit of said chapter, as directed by the Grand Council.~~

~~SEC. 11. **Authority of Grand Council.** In the event that a chapter is suspended or declared non-operating, the Grand Council shall have authority over the real estate and personal property held by the Chapter Corporation, Boards of Advisors and chapters to prevent its being diverted from its proper use as Fraternity property and to prevent the carrying on of any practices contrary to the Constitution, Bylaws, laws, ritual or principles of the International Fraternity.~~

~~SEC. 12. **Disposition of Real Estate on Loss of Charter.** In the event that the charter of any chapter shall be withdrawn or surrendered, the title to any real estate shall be held for the alumni members of said chapter, for a period of two years. If, at the expiration of the two years, such chapter shall not have been restored, the local Board of Advisors or the Chapter Corporation shall sell the real estate, unless other action is authorized by the Grand Prytanis. After the payment or provision for payment of all legally enforceable obligations of the owner of the real estate, the remaining proceeds of any sale of real estate shall be promptly transferred to the Fraternity (unless otherwise determined by the Grand Council) and held by the Fraternity to the credit of said chapter regardless of the time of such sale and regardless of whether title was held by the chapter, Chapter Corporation or Board of Advisors.~~

~~SEC. 135. **General Education, Guidance and Oversight. Supervision Oversight.** The Board of Advisors and the Chapter Corporation shall have general supervision provide education and guidance, as necessary, over all phases of chapter operations and the finances of the chapter; shall approve budgets hereinbefore provided; shall prevent incurring of unnecessary or unwise expenditures or indebtedness by the chapter, or penalties to the Fraternity; shall require the prompt collection by the chapter of all monies due it or due the Chapter Corporation or the International Fraternity, and assist therein; and shall require all chapter accounts to be kept and reports made on the forms and at the times required by law, or by the Chief Executive Officer. The Board of Advisors and the Directors of the Chapter Corporation must confer with the officers of the chapter concerning the execution of the aforesaid duties.~~

~~SEC. 146. **Business Manager.** The Board of Advisors of, and the Chapter Corporation for, each chapter may annually employ a Business Manager of the chapter who may, but need not be, a member of a Board of Advisors and fix his compensation at~~



such reasonable sum as may be agreed upon. The Business Manager shall oversee and offer guidance on the work of the Crysophylos, make a monthly audit of his books; collect all bills of members for ~~board, room rent,~~ dues, fees, and other obligations to the International Fraternity, the Chapter Corporation and the chapter which are not paid when due, supervise the purchase of all supplies and the payment of all accounts payable of the chapter and the Chapter Corporation. He shall keep such books of account as may be necessary and make such reports to the Board of Advisors ~~and the Chapter Corporation~~ and to the International Fraternity as may from time to time be required. All or any of such duties of a Business Manager may be performed by an officer or employee of the college or university at which the chapter is located, as required or designated by said college or university.

SEC. ~~157.~~ **Employees.** All contracts for services of business managers, resident advisors, ~~housemothers, housekeepers, cooks, stewards,~~ and all other persons who may be employed by or in the services of any collegiate chapter shall be made and the compensation and duties of such person or persons fixed by the respective Boards of Advisors ~~or Chapter Corporation.~~

SEC. ~~168.~~ **Annual Reports.** The Board of Advisors and the said Chapter Corporation shall file an annual report with the chapter, the Secretary of the Board of Advisors, the Secretary of the Chapter Corporation and the International Fraternity. The report shall be on forms supplied by the International Fraternity and shall include information as may be deemed necessary by the Grand Council from time to time. The annual report shall be filed no later than May 15 of each year. Additionally, a financial report and a copy of the Chapter and/or Chapter Corporation Internal Revenue Service Form 990 shall be filed with the Offices of the Grand Chapter by November 15 of each year.

~~SEC. 17. **Board of Advisors.** The rights and duties imposed by these Bylaws on the Chapter Corporation shall be exercised by the Board of Advisors if a Chapter Corporation has not been organized by such Board of Advisors. If a Chapter Corporation has been organized, the Board of Advisors may nevertheless exercise the rights and duties imposed by these Bylaws on the Chapter Corporation to the extent necessary or appropriate under applicable state law, and the Board of Advisors shall exercise such rights and duties to the extent the Chapter Corporation fails to do so.~~

CHAPTER XIV

The Chapter Housing Corporation

SECTION 1. **How Constituted.** Whenever property shall be held for the use of any chapter, a Chapter Housing Corporation shall be constituted. The Chapter Housing Corporation shall consist of no less than three alumni or honorary members of the International Fraternity, or such other number as required by the State in which the corporation is constituted. The Chapter Housing Corporation shall act in compliance with the Articles of Incorporation, Constitution, Bylaws, laws, traditions, usages, obligations,



and principles of the Fraternity and to set by example the standard of conduct for collegiates and non-members to emulate. The elected members of the Chapter Housing Corporation shall serve for a term of four years or for terms as approved by the Chapter Housing Corporation, and until their successors are elected, and all vacancies except as hereinafter provided shall be filled by the Chairman of said Corporation. No member of any Chapter Housing Board may be a member of the board of any Board of Advisors or Chapter Corporation.

SEC. 2. **Officers.** The Chapter Housing Corporation shall annually choose a Chairman, Vice Chairman, Secretary and Treasurer, which latter two officers may be combined in one person if desired. The members shall hold office until their successors are elected and shall not lose their right to vote by reason of holding office. No member of any Board of Advisors or Chapter Corporation may be elected to the board of any Chapter Housing Corporation.

SEC. 3. **Powers and Duties.** Whenever real property shall be held for the use of any chapter, the Chapter Housing Corporation shall act as the landlord over such property and shall have the power to require repairs, insurance, and the payment of taxes, special assessments, mechanics' liens, judgments and all other matters necessary for the protection and preservation of such property. No encumbrance or conveyance of such real estate shall be made without its consent. It shall have power to prohibit any act or omission which may waste or damage the said property. The Chapter Housing Corporation shall be responsible for collecting the fees or rent for room and board as appropriate.

SEC. 4. **Title to Property.** The title to all real and personal property of the several collegiate chapters shall vest in and be held by the Chapter Housing Corporation for such collegiate chapters.

SEC. 5. **Chattel Mortgages, Etc.** Chattel mortgages, conditional sales contracts and any other contract granting a security interest in property used by any collegiate chapter shall be executed only by the proper officers of the Chapter Housing Corporation, when authorized by a proper resolution of the Chapter Housing Corporation.

SEC. 6. **Control and Disposition of Personal Property on Loss of Charter.** In the event that the charter of any collegiate chapter shall be withdrawn or surrendered, the control and custody of the personal property held by or for the use of such chapter shall devolve upon the Chapter Housing Corporation, and it shall dispose of the same as directed by the Grand Council. All monies, and the proceeds of sale of such personal property of said chapter, shall be timely transferred to the Fraternity to be held for the credit of said chapter, as directed by the Grand Council.

SEC. 7. **Authority of Grand Council.** In the event that a chapter is suspended or declared non-operating, the Grand Council shall have authority over the real estate and personal property held by the Chapter Corporation, Boards of Advisors, Chapter Housing



Corporations, and chapters to prevent its being diverted from its proper use as Fraternity property and to prevent the carrying on of any practices contrary to the Constitution, Bylaws, laws, ritual or principles of the International Fraternity.

SEC. 8. *Disposition of Real Estate on Loss of Charter.* In the event that the charter of any chapter shall be withdrawn or surrendered, the title to any real estate shall be held for the alumni members of said chapter, for a period of two years. If, at the expiration of the two years, such chapter shall not have been restored, the Chapter Housing Corporation shall sell the real estate, unless other action is authorized by the Grand Prytanis. After the payment or provision for payment of all legally enforceable obligations of the owner of the real estate, the remaining proceeds of any sale of real estate shall be promptly transferred to the Fraternity (unless otherwise determined by the Grand Council) and held by the Fraternity to the credit of said chapter regardless of the time of such sale and regardless of whether title was held by the chapter, Chapter Corporation or Board of Advisors, or the Chapter Housing Corporation.

SEC. 9. *Employees.* All contracts for services of resident advisors, housemothers, housekeepers, cooks, stewards, and all other persons who may be employed by or in the services of any collegiate chapter relating to any property owned or used by same, shall be made and the compensation and duties of such person or persons fixed by the respective Chapter Housing Corporation.

SEC. 10. *Annual Reports.* The Chapter Housing Corporation shall file an annual report with the chapter, the Secretary of the Board of Advisors, the Secretary of the Chapter Corporation and the International Fraternity. The report shall be on forms supplied by the International Fraternity and shall include information as may be deemed necessary by the Grand Council from time to time. The annual report shall be filed no later than May 15 of each year. Additionally, a financial report and a copy of the Chapter Housing Corporation Internal Revenue Service Form 990 shall be filed with the Offices of the Grand Chapter by November 15 of each year.



Proposed Legislation # 4
(only to be considered if Proposed Legislation #3 is adopted)
Proposed Amendment to the International Constitution
(Must pass by three-fourths vote)

Proposed by: Judiciary Committee

Purpose and Scope:

This change to the International Constitution brings continuity with the changes and modifications made in Proposed Legislation #3.

Grand Council Recommendation- Yes to Pass.

ARTICLE XIV
Chapter Corporation & Property

SECTION 1. ***Title.*** The assets of each collegiate chapter, excluding any real property, but including ~~title to all real and~~ all personal property, shall be held by a not-for-profit corporation (hereinafter called “Chapter Corporation”), organized and managed by the Board of Advisors. Each Chapter Corporation shall be subject to the obligations imposed upon it by this Constitution and the International Bylaws and Traditions of the Fraternity.

SEC. 2. ***Chapter Finances.*** ~~The finances of each collegiate chapter shall be supervised by its Board of Advisors.~~ The Board of Advisors shall provide oversight and guidance of the finances of each collegiate chapter as necessary and in accord with such other mandates set forth in the Fraternity’s International By-Laws and Traditions and International Constitution.

SEC. 3. ***Chapter Corporations.*** No charter shall hereafter be granted unless or until the petitioning body shall have first organized a Chapter Corporation. Any existing chartered chapter not having a Chapter Corporation is required to form and maintain such a corporation in order to remain in good standing with the International Fraternity.

SEC. 4. ***Chapter Corporation Directors.*** The Board of Advisors shall serve as the Board of Directors of the Chapter Corporation. Only members of the Board of Advisors shall be eligible to serve as directors of the Chapter Corporation.



SEC. 5. *Chapter Housing Corporation.* The title to all real property assets used for the benefit of any collegiate chapter shall be held by a not-for-profit corporation (hereinafter called the “Chapter Housing Corporation”), organized and managed by Alumni Members of the Fraternity who are the duly elected board members of the Chapter Housing Corporation, however no member of any Board of Advisors or Chapter Corporation may sit on the board of any Chapter Housing Corporation. Each Chapter Housing Corporation shall be subject to the obligations imposed upon it by this Constitution and the International Bylaws and Traditions of the Fraternity.



Proposed Legislation # 5
Proposed Amendment to the International Constitution
and
Proposed Amendment to the International Bylaws and Traditions
(Must pass by three-fourths vote)

Proposed by: Frater James Hickey, Ph.D., Grand Epiprytanis

Purpose and Scope:

Research clearly indicates that the success of organizations is closely tied to the stability of its leadership. Long-term tenures of chief executives lead to long-term success. Current language in the Black Book limits the ability of the Grand Council to stabilize the employment of the Chief Executive Officer.

The Black Book empowers the Grand Council to hold the CEO accountable for poor performance with the ability to terminate employment with or without cause. The Grand Council, however, has no similar authority to reward the CEO's strong leadership with the stability that comes with longer term employment agreements. Finally, the CEO's leadership team gets some peace of mind with the stability of a longer tenure of the CEO.

Grand Council Recommendation- Yes to Pass.

Proposed Amendment to the International Constitution

ARTICLE IV.

Grand Officers, Grand Council Members & Corporate Officers

SEC. 8. *Chief Executive Officer.* In addition to the Grand Officers, the Grand Council shall appoint a chief executive and administrative officer known as the Chief Executive Officer. The Chief Executive Officer shall be a full-time employee of the International Fraternity, shall be charged with administering and overseeing the day-to-day operations of the International Fraternity, subject to the direction and control of the Grand Council. In addition to being the Chief Executive Officer, he shall be the Assistant Secretary and Assistant Treasurer of the International Fraternity and may execute contracts, notes and other documents in such capacities to the extent authorized by the Grand Council. The Chief Executive Officer shall have charge of the principal offices of the International Fraternity and such administrative assistants, clerical help and budget as the Grand Council may from time to time provide. In addition, the Chief Executive Officer shall have such additional rights and duties as provided by the Articles of



Incorporation, the laws and by resolution of the Grand Council or Grand Chapter, as well as those which customarily pertain to the office of Chief Executive Officer.

The Chief Executive Officer shall be appointed by the Grand Council, and the Grand Council shall determine his compensation from time to time. The Chief Executive Officer may be removed by the Grand Council, with or without cause, whenever in its judgment the best interests of the International Fraternity would be served by such action, and the term of any agreement governing the employment of the Chief Executive Officer shall ~~not exceed three years~~ be determined by the Grand Council.

Proposed Amendment to the International Bylaws and Traditions

CHAPTER V: Chief Executive Officer

SEC. 2. *Selection and Removal.* The Chief Executive Officer shall be appointed by the Grand Council ~~for a term not to exceed three (3) years, and~~ at such compensation as the Grand Council may from time to time provide. The Chief Executive Officer may be removed by the Grand Council, with or without cause, whenever in its judgment the best interests of the Fraternity would be served by such action.