



NU CHAPTER Project Summary

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From the House Corporation ...

For many years, Nu of Tau Kappa Epsilon alums have debated about what to do with the fraternity owned house at 2725 Channing Way, Berkeley, CA that most of us spent time in during our college years at CAL. The house had fallen into terrible disrepair and the housing corporation, in keeping it going for over 13 years of vacancy, had incurred as much debt as the property would then support. The Board of Directors wrestled with basic questions such as was a fraternity still viable at CAL? Was the house too far gone to be repaired? Should the house be sold “as is” and the net proceeds, if any, be given to the national fraternity?

By mid 2003 time was running out, and so were the Board’s options. Coincidentally, TKE National decided to support forming a Berkeley colony and, most importantly, sent capable recruiters to the Campus to “make it happen”. Now, with a successful and growing Nu Chapter, the Board had a window of opportunity to refurbish the house knowing that there were Chapter members who wished to live in it. The decision was made to commence on the substantial construction rebuilding project as soon as possible. There was no time for surveys or fund raising; rather, four fraters lent the house the necessary monies to fund the project and took the lead in managing the project. And as of August, 2004, in time for the start of the Fall semester, the house was successfully refurbished and Nu Chapter members now fully occupy its available space. Hence, two of the three key challenges facing the Board have been met: the house is now a neighborhood jewel and an active Nu Chapter is occupying it.

The key remaining challenge is to ensure that the house is economically viable. Designing rental amounts that include a significant fee for loan amortization is probably not feasible in what has become a competitive housing market around the campus. Consequently, the Board needs to determine whether TKE alums are willing to contribute a sufficient amount to materially reduce the debt. After having come so far, the alternative is not pleasant to contemplate. But it is important to make clear that the loans to fund the reconstruction as well as the old debt must be paid off by December 31, 2006.

In an effort to determine alumni willingness to contribute to a capital campaign, the Board has hired Fraternity Management Croup (FMG) to assist it. Please help our efforts by completing the enclosed survey form and mailing it back to FMG in the enclosed envelope. **Your participation in this survey is vital in guiding us in what to do with our fraternity.**

Chapter Leadership

House Corporation Board

President:

Tom Morgan '48 - 925-934-2747
tmarmon@prodigy.net

Secretary:

Will Deady '52 - 415-491-4204
wcd001@sprynet.com

Treasurer:

John Sooklaris '77 - 415-927-4451
john@masterpiecearts.com

Board Members:

John Bell '55
Steve Schmidt '83
Garth Wilson '52
Peter Winkler '73

Alumni Board

Chip Wray '50 (President)
Robin Harris '54 (Secretary)
Wayne Martinez '69 (Treasurer)
Tom Morgan '48
John Bell '55
Chris Murray '83

Alumni Advisors

Carl Anderson '54	Mark Edelstone '81
Dick Anderson '55	Greg Joe '71
Jerry Boddum '64	Howard Nemir '54
Larry Brehm '66	John Phillips '58
Cliff Ceridono '54	Kinman Tong '03
Jim Clardy '63	

Fraternity Management Group (FMG) has 16 years of alumni/parent programming and fundraising experience and is working on 18 other college campuses. The President, Matt Noble, and the Project Manager, Tony Marksch, are University of Arizona Kappa Sigmas.

TKE HOUSE RECONSTRUCTION & RENOVATION

BACKGROUND AND STRATEGIC DIRECTION

As we are all aware, the TKE House at 2725 Channing Way had been empty for many years and was in extremely poor condition. Major renovation, repair and upgrading were required before the house could be re-occupied. Two safety issues were major considerations:

1. The addition of fire sprinkler systems and alarms was required for all such houses at Cal by the city of Berkeley and the University.
2. A major seismic upgrade was required based on an engineering investigation and report completed in 1999. Once the walls and ceilings were opened up for seismic retrofit work, other upgrading work such as electrical, plumbing, heating systems, etc. became more practical and we became encouraged to “do it right” and make major improvements and upgrades throughout the house. An additional objective was to maintain the beauty and charm of this 100 year old house.

ITEMIZED RETROFIT AND UPGRADING WORK:

- A major seismic upgrade was completed including new foundation “grade beams” underneath the house, more than 4,000 square feet of plywood seismic panels throughout the basement and two lower floors, anchor bolts to the existing foundation, ties between floors, etc.
- Fire sprinkler systems and alarms were added throughout the house.
- Electrical circuits were upgraded or replaced throughout the house. More than 40 new circuits were added, all new electrical sub-panels and modern circuit breakers were installed, and a new 400 Amp main electrical service panel was installed.
- New plumbing fixtures, shower pans and drains, and tile work were installed. Piping was replaced as necessary.
- An all-new, “state of the art” heating system with 3 forced air furnaces was installed including duct work and advanced electronic controls.
- An all new composition roof was installed, including plywood base, and new gutters.
- New windows and interior doors were installed throughout the house.
- Dry rot in sleeping porch areas and at the rear of the house was repaired.
- New carpeting was installed in upstairs areas, and all hardwood floors were refinished.
- Sheet rock was replaced and finished with an “old world” texturing throughout.
- 31 recessed lights and controls were added to the first floor to improve lighting and accent the beautifully restored redwood paneling. Low energy lighting was installed per Berkeley codes
- Numerous original details were restored including leaded glass windows, external fascia, redwood paneling, and refinished piano.
- Hard wired internet, TV and phone cables were installed in all rooms.
- Landscaping, brick work, front deck and gates were restored.
- The kitchen was completely restored and refitted.
- Furniture was purchased for all public areas.
- The house was painted inside and outside.

All of the work was performed under required City of Berkeley building permits and inspections. Permits were obtained for the general construction, electrical work, fire protection system design and installation, and the heating systems.

What is the State of the Nu Chapter?

Currently the Chapter has 46 members, with the help of The National Chapter which spearheaded the colonization of the new Nu Chapter.

Other fraternities on campus have completed or undertaken major projects to provide their members with the best housing available. They are reaping the benefits of their labor. The University is continually upgrading the dormitory housing and nearby apartment complexes are being designed or renovated with students in mind. To compete we must be proactive and be the front-runner in a ‘housing race’ that has begun. The bottom line is that we are both a brotherhood and a residence, and that in order to survive and thrive we must be competitive in both.

Chapters committed to teaching fellowship, scholarship, leadership, and service and those that actively involved alumni volunteers, chapter advisors, and faculty advisors are doing better than anytime in history. There is strong support from the school for chapters who are ‘doing the right things,’ just as there is borderline hostility for those who are not.

Why Are We Conducting a Feasibility Study?

The purpose of the feasibility study is two-fold. First, we are determining the feasibility (or projecting the outcome) of a campaign by identifying alumni/parent donors and volunteers. Secondly, the feasibility study will help us prepare for the possible campaign by enlisting volunteer assistance and begin building the campaign's framework, as well as determine our course of action. If the campaign is initiated, many of the donors will have been identified and the volunteer corps will be ready to begin their efforts.

Statistically, success might be measured using the following as a benchmark.

- Current 'Active' Alumni: 516
- Current 'Lost' Alumni: 159 - 24%
- FMG-client campaign alumni/parent donor average participation rate is 28%.
- This equates to 189 Nu alumni donors.

Feasibility Study Goals

- Recruit no less than 50 alumni/parent campaign volunteers.
- Identify no less than 100 alumni/parent donors.

Key Tasks

Structure

FMG's role during the campaign will be to coordinate an efficient and effective campaign.

Volunteer Management

FMG will be contacting alumni and parents to recruit volunteers and to encourage all alumni/parents to make a contribution to the house project.

Solicitation

FMG and the volunteers will act as a team to solicit contributions until the campaign's successful completion.

Desired Breakdown of Contributions

Below is a chart depicting the projected giving level breakdowns required for \$1.5 million. All gifts may be pledged over a 5 year period. Adjustments to the breakdown may occur based on the results of the feasibility study.

Giving Level	# Gifts Needed	Proceeds
1) \$250,000-499,999	1	\$250,000
2) \$100,000-249,999	3	\$300,000
3) \$50,000-99,999	4	\$200,000
4) \$25,000-49,999	8	\$200,000
5) \$10,000-24,999	20	\$200,000
6) \$5,000-9,999	35	\$175,000
7) \$2,500-4,999	40	\$100,000
8) \$1,000-2,499	50	\$50,000
9) \$999 and less	50	\$25,000
Totals	211	\$1,500,000

We ask that alumni and parents give at their levels of capability and comfort. If everyone does that, we will succeed!

Make A Contribution

In a campaign of this nature, gifts of equal sacrifice, not equal amounts, are being sought. All pledges may be spread over a 5 year period. We are asking alumni and parents to contribute a gift within their personal circumstances, whether that gift be \$100 per year for a \$500 pledge; or, \$20,000 per year for a \$100,000 pledge. We realize that age, children, net worth, annual salary, etc., provide for different circumstances. In the end, we just ask that you contribute something. Since Nu of Tau Kappa Epsilon is a Public Benefit Corporation, the initial donations should be 100% tax-deductible.

Types of Gifts: Cash (pledge and/or one-time), Securities/Appreciated Stocks, and Employer Matching.

Planned gifts are acceptable but may not be applied to the current effort.

We encourage you to note your interest on the feasibility survey.

Timeline

FMG hired, alumni program/feasibility begins	September 2004
Phone and face-to-face contact ongoing.....	October 2004 - February 2005
Alumni Website Completed.....	November 2004
Mail survey to all alumni and parents	January 2005
Begin campaign	March 2005

Ways to Get Involved

Advisory Board — Serve as one of the Chapter Advisors. Our goal is to find several more fraters who will share the responsibility of advising our undergraduate members.

Time commitment: five to seven hours per month; meetings included.

Alumni Chapter Board — Our goal is to find several more fraters willing to help us organize alumni functions, such as small group gatherings, monthly lunches and the following annual events: Founders' Day, Homecoming/Hall of Fame Weekend, a Spring Training game, and a golf tournament. We'll have assistance from FMG.

Time commitment: three to five hours per month; meetings included.

Campaign Volunteer — Join with 50-75 other alumni/parent volunteers to represent your pledge/initiation class. Select three to ten alumni/parents (prospects) to keep in touch, gather information and inform of activities on a monthly basis. During the feasibility study and campaign, volunteers will inform their "prospects" of the latest construction and campaign-related progress.

Time commitment: one to three hours per month; meetings possible.

House Corporation Board — Our goal is to find several more fraters willing to join the existing board. Responsibilities will include hiring House Manager, property management, and overseeing house finances.

Time commitment: one to five hours per month; quarterly meetings included.

FMG Contact Information

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