



# PHI KAPPA SIGMA

## INTERNATIONAL FRATERNITY, INC.

# 2021-2022 CAD FEE

## SCHEDULE

### BACKGROUND & SUMMARY

Approved:	February 9, 2021
Effective Date:	August 15, 2021

#### Fee Background

The International Fraternity collects fees in several forms (e.g., undergraduate fees, chapter assessments, new member and initiation fees) to provide the services and products we offer as an International Fraternity. These costs are incurred on behalf of all chapters and colonies so that we may operate the business of the Fraternity. The programs and services we offer/provide take on many forms (e.g., leadership and education programs, risk management education and services, expansion/growth activities, Grand Chapter, Men of Honor, volunteer and staff expenses, trademark management, ritual paraphernalia, etc.). The fees themselves are meant to be spread among all participating entities and are based on different factors so as to minimize the burden yet at the same time, provide for budgetary needs.

#### Fee Change Explanation

As with any non-profit organization, we have a responsibility to manage our operations in a fiscally responsible manner. This means that we must adjust our fees occasionally to account for increases in our costs and/or net membership totals.

Our Constitution & Acts, under Act 2 - Fraternity Revenues, limits any annual fee increases to a formula **based on the four-year cost of membership which is calculated as the New Member Fee + Initiation Fee + 3 times the Undergraduate Fee + 4 times an average portion of the Chapter Assessment.**

##### Limiting Factor 1:

The total four-year cost of membership cannot exceed 5% over and above the rate of inflation. **This past year, the Consumer Price Index (CPI) increased 1.40% for a total potential increase limit of 6.40%.**

##### Limiting Factor 2:

Our Constitution & Acts also states that an increase cannot cause our four-year cost of membership to exceed the all-fraternity average four-year cost of membership.

Summary		
Previous	2020-2021 Total 4-Year Cost	\$956.86
Limiting Factor 1	C&A metrics, allowable increase	\$1005.34
Limiting Factor 2	Average of FEA Fraternities (19-20 Academic Year)	\$975.99
<b>New</b>	<b>2021-2022 Total 4-Year Cost</b>	<b>\$956.86</b>

The Fraternity takes this decision very seriously and fully appreciates the financial impact changes have on our chapters and our members. In addition to reviewing current budget data and projections, we continue to remain extremely cost competitive to most fraternities. However, we have noted that certain fees may not appear this way and, therefore, we have minimized increases to support the efforts of our chapters.

## FINANCIAL FEES AND POLICIES

**Please make note of the fee increase in your upcoming budget process.**

### 2021-2022 Fees

As a result of a review of the Fraternity's current budget and anticipated needs for the next fiscal year the following fee increases, and late fees will take effect for the 2021-2022 academic year. Please refer to the remaining pages of this Fee Schedule for further details by using the superscript number with the outline number (e.g., <sup>6</sup> relates to note 6).

### 2021-2022 Exchange Rate

The Fraternity will “lock in” an exchange rate for Canadian Dollars to allow our brothers from Canada to effectively budget without having to worry about a constantly changing rate. This rate will be as of March 1 of the previous school year when the fees are announced for the upcoming year. For 2021-22 the rate will be 1 USD to 1.34 CAD.

DATE DUE	FEE	DATE INVOICED	2020-2021 RATE CHANGE	PAY THIS AMOUNT BY DATE DUE <sup>3</sup>	PENALTY RATE IF NOT PAID BY DUE DATE <sup>4</sup>
2 weeks after bid accepted	New Member Fee <sup>1,2</sup>	Invoices created through the New Member registration process on AlwaysAPhiKap.org	No Change	\$147.40 CAD per man	\$176.88 CAD per man
2 weeks prior to initiation	Initiation Fee <sup>6,7</sup>	When New Members are properly reported	No Change	\$435.50 CAD per man	\$522.60 CAD per man
Nov 1, 2020	Risk Management Fee Base Rate <sup>8</sup> <i>Actual Base Rate determined in August 2021, prior year was \$170/man</i>	Sept 15, 2020	No Change	Example: (\$227.80 CAD/man) X (25% growth) X (surcharge or discount)	Per Chapter Fee + \$402 CAD Late Fee
	Undergraduate Fee	Sept 15, 2020	No Change	\$214.40 CAD per man	\$257.28 CAD per man
Dec 1, 2020	Men of Honor Registration <sup>9</sup>	Online during Registration	No change	\$167.50 CAD per man	\$201 CAD per man
Jan 15, 2021	NHC Operations Assessment (Fall) <sup>13</sup>	Dec 1, 2020	No Change	\$3.86 CAD per initiated man	\$4.63 CAD per initiated man
Feb 15, 2021	Grand Chapter Assessment Fee <sup>10</sup>	Jan 15, 2021	+ \$10 USD	\$80.40 CAD per man	\$96.48 CAD per man
	Chapter/Colony Assessment Fee	Jan 15, 2021	No Change	\$603 CAD per group	\$723.60 CAD per group
Not until Spring 2021	2021 Grand Chapter Registration <sup>11</sup> <i>(in a Grand Chapter year) Actual Rate determined in Fall 2019</i>	Not until Spring 2021	No Change	<i>Tentative</i> \$402 CAD per group	<i>Tentative</i> \$482.20 CAD per group
Jun 15, 2021	NHC Operations Assessment (Spring) <sup>13</sup>	May 1, 2021	No Charge	\$3.86 CAD per initiated man	\$4.63 CAD per initiated man