

THE FRATERNITY AND SORORITY POLITICAL ACTION COMMITTEE



APRIL 2007

LEGISLATIVE UPDATE 110TH CONGRESS UNDERWAY

The 110th Congress is underway and, with Democrats controlling both chambers, we can expect a flurry of legislative activity in 2007. The new Democratic majority will focus a lot of attention on some long-term problems with the higher education system, notably the rising cost of attending college and the limitations imposed on career choices when graduates have enormous student loan debt.

With the start of a new Congress, all legislation that failed to become law in the last Congress must be reintroduced and start the process again. The Collegiate Housing and Infrastructure Act (CHIA) (H.R. 643/S.638) would allow fraternity and sorority educational foundations (as well as other 501(c)(3) entities that are affiliated with not-for-profit student housing) to use tax-deductible charitable contributions for grants that improve existing fraternity housing or build new housing. CHIA ended the last Congress with a bipartisan slate of 151 sponsors in the House and 28 in the Senate. The bill has been reintroduced and already has 45 House sponsors and 15 Senate sponsors (as of April 8). Our lead sponsors continue to be Congresswoman **Stephanie Tubbs Jones (D-OH/Delta Sigma Theta)** and Congressman **Paul Ryan (R-WI/Delta Tau Delta)** in the House, along with Senator **Pat Roberts (R-KS/Pi Kappa Alpha)** in the Senate.

One strong sign of CHIA's appeal is that we already have 12 House sponsors who have never before sponsored this bill in past Congresses. That means these offices are hearing from their constituents about the need to pass this bill and they are responding.

Democratic control of the House of Representatives means that Congressman **Charles Rangel (D-NY/Alpha Phi Alpha)** becomes Chairman of the House Ways and Means Committee, which has oversight of tax bills like CHIA. While there may be fewer tax cut bills coming out of a Democratic House than when Republican ran the chamber, the Democratic party's national platform in 2006 included a focus on making college more affordable to more students. We believe that keeping fraternity housing open and safe will maintain its role as the largest not-for-profit landlord on

college campuses. Thus fraternity housing has a key role in making a college education more affordable for so many students. The strong bipartisan support shown for CHIA in the past and already in this Congress gives us reason for optimism that the 110th Congress will see this legislation become law.

The College Fire Prevention Act (H.R. 642) has also been reintroduced by Congresswoman Stephanie Tubbs Jones (D-OH/Delta Sigma Theta) and Congressman **Ed Whitfield (R-KY/Delta Tau Delta)**. The bill, which would provide millions in matching grants for fraternities and sororities to install life safety equipment in existing housing, already has 35 sponsors. If the Congress begins work on reauthorizing the higher education act, there may be an effort to add the College Fire Prevention Act to that reauthorizing legislation.

The PAC is also monitoring a number of other issues related to college students and fraternities in Washington, especially legislation that might directly or indirectly impact the rights of fraternal organizations to exist on campus in the future. We have been working hard to support Greek Members of Congress and friends of the Greek movement in Congress. Your support for the PAC helps us maximize our chances to impact the political process and ensure that policymakers are making decisions that aid fraternity life's 150 year history of developing the nation's future leaders.



Sincerely,
Kevin O'Neill
President,
Fraternity & Sorority PAC
(757) 207-6002
info@fratpac.org

THE PAC'S STATUS TO DATE

More than \$215,000 raised in pledges towards its 2007-08 cycle goal of \$400,000

Average pledge is \$964 for the current cycle

The PAC has more than 225 contributors from 32 states.

We have received contributions from members of at least 47 different fraternities and sororities.

Remains the largest higher education-focused PAC in the nation

FRATPAC - PROTECTING THE FUTURE OF GREEK LIFE

Executive Summary for the 2005-06 Cycle

The PAC raised \$310,311 from just 462 individual donors nationwide this cycle and raised substantially more money than PACs affiliated with many of the nation's leading companies, associations and interest groups. Fraternity & Sorority PAC is helping raise the profile of Greek issues in Washington and furthering the interests of all Greeks.

Almost 90% of the 99 candidates the PAC contributed to in the 2006 election cycle are members of the new 110th Congress, an outstanding rate of success in what was an extremely volatile electoral landscape. There will be a record number of NPC alumnae serving in Congress thanks in part to the PAC's efforts.

The PAC has a goal of raising \$400,000 for the 2007-08 election cycle.

The PAC has worked very hard to involve national officers of individual fraternal organizations in representing the PAC at candidate fundraising events, often allowing the organization to strengthen its bond with a candidate who is a member of their fraternity.

Why the PAC Matters to the Future of Greek Life

For associations and groups of like-minded individuals, a Political Action Committee (PAC) can serve as the vehicle for collectively providing support to candidates who support the vision of those associations or like-minded individuals. When Greeks come to Washington to advance our ideas, we compete for attention with every other political interest that is simultaneously trying to advance its own agenda. Many of those interests are already extremely active in all aspects of the political arena, including the process of raising money for candidates they support. The PAC proves that Greeks nationwide care enough about our issues to aid the election of candidates who will support those issues. Having a visible and effective PAC provides tremendous credibility to the Greek cause in Washington.

The Fraternity & Sorority PAC was formed on March 1, 2005, for the express purpose of working together to fund candidates for federal office who support policy initiatives that sustain and improve the Greek life experience. The PAC is not a short-term opportunity, but a long-term vehicle for sustaining a permanent presence in the policy and political process.

Greeks are fortunate in that there are approximately 160 Senators and Members of Congress who are alumnae/alumni of our organizations. In addition, there are innumerable other policymakers in Congress who have had positive interactions with the Greek system.



Automatic sprinkler systems are the best risk management tool available for Greek organizations to significantly reduce the risk of loss of life and property damage. As an insurance agent and risk manager for fraternal organizations, I think of this each and every day.

My husband and I are committed to this initiative by the Greek Leadership to install fire protection systems and give our support to the PAC to push for legislation to help fund the life safety tools that will protect our student members.

-Cindy Stellhorn, \$10,000 donor, Vice President of the Sorority Division of MJ Insurance and member of Kappa Alpha Theta.

If Greeks are serious about achieving their political objectives in Washington, it is important that they aid candidates who support that agenda.

With almost seven million Greek alumnae/alumni nationwide, the PAC's future is limitless if we can get our message out to potential donors. We continue to actively solicit your input on how we can be more effective in explaining our mission to Greeks and convincing them to become donors.

Fundraising, Operational Costs and Contribution Summary

The PAC raised \$310,311 from just 462 donors nationwide this cycle. Members of 62 different fraternities and sororities contributed to the PAC this cycle, while the PAC also received several thousand dollars in contributions from non-Greeks. The average PAC contribution was \$660 and the mean contribution was \$200. The PAC's top 15 individual donors contributed \$96,000 to the PAC, representing 32% of all contributions received this cycle. Almost 60% of the PAC's contributions in the election cycle came from members of just 10 fraternal organizations. **Today, Fraternity & Sorority PAC is the largest PAC focused solely on higher education issues and college students.**

In one of the most volatile election cycles in recent memory, **90% of the candidates the PAC contributed to last cycle will be members of the 110th Congress.** Overall, the PAC contributed to 99 different House and Senate candidates, 89 of whom are part of the 110th Congress.¹ Several of the Greek candidates we supported won narrow victories of 51% or less, and the PAC's financial support was critical to helping them win.

House Elections: The PAC contributed a total of \$100,000 to 47 House Republicans, 42 of whom won their elections (89%). For House Democrats, the PAC contributed a total of \$31,000 to 20 candidates, all of whom won their election (100%).

Senate Elections: The PAC contributed \$51,000 to 21 Republican candidates, 17 of whom will be in the new Congress (81%). The PAC gave \$21,000 to 11 Democratic candidates, 10 of whom will be in this Congress (91%).

PAC Works to Elect More Women to Congress

One of the PAC's initial goals was to see more NPC alumnae elected to Congress and the new Congress will have a record number of NPC alumnae in their ranks. The PAC was an early supporter of Congresswoman **Kathy Castor (D-FL/Delta Delta Delta)**, Congresswoman **Mary Fallin (R-OK/Kappa Alpha Theta)** and Senator

Claire McCaskill (D-MO/Kappa Alpha Theta), all of whom were just elected to their first terms in office. The Board of Directors of Fraternity & Sorority PAC has been very diligent in ensuring donor contributions are used as effectively as possible in supporting federal candidates. The PAC incurred significant start-up costs (legal formation, legal review of how fraternal organizations can best support the PAC's efforts, development of PAC website, etc.) which will either not be repeated in future cycles or will be more cost-effective in future cycles. The PAC has ongoing costs (fundraising events nationwide, donor newsletters, legal reviews of communications, retaining an FEC consultant to handle compliance and reporting issues, D&O insurance, etc.) that are generally at or below the costs incurred by similarly situated independent PACs like ours.² No member of the PAC's Board



"With the federal government playing an increasing role in higher education, it is vitally important for America's Greeks to engage in the political process that determines who makes the decisions.

The Fraternity/ Sorority Political Action Committee has quickly established itself as THE advocate for matters of concern to Greeks on Capitol Hill."

-Ed Pease, \$5,000 donor, former Congressman from Indiana, former NIC President, former Pi Kappa Alpha National President and current Pi Kappa Alpha Foundation President.

The PAC's first election cycle was very successful, as we raised more than hundreds of other established major industry-specific, association-based or corporate-based PACs this election cycle. Consider this comparison:

FRATERNITY & SORORITY PAC - \$310,311

American Financial Services Association - \$292,000

American Road and Transportation Builders Association - \$280,000

Merrill Lynch PAC - \$258,000

Corning PAC - \$253,000

Viacom PAC - \$250,000

Halliburton PAC - \$236,000

U.S. Chamber of Commerce PAC - \$233,000

Dell Computers PAC - \$203,000

National Organization of Women PAC - \$198,000

American Society of Association Executives PAC - \$123,000

of Directors or its Finance Committee has been compensated for their work or travel on behalf of the PAC, though many of them have been generous in traveling to support PAC events nationwide.

The PAC has a Finance Committee comprised of leaders from more than 30 different fraternities and sororities. The goal is for members of the Finance Committee to raise money from their circle of friends, which is likely to focus on members of their own fraternal organization.

Board of Directors for the 2007-08 Election Cycle

The PAC's Board of Directors for the next two years is as follows: **Kevin O'Neill**, President (Lambda Chi Alpha); **Julie Burkhard**, Vice President (Alpha Chi Omega); **Larry Wiese**, Vice President (Kappa Alpha Order); **Susan Zabriskie**, Treasurer (Alpha Phi); **Sarah Lindsay**, Secretary (Delta Delta Delta); **Ken File**, Co-Chair of the Finance Committee (Delta Tau Delta); **Ted Grossnickle**, Co-Chair of the Finance Committee (Lambda Chi Alpha); **Cindy Stellhorn** (Kappa Alpha Theta); **Jim Estes** (Kappa Alpha Order); **Jim**

Host (Delta Tau Delta); **Doug Carlson** (Sigma Chi); **Jim Blazer** (Phi Kappa Psi); and **Ryan Brennan** (Sigma Phi Epsilon).

The current Board of Directors includes: six former National Presidents of fraternities, three current/former Executive Directors of fraternities, three current professional fundraisers, two former fraternity staffers, and the leader in the field of insuring women's fraternal organizations. There are two vacancies on the Board of Directors, which may be filled later this year.

The PAC has a Finance Committee comprised of leaders from over 35 different fraternities and sororities. The goal is for members of the Finance Committee to raise \$25,000 each for the PAC during this election cycle. Members of the PAC's Finance Committee who raise \$25,000 in the election cycle are automatically invited to join the PAC's Board of Directors for the remainder of the election cycle and the subsequent election cycle. During the PAC's first two years of operation, three individuals reached this fundraising level and were elected to the PAC's Board of Directors for the 2007-08 election cycle: (1) Julie Burkhard of Alpha Chi Omega, (2) Jim Estes of Kappa Alpha Order, and (3) Ted Grossnickle of Lambda Chi Alpha.

The Board of Directors has complete control of all decisions to host fundraising events for the PAC and of all decisions to contribute PAC funds to an individual federal candidate.

The PAC's Board of Directors meets regularly to approve contributions to individual candidates. The Board uses a checklist of questions in determining which candidates to support. By law, the PAC is allowed to contribute up to \$10,000 total to the election campaign of a single federal candidate (\$5,000 for the primary campaign and \$5,000 for the general election).

The PAC is bipartisan in distributing funding, though in the last election cycle we distributed approximately 73% of our funding to Republican candidates. This funding breakdown reflected four facts: (1) Republicans controlled both chambers of Congress; (2) more than twice as many Greeks in Congress are Republican than Democrats; (3) most of the PAC's donors to date who list a political affiliation are Republican; and (4) Republicans are currently more supportive of the PAC's policy objectives. **With the Democratic takeover of Congress, we expect that the PAC's contributions will be more balanced between the parties this cycle.**



"Washington can play a big role in helping ensure the future success of Greek organizations. It's important to support friends of the Greek experience in Congress and the best way we can do that collectively is through the PAC."

-Keith Krach, \$5,000 donor, Sigma Chi's International President.

The PAC contributes to Greeks and non-Greeks. Candidates must have a demonstrated record of support for Greek policy causes or be involved with committees with jurisdiction over issues of concern to Greeks. For Senate candidates, we will focus most of our attention on supporting candidates who are up for reelection in 2008, as opposed to those candidates who are not running again until 2010 or 2012. While the PAC will spend most of its funding in the first 18 months of the election cycle, we will reserve some of its funding for distribution in the summer and fall of 2008 to Greeks running for Congress for the first time.

Paid for by Fraternity & Sorority PAC,
P.O. Box 50731, Washington D.C. 20091-0731,
and not authorized by any candidate
or candidate committee.

**Be sure to visit
our web site
at www.fratpac.org
to contribute and
learn more about
the PAC.**

1 A complete list of the PAC's political contributions for the cycle can be found at www.fratpac.org.

2 A complete accounting of the PAC's financial condition, contributions received, and disbursements made is always available for public review at www.fec.gov.

Upcoming PAC Events

- April 16-17** Washington DC
June 11 Chicago
July 23 Boston
September 17 Houston
TBD Atlanta
December 3 Los Angeles

For information on attending one
of these events, please visit our web site
www.fratpac.org.



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Fundraising Rankings for Finance Committee Members

As of April 10, 2007

1. Patrick Alderdice, ΔX - \$25,000
2. Kevin O'Neill/Ted Grossnickle, ΛXA - \$23,100
3. Cindy Stellhorn/Laurie Connor, KAΘ - \$22,500
4. Julie Burkhard, AXΩ - \$13,250
5. James Owens, ΣN - \$11,500
6. Mike Scarborough, ΣAE - \$11,000
7. Ryan Brennan/Craig Casselberry, ΣΦE - \$10,100
8. Jim Estes/Larry Wiese, KA Order - \$9,600
9. Jerrold Wanek, ΦΓΔ - \$8,150
10. Jerry Askew, ΠKA - \$7,750
11. Doug Carlson, ΣX - \$7,750
12. Ken File, ΔΤΔ - \$6,500
13. Melanie Shain/Kelly Bingel, XΩ - \$5,650
14. David Easlick, ΔKE - \$5,000
15. Marian Williams, KKG - \$4,750
16. Marc & Dana Katz, AEΠ/AEΦ - \$4,325
17. Liana Wallace, ΑΓΔ - \$3,200
18. Sarah Lindsay, ΔΔΔ - \$3,150
19. Betty Quick, ΓΦΒ - \$2,520
20. Jim Blazer, ΦΚΨ - \$2,500
21. Kris Bridges, ΦM - \$2,500
22. Deb Ensor/Shannon Finley, ZTA - \$2,350
23. Mark Timmes, ΠΚΦ - \$2,000
24. Julie Johnson, ΚΔ - \$1,200
25. Vicki Nixon, ΔΓ - \$1,325
26. Frankie Nordlund, AOP - \$1,300
27. Corey Mathews, TKE - \$1,000
28. Wynn Smiley, ATΩ - \$1,000
29. Bernie Schuz, ΑΣΦ - \$750
30. Cindy Menges, ΔZ - \$750
31. Susan Zabriskie, ΑΦ - \$700
32. Gwen Mellor, ΠΒΦ - \$250
33. Ed Rodriguez, ΔΣΦ - \$250
34. Bob Roberts, ΦΔΘ - \$150

*Special thanks and acknowledgment to our friends in Greek-related businesses
who are leading donors to the PAC, including Cindy Stellhorn, Ned Kirklín,
Richard Jungman, Patrick Alderdice, and Barbara Bromberg.*

2007-08 PAC Donor Honor Roll

Honorary Board of Directors (\$10,000)

Ned Kirklín, ΚΣ
Michael Scarborough, ΣAE
Cindy Stellhorn, KAΘ

Founders Society (\$5,000)

Anonymous
Carl Berry, ΣN
Donna and Robert Chereck,
AXΩ & ΔΤΔ
David Easlick, ΔKE
Keith Krach, ΣX
Kevin & Patty O'Neill,
AXA & ΔΔΠ
Ed Pease, ΠKA

Charter Members (\$2,500 to \$4,999)

Ted Grossnickle, ΛXA
Marc and Dana Katz,
AEΠ & AEΦ
Norval Stephens, ΔΤΔ
John White, ΦΓΔ
Scott Zajac, ΣΦE

Legacy Members (\$1,000 to \$2,499)

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Gregg Behrens, ΛXA
Kelly Bingel, XΩ
Katie Brown, AXΩ
Tom Boggs
Andy Borans, AEΠ
Ryan Brennan, ΣΦE
Kris Bridges, ΦM
Barbara Bromberg, XΩ
Julie Burkhard, AXΩ
Doug Carlson, ΣX
Bruce Casner, ΣX
Craig Casselberry, ΣΦE
Lynn Chipperfield, ΛXA

Sandra Connor, XΩ
Elizabeth Corridan, KAΘ
Patty Disque, XΩ
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Bob White, ΣX
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Marian Williams, KKG
Jon Williamson, AXA
David Woods, ΣΦE
Alan Woody, ΠΚΦ

Honorary Officers (\$500 to \$999)

Debbie Allen, KAΘ
Jerry Askew, ΦΓΔ
Kris Baack, ΓΦΒ
Mary Jane Beach, KAΘ
Jim Blazer, ΦΚΨ
Steve Bossart, ΔX
Buddy Cote, ΦΓΔ
Don Densborn, ΣN
Mark Fites, TKE
Linda Johnson, ΓΦΒ
Karen Ledbetter, KAΘ
Sarah Lindsay, ΔΔΔ
Eric Lynn, ΣX
Corey Mathews, TKE
Cindy Menges, ΔZ
Ray Orians, ΠKA
James Owens, ΣN
LuAnn Riegl, ΔΔΔ
Bernie Schulz, ΑΣΦ
Joellyn Sullivan, XΩ
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Susan Zabriskie, ΑΦ

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(\$250-\$499)
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Rick Carpenter, ΑΓΡ
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