

Sigma Pi Phi
Project Discovery
Allegation Analysis Overview

DRAFT AND CONFIDENTIAL
DO NOT COPY

Committee Members

GSA-E Tyson
 WRSA Ahmad
 GT Roman
 CRSA Heard
 Grand Rhetoricos Bradley

Issues addressed:

1. PGSA pins
2. Travel and expense reimbursement
3. Hiring of General Counsel
4. Incurrence of significant legal costs
5. Information needed for budget
6. Harvey Russell Institute

Archons interviewed

GSA Douglass
 PGSA Garibaldi
 Archon Mitchell (GC)
 Archon Gaines (ED)
 Archon Terry (GFC Chair)
 Archon Suarez (Grand Jeweler)

Area	Definition	Comments
Topic	Brief topic description	
Allegation/issue	Full allegation being investigated	
Principal Special Committee Author	Committee member name	
Relevant Boulé Governance Reference(s)	Specific provisions relevant to allegations	
Relevant precedents	Prior similar issues	
Archons contacted	Whom and when	
Documents reviewed	Key emails, contracts, etc.	
Key observations/learnings	Relevant data and narrative points	
Mitigating and other considerations	Contextual points	
Allegation conclusion	Has allegation been sufficiently validated	
Recommendation	Actions, if any	
Parking lot for Board	Notable matters for board consideration not within scope of inquiry	
Other	Catch-all for any other observations	

Sigma Pi Phi
Project Discovery
Allegation Analysis Template

Management of legal fees accrued with Dentons law firm

Area	Definition	Comments
Topic	Brief topic description	Management of legal fees accrued with Dentons law firm
Allegation/issue	Full allegation being investigated	Grand Sire Archon Douglass authorized legal actions against JeterActive that resulted in approximately \$600,000 in legal cost without prior Grand Board knowledge or approval.
Relevant Boulé Governance Reference(s)	Specific provisions relevant to allegations	Delegation of Authority 10% spending policy - Any expenditure, commitment, or agreement (commitments written or oral), whether budgeted or unbudgeted, in excess of 10% of the budgeted line item requires Grand Board pre-approval. <i>(This reference only applies to actions/decisions on or before 9/6/2024 when the current Delegation of Authority was enacted.)</i> Any unbudgeted expenditure, commitment, or agreement (commitments written or oral) that exceeds the materiality threshold of 0.5% of total budget revenue requires Grand Board pre-approval. 2024 revenue of \$6,260,526 sets the threshold at \$31,000. <i>(This reference only applies to actions/decisions on or after 9/6/2024 when the current Delegation of Authority was enacted.)</i>
Relevant precedents	Prior similar issues	None noted.
Archons contacted	Whom and when	Loren Douglass, Grand Sire Archon (GSA), interviewed on 4/1/2025 Ceasar Mitchell, Grand General Counsel (GGC), interviewed on 3/26/2025 Bennett Gaines, Grand Executive Director (GED), interviewed on 3/31/2025 Hilliard Terry, Grand Finance Committee Chairman (GFCC), interviewed on 3/31/2025

Area	Definition	Comments
Documents reviewed	Key emails, contracts, etc.	Emails: Subj: <i>Dentons (US) LLP - Grand Boule Legal Investment Update Memorandum</i> from GGC Ceasar Mitchell to GSA Loren Douglass on November 6, 2024 at 4:23 PM EST. Document contained within: <i>Grand Boule Billings Update Memo.pdf</i> Subj: <i>Fwd: GRAND BOULE' INVOICES THROUGH SEPTEMBER 30 2024 UPDATED - 11/25/24</i> from GSA Douglass to GFCC Terry and GED Gaines on December 6, 2024. Several documents contained: Monthly invoices regarding the JeterActive Dispute Subj: <i>Re: Year End Payment of 2024 Invoices</i> thread initiated by Grand Grammateus Darrell Searcy on December 31, 2024
Key observations/learnings	Relevant data and narrative points	The legal matter between the Fraternity and JeterActive began towards the end June 2024 after JeterActive defaced and seized the Fraternity's SigmaPiPhi.org website rendering it inoperable GSA Douglass was the Fraternity's primary point of contact between Dentons law firm and GGC Mitchell regarding the matter There were no cost conversations initiated by either GSA Douglass or GGC Mitchell at the beginning of the matters. Nor did they discuss any specific accumulated cost numbers at any time through November 5. According to GGC Mitchell, "at the beginning of August" he and GSA Douglass engaged in a "solemn conversation" about filing a lawsuit knowing that that action would escalate the cost. The two discussed that a lawsuit would be "expensive" but never with any specific cost estimates. After this conversation, GSA Douglass made the decision to file a lawsuit against JeterActive. To the committee's knowledge, no one on the Grand Board was consulted regarding this decision. During the September 6 Grand Board executive session in New York City, GGC Mitchell vaguely mentioned to the board that "we might be in the \$100,000 range" regarding these matters. According to GSA Douglass's interview, GGC Mitchell had been sharing with the GSA throughout the engagement in both matters that the overall bill was "going to be expensive" but that "[GGC Mitchell and Dentons] 'were working the bill down.'"

Area	Definition	Comments
Mitigating and other considerations	Contextual points	At no point, prior to the November 6 memo from GGC Mitchell to GSA Douglass did GSA Douglass request a briefing/update from GGC Mitchell regarding legal cost accumulation GSA Douglass mentioned in the interview that there was no advice from counsel to either disclose or not disclose to the Board any cost estimate. The November 6 memo to GSA Douglass highlighted that the Dentons bill for all engagements through the end of October 2024 totaled \$645,671.50 (General Advice = \$58,112, Political Advice = \$24,530, and the JeterActive Dispute = \$563,029.50) On December 6, GSA Douglass forwarded to GFCC Terry and GED Gaines detailed monthly invoices for the JeterActive matter. GFCC Terry admitted to missing this email. According to GED Gaines, this email did not reach as it was sent to his old bennett.gaines@sigmaphi.org email address. GFCC Terry stated in his interview that after receiving a follow-up email from GSA Douglass on December 17, he and GSA Douglass “had [a] discussion about getting this getting the board involved.” The Grand Board’s first knowledge of any amount owned to Dentons was on December 31, 2024 via an email thread (subj: <i>Re: Year End Payment of 2024 Invoices</i>) initiated by Grand Grammateus Darrell Searcy requesting payment of \$100,000 towards an approximate \$500,000 total invoice. This awareness occurred nearly two months after GSA Douglass received numerical cost values. During the Grand Board meeting on January 11, 2024, then-GSAE Douglass moved to approve the 2024 annual budget that included \$35,000 for legal services. The motion passed. GSA Douglass was also aware of the Board’s 10% line item-level variance approval policy as early as the November 3, 2023 Grand Board meeting in Atlanta, GA. GGC Mitchell stated that he should have provided specific cost projection scenarios at the beginning of the engagement and throughout the process. GGC Mitchell admitted to not issuing timely invoices, by month, to the GSA. The General Counsel may have violated the Constitution & Bylaws regarding its accountability to the Board GSA Douglass took little to no accountability for his role in accumulating the size of the bill. He said he is “quite annoyed” and “put off with [GGC Mitchell]” that the

Area	Definition	Comments
		GSA "has been taking this heat [himself]." GSA stated that "[GGC Mitchell] has been a little quiet while [GSA Douglass] have been in the barrel getting hammered about the bill and about [the decision to not brief the board on the matter generally]." This committee's investigation did not verify the accuracy of the legal bills or evaluate if all costs were necessary and reasonable relative to the cases GFCC Terry raised concerns that the GGC Mitchell may have a conflict of interest in engaging his own firm to provide legal services
Allegation conclusion	Has allegation been sufficiently validated	There is sufficient evidence that GSA Douglass did not seek nor gain pre-approval of the Grand Board to engage in legal actions beyond customary general counsel services resulting in cost more than 1) 110% of the legal budget line item of \$35,000 or 2) materiality threshold \$31,000 (0.5% of 2024 budget revenues).
Recommendation	(No Action, Coaching, Reprimand <private>, Censure <fraternity-wide>, Suspension, Removal)	Given the materiality of this expense to the Fraternity's 2024 budget and overall asset base, we would recommend censuring GSA Douglass. Lowering GSA Douglass's contracting and spending authority amount to \$X,000 before needing prior approval from the Grand Board Reset expectations with GGC Mitchell regarding the Board's requirement of timely disclosures of relevant information
Parking lot for Board	Notable matters for board consideration not within scope of inquiry	GSA Douglass mentioned during our interview his lack of confidence in GGC Mitchell's ability to adequately serve as the Fraternity's general counsel. GSA Douglass's confidence remains high in Dentons law firm. The Board should explore how to address this lack of confidence.
Other	Catch-all for any other observations	

Sigma Pi Phi
Project Discovery
Allegation Analysis Template

Hiring of General Counsel to the Fraternity

Area	Definition	Comments
Topic	Brief topic description	Hiring of the new General Counsel for the Fraternity
Allegation/Issue	Full allegation being investigated	Violation of SPP Constitution and Bylaws regarding the manner is to be used to engage a General Counsel for the Fraternity.
Relevant Boulé Governance Reference(s)	Specific provisions relevant to allegations	SPP Constitution and Bylaws, revised September 6, 2024 Bylaws, Sections state as follows. General Counsel Section 2A. The Grand Sire Archon, <u>subject to the majority approval of the Grand Board</u>, shall appoint an attorney who is a member in good standing with a state bar association and an Archon in active status with a member boule in good standing with the Grand Boule, to serve as General Counsel. Section 2B. The General Counsel shall provide legal advice to the Grand Board or recommend attorneys to the Grand Sire Archon to provide advice that is outside the scope of his expertise. Note. This section of the Bylaws is the same as before the latest revision.
Relevant precedents	Prior similar issues	This is the first time this method was used since it was placed in the revised Constitution and Bylaws, effective August 2022. Prior to this, the Grand Sire Archon selected the General Counsel without any approval of the Grand Board. Grand Sire Archon Douglass said that he was aware of the procedure
Archons contacted	Whom and when	GSA Douglass (April 1) Executive Director Gaines (March 31) General Counsel Mitchell (March 26)
Documents reviewed	Key emails, contracts, etc.	None at this point

Area	Definition	Comments
Key observations/learnings	Relevant data and narrative points	Then Grand Sire Elect Douglass had an RFP developed and executed by the Executive Director. This was initiated in March 2024 The Executive Director received various answers to the RFP and completed an initial evaluation of them The three top candidates were passed on to then Grand Sire Archon Elect Douglass. An evaluation committee was established which included several Archons including Archons serving on the Board. But the Board itself was not engaged directly. This committee interviewed the candidates. The evaluation determined that Archon Ceasar Mitchell would be selected along with his firm, Dentons. Then Grand Sire Archon Douglass received an engagement letter from Archon Mitchell before the 57th Grand Boulé. (Early June 2024) which was not executed by both parties. Archon Mitchell was engaged by now Grand Sire Archon Douglass after the 57th Grand Boulé. The date is approximately June 30 to investigate the legal issues regarding Jeter Active and Artistic Avenue. No paperwork of any type was executed between the Fraternity and Archon Mitchell.
Mitigating and other considerations	Contextual points	During the interview, Grand Sire Archon Douglass took responsibility for the failure to inform the Board. He initially believed the urgency of the “attack by our technology vendor” prioritized the work to commence at the immediate time of the incident.
Allegation conclusion	Has allegation been sufficiently validated	Grand Sire Archon Douglass has not presented to the Grand Board any paperwork or made any proposal to the Grand Board to engage Archon Mitchell as General Counsel. The opportunity arose on the following times. - o Grand Board met in person in September 2024 and February 2025 - o Grand Board met via ZOOM in November 2024, January 2025 and February 2025 Grand Sire Archon Douglass engaged Archon Mitchell in a lawsuit without the involvement of the Grand Board Archon Mitchell is being paid at a rate which was not approved by the Grand Board

Area	Definition	Comments
Recommendation	(No Action, Coaching, Reprimand <private>, Censure <fraternity-wide>, Suspension, Removal)	That Grand Sire Archon Douglass receive a reprimand for failure to adhere to the Constitution and Bylaws. That Grand Sire Archon Douglass present to the Grand Board the appropriate proposal to engage Archon Ceasar Mitchell as General Counsel for Sigma Pi Phi Fraternity immediately.
Parking lot for Board	Notable matters for board consideration not within scope of inquiry	Should Archon Mitchell continue as General Counsel for the Fraternity and how to address that the cost is above the amount the Grand Board budgeted Is there a conflict of interest for the fraternity to have a GC who outsources legal work to his own firm?
Other	Catch-all for any other observations	None

**Sigma Pi Phi
Project Discovery
Allegation Analysis Template**

Communication of Material Financial Information

Area	Definition	Comments
Topic	Brief topic description	Communication of Material Financial Information
Allegation/issue	Full allegation being investigated	GSA Douglass allegedly withheld material financial information related to presentation and approval of the 2025 budget. The specific information was that the potential recovery of insurance proceeds related to vendor litigation had been reduced from approximately \$500,000 to approximately \$25,000. The 2025 budget was approved without this information and, subsequently, the information was disclosed to the Board.
Relevant Boulé Governance Reference(s)	Specific provisions relevant to allegations	PNCL fiduciary duty to keep the Board reasonably informed of material financial information
Relevant precedents	Prior similar issues	None noted
Archons contacted	Whom and when	Archon Gaines, Executive Director (3/31/25) Archon Terry, GFC Chair (3/31/25) Archon Mitchell, GC (3/26/25) GSA Douglass (4/1/25)
Documents reviewed	Key emails, contracts, etc.	Budget document prepared for and presented on 2/3/25 Budget document prepared for and presented on 2/21/25 GT Roman's slide presented to GFC and Board titled "Legal/Litigation Update" providing financial and funding scenarios relative to potential legal outcomes Fraternity Draft 2025 Budget dated February 4, 2025 Agenda for February 4, 2025 Grand Board meeting
Key observations/learnings	Relevant data and narrative points	The 2025 budget development process took place over several months leading up to its presentation and initial Board approval on February 4, 2025

Area	Definition	Comments
		The accounting for and budgetary treatment of material legal costs incurred in 2024 received significant attention from those responsible for preparing and reviewing the 2025 budget. In a briefing to the Board at its January 6, 2025 meeting, General Counsel Archon Mitchell and his team from Denton's informed the board that there was a reasonable (but not assured) likelihood of recovering approximately \$500,000 from a vendor's insurance company (State Farm) in connection with a dispute between the fraternity and the vendor. Archon Mitchell stated that this \$500,000 amount was based on conversations with State Farm and their counsel as the maximum amount they may be willing to pay without undertaking a more extensive investigation of the claim. The GFC understood that the recovery of that amount was not assured and continued to iterate on the 2025 budget under various recovery scenarios, including full recovery, no recovery and percentages of recovery from the insurance company. In the draft budget to be presented on February 3, 2025, the GFC assumed the financial scenario equal to about 50% of the "best case scenario" (full \$500,000 insurance recovery) or 15% of the worst-case scenario (no insurance recovery). This resulted in a 2025 budget inclusion of \$100,000 of amortization of the net litigation/legal exposure. In a budget update meeting on February 3, 2025 involving GSA Douglass, GT Roman, GFC Chair Archon Terry and ED Archon Gaines, an extensive conversation on the budget took place and there was no mention of any changes in assumptions relative to insurance recovery. On or about 1:10 PM EST on February 4, 2025 and before the Board meeting that evening at 6:00 PM EST, GSA Douglass and GC Archon Mitchell met and, among other items, Archon Mitchell communicated that State Farm had offered a \$25,000 settlement, a materially different amount than the \$500,000 amount that was assumed in the budget preparation. The agenda for the February 4, 2025 meeting included two items in the following order: the 2025 budget and the legal update. At the outset of the February 4 meeting, Archon Tapscott suggested that the legal update should precede the budget conversation as the legal update may have

Area	Definition	Comments
Mitigating and other considerations	Contextual points	material bearing on the budget. GSA Douglass disagreed, and the budget was presented first. The draft budget presented to the Board was consistent with the above-described budget. Questions were raised by Board members, including several queries about the adequate provision for legal and litigation costs. Responses were provided by Archons Terry and Roman which reiterated the aforementioned assumptions. The 2025 budget was approved by majority vote, with two Board members voting against the motion. As the next item on the agenda, GC Archon Mitchell updated the Board that State Farm had offered a settlement of \$25,000, which was materially different from the \$500,000 recovery that was assumed in the budget scenarios. At that meeting, several Board members commented that the budget was approved under misleading circumstances, effectively nullifying the approval In the ensuing weeks, the GFC updated the budget based on revised assumptions and the Board approved it unanimously on February 21, 2025 The updated budget increased 2025 spending by \$150,000 (from \$100K to \$250K) to reflect the higher legal exposure and required significant rework by the GFC and others. The increased legal costs required other programs and activities to have their budgets reduced in order to produce a balanced budget. During the inquiry, GSA Douglass confirmed that he was aware of the lower potential State Farm settlement prior to the Board meeting but decided not to alter the order of the agenda because: 1) it was important to have an approved budget from a statutory perspective 2) he knew the budget was likely to change for other reasons, including legal matters.
		There is a clear consensus that this omitted item was material, quantitatively and qualitatively The omitted information was eventually provided within the February 4, 2025 meeting. While it took nearly two weeks to rectify and meet on the revised budget and required more work by the GFC and others, the budget was ultimately adjusted appropriately.

Area	Definition	Comments
		Several Archons commented that this was a breach of trust regarding GSA Douglass with longer term ramifications
Allegation conclusion	Has allegation been sufficiently validated	There is sufficient evidence that GSA Douglass withheld material financial information from the Board in breach of PNCL fiduciary duty to keep the Board reasonably informed of material financial information. As there were several Archons who represented that they (unsuccessfully) recommended GSA Douglass prioritize the presentation of the legal update over the budget discussion in the February 4 meeting, thus indicating a level of intentionality on GSA Douglass's part.
Recommendation	(No Action, Coaching, Reprimand <private>, Censure <fraternity-wide>, Suspension, Removal)	By itself, we would recommend a censure action.
Parking lot for Board	Notable matters for board consideration not within scope of inquiry	None
Other	Catch-all for any other observations	None

Sigma Pi Phi
Project Discovery
Allegation Analysis Template
PGSA Pins

Area	Definition	Comments
Topic	Brief topic description	Past Grand Sire Archon (PGSA) Recognition Pins
Allegation/issue	Full allegation being investigated	GSA Douglass (then GSA-Elect Douglass) authorized and enabled the consummation of the purchase of 11 recognition pins for Past Grand Sire Archons for a total cost of \$50,175. The purchase was made in violation of the fraternity's spending policy.
Relevant Boulé Governance Reference(s)	Specific provisions relevant to allegations	10% spending policy, requiring Board pre-approval of any spending in excess of 10% of the budgeted line item.
Relevant precedents	Prior similar issues	Spending in excess of the budget has some history in the fraternity. However, new policies and the updated C&B make comparisons to prior overspending not highly relevant
Archons contacted	Whom and when	IPGSA Garibaldi (3/19/25) PGSA Moore (3/19/25), then-Chair of Council of Past Grand Sire Archons Archon Suarez, (3/19/25 and 4/2/25), the fraternity's "Grand Jeweler" Archon Gaines, Executive Director (3/31/25) Archon Terry, GFC Chair (3/31/25) GSA Douglass (4/1/25)
Documents reviewed	Key emails, contracts, etc.	Email from then GSA-E Douglass to then GSA Garibaldi dated 1/31/24 Invoice dated 6/11/25 from "Fourteen Karat Plus" to the fraternity in the amount of \$50,175 for eleven pins at \$4,525 per pin plus \$400 for shipping Fraternity financial statements at June 30, 2024 GFC Minutes from meeting of 8/2/24 Board Package for Board meeting of 8/17/24 Emails involving then GSA Garibaldi and then GSA-E Douglass dated 3/19/24 Emails involving then GSA-E Douglass and PGSA's Murray and Payne dated 2/1/24 Emails involving then GSA Garibaldi and then GSA-Douglass (cc: Archon Gaines) dated 1/31/24

Area	Definition	Comments
Key observations/learnings	Relevant data and narrative points	Emails involving then GSA Garibaldi and then GSA Douglass (cc: Archon Gaines) dated 2/6/24 January 31, 2024 email sent from then GSA-E Douglass to then GSA Garibaldi discussing ideas of pin, feedback from several PGSA's, discussion with Archon Suarez, and intent to move forward. This appears to be the first documented communication regarding the idea of presenting PGSA pins with then GSA-E Douglass as the initiator and de facto "owner" of the potential project. PGSA's' responses were of gratitude but that the recognition was not necessary. In January 2024, then GSAE-Douglass contacted Archon Suarez to commence discussions on the design of the pins. On February 1, 2024, Archon Suarez emailed then GSA-E Douglass details about the pins, including specifications and estimated costs. There was a \$3300 per pin version and a \$4525 per pin version. Then GSA-E Douglass emailed the design ideas and cost information to PGSA's Coleman, Payne and Murray. On March 19, 2024, Archon Suarez emailed then GSA-E Douglass that he had not received any feedback from then GSA Garibaldi and Archon Gaines and further "...if the delay is the budget year I can deliver in this budget cycle and bill in the new budget cycle after you are officially in office. That is an alternative that could solve the budget issue." Then GSA-E Douglass proposed to have the pins produced and made available at the 57th in San Diego; then GSA Garibaldi was not supportive as there were known budget constraints through June 30, 2024 From February 2024 through June 2024, Archon Suarez and then GSA-E Douglass engaged in the design and production of the pins through various emails and phone conversations. The understanding (verbal) between them was that the pins would be delivered in time for the 57th, billed upon delivery and collection of payment within 30 days thereafter. No deposit was made or requested to begin the assembly of the pins. Just prior to the 57th, the pins were received by Archon Gaines, and he transported them to San Diego. Then GSA-E Douglass had prepared a presentation, but there was no time on the agenda. He disclosed the gift in a public speech at the Grand Boulé Dinner Dance at the 57th biennial on June 17, 2024 and the pins were presented at that time.

Area	Definition	Comments
		On June 11, 2024, the fraternity was invoiced \$50,175 for the pins. Archon Gaines ultimately received the invoice from Archon Suarez. Archon Gaines and Past Grand Thesauristes Bruno processed payment for and approved the invoice. In conversations with Archons Gaines and Bruno, both acknowledged that there was no budget for the cost of the pins was not budgeted and that they approved payment because of their sense that there was a legal obligation to pay for the goods since they had been received and invoiced. The cost of the pins was included in the June 30, 2024 financial statements, collapsed within the "Membership Pins, Badges, Manuals, Certificates" line item and showing a variance to budget of \$69,903 (a budget of \$1,400 and actual cost of \$71,303) The June 30, 2024 financial statements were reviewed and approved by the GFC in its August 2, 2024 meeting. The GFC discussed 10% budget-actual variances, including the variance related to the pins purchase. The minutes make no mention of their approval of the pins purchase. The June 30, 2024 financial statements were reviewed and approved by the Board in their August 17, 2024 meeting. Variances were presented by Archon Gaines, including the variance related to the pins purchase. The minutes make no mention of the approval of the pins purchase.
Mitigating and other considerations	Contextual points	GSA Douglass recounted an encounter in which a PGSA was not recognized by an Agogos that led to an embarrassing situation. That highlighted for him the need for PGSAs to be both recognizable and recognized as "living treasures". GSA Douglass acknowledged that this matter should have been presented to the board. His rationale for not presenting it: he was new and did not well understand the revised Constitution & Bylaws; he assumed board acceptance because of relative immateriality of the amount; as the upcoming GSA, he believed there was an opportunity to recast the budget once he assumed office. There was a general sense expressed among Board members that the purchase of the pins was an appropriate gesture to honor PGSAs; however, it had not gone through the appropriate approval processes. The cost of the pins was not quantitatively material to the fraternity's operations; it was less than 1% of annual expenses.

Area	Definition	Comments
Allegation conclusion	Has allegation been sufficiently validated	There is sufficient evidence that GSA Douglass (or in his capacity as GSA-E) did not seek the pre-approval of the Board to initiate and consummate the purchase of \$50,175 of PGSA pins, in violation of the fraternity's policy requiring pre-approval of purchases of this magnitude. The commitment was made before June 2024 and the GFC (then or current) was not informed of the purchase until after it was paid for and reflected in the June 2024 financial statements in the GFC's August 2, 2024 meeting. The Board was not informed until it was paid for and reflected in the June 2024 financial statements in the Board's August 17, 2024 meeting
Recommendation	(No Action, Coaching, Reprimand <private>, Censure <fraternity-wide>, Suspension, Removal)	By itself, we would recommend a written reprimand for this instance of non-compliance, increased training and education for GSA Douglass and closer oversight on spending by the Office of the Grand Boule and the GFC.
Parking lot for Board	Notable matters for board consideration not within scope of inquiry	Reinforce and educate Archon officers of the 10% variance spending policy, with emphasis on GFC/Board pre-approval Consider developing policy-based consequences for non-compliance including formal disciplinary actions and/or requiring personal reimbursement.
Other	Catch-all for any other observations	None

**Sigma Pi Phi
Project Discovery
Allegation Analysis Template**

Harvey Russell Institute

Area	Definition	Comments
Topic	Brief topic description	Unauthorized promotion of the Harvey Russell Institute
Allegation/issue	Full allegation being investigated	GSA Douglass engaged in the unauthorized promotion of the Harvey Russell Institute, a non-Boulé initiative, through the use of fraternity assets and the platform of Grand Sire Archon
Relevant Boulé Governance Reference(s)	Specific provisions relevant to allegations	Bylaw 2 Section 3A of the Constitution and Bylaws of Sigma Pi Phi Fraternity covering Standards of Conduct of the Grand Board stipulates that “members of the Grand Board function as fiduciaries and shall exercise due diligence and prudence” and shall adhere to the Standards of Care provisions of the IRS Regulations governing 501(c)(10) also known as “PNCL”; and, Bylaw 5 Section 8B6 outlining the role and responsibilities of the Grand Sire Archon specifies that as “Chairman and CEO his principal responsibilities” shall include “signing with the Grand Grammateus all contracts and agreements, authorized by the Executive Committee or the Grand Board”; and, The Executive Committee, the Grand Board and the Grand Board Strategic Planning Committee have not been presented with a formal proposal or business plan from Grand Sire Archon Douglass which addresses the Harvey C. Russell Institute’s incorporation status, governance, funding sources, revenue model, personnel plan, copyright protection and trademark registration. The Grand Board, on February 21, 2025, voted affirmatively to prohibit Grand Sire Archon Douglass from utilizing assets of Sigma Pi Phi to discuss the Harvey C. Russell Institute shall remain in effect, without limitation, until such a time as the Grand Board receives a proposal or business plan, and after required diligence and appropriate

Area	Definition	Comments
		deliberation, affirmatively votes to approve the Fraternity's recognition and association with the Harvey Russell Institute. Additionally, under Bylaws II, Section 3(a), all members of the Grand Board are bound by a standard of care that requires the highest level of integrity and stewardship in carrying out Fraternity business. Any action taken in contravention of the Grand Board's directive, or without proper authorization, constitutes a breach of that standard. The motion that carried applies to all communications, verbal or written, whether internal or external to the Fraternity, and extends to any fundraising activities, event branding, program development, or public statements that associate Sigma Pi Phi Fraternity with the Harvey C. Russell Institute. This includes any references—implicit or explicit—to the Institute's name, structure, programming, governance, or ideological framing, regardless of whether the name "Harvey C. Russell Institute" is directly used.
Relevant precedents	Prior similar issues	There is a history of PGSAs promoting and implementing strategic initiatives, they have generally been within the construct of Sigma Pi Phi. The setting apart of The Boulé Foundation in 1980 as a separate but affiliated entity of the fraternity
Archons contacted	Whom and when	GSA Douglass Archon Mitchell, General Counsel Archon Gaines
Documents reviewed	Key emails, contracts, etc.	Board resolution from February 21, 2025 meeting of the Grand Board Winter 2024 issue of The Boulé Journal, "Welcome to the Future: Announcing the Harvey C. Russell Jr. Institute for International Business and Strategic Coalitions" GSA Douglass email to the fraternity dated February 17 with the subject "Introducing the Harvey C. Russell Institute"
Key observations/learnings	Relevant data and narrative points	The Winter 2024 issue of the Boulé was published with the aforementioned article On February 17, GSA Douglass sent out the aforementioned email about the Russell Institute

Area	Definition	Comments
		On February 21, the Board passed the aforementioned resolution, effectively banning the GSA from discussing the Russell Institute within the fraternity without additional research and approval from the Board. The resolution included references to Russell "explicit or implicit" On February 21, there was a consensus reached that GSA Douglass could discuss the Russell Institute at the semi-public meeting that day provided GSA Douglass would caveat that the initiative was not board approved On March 15, 2025, at the Boulé Economic Empowerment Summit, GSA Douglass delivered a keynote speech in which he, according to several attendees, discussed the Russell Institute without specifically calling it out. In these written and verbal communications, GSA leveraged fraternity assets. Specifically, he used the fraternity platform of the BEES initiative, after the banning resolution, and various fraternity communication means (email, Journal) prior to the banning resolution
Mitigating and other considerations	Contextual points	GSA Douglass stated that he believed he acted within the spirit and letter of the resolution Have any organizational
Allegation conclusion	Has allegation been sufficiently validated	There is sufficient evidence that GSA, in his speech at the BEES program, did not honor the spirit and letter of the resolution banning his discussion of the Russell Institute in an explicit or implicit manner.
Recommendation	(No Action, Coaching, Reprimand <private>, Censure <fraternity-wide>, Suspension, Removal)	Private reprimand.
Parking lot for Board	Notable matters for board consideration not within scope of inquiry	Consider developing specific guidance in the fraternity governance document set that addresses the requirements for engaging in a non-fraternity organization.

Area	Definition Catch-all for any other observations	Comments
Other	None	

Sigma Pi Phi
Project Discovery
Allegation Analysis Template

GSA Travel Budget exceed 110% of budget without Grand Board approval

Area	Definition	Comments
Topic	Brief topic description	Management of GSA travel budget (line item)
Allegation/issue	Full allegation being investigated	Grand Sire Archon Douglass overspent the 2024 GSA travel budget by approximately \$50,000 in 6 months without Board knowledge or approval
Relevant Boulé Governance Reference(s)	Specific provisions relevant to allegations	Travel Policy: The [Grand Board] has authorized the following Grand Officers to incur travel expenses, subject to the limitations set forth in the approved budget: Grand Sire Archon Grand Sire Archon-Elect Grand Grammateus Grand Thesauristes Grand Grapier Grand Rhetoricos Grand Agogos When said budget amount has been expended, said authorization shall automatically terminate and the Grand Officer shall be subject to the travel status authorizations (for Archons) set forth below, except for the Grand Sire Archon. When the Grand Sire Archon reaches the limitation set forth in the approved budget, he must obtain the prior approval of the other elected Grand Officers before expending any additional funds of the Fraternity. All Grand Officers should notify the Executive Director and Grand Sire Archon of their travel plans prior to traveling. 10% spending policy - Any budgeted expenditure, commitment, or agreement (commitments written or oral) in excess of 10% of the budgeted line item requires Grand Board pre-approval.
Relevant precedents	Prior similar issues	There are likely several examples in history. The one that may closely resembles this accusation is the travel expenditures of GSA Greg Vincent during 2018-2020 biennium.

Area	Definition	Comments
Archons contacted	<i>Whom and when</i>	Loren Douglass, Grand Sire Archon (GSA), interviewed on 4/1/2025 Bennett Gaines, Grand Executive Director (GED), interviewed on 3/31/2025 Hilliard Terry, Grand Finance Committee Chairman (GFCC), interviewed on 3/31/2025 Ricardo Crawford, Sire Archon of Delta Lambda Boule, interviewed on 4/13/2025
Documents reviewed	<i>Key emails, contracts, etc.</i>	Grand Boule Travel Policy (approved January 2024) Emails: Subj: <i>March Financial Statement</i> sent from Bennett Gaines to the Grand Board on May 20, 2024. Document contain within: <i>SPP MAR 2024 - Financial Statements - Final.pdf</i> Subj: <i>Remaining 2024 Travel Budget</i> sent from Hilliard Terry to GSA Douglass and other Grand Officers with travel budgets. Documents: Jan 11, 2024 Grand Board meeting minutes (<i>GrandBoardmeetingjan112024.pdf</i>) August 17, 2024 Grand Board meeting packet (<i>SPP Grand Board Package Aug 17 2024 Binder Final.pdf</i>) August 17, 2024 Grand Board meeting Minutes (<i>Sigma Pi Phi Grand Board Meeting Minutes Aug 17 2024.pdf</i>) September 13, 2024 Grand Finance Committee meeting minutes (<i>13Sep24 Grand Finance Committee Draft Minutes.docx</i>)
Key observations/learnings	<i>Relevant data and narrative points</i>	During the Grand Board meeting on January 11, 2024, then-GSAE Douglass moved to approve the 2024 annual budget that included \$35,000 for GSA travel. The motion passed. GSA Douglass was also aware of the Board's 10% line item-level variance approval policy as early as the November 3, 2023 Grand Board meeting in Atlanta, GA. On May 20, 2024, GED Gaines emailed the Grand Board financial statements (year-to-date ending March 31, 2024) showing GSA Travel expenditures of \$3,906 or 11% of annual budget and a GSA-elect Travel spend, for which then-GSA-elect Douglass was accountable, of \$2,021 or 50% of annual budget. GSA Douglass began incurring travel-related expenses as the GSA on 6/17/2024. During the August 17 Board meeting, GFCC Terry shared, among other financial information year-to-date ending June 30, that the GSA Travel expenses was \$9,924 or 28% of \$35,000 and GSA-elect Travel expenses of \$5,470 or 137% of \$4,000.

Area	Definition	Comments
		GFCC Terry, during his interview, recalled GSA Douglass being aware of travel costs in late August as the GSA remarked that “the hotel rooms are very expensive here” referring to his hotel during a trip to the Democratic National Convention in Chicago. The minutes from the September 13, 2024 Grand Finance Committee meeting states that GED Gaines’s report cover the following topics: <i>1. Need for better planning and communication regarding future travel plans to utilize the budget effectively.</i> <i>2. Travel variance primarily driven by the GS travel expense and there is need for better budget planning in the year of the transition</i> <i>3. Need to revisit budget after discussions with OGB, Grand Board & Regional leaders on travel plans for balance of 2024</i> On September 17, GFCC Terry email GSA Douglass and other officers with travel budgets a request to forecast travel for the rest of 2024 so that the GFC can proactively seek Grand Board approval, if necessary. <i>“As a follow up to the [9/13/2024] GFC meeting, I would like to discuss expected travel of each officer and others (e.g., Past Grand Sires) for the remainder of the year to determine if we need to recommend to the Grand Board an adjustment to the budgeted amount. The idea is to get ahead of any perceive budget overruns and look for opportunities to offset elsewhere in the budget.”</i> On the same day GSA Douglass received the forecasting request email from GFCC Terry, GSA Douglass had transacted a cumulative \$36,678.63 in travel expenses since becoming GSA. The Office of the Grand Boule only knew of \$13,895.41 or 38% of the accumulated expenses given that that had been the cumulative amount submitted for reimbursement by 9/17. GED Gaines stated in his interview that, in follow-up forecasting meetings with GSA Douglass during the end of September and early October, “[GSA Douglass] pushed back and was somewhat not supportive [of the effort]. And I give Archon Terry credit. [GFCC Terry] said, ‘we’ll listen, but we have to get this [forecasting effort] done.’ And we did.” After receiving GFCC Terry’s 9/17 email and through November 5, the day before the November 6 Grand Board meeting, GSA Douglass transacted an additional

Area	Definition	Comments
		\$20,228.28 for a total of 56,906.91 since becoming GSA, including a \$3,377.81 team dinner in NYC on 9/27/2024. On November 6, 2024, the Grand Board approved up to \$80,000 for GSA Travel expenses through rest of 2024. The meeting minutes reflect that <i>“the discussion on [centered around] ensuring that spending and reimbursement processes and procedures are strictly followed. All members committed to adhering to established policies to maintain accountability and clarity.”</i> The total 2024 GSA Travel budget line-item expense, year ending December 31, 2024, was \$90,169. GSA Douglass was responsible for more than \$70,000 of that total.
Mitigating and other considerations	Contextual points	GFCC Terry stated in his interview that during GSA Douglass’s July 2024 transition meeting with the executive committee and committee chairs GSA Douglass “told everyone that he wanted to [travel and] be more out there. He wanted his officers to be more out there and traveling more.”
Allegation conclusion	Has allegation been sufficiently validated	There is sufficient evidence that GSA Douglass violated 1) the Travel Policy by not “obtain[ing] the prior approval of the other elected Grand Officers before expending any additional funds of the Fraternity [once] the Grand Sire Archon reaches the limitation set forth in the approved budget” and 2) the Grand Board’s 10% Spending policy for budgeted items.
Recommendation	(No Action, Coaching, Reprimand <private>, Censure <fraternity-wide>, Suspension, Removal)	By itself and give the magnitude of the variance to GSA travel budget, we recommend censuring GSA Douglass for this incident. All persons who might submit requests for reimbursement re-read and affirm their understanding of and commitment to adhering to the Travel Policy. Review and update Travel Policy. 1. One recommendation is to require that only one trip shall be submitted per report for all travelers. Approvers have a difficult time reviewing when: All transactions for multiple trips are submitted on the same report. This requires the approver to further sorting and filtering to segregate transactions. Transactions for the same trip is spread across multiple report submissions. This leads to problems putting all of one trip’s transactions into context relative to its business purpose.

Area	Definition	Comments
		2. Another recommendation is to start expense reimbursement reports sooner if larger purchases like airfare are transacted well in advance of the travel date to get the best pricing. Creating but not yet submitting a report gives the OGB visibility into the expense, which would greatly improve forecasting efforts.
Parking lot for Board	<i>Notable matters for board consideration not within scope of inquiry</i>	While reviewing GSA Douglass's travel expense and reports, we discovered an anomaly with his October 30-November 8, 2024 trip to Nassau, Bahamas. GSA Douglass's expense report stated that Archon Phil Gilanis's funeral and Delta Lambda Boule's executive committee meeting was the business purpose for the trip. The Fraternity reimbursed GSA Douglass approximately \$1,700 for this trip. Delta Lambda Boule's Sire Archon Crawford stated in an interview that his understand of GSA Douglass's trip to Nassau was personal. Sire Archon Crawford read an email from GSA Douglass sent to Sire Archon Crawford on October 30, 2024 at 1:03am EST stating that the GSA Douglass's trip to Nassau was for "rest and relaxation." The board may want to further investigate whether this was indeed a business trip.
Other	<i>Catch-all for any other observations</i>	While reviewing GSA Douglass's travel expense and reports, we discovered the Fraternity may have inadvertently reimbursed GSA Douglass 1) twice for Delta Airlines eCredits. There were receipts for exchange/canceled flights submitted for reimbursement and were paid. Some of the same eCredits appeared on subsequent reimbursement requests that were also paid. We believe this was a genuine oversight by both GSA Douglass and the expense report approvers. The amount could be as much as \$1,500.

Area	Definition	Comments
Key observations/learnings	Relevant data and narrative points	Then Grand Sire Elect Douglass had an RFP developed and executed by the Executive Director. This was initiated in March 2024 The Executive Director received various answers to the RFP and completed an initial evaluation of them The three top candidates were passed on to then Grand Sire Archon Elect Douglass. An evaluation committee was established which included several Archons including Archons serving on the Board. But the Board itself was not engaged directly. This committee interviewed the candidates. The evaluation determined that Archon Ceasar Mitchell would be selected along with his firm, Dentons. Then Grand Sire Archon Douglass received an engagement letter from Archon Mitchell before the 57th Grand Boulé. (Early June 2024) which was not executed by both parties. Archon Mitchell was engaged by now Grand Sire Archon Douglass after the 57th Grand Boulé. The date is approximately June 30 to investigate the legal issues regarding Jeter Active and Artistic Avenue. No paperwork of any type was executed between the Fraternity and Archon Mitchell.
Mitigating and other considerations	Contextual points	During the interview, Grand Sire Archon Douglass took responsibility for the failure to inform the Board. He initially believed the urgency of the “attack by our technology vendor” prioritized the work to commence at the immediate time of the incident.
Allegation conclusion	Has allegation been sufficiently validated	Grand Sire Archon Douglass has not presented to the Grand Board any paperwork or made any proposal to the Grand Board to engage Archon Mitchell as General Counsel. The opportunity arose on the following times. - o Grand Board met in person in September 2024 and February 2025 - o Grand Board met via ZOOM in November 2024, January 2025 and February 2025 Grand Sire Archon Douglass engaged Archon Mitchell in a lawsuit without the involvement of the Grand Board Archon Mitchell is being paid at a rate which was not approved by the Grand Board

Area	Definition	Comments
Recommendation	(No Action, Coaching, Reprimand <private>, Censure <fraternity-wide>, Suspension, Removal)	That Grand Sire Archon Douglass receive a reprimand for failure to adhere to the Constitution and Bylaws. That Grand Sire Archon Douglass present to the Grand Board the appropriate proposal to engage Archon Ceasar Mitchell as General Counsel for Sigma Pi Phi Fraternity immediately.
Parking lot for Board	Notable matters for board consideration not within scope of inquiry	Should Archon Mitchell continue as General Counsel for the Fraternity and how to address that the cost is above the amount the Grand Board budgeted Is there a conflict of interest for the fraternity to have a GC who outsources legal work to his own firm?
Other	Catch-all for any other observations	None