

# RISK MANAGEMENT POLICY

## Introduction:

Our risk management policies are intended to assist Pi Sigma Epsilon in reducing the Fraternity's exposures to risks and losses by educating and assisting our chapters and members and increasing their awareness of risks. The Fraternity will provide educational assistance to help chapters and members establish sound risk management practices that will minimize their exposures.

PSE's members are the future of the sales and marketing profession. Therefore, the Fraternity is dedicated to developing the intellectual, leadership, and professional skills needed to maximize their potential and strive for their personal best. We are very proud of the professional nature of our Fraternity. We expect that our chapters and members will address the area of risk management in an equally professional and proactive manner. Our chapters and members must evaluate their operations in each of these areas and respond with positive and responsible actions to reduce risk and prevent losses.

Compliance with our policy stresses the individual responsibility of each PSE member and collectively their chapter. It is to be followed in addition to any host school policy requirements.

## WARNING:

Failure to abide by the Fraternity's Risk Management Policy will result in the loss of any insurance coverage that may otherwise be available under the Fraternity's insurance. It may also result in the loss of your chapter's or your individual membership in the Fraternity.

## Alcohol and Drugs:

The Fraternity will take responsible and good faith measures to assure that our members abide by law and policy and that our actions reflect in a positive way on ourselves and on Pi Sigma Epsilon. As stated earlier, none of these actions can provide an adequate substitute for personal responsibility for risk on the part of those who opt to consume or to provide alcoholic beverages.

1. A Fraternity Event is an event, activity or situation sponsored, co-sponsored or endorsed by the chapter or colony, or any event a reasonable person would associate with the Fraternity.
2. The possession, use and/or consumption of alcoholic beverages, while at any Fraternity event, whether local, regional, provincial, national or international in scope; or in any situation sponsored or endorsed by any chapter or graduate club or by the Fraternity or at any event an observer would associate with the Fraternity must be in compliance with any and all applicable laws of the country, state, province, county, city or school.
3. No alcoholic beverages may be purchased using chapter or Fraternity funds; nor may the purchase of alcoholic beverages for organizational members or guests be undertaken or coordinated by anyone in the name of or on behalf of the PSE chapter or colony.
  - a. National Fraternity Events – An exception to the above Policies may be made for events hosted by the National Fraternity. For example, receptions at the PSE National Convention and an alumni event will fall under this category; provided that no current undergraduate chapter members are in attendance at that event. Alcoholic beverages may be purchased and served at designated events sponsored by the National Fraternity, but these events must conform with the following guidelines:
    - a. The event must be scheduled in advance and is by invitation only.
    - b. Single venue events at locations, including but not limited to bars, restaurants, wineries, or breweries are acceptable, provided that ALL attendees are of the legal drinking age.
    - c. Alcohol must be served by a professional bartender fully covered by liability insurance, or occurring in the hotel suite and pre-approved by the hotel.
    - d. These events require the prior approval of the Executive Director.
4. The possession, sales and/or use of any illegal drug or controlled substance at any Fraternity event or any event an observer would associate with the Fraternity is prohibited. The legal use of a prescribed drug is permissible.
5. No chapter or colony may co-sponsor an event where alcohol is purchased by any host chapter, group or organization that does not comply with this policy.
6. No chapter or colony may conduct or enter into an agreement to participate in a fundraising project if the activity involves PSE members selling or distributing alcohol (regardless if the proceeds are for charity or chapter use) if the venue requires the Fraternity to add it as an "additional named insured." Chapters may conduct, or enter into an agreement to participate in such fundraising projects if the venue provides the insurance.
7. When alcohol is served at Fraternity events, one of the following options for conducting the event must be followed:
  - a. Service of alcohol on a no host, cash basis by a professional bartender, full covered by liability insurance is preferred, or,
  - b. Presence of alcohol is limited to a Bring-Your-Own-Bottle (BYOB) format such that only organizational members and invited guests of legal drinking age may bring and consume alcoholic beverages.
    - i. Fraternity sponsored Open Parties where alcohol is present are prohibited. Open Parties are those gatherings where non-Fraternity members are provided unrestricted access without specific invitations.
8. Regardless of the option chosen, the following general provisions apply:
  - a. No PSE member individually or collectively, shall purchase for, serve to, sell, or give alcoholic beverages to any minor (those under the legal drinking age).
  - b. Reasonable precautions will be taken by the chapter, colony or Fraternity leaders to prevent the excessive consumption of alcohol and to prevent the service of alcohol to underage persons by anyone.
  - c. PSE members or guests who arrive at an event in an intoxicated state must not be admitted.

- d. At each event, there must be a minimum of two (2) *designated* non-drinking members.
- e. Non-alcoholic beverages must be provided at each event.
- f. The service of alcoholic beverages must be cut off at a specific time, which must be established and clearly published in advance of the event.
- g. No “drinking games” shall be permitted, including beer pong, quarters, etc.
- h. Kegs, party balls, quarter barrels, or any type of shared alcohol will not be permitted, unless controlled by a professional bartender, fully covered by liability insurance, on a cash bar, no host basis.
- i. No event will be planned or promoted by a Pi Sigma Epsilon chapter or under the name of Pi Sigma Epsilon or any related entity, including the name of the respective chapter, which is for the main purpose of consuming continued amounts of alcohol. For example: Pub crawls, progressive drinking parties or progressive drinking themes, bar hopping events or competitive games involving alcohol.

### **Hazing:**

No chapter, colony, student (pledge or member), alumnus or graduate shall conduct nor condone hazing activities. Hazing activities are defined as:

Any action taken or situation created, intentionally, or unintentionally whether on or off Fraternity premises, to produce or cause mental or physical discomfort, embarrassment, harassment, or ridicule. Such activities may include but are not limited to the following: use of alcohol; paddling in any form; creation of excessive fatigue; physical and psychological shock; quests, treasure hunts, scavenger hunts, road trips or any other such activities carried on outside or inside the confines of the chapter house; kidnappings, whether by pledges or active members; wearing of public apparel which is conspicuous and not normally in good taste; engaging in public stunts and buffoonery; morally degrading or humiliating games and activities; and any other such activities that are not consistent with academic achievement, fraternal law, ritual or policy, or the regulations and policies of the educational institution, or applicable state law.

### **Contractual Agreements:**

No chapter, or member, may enter into any written or oral contact or financial agreement using the name of the Fraternity. This includes without limitation such agreements as leases, contracts, hold harmless agreements, liability releases, account statements, purchase orders, and hotel or banquet contracts. As the Fraternity’s insurance does not afford protection for outside parties, no chapter or member may enter into any written or oral agreement under which the responsibility or liability of some party other than the Fraternity is assumed. Chapters or members of the Fraternity may enter into written, oral or financial agreements using the name of their respective Chapter.

### **Automobiles and Transportation:**

Any individual who drives or provides transportation in conjunction with Fraternity activities shall obey all applicable motor vehicle laws, including but not limited to, those concerning vehicle safety, vehicle operation, financial responsibility and/or insurance, and the transportation and consumption of alcoholic beverages. Operators shall ensure that vehicles are properly maintained, not overloaded, and operated in a safe manner. Rental vehicles shall be operated in accordance with rental contracts. Use of personal vehicles shall be strictly voluntary and the sole responsibility of the vehicle owner/operator. Financial responsibility laws generally impose responsibility for accidents on the Driver or Owner of vehicles. The Fraternity assumes no responsibility or liability and provides no insurance to Drivers or Owners of vehicles for accidents or injuries or for any damages to vehicles not owned by the Fraternity that may be used in conjunction with Fraternity activities.

### **Sexual Harassment, Abuse, or Misconduct:**

The Fraternity does not condone nor will it tolerate any form of sexist or sexually abusive behavior such as sexual harassment, abusive behavior or misconduct on the part of its chapters or members whether physical, mental or emotional. This includes but is not limited to any actions which are demeaning to women including without limitation date rape, or verbal harassment by individuals or members acting together.

### **Members Personal Property:**

Use of personal property in Fraternity activities shall be strictly voluntary and the sole responsibility of the owner. The Fraternity assumes no liability or responsibility for any loss or damage to any personal property of members even if used in conjunction of Fraternity activities.

### **Risk Management Policy Awareness:**

Upon association, each member shall be advised of and provided with a copy the Fraternity’s risk management policy. Each chapter shall review the risk management policy at the first chapter meeting of each school term, and shall record the risk management policy review in the minutes of that meeting. A copy of the policy shall be posted on the Fraternity and chapter websites.