ITEM

1. Call to Order
2. Adoption of Agenda
3. Announcements
4. Report on Executive Session
5. Discussion Items
6. ASME.org Task Force
7. COFI Recommendation to ASME.org
8. Items for Receipt
9. Items for Action
10. Dates of Future Meetings
11. Contingency Time
12. Adjournment
LIST OF APPENDICES

I. ASME.org Task Force Update
II. BOG Retreat Preparation
III. EDESC Roster
IV. Presidential Appointments FY12
V. FY12 Presidential Task Force Listing
VI. P-1.3 Selection of Society Officers
VII. Proposed Public Affairs and Outreach By-Laws
VIII. By-Law Revisions to B.6.2.
1. **Call to Order:**

A quorum being present, the meeting was called to order by the President at 11:44 AM Central Daylight Time, June 15, 2011 at the InterContinental Hotel, 15201 Dallas Parkway, Dallas, Texas. Attendance was as follows:

**Board of Governors**
- President: Victoria A. Rockwell
- Immediate Past President: Robert T. Simmons
- President-Nominee: Marc Goldsmith

**Other Officers**
- Senior Vice Presidents: Dilip Balall, Institutes
  - Ken Balkey, Standards and Certification
  - Thomas Libertiny, Knowledge and Community
  - Stacey Swisher Harnetty, Public Affairs and Outreach
- Secretary and Treasurer: Webb Marner
- Executive Director: Thomas G. Loughlin
- Assistant Secretary: John Delli Venneri (also General Counsel)
- Assistant Treasurer: Michael Weis (also Deputy Executive Director)
Board of Governors Nominee
Bernard Hrubula

Board Committee Chairs
Reginald I. Vachon Chair, Committee on Finance and Investment (COFI)

Other Guests
Greg Balestrero Former Executive Director, Project Management Institute
Shlomo Carmi Past Governor
William Cousins Chair, VOLT
Clark McCarrall Past Senior Vice President, Public Affairs and Outreach
Richard Merz Member
Willard Nott Vice President, Public Awareness
John Sare Corporate Counsel
Emily Tavrides BOG ECLIPSE Intern
William Weiblen Past President

Staff
Roy Arbeit Managing Director, Marketing & Sales
William Berger Managing Director, Standards & Certification
RuthAnn Bigley Coordinator, Governance
Ty Booker Coordinator, VOLT
Philip DiVietro Managing Director, Publishing and Unit Support
Noha El-Ghobashy Director, Technical Programs and Development
Philip W. Hamilton Associate Executive Director, Strategy and Outreach
Peter Hess Director, Marketing and Sales
Ken Hunt Managing Director, Controller
Michael Ireland Managing Director, Institutes
Phyllis Klasky Director, Events Management
Michael Kreisberg Director, Membership Development
John Koehr Managing Director, S&C, Personnel Certification
Warren Leonard Managing Director, Governance
June Ling Associate Executive Director, Standards & Certification
Elio Manes Director, Leadership & Communities
Nathalie Manzano Manager, Board Operations
Nakiso Maodza Director, Website & Online Services
Michael Merker Managing Director, Standards & Certification Operations
Michael Michaud Managing Director, Global Alliances
Thomas Perry Director, Education & Professional Advancement
Laurel Raso Managing Director, Human Resources
Karen Russo Executive Assistant
David J. Soukup Managing Director, Centers
Gemma Tansey Director, Strategy Management Office and Special Projects
Michael Tinkleman Director, Research
Mel Torre Director, Communications
David Webber Director, Finance
2. **Adoption of the Agenda:** The Board
   
   VOTED: to adopt the agenda as circulated on June 3, 2011.

3. **Announcements:**

   The President welcomed all to the meeting and recognized Past Presidents Reggie Vachon and Bill Weiblen. The President introduced President-Nominee Marc Goldsmith, BOG Nominee Bernard Hrubula and ECLIPSE Intern Emily Tavrides. BOG Nominees John Elter and Richard Laudenant were announced as not being in attendance.

4. **Report on Executive Session:**

   There was a report given by Victoria Rockwell on the June 15, 2011 Executive Session of the Board of Governors held earlier that morning. The following was reported: (1) The FY12 appointments of: Thomas Loughlin (Executive Director), Wilbur Marner (Secretary/Treasurer), Michael Weis (Assistant Treasurer), and John Delli Venneri (Assistant Secretary) were approved. (2) The EDESC recommendations on the Executive Director’s performance objectives for FY12 and Enterprise Incentive Objectives for FY12 were approved with the provision that the net surplus metric is calculated with reference to variance to budget. (3) There was an informational update on the Society’s Federal Tax Form 990 and (4) The nomination of William J. Wepfer as the Senior Vice President Nominee for the 2012-2015 term for Public Affairs and Outreach was received.

5. **Discussion Items:** The Board

   VOTED: to move into open session, as if in the Committee of the Whole.

   The Board heard reports concerning and discussed the following items:

   ASME.org Task Force Update by Said Jahanmir and Michael Merker (Agenda Appendix 2.4.1 and Minutes Appendix 1); Centers/Strategic Management Realignment by Stacey Swisher Harnetty and Clark McCarrell; Student and Early Engineers Sector by Stacey Swisher Harnetty, Tom Libertiny, and Clark McCarrell; Knowledge & Community Realignment by Tom Libertiny; and BOG Retreat Preparation by Victoria Rockwell and Phil Hamilton and a presentation by Greg Ballestrero, Past President and CEO (retired) of PMI entitled, “Project Management Institute: A Case Study in Developing Global Value.” (Agenda Appendix 2.5.1 and Minutes Appendix II).

   Following the close of the Discussion Items, the Board

   VOTED: to move into formal session.
6. **ASME.org Task Force:** The Board

   VOTED: to accept the report from the ASME.org Task Force.

7. **COFI Recommendation on ASME.org:** The Board

   VOTED: that an amount not to exceed $900,000 from the reserves be authorized to fund the continued development of ASME.org for the period of June through September 2011.

8. **Items for Receipt:** The Board

   VOTED: to receive the following items: (1) The Executive Director Evaluation and Staff Compensation (EDESC) roster for the 2011-2012 term (Agenda Appendix 4.1.1 and Minutes Appendix III); (2) The Presidential Appointments for the 2011-2012 term (Agenda Appendix 4.1.2 and Minutes Appendix IV); and (3) A listing of the 2011-2012 Presidential Task Forces (Agenda Appendix 4.1.3 and Minutes Appendix V).

9. **Items for Action:** The Board

   VOTED: to approve the following items: (1) The revision of Society Policy P-1.3 (Agenda Appendix 4.2.2.1.1 and Minutes Appendix VI); (2) The proposed Public Affairs and Outreach By-Laws (Agenda Appendix 4.2.2.2.1 and Minutes Appendix VII); (3) The revision of By-Law B6.2 (Agenda Appendix 4.2.2.2.2 and Minutes Appendix VIII); and (4) The dates of the future meetings of the Board of Governors.
10. **Dates of Future Meetings.** The Board reviewed the dates of future meetings and approved meeting dates and times as follows:

<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY</th>
<th>TIME</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 15, 2011(a)</td>
<td>Thursday</td>
<td>12:00 PM – 1:30 PM Executive Session 1:30 PM – 5:00 PM</td>
<td>Washington, DC</td>
</tr>
<tr>
<td>September 16, 2011(a)</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM</td>
<td>Washington, DC</td>
</tr>
<tr>
<td>November 12, 2011(a)</td>
<td>Saturday</td>
<td>9:00 AM – 10:30 AM Executive Session 11:00 AM – 4:00 PM</td>
<td>Denver, CO</td>
</tr>
<tr>
<td>February 23, 2012(a)</td>
<td>Thursday</td>
<td>12:00 PM – 2:00 PM</td>
<td>Web conference</td>
</tr>
<tr>
<td>April 19, 2012(a)</td>
<td>Thursday</td>
<td>12:00 PM – 1:30 PM Executive Session 1:30 PM – 5:00 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td>April 20, 2012(a)</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td>June 3, 2012(a)</td>
<td>Sunday</td>
<td>10:00 AM – 11:30 AM Executive Session 12:00 PM – 4:00 PM</td>
<td>Montreal, Quebec, Canada</td>
</tr>
<tr>
<td>June 6, 2012(b)</td>
<td>Wednesday</td>
<td>10:00 AM – 11:30 AM Executive Session 11:30 AM – 3:00 PM</td>
<td>Montreal, Quebec, Canada</td>
</tr>
</tbody>
</table>

(a) 2011-2012 Board of Governors (b) 2012-2013 Board of Governors

BOG Retreat will take place July 13, 2011 through July 15, 2011 in Dublin, Ireland.
11. **Contingency Time**

Julio Guerrero requested Charla Wise make a presentation on his behalf stating that he would like the BOG to make a decision about two proposals in either Ireland at the Retreat or at the September 2011 BOG meeting. A group should be chosen to produce and present the information at the meeting. The group would work between now and the next meeting to prepare the materials:

I. Increase our full-members membership  
   a. Increase the ASME full members number to 300,000 in 5 years starting in September 2011.

II. Create a new source of revenue  
   a. Increase our revenue by $100 million in 3 years  
   b. Increase our revenue by $200 million in 10 years  
   c. The new revenue generator will have to produce the same amount or more than the current one produced by codes, standards & publications in 5 years from September 2011.

12. **Adjournment:** The meeting was adjourned at 1:55 PM.

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Wilbur (Webb) J. Marner  
Secretary
The Advisory Task Force approved the proposed approach and recommends to the BOG and COFI to move forward with the project and proposed budget. Given the size and magnitude of the project, it is also recommended that progress be reviewed periodically to ensure transparency on behalf of the BOG and COFI. The Task Force offers to continue its assigned duties and provide advice and support for this project.

Attachments:
Report attached.
Summary & Assessment of ASME.org
Phase 2 and 3 Discovery Findings

and

Advisory Task Force Recommendations

June 2, 2011
# Table of Contents

Executive Summary 3

Advisory Task Force Members 3

Background 4

Summary of Discovery Project Findings 4

Assessment 7

Advisory Task Force Recommendations 8

Exhibits:
- Exhibit 1 – Community Features 9
- Exhibit 2 – Revenue Features 10
- Exhibit 3 – High-Level Roadmap 11
- Exhibit 4 – Recommended Project Elements and Timetable 12
Executive Summary

Because of the complexity and breadth of ASME’s online activities, the ASME.org redesign project was structured as a multi-phased process to be completed over several years. The first phase of the project, which was completed in March 2011, provided a solid foundation and was a significant step toward achieving ASME’s online goals.

A discovery project to define the remaining phases of work was initiated in early April 2011. The goals for the next phases are ambitious, and the scope covers all of ASME’s online activities, including groups, product hubs, conferences, calendars, e-commerce, job boards and a marketplace. It is the assessment of the Task Force that the discovery project has done a good job of defining and categorizing the remaining work. The approach gives ASME the opportunity to build in-house capability to support the new features as they are developed.

The Advisory Task Force approves the proposed approach and recommends to the BOG and COFI to move forward with the project and proposed budget. Given the size and magnitude of the project, it is also recommends that progress be reviewed periodically to ensure transparency on behalf of the BOG and COFI. The Task Force offers to continue its assigned duties and provide advice and support for this project.

Advisory Task Force Members

The Advisory Task Force has the following participants:

- Said Jahanmir, Chair
- Julie Bachmann Kulik
- Howard Berkof
- Warren DeVries
- Reggie Vachon (Advisor)
- Sharon Miller (ASME staff)
- Susan O’Neill (external consultant)
Background

The first phase of the redesign of ASME’s online presence was completed in March 2011. This phase provided a solid foundation and was a significant step toward achieving ASME’s online goals.

Because of the complexity and breadth of ASME’s online activities, the redesign project was structured as a multi-phased process to be completed over several years. This multi-phased approach was approved by the BOG in November 2009.

With the completion of the first phase, a discovery project to define the remaining phases of work was initiated in early April 2011. The goals of the discovery project were to:

- Develop a more detailed understanding of remaining needs
- Recommend potential project approaches
- Develop a roadmap, including identification of inter-dependencies
- Develop preliminary cost estimates and timeline

The discovery work involved several streams of activity, including interviews with stakeholders, a content audit, analysis of competitor websites and market research, a technical assessment and usability testing.

Summary of Discovery Project Findings

The goals for the redesign of ASME.org are ambitious, and the scope covers all of ASME’s online activities, including groups, product hubs, conferences, calendars, e-commerce, job boards and a marketplace.

During the discovery process it became clear that the most effective way of bringing existing capabilities up to 21st century industry standards as well as adding critical innovations, was to group the remaining work into two major categories:

- Community
  - Volunteer activities
  - Member engagement
  - Features to attract non-members
- Revenue
  - E-Commerce platform
  - Job boards
  - Marketplace for products and services
  - High-profile sponsors
By using these groupings it is easier to understand the user experience relationships between features and ensure that a cohesive user experience is developed for each user group.

There are three key groups of users:

- Volunteers – a key focus will be providing a new generation of volunteers with contemporary tools
- Members - the priority will be to provide features that demonstrate the value of ASME membership and to keep them engaged and active
- Non-members – focus will be on features to attract new members and grow ASME membership (both individual and corporate)

Features have been identified for each user group. See Exhibit 1 for the Community Feature List.

The Revenue category will focus on work that optimizes the e-commerce platform as well as adding capabilities that attract a wider range of advertisers and sponsors. Updating the Job Board and bringing it up to industry standards is also included. Exhibit 2 shows the Revenue Feature List.

The inter-dependences among the remaining work also became clear. The project roadmap shown in Exhibit 3 illustrates these inter-dependencies. Four types of work will need to be completed:

- Additional core functionality
- Community features
- Revenue features
- Ongoing improvement to existing features

The recommended project approach is holistic, addressing all the capabilities that need to be built in a comprehensive design stage. This design stage will include interaction design, visual design, development of detailed functional specifications, and extensive usability testing.

In this way, all the needed features will be defined and designed in one process at the beginning of the project, and then based on priorities set by ASME, the development and deployment of additional core functionality and features will be completed during three over-lapping development phases. The project timeline is approximately 18 months. Exhibit 4 provides the proposed project timetable.

The proposed cost of the remaining work is $4.3 million. This includes the following components:

- Design phase: $1,650k
- Development/programming phases: $2,200k
- Additional software/licenses, etc.: $450k
The breakdown by fiscal year is as follows:
- FY12: $3,400k
- FY13: $900k

As background, associated operational costs are expected to be $300k in FY12 and $575k in FY13.

<table>
<thead>
<tr>
<th></th>
<th>FY12</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staffing (social media/community, e-commerce database administration, etc.)</td>
<td>$150k</td>
<td>$300k</td>
</tr>
<tr>
<td>Tech/Licenses (language translation, bandwidth, etc.)</td>
<td>$100k</td>
<td>$175k</td>
</tr>
<tr>
<td>Production (video, audio, etc.)</td>
<td>$50k</td>
<td>$100k</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$300k*</td>
<td>$575k</td>
</tr>
</tbody>
</table>

These costs are the estimated additional operating costs associated with moving forward with the second phase of the web site redesign. Estimates are based on the assumption that staff will not be added at the beginning of the project but as functionality becomes available. Some efficiencies may be realized by using existing staff or re-purposing existing FTE’s.

*The $300k is not included in the submitted FY12 budget as the amount was not known when the budget was locked in. The plan is to manage to the existing budget by shifting priorities or to add to the projected amount if overall financial results in FY12 allow.
Assessment

- The discovery project has done a good job of defining and categorizing the remaining work to be done.

- Understanding the inter-dependencies of desired features is critical for effective project scoping and planning.

- The approach provides ASME with more control and flexibility in setting priorities.

- The approach gives ASME the opportunity to build in-house capability to support the new features as they are developed.

- The project timetable is challenging but possible; it will require consistent and dedicated focus to be achieved.

- Proposed project costs of $4.3 million are reasonable, especially given that the project includes a redesign of e-commerce as well as user profile and permissioning capabilities.

- The $6.3 million total cost for the ASME.org redesign is in line with projects of this scope and magnitude.

- The design phase will be critical to get right. Moving from high-level needs analysis to detailed feature definition is always a challenge.

- Internal resourcing will continue to be a challenge for ASME – this remaining work will require significant participation by ASME staff while they are also continuing to implement the new content strategy and new operational processes.
Advisory Task Force Recommendations

The Advisory Task Force approves the proposed approach and recommends to the BOG and COFI to move forward with the project and proposed budget. Given the size and magnitude of the project, it is also recommended that progress be reviewed periodically to ensure transparency on behalf of the BOG and COFI. The Task Force offers to continue its assigned duties and provide advice and support for this project.
## Exhibit 1 -- Community Features

<table>
<thead>
<tr>
<th>Community Type</th>
<th>Feature</th>
<th>Feature Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volunteers</td>
<td>Group Pages</td>
<td>Give groups a new public face, including better promotion of open positions</td>
</tr>
<tr>
<td>Volunteers</td>
<td>Profiles &amp; Directory</td>
<td>Create better opportunities for volunteers to find each other and showcase their expertise</td>
</tr>
<tr>
<td>Volunteers</td>
<td>Product Hubs</td>
<td>One place connecting all content and activity around a standard or product</td>
</tr>
<tr>
<td>Volunteers</td>
<td>Updated Topics</td>
<td>Highlight content, schedules and participation opportunities for conferences and groups</td>
</tr>
<tr>
<td>Volunteers</td>
<td>Newsletters</td>
<td>Unified newsletter strategy to help volunteers communicate with regular ASME members</td>
</tr>
<tr>
<td>Members</td>
<td>Profiles &amp; Directory</td>
<td>Create opportunities to connect around expertise and event attendance</td>
</tr>
<tr>
<td>Members</td>
<td>Expanded Topics</td>
<td>Expand content offerings to include articles from conferences and journals</td>
</tr>
<tr>
<td>Members</td>
<td>Calendar</td>
<td>Publicize conferences, trainings and other opportunities for members to connect</td>
</tr>
<tr>
<td>Members</td>
<td>Webinars</td>
<td>Content recorded at conferences and meetings for members who cannot attend in person</td>
</tr>
<tr>
<td>Members</td>
<td>Q&amp;A</td>
<td>Establish a forum for knowledge sharing</td>
</tr>
<tr>
<td>Members</td>
<td>Conference Basic Information</td>
<td>Easily searchable conference information, letting members connect before and after</td>
</tr>
<tr>
<td>Members</td>
<td>Social Integration</td>
<td>Let members connect their activity within ASME with their existing online habits</td>
</tr>
<tr>
<td>Members</td>
<td>Newsletters</td>
<td>Seamlessly managed communication about relevant content</td>
</tr>
<tr>
<td>Non-Members</td>
<td>Expanded Topics</td>
<td>Publicly communicate the depth and breadth of ASME’s activity and offerings</td>
</tr>
<tr>
<td>Non-Members</td>
<td>Commenting</td>
<td>Give non-members a gateway to participate in other ASME discussions</td>
</tr>
<tr>
<td>Non-Members</td>
<td>Calendar</td>
<td>Publicize conferences, trainings and other opportunities for members to connect</td>
</tr>
<tr>
<td>Non-Members</td>
<td>Q&amp;A</td>
<td>Capture more of the activity occurring outside ASME, including on LinkedIn &amp; Engineering Tips</td>
</tr>
</tbody>
</table>
## Exhibit 2 -- Revenue Features

<table>
<thead>
<tr>
<th>Feature</th>
<th>Feature Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Hubs</td>
<td>One place connecting all content and activity around a standard or product</td>
</tr>
<tr>
<td>Profiles &amp; Directory</td>
<td>Premium profiles for consultants and businesses</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>High profile relationships with large businesses and organizations</td>
</tr>
<tr>
<td>Marketplace</td>
<td>A Craigs-list style forum for products and services</td>
</tr>
<tr>
<td>Product Pages</td>
<td>Updates to the product pages to optimize and enhance cross-selling</td>
</tr>
<tr>
<td>Reseller Information</td>
<td>Basic feed of information to keep resellers up to date</td>
</tr>
<tr>
<td>Job Board</td>
<td>The go-to place for posting all ME jobs</td>
</tr>
<tr>
<td>Account Management</td>
<td>A single place for registrants to manage their ASME-related information</td>
</tr>
<tr>
<td>Purchase Flow</td>
<td>Updates to the product and membership purchase paths to eliminate drop-off and add upsells</td>
</tr>
</tbody>
</table>
Exhibit 3 – High Level Roadmap
### Exhibit 4 -- Recommended Project Elements and Timetable

<table>
<thead>
<tr>
<th>Project Elements</th>
<th>Estimated Start Date</th>
<th>Estimated End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Design</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Interaction Design</td>
<td>June 2011</td>
<td>December 2011</td>
</tr>
<tr>
<td>• Visual Design</td>
<td>August 2011</td>
<td>January 2012</td>
</tr>
<tr>
<td>• Functional Specifications</td>
<td>September 2011</td>
<td>January 2012</td>
</tr>
<tr>
<td>• Usability Testing</td>
<td>December 2011</td>
<td>February 2012</td>
</tr>
<tr>
<td><strong>Development – Core Functionality</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>October 2011</td>
<td>May 2012</td>
</tr>
<tr>
<td><strong>Development – First Batch of Features</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>March 2012</td>
<td>June 2012</td>
</tr>
<tr>
<td><strong>Development – Second Batch of Features</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>June 2012</td>
<td>December 2012</td>
</tr>
</tbody>
</table>
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 23, 2011
BOG Meeting Date: June 15, 2011

To: Board of Governors
From: Strategy & Outreach
Presented by: Victoria Rockwell, Phil Hamilton, Gregory Balestrero

Agenda Title: BOG Retreat Preparation

Agenda Item Executive Summary: (Do not exceed the space provided)

An update will be provided on the BOG retreat agenda, and a presentation will be made by Gregory Balestrero, President and CEO (Retired) on the Project Management Institute, A Case Study in Developing Global Value.

Proposed motion for BOG Action: (if appropriate)

N/A

Attachments:
Two: BOG Retreat Preview; Project Management Institute, A Case Study in Developing Global Value.
BOG Retreat Preview

Objectives

• The Board will gain a deeper understanding of ASME’s global activities.
• The Board will gain knowledge about global trends and issues and how they may provide opportunities and threats for ASME.
• The Board will engage in strategic and generative discussions about ASME’s strategic priorities, with an emphasis on expanding our global impact.
• The Board will have greater ownership of the strategic direction.
BOG Retreat Preview

**Pre-Retreat: June BOG**

- Review progress made to date on the Strategic Intents as they relate to global impact
- Begin to orient the Board to global trends and influences that could impact ASME strategic direction
- Review agenda and targeted outcomes for July retreat

BOG Retreat Agenda

**Wednesday, July 13**
- Welcome reception and dinner

**Thursday, July 14 (Morning)**
- Panel on Global Trends and Influences on Energy and Workforce Development
  - Charles Soothill, Alstom Power Ltd., Switzerland
  - Marcelino Gomez, Petrobras, Brazil
  - Claire Nelson, Institute for Alternative Futures
  - Dongil Kwon, Seoul National University, Korea
BOG Retreat Agenda

Thursday, July 14 (Afternoon)

• Lunch: Engineers Ireland

• ASME’s Global Impact: A Conversation with the Society’s International Offices
  – Qiang (John) Zhang, Beijing
  – Jeroen van Liempd, Brussels
  – Madhukar Sharma, India
  – Michael Michaud, New York
  – June Ling, New York

• Review of Day 1 and Framing Day 2

BOG Retreat Agenda

Friday, July 15 (Morning)

• Generative Discussions on ASME’s Strategy for Global Impact
  – Breakout Groups:
  – Discussion on key global trends, opportunities and challenges for ASME
  – Potential implications for ASME’s Strategic Priorities
BOG Retreat Agenda

_Friday, July 15 (Afternoon)_

- Breakout Group Reports and Discussion
- ASME’s Global Impact Strategy
  - Discussion on implications of retreat learning on our strategic priorities: Are we on the right track? Should changes be made?
  - Building BOG consensus
  - Role of the Board in moving forward
  - Role of staff in moving forward
- Reflections on the Retreat and Next Steps
- Adjourn
What I hope to accomplish....

- Develop a shared understanding of the Project Management Institute (PMI)
- Share PMI’s journey to Excellence
- Uncover any real learning about becoming a global organization.
- Share anything PMI might have done differently in the journey.
PMI is 41 years old and is…

- Dedicated to advancing the art and science of project management
- Global PM, Individual Membership association
  - Largest in the world
  - 345,000 members
  - 190 Countries; 45% outside the US
  - 250 Chapters
  - Offices in 7 Countries
- A Standards and credential organization
  - 5 Credentials
  - 430,000 holders
- Training and university program accreditig body
- Independent Research organization
- A Paper and On-Line Publisher
- Corporate and Government Advocate for Excellence in PM

So, What was it like?

Demographics
12% non-USA

Membership
+/-70,000

Budget
$20 Million

Certification
+/-25,000

Staff
50

Offices
1

1 credential
16 years old

2000 Statistical Snapshot
Today’s Snapshot of PMI

- 2010 Statistical Snapshot
  - Membership 345,000
  - Standards 12
  - Certification 450,000
  - Credentials 5
  - Offices 6
  - Staff 285/5.0
  - REP’s >1200
  - Budget $137 Million
  - Demographic 45% non-US

1990’s Perfect Storm

- Growing Maturity
- Global Standard Takes Hold (PMBOK® Guide)
- Global Credential Takes Hold (PMP®)
- Dot com BOOM
- Dot com BUST
Foresight and Willingness to Change


- **PMI Bylaws changed – October 1998**
- **Globalization Decision (GPAT) – June 2000**
  - Commit to “become a global organization”
  - First model for delivering value outside of North America
  - North American-centric design

  - Downsized PMI Board
  - Removal operational portfolio
  - Carter Policy Governance, Replaced by Tecker Knowledge-Based Strategic Governance
  - Eadie Model for Board Standing Committees (4) (in the absence of a Board Work Agenda) – Doug Eadie
  - Chapter and SIG components restructured
  - Mid-level governance dissolved
Navigating Stormy Seas: Transforming Governance

Transforming Governance

Characteristics of Change

Managing Strategy in a Dynamic World

Refining Governance for Excellence

Defining Their Program of Work

Developing Holistic Board Capability
Managing Strategy in a Dynamic World

- DEPTH OF AGREEMENT ON THE FUTURE
  - Design of strategic management process
  - Shared understanding of a future world

- ELEMENTS OF STRATEGY
  - Movement toward Value
  - Crystal clear Value Proposition
  - Vivid and shared descriptions of future state

- DECISIONS THAT TRANSFORMED “ONGOING STRATEGIC DIALOG”
  - Informed decision-making vs. “influenced” decision-making
  - Transition to discussions in “areas of uncertainty”
  - Drive toward “dynamic” planning
  - Sensitivity toward external factors; global context

The Real Challenges – Separating Fact from Editorial

- Untrained workforce challenges delivery
- Loss of Leadership with Aging Federal Workforce
- Slow Recovery Creates Doubt/Pressure on Stimulus

Managing Strategy
Creating Future Scenarios – Consensus on Strategic Tension

Scenario 1

Scenario 2
Consensus: “Potential future direction”

Scenario 3

Scenario 4

Consensus: “State of the world today”

Managing Strategy

Environmental Scanning… Measuring Movement

European Quarterly House Price Indexes (A)

Germany, Ireland, Spain, and France 1995–2008

Year-on-Year Percent Change

1. Signpost 1: Disruptive events and trends
2. Signpost 2: Political climate
3. Signpost 3: Migration of jobs and people
4. Signpost 4: Energy and materials flow
5. Signpost 5: Connectivity
6. Signpost 6: Licensing and reciprocity
7. Signpost 7: Capital flows
8. Signpost 8: Economic distribution and development
9. Signpost 9: Economic influence of companies
10. Signpost 10: Responsibility for quality of life
11. Signpost 11: Intellectual property ownership and use

Managing Strategy
**Risk Mitigation – Strengthening Strategy**

<table>
<thead>
<tr>
<th>Potential Risk</th>
<th>Risk Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater market resistance to pricing levels than anticipated. Lack of adoption outside IT.</td>
<td>Accept risk and evaluate market acceptance on regular basis. Engage thought leaders and associations to increase adoption outside IT.</td>
</tr>
<tr>
<td>Lack of IP protection and enforcement, Tax implications. Inflexible hiring / firing policies and associated cost obligations.</td>
<td>Learn about all tax, IP, and HR policies, requirements, and procedures through various resources. Establish relationship with a professional law firm and staffing / HR firm in India.</td>
</tr>
<tr>
<td>Delay in site location, contracting, and build out due to bureaucracy and corruption</td>
<td>Plan process of commercial site selection and leverage Indian commercial real estate brokerage and development firm to execute.</td>
</tr>
<tr>
<td>Devaluation of PMI brand and certifications</td>
<td>Implement increased audit measures and initial candidate screening to ensure consistency. Execute PR / marketing campaigns to reinforce brand image.</td>
</tr>
</tbody>
</table>

**Managing Strategy**

**The Board’s Program of Work**

- **Fiduciary Domain**
- **Strategic Domain**
- **Board Business Domain**
- **Board Building Domain**

*Board Agenda*

**Performance Improvement through Board Reflection and Assessment**

**Board, Committees and Other Work Groups**
Program of Work
Doing “Right things Right”

<table>
<thead>
<tr>
<th>Strategic Plan</th>
<th>Board Prepares</th>
<th>Work Facilitates</th>
<th>CEO (i.e. Staff) Supports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Env. Scanning</td>
<td>Board Reviews</td>
<td>Work Facilitates</td>
<td>CEO Prepares</td>
</tr>
<tr>
<td>Scenario Planning</td>
<td>Board Conducts</td>
<td>Work Facilitates</td>
<td>CEO Supports</td>
</tr>
<tr>
<td>Mega Issues</td>
<td>Board Deliberate</td>
<td>Work Facilitates</td>
<td>CEO Supports</td>
</tr>
<tr>
<td>Board/Stakeholder Relationships</td>
<td>Board Conducts</td>
<td>Work Conducts</td>
<td>CEO Supports</td>
</tr>
<tr>
<td>Outreach</td>
<td>Board Supports</td>
<td>Work Supports</td>
<td>CEO Executes</td>
</tr>
<tr>
<td>Intersociety Relations</td>
<td>Board Approves</td>
<td>Work Supports</td>
<td>CEO Executes</td>
</tr>
<tr>
<td>Advocacy</td>
<td>Board Reviews</td>
<td>Work Reviews</td>
<td>CEO Executes</td>
</tr>
</tbody>
</table>

**Program Of Work**

**Board Holistic Development**

- Governance Excellence
- Cultural Sensitivity
- Outreach and Advocacy
- Relationship Building

**Developing Board Competency**

**Performance Improvement through Board Reflection and Assessment**
ALIGNMENT, REPORTING AND ACCOUNTABILITY

- **EVOLUTION OF PERFORMANCE OVERSIGHT**
  - Financial vs. programmatic assessment
  - Standardization, Simplification of Board Reporting
  - Maturity of board agenda

- **MATURITY OF BALANCED SCORECARD**
  - Accountability and transparency
  - Consistent dialog over alignment
  - Resolution of definition of success.

GOVERNANCE REFINEMENT

- **RECONSIDERATION OF BOARD WORK**
  - Refinement of charters and agendas
  - Reconsideration or original structure
  - Reduction of board meetings: 4 to 3

- **REEVALUATION OF BOARD STANDING COMMITTEE STRUCTURE**
  - Redefining role and responsibilities
  - Elimination of ERVI; distribution of responsibilities
  - Creation of task team model, providing flexibility in board work

- **REASSESSING BOARD ENGAGEMENT MODELS**
  - Use of on–line technology
Global Table Stakes: Operational Excellence

2006–2011: Establishing a Foundation

- Global Deployment of Service Excellence
- Ramp Up of Business and Product Development
- Revised Global Model and Structure
- Alignment, Accountability and Transparency
KEY LEARNINGS

- Global Governance is a reality
- Governance must transform with strategy.
- Look for, act on Moments of Clarity...willingness meets need
- Maintain willingness for change as a strategic principle
- Strategy setting is dynamic: dialog vs. plan
- Informed vs. “influenced” decision making
- Global Value Proposition is a “must”…and complex
- Value is determined by the global stakeholder
- Progress not perfection – strategic and operational continuous learning
- Understand the difference between strategic success vs. operational accountability and transparency
- Leadership excellence is not an option
- All communities must be aligned for delivery of value

THANK YOU!

Gregory Balestrero
Greg.balestrero@comcast.net
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 25, 2011
BOG Meeting Date: June 15, 2011

To: Board of Governors
From: Victoria Rockwell
Presented by: Victoria Rockwell
Agenda Title: FY12 EDESC Roster

Agenda Item Executive Summary:

FY12 EDESC Roster

Robert Simmons, Chair
Victoria Rockwell, ex officio
Presidential-Nominee/Elect TBD, ex officio
Harry Armen
J. Robert Sims
Tom Pestorius
Charla Wise

Proposed motion for BOG Action:

For receipt.

Attachments:

None.
To: Board of Governors  
From: Victoria Rockwell  
Presented by: Victoria Rockwell  
Agenda Title: FY12 Presidential Appointments  

Agenda Item Executive Summary:

1. **BOG Liaisons to Standing Committees**
   - Committee on Finance & Investment (COFI)  
     Robert Pangborn  
   - Committee on Honors (COH)  
     Said Jahanmir  
   - Committee on Rules (COR)  
     Edmund Seiders  

2. **Appointments to Standing Committees**
   - Executive Director Evaluation & Executive Staff Compensation (EDESC)  
     FY2011 – FY 2014  
     Charla Wise  
   - Executive Director Evaluation & Executive Staff Compensation (EDESC)  
     One year at-large term  
     Harry Armen  
   - Committee on Governance (COG)  
     FY2011 – FY 2014  
     Betty Bowersox  

**Proposed motion for BOG Action:**

For receipt.

**Attachments:**

None.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 25, 2011
BOG Meeting Date: June 15, 2011

To: Board of Governors
From: Victoria Rockwell
Presented by: Victoria Rockwell
Agenda Title: FY12 Presidential Task Force Listing

Agenda Item Executive Summary:

FY12 Presidential Task Forces and Appointments

P-12.1 Task Force          Webb Marner
Facilities Task Force      Tom Pestorius
Leadership Task Force     Julio Guerrero
Nuclear Task Force         Composition Pending

Proposed motion for BOG Action:

For receipt.

Attachments:

Leadership Task Force charge & Nuclear Task Force charge.
# ASME LEADERSHIP TASK FORCE

**ASSIGNED BY:**
Robert Simmons, President 2010-2011  
**START/DURATION:**
June 2011 – June 2012

**MEMBERS:**
Chair: Julio Guerrero  
Members: PENDING

**CONTACT INFORMATION:**
Jguerrero1000@gmail.com  
bigleyr@asme.org

**CONTACT:**

**CHARGE:**
The charge is to review means of identifying, training and developing potential leaders for ASME Corporate Office. The Task Force (TF) will focus on the current process for identifying potential leaders and barriers to running and holding office in ASME. The TF will also review the qualifications required for successful leaders and how ASME training, job experience, and outside education and training impacts candidates.

**PURPOSE:**
Leadership in ASME is a vital and important function that helps to assure the Society’s ongoing vitality and success. In this era of continuous change and challenge, it is essential that the Society has the most qualified volunteer leaders that are prepared to address the Society’s needs. It is prudent to review and evaluate the qualification, identification, training and development of leaders across ASME.

**WORK EFFORT:**

**Phase 1 – Project Scope & Assessment:** Establish a project plan based on charge of the TF and determine deliverables and a work/reporting schedule. This phase will include surveys of appropriate individuals, a study of best practices and a generative discussion with the BOG that addresses the question “What kind of leader does ASME need today?” to determine the “ideal condition.”

**Phase 2 – Gap Analysis:** Contrast and compare the “ideal condition” with existing ASME practice and policy and make recommendations for improvement. The recommendations will be shared and discussed with the BOG. The TF will synthesize the Board input/discussion.

**Phase 3 – Implementation:** The task force will oversee the communication and implementation of any changes or recommendations to the leadership qualification, identification, development and training. In addition, the TF will oversee any changes to policies, operations guides or other relevant Society documentation.

**FUNDING:**
Six thousand dollars ($6,000) is requested ($3,000 for legal review and $3,000 for possible committee travel, if deemed necessary).

**SUNSET/CONCLUSION:**
The task force will be sunset at the end of FY12.  
× End of FY 2012  
☐ End of phase
ASME Task Force on Response to Japan Nuclear Power Plant Events

Introduction
The earthquake and tsunami that struck Japan on March 11, 2011 and severely damaged four nuclear reactors at the Fukushima Daiichi site will undoubtedly have repercussions throughout the nuclear industry in the U.S. and worldwide. A number of government and nuclear industry organizations from different countries have already offered assistance to Japan to help in the recovery and cleanup. In addition, many of these organizations have also initiated studies to determine the significance of these events to the nuclear industry and the lessons learned that can be applied to operating nuclear plants and those that will be built in the U.S. and abroad.

ASME, as a leading engineering society with technical expertise spanning a range of infrastructure issues impacted by the events in Japan, is uniquely qualified to play a significant role in addressing the engineering issues and lessons learned from these events. To date, there has not been a high-level coordinated effort by ASME to establish a position, strategy or role for ASME in the identification and resolution of issues raised by the events in Japan.

This proposal recommends the establishment of a high-level ASME Task Force that reports to the ASME President, to evaluate the events that occurred at the Fukushima Daiichi site from March 11, 2011 and forward, and the potential impacts on the Nuclear Power Industry from the perspective of ASME.

Proposed Task Force Charter
The Task Force will review events that have occurred at the nuclear power plants at the Fukushima Daiichi site and subsequent activities undertaken in Japan and the U.S., develop, and disseminate ASME’s perspective on the impact of these events on the future direction of the Nuclear Power Industry and ASME’s role in addressing issues and lessons learned from these events. Deliverables are anticipated to include a series of white papers, reports, or positions statements.

Discussion
It is envisioned that white papers be written over a period of approximately six to eight months to allow adequate time to understand the technical issues and events that have occurred, as well as to evaluate the immediate follow-up activities undertaken by various government and nuclear industry organizations in response to these events. The white papers will present an objective view of the lessons learned and will make recommendations for addressing identified technical issues.

While the Task Force may include recommendations for industry and governing authorities, within ASME it is anticipated this position statement could also serve to help identify standards actions (e.g. updates, new standards, etc.), needs for new certification programs, needs for Industry training, and needs for workshops/symposiums.
While this Task Force will focus on the nuclear industry, it is recognized the impacts of the Japan Earthquake and Tsunami extend to other industries and appropriate consideration should also be given by ASME to these impacted industries.

Task Force Formation and Makeup
Task force core team membership shall be appointed by the ASME President. The Core Team should be composed of a cross-sector mix of staff and volunteers. The core team shall Identify and engage a Leader for the Nuclear Task Force, work with that leader to determine the structure and makeup of the task force, and identify and engage the Task Force members. Core team members will be incorporated into the Task Force membership, and the Core Team will be sunset. The Task Force will vote on subsequent membership. It is anticipated that the task force will consist of a chair or leader and approximately 10 - 15 additional members. The Task Force leader should be someone with strong technical credentials, familiarity with nuclear power, a strong sense of the political landscape, and well respected by industry and government. This individual could, for example, be a former Nuclear Regulatory Commission (NRC) Commissioner, a current or former high ranking Department of Energy (DOE) official, a member of the National Academies, someone from academia, etc. Ideally, the leader should also have close ties with ASME, and fully understand the mission and goals of the society.

The leader and members of the Task Force will be responsible for developing the white papers within the guidelines of the charter defined above for final approval by the ASME President. It is understood that neither the Leader/Chair of the ASME Task Force nor any members of the ASME Task Force will act unilaterally nor act in a manner that may be adverse to the Society. Thus any public announcements of the ASME Task Force will only be released in accordance with ASME policies (e.g., Society Policy 15.1).

Propose Core Team membership includes a representative from each of the following:
- Nuclear Engineering Division volunteer
- Nuclear Codes and Standards volunteer
- Energy Committee volunteer
- ASME BOG liaison volunteer
- ASME Staff

Sample makeup of Task Force Membership:
- Leader/Chair: Nationally Recognized
- ASME Volunteer, Industry Advisory Board
- ASME Volunteer, Standards and Certification
- ASME Volunteer, Energy Committee
- ASME Volunteer, Nuclear Engineering Division
- Two volunteers from Japan Professional Society (e.g. JSME), with at least one involved with standards development
- ASME Energy Strategy Execution Team Leader (ASME staff)
- ASME Nuclear Energy Business Manager (ASME staff)
- Representative(s) from Japan Nuclear Industry (e.g., NSSS supplier, utility, regulatory)
- Representative from the BWR Owner’s Group
- Representative from the PWR Owner’s Group
- US Nuclear Regulatory Commission
- EPRI
- Institute for Nuclear Power Operations (INPO)
- Member: National Laboratory

The task force should include members from industry who are responsible for designing plants—both past and present, those responsible for operating plants and regulators. This will ensure the ASME Task Force is using: (a) the most relevant information applicable to the Fukushima Daiichi incident and (b) the most relevant information applicable to the plants—both operational and planned.

**Task Force Duties**

The principal deliverable for the Task Force will be the white paper(s) described above. To accomplish its task, the Task Force will prepare a plan and schedule of activities. These activities may include conference calls, a limited number of face-to-face meetings, and possibly, a public meeting or forum conducted for both information gathering and/or dissemination purposes. In addition, it is anticipated that the Task Force will make every effort to monitor, and include if appropriate, the outcomes of concurrent efforts of other research/fact-finding teams which are ongoing via other societies (e.g., American Nuclear Society) and forums.

**Required ASME Support for Task Force Activities**

Funding needs shall be determined by the Task Force. Funding for the ASME Task Force activities may be provided by ASME, industry, government or any combination of them. The initial concept includes soliciting any necessary funds from key industry and government stakeholder organizations. Task force funds will be administered by ASME. Individual members of the Task Force are expected to obtain funding to support these activities from their respective organizations. It is anticipated that resources may be required to provide stipends for key members, technical support from subject matter experts, meeting logistics, and travel expenses.
Date Submitted: May 13, 2011
BOG Meeting Date: June 15, 2011

To: Board of Governors
From: COR
Presented by: Warren Leonard
Agenda Title: Proposed Revisions to Society Policy P-1.3

Agenda Item Executive Summary:

Pending approval by the BOG on June 15, 2011 of the proposal to revise the By-Laws B6.2 regarding voting at or by proxy at the First Business Meeting of the Fiscal Year, changes to a companion Society Policy, P-1.3, Election of Society Officers, would also need to be revised.

The proposed changes to P-1.3 reflect the actual practice that has been in place for a number of years and clarify how the Committee of Inspectors of the Proxies and Ballots conducts the validation process.

Proposed motion for BOG Action:

Recommend approval of the proposed revisions to Society Policy P-1.3 as presented, pending approval of the related changes to By-Law B6.2.

Attachments:

Yes
SOCIETY POLICY

ELECTION OF SOCIETY OFFICERS

I. PREFACE

By-Laws B6.1.3 and B6.2 cover the election of Officers and the proxy procedure. This Society Policy provides additional details about this process.

II. PURPOSE

A. To describe the offices involved;
B. To describe the nominating processes;
C. To describe the voting procedure; and
D. To describe the procedure for handling proxies.

III. POLICY

It is an underlying philosophy of ASME that "the office shall seek the individual; the individual or his/her supporters should not seek the office." This policy defines the procedures through which the Society elects officers guided by this philosophy.

IV. PROCEDURE

A. OVERVIEW

1. The election of Society Officers takes place at the first Business Meeting of each fiscal year. The results of the election shall be based upon the valid proxies and the votes of corporate members voting in person. The elective positions covered by this procedure are President, Members-at-large of the Board of Governors, and Vice Presidents responsible for various units of the Society's activities. The elected Officers shall be of Member grade or higher.

2. The selection and election process begins early in the calendar year by the various units of the Society proposing candidates for elective positions whose incumbent's terms expire at the end of the next fiscal year. The proposals from each unit of the Society are expected to cover the positions of President, Members-at-large of the Board of Governors, the vice president of their own unit if appropriate, as well as any other vice presidents whose terms expire as noted above.
B. NOMINATIONS

1. A slate of nominees for the election at the first Business Meeting of each fiscal year is determined by the Nominating Committee, which is convened during the Second Business Meeting of the previous fiscal year. The Nominating Committee is representative of the Society as a whole, since it consists of members designated by the various operating units of the Society and elected by the corporate membership. The Nominating Committee convened during the Second business meeting of the fiscal year will have been elected in this manner during the same business meeting in the previous fiscal year.

2. In addition to the proposals for Society Officers which come from the various nominating processes or procedures of the units, other proposals may be submitted by the Society membership. Such proposals are encouraged by publicizing in ASME NEWS or MECHANICAL ENGINEERING the elective positions to be filled.

3. The number of nominees on the slate proposed by the Nominating Committee shall be one for each vacancy.

C. VOTING

1. In accordance with the New York Not-for Profit Corporation Law, the Society voting procedures provide for the issuing of proxies authorizing the three most recent available Past Presidents to cast proxy votes for the election of Officers. Proxy forms shall be mailed to the corporate members at least 60 days prior to the first Business Meeting of each fiscal year.

2. The form of the proxy shall permit the corporate member to authorize voting for nominees designated on the proxy but to withhold authorization for voting on other matters.

D. PROXIES

1. One week prior to the first Business Meeting of each fiscal year, a Committee of Inspectors of Proxies and Ballots, appointed by the President, shall meet either in person or by conference telephone or similar telecommunications equipment allowing all persons participating in the meeting to hear each other at the same time, electronically, to supervise the examination, validation and counting of the proxies have been properly tabulated by staff.

2. In counting validating the proxies for election of Officers, the Committee of Inspectors of Proxies and Ballots shall consider a member’s proxy any authorization to vote in favor of a particular nominee for a particular office to be as valid, provided that if the intent of the executing member is deemed to be clear, even though the proxy is determined to be invalid or invalid, any reason be declared invalid.
3. Since proxies for voting at the first Business Meeting of each fiscal year may be withdrawn or replaced up until the time of voting prior to the tabulation presented by the Committee of Inspectors of Proxies and Ballots, the proxy statement may include a message urging that the proxy be executed and mailed to arrive at a designated address by some designated date in order to facilitate the work of the Committee of Inspectors of Proxies and Ballots.

Responsibility: Nominating Committee

Adopted: October 15, 1956
Reaffirmed: June 12, 1996
Revised: September 16, 1960
September 9, 1966
June 18, 1975
June 17, 1981
(editorial changes 12/83)
March 12, 1987
(editorial changes 8/88)
September 14, 1989
June 6, 1990
(editorial changes 9/95)
June 9, 1999
June 1, 2005
Date Submitted: May 25, 2011  
COR Meeting Date: June 12, 2011

To: BOG  
Presented by: Warren Leonard  
Agenda Title: By-Law Revisions to create Public Affairs and Outreach Sector

Agenda Item Executive Summary:

Based on the BOG action in April to endorse the proposal of the Strategic Management-Centers task force to create a new Public Affairs and Outreach Sector and the direction to COR to bring proposed revisions for BOG action in June, the attached document was drafted for COR review and advancement to the BOG.

The Public Affairs and Outreach (PAO) Sector completely replaces the Centers and Strategic Management Sectors and all references to the two sectors has been from the By-Laws. The POA Council voting members will be the four Vice Presidents who will lead these Boards:

- Board on Education  
- Board on Global Outreach  
- Board on Government Relations  
- Board on Students and Early Career (as a placeholder, eventually will be part of the proposed new Student and Early Career Sector)

The POA Council will also have two at-large voting members & the chairs of these units:

- Industry Advisory Board  
- Innovation Committee  
- Strategic Issues Committee  
- Diversity Strategy Committee  

Associate Executive Director, Strategy & Outreach will be a non-voting Council member.

The Ethics Investigation Process will go to The Committee of Past Presidents and must be noted in the CPP Operation Guide, and changes relating to Ethics can be seen in the attached document on page 11 and 34.

No changes to the Constitution are required by this sector realignment.

NEXT STEPS: When the BOG adopts these revisions to the By-Laws, COR can begin to revise the Society Policies that are affected by this realignment, and COR will review the PAO Operation Guide once it is finalized.

Proposed motion for Action:

To advance the proposed revisions to the By-Laws to the BOG for action and adoption at the June BOG meeting.
B2.1 FULFILLMENT OF PURPOSES

The Society shall:

**DISSEMINATION OF KNOWLEDGE**
Encourage the preparation of original papers on engineering topics. Hold meetings for the presentation and discussion of original papers and participate in international engineering congresses. Publish papers and reports and disseminate knowledge and experience of value to engineers.

**TECHNICAL STANDARDS**
Develop and promulgate standards, codes, and recommended practices, and administer related conformity assessment programs.

**RESEARCH**
Encourage engineering research, tests, and other original work.

**EDUCATION**
Cooperate with educational institutions in the maintenance of high standards of engineering education. Foster among engineering students the study of philosophy and history, tradition and achievement, duties, and social functions of the engineering profession. Further the purposes of the Linda Hall Library of Science, Engineering and Technology of which the library of this Society forms a part.

**PROFESSIONAL STANDARDS**
Offer awards and other honors to encourage contributions to engineering; confer awards and other honors in recognition of meritorious contributions to engineering. Maintain high technical and cultural standards for entrance to the Society. Aid in the adoption of a high standard of attainment for the granting of the legal right to practice professional engineering. Encourage the personal and professional development of young engineers.
USEFULNESS OF THE PROFESSION

Encourage a high standard of citizenship among engineers and their participation in public affairs.
Cooperate with governmental agencies in engineering matters.
Publicize the engineering profession through the achievements of engineers.
Support activities looking to the increased employment of engineers and seek new opportunities for engineering service.

ETHICAL PRACTICE

Maintain a Code of Ethics of Engineers consistent with the high standards of the profession.
Promote and encourage practice in the profession within this Code.
Arrange for adjudication within the structure of the Society for violations of the Code brought to its attention.
B3.1 MEMBERSHIP

B3.1.1 An applicant for admission to the Society in any grade, except to Fellow or Honorary Member, shall make application to the Executive Director on an approved form.

B3.1.2 A proposal for promotion to Fellow must be initiated by a Fellow or Member of ASME and supported by three additional sponsors, two of whom must be Fellows or Members of ASME. All sponsors must be well acquainted with the nominee’s qualifications as they relate to the requirements for promotion to Fellow.

B3.1.3 Nomination and election of an Honorary Member shall be in accordance with the provisions of the By-Laws dealing with the Committee on Honors.

B3.1.4 Advancement to the grade of Fellow shall be by a positive vote of three-quarters of the total number of ballots received from the Committee of Past Presidents entitled to vote. A past president shall not be entitled to vote on his or her own nomination for Fellow.

B3.1.5 Applicants shall be assigned in accordance with the policy set by the Board of Governors to the grades of membership to which their qualifications entitle them.

B3.1.6 All procedures relating to admissions to and promotions in membership, except Honorary Member and Fellow membership grades, shall be administered by the Services Membership staff in accordance with the policy set by the Board of Governors.

B3.1.7 An approved curriculum is one which leads to a degree in engineering or engineering technology.

B3.1.8 A Student Member may participate in all the activities of the Society but shall not be permitted to vote at a Business Meeting of the Society or hold an elective office except in a student-oriented or nontechnical/outreach K&C Affinity Group the student section where the student is a member.

B3.1.9 A Student Member shall not remain in this grade beyond the end of the calendar year of graduation or termination of enrollment as a student.

B3.1.10 No more than five Honorary Members may be elected in any Society year.
B3.1.11 A corporate member elevated to Honorary Member shall retain all of the rights and privileges of corporate membership.

B3.1.12 The rights and privileges of every member shall be personal to the member and shall not be transferable except that each corporate member shall be entitled to vote on any question before any Business Meeting of the Society either in person or by a proxy given to a corporate member.

B3.1.13 Voting on matters which come before a Business Meeting of the Society will be done in person or by proxy. Only corporate members are entitled to vote. A corporate member may assign his or her vote to another corporate member by proxy. The proxy must be signed and dated by the corporate member giving it and shall be submitted to the Executive Director for verification of the right of the corporate member to vote at the meeting for which the proxy is to be used.

B3.1.14 When a request is received for a member's resignation, the Services Membership staff will adjust the member's record. Member resignations are reported in the demographic report issued monthly.

After a complaint or charge of unethical conduct based on the provisions of the Constitution, By-Laws, or Code of Ethics has been filed against a member, the member may resign with the stipulation that the Society will not accept any later application for renewed membership. Nevertheless, the Society will accept an application for renewed membership if:

a. The designated member of the Chair of the Committee on Ethical Standards and Review of Past Presidents, in accordance with established policies and procedures, has certified to the Executive Director that the complaint has been examined and is not a matter for action by the Society; or

b. The member has been cleared of all charges by a Hearing Board under the established procedures of the Society.
B3.2 FEES AND DUES

B3.2.1 The amount of any Application, Entrance, Promotion, or Reinstatement fees will be established by the Board of Governors.

B3.2.2 The dues of any member or the entrance fee of a prospective member may be remitted for any special reason by the Services-Membership staff, with the exception being when a new dues structure is created. In this case, it must be approved by the Board of Governors liaison to the Services-Membership area.

B3.2.2.1 A member may appeal the Services-Membership staff’s decision on the remittance of “dues under special reason” to the Operating Board of the Knowledge and Communities Sector.

B3.2.3 The application fee and that part of the annual dues to be charged to the new member for the fiscal year remaining after the date of notification of approval shall be payable within 30 days after that date. The election process shall not be considered to be complete until receipt of this payment by the Society.

B3.2.4 The annual dues for each ensuing year shall be due and payable on or before the first day of October.

B3.2.5 A statement for annual dues shall be mailed to each member before October 1 each year. Notice of arrears shall be sent thereafter.

B3.2.6 If a member’s dues have remained unpaid for three months, their publications may be withheld.

B3.2.7 Any member whose dues remain unpaid for a period of four months shall be stricken from the roll of membership of the Society.

B3.2.8 If, in the case of nonpayment of dues, the right to receive the publications of the Society or to vote be questioned, the fiscal books of the Society shall be conclusive evidence.

B3.2.9 The Services-Membership staff may restore to membership any person dropped from the rolls for nonpayment of dues upon such conditions as it may deem best, and with the approval of the Board of Governors liaison to the Services-Membership area.

B3.2.10 The Board of Governors shall, from time to time, as seems necessary, establish the dues for a Student Member and the corresponding services rendered.
B3.2.11 A member who has paid dues for 35 years and in addition has (a) reached the age of 65 years, or (b) retired from his or her regular work will be considered a life member.

Life Membership means membership without payment of dues. Upon becoming exempt from dues, the member continues in the previous grade of membership but the word "Life" is added.

Any changes in the life membership criteria are subject to approval of the Board of Governors.

Effective March 18, 2000 and not retroactively, student years of membership will be included in the count of total years of membership as long as the graduated Student Member pays the first year Member dues (continuous membership from Student Member to Member).

B3.2.12 Any member except Student Member may pre-pay dues for life by paying the Society at one time the present worth of an annuity equal to the member's dues for the remaining required dues period.

A prepaid member will become a Life Member 35 years after the date when his or her continuous membership began and in addition has (a) reached the age of 65 years, or (b) retired from his or her regular work.

B3.2.13 A member of a technical society with which the Society has a reciprocal agreement who applies for membership in the American Society of Mechanical Engineers shall not be required to pay any entrance fee. Such an applicant must file formal application for membership and must meet the membership requirements of the grade of membership for which application is made. This exemption shall apply only for entrance to an equivalent or lower grade of membership.
B3.3 VIOLATION OF ETHICS

B3.3.1 Any member who has been found guilty of a charge of violating the Constitution, By-Laws or Code of Ethics of the Society, may be expelled by the affirmative vote of seven members of the Board of Governors after being given the opportunity to be heard.

B3.3.2 The Board of Governors shall vote on the expulsion of any member only upon the recommendation of a Hearing Board appointed to hear the accusation and the defense.

B3.3.3 The Hearing Board which shall hear and present a report upon charges against an accused member, shall be chosen from among the available past Presidents of the Society. Each Hearing Board will be appointed by the President of the Society and will be specific to a particular case. Members of a Hearing Board will continue to serve until the case assigned to that Hearing Board has been completed.
B4.1 GOVERNMENT

B4.1.1.1 The Society and its individual members shall be governed by this Constitution and these By-Laws and by the current Society Policies and procedures established by the Board of Governors, including any amendments that may be made from time to time.

B4.1.1.2 Notwithstanding any other provisions of these articles, the organization is organized exclusively for one or more of the purposes as specified in Section 501(c) 3 of the Internal Revenue Code of 1986, and shall not carry on any activities not permitted to be carried on by an organization exempt from Federal income tax under IRC 501(c) 3 or corresponding provisions of any subsequent Federal tax laws.

B4.1.2.1 Each unit of the Society may specify the requirements for a quorum of that unit in its By-laws, Rules and Procedures or Operation Guide. If no quorum requirements are specified a quorum shall be one half or more of the voting members of the unit.

B4.1.2.2 Every question which shall come before a meeting of any unit of the Society shall be decided by a majority of the votes cast, unless otherwise provided in the Constitution and By-Laws, by the Society Policies, or by the laws of the State of New York.

B4.1.3 The rules contained in the latest edition of Robert's Rules of Order Newly Revised shall govern the Society in all cases to which they are applicable, when not inconsistent with the Constitution or By-Laws of this Society.

B4.1.4.1 An Annual Report shall be prepared for the fiscal year ending on June 30.

B4.1.4.2 The material included in the portion of the report covering the Society year shall show the following in appropriate detail:

a. A report by the President;
b. A listing of the Society Officers;
c. Summaries of major Society activities; and
d. A listing of recipients of Society awards.
B4.1.4.3 The material included in the portion of the report covering each fiscal year shall show the following in appropriate detail:
   a. The number of Society members at the beginning and end of the fiscal year and a statement of the place where the names and addresses of the members may be found;
   b. The assets and liabilities of the Society including trust funds, at the beginning and end of the fiscal year;
   c. The revenue or receipts of the Society, both unrestricted and restricted to particular purposes, during the fiscal year; and
   d. The expenses or disbursements of the Society for both general and restricted purposes during the fiscal year.

B4.1.4.4 The financial information described in B4.1.4.3 b, c, and d shall be verified by the President and the Treasurer, subject to completion of the annual audit by the outside auditors who are appointed by the Board of Governors and ratified by the membership at the first Business Meeting of each fiscal year.

B4.1.4.5 At the first Business Meeting of each fiscal year, the Annual Report, including the information described in B4.1.4.2 and B4.1.4.3, as verified according to B4.1.4.4, shall be presented by the Executive Director and Treasurer to the members assembled and made available to the membership. The Annual Report shall be filed with the records of the Society, and either a copy or an abstract thereof entered in the minutes of the proceedings of that Business Meeting.

B4.1.5 Any Officer of the Society or member of any sector, board, committee, or other unit of the Society appointed or elected by the Board of Governors or by any unit of the Society may be removed or suspended from such office or membership by the Board of Governors for cause (which shall include, without limitation, violations of fiduciary duty, racial or other improper discrimination, sexual harassment and defamation).

Any Officer of the Society or member of such sector, board, committee or other unit of the Society elected by the corporate membership may be removed for cause only by the vote of the corporate membership, but his or her authority to act as such Officer or member may be suspended by the Board of Governors for cause.

Removal for cause by the Board of Governors shall require an affirmative vote of seven members of the Board of Governors. Suspension for cause shall require the vote of a majority of the members of the Board of Governors present at the time of the vote, provided that a quorum is present.
Written notice shall be given to the person to be removed or suspended for cause as early as practicable and in any event at least five days before any action is to be taken by the Board of Governors. The person to be removed or suspended for cause shall be given an opportunity to present a defense to the Board of Governors.

B4.1.6.1 If a nominee for the Board of Governors is unable to stand for election, the Nominating Committee shall recommend to the Board of Governors another nominee to fill the slate.

If a person elected to the Board of Governors is unable to take office, the Board of Governors shall fill the vacant position by appointment.

If a vacancy occurs on the Board of Governors after an elected Governor has been seated, the Board of Governors shall fill the vacancy by appointment for the unexpired portion of the term.

B4.1.6.2 In filling the office of President, the procedure shall be as follows: The most recent available past President shall act as President pro tem and shall call an executive session of the Board of Governors within one month after the vacancy in the Presidency occurs, at which session the Board of Governors shall elect a President to complete the unexpired portion of the presidential term. The new President shall be chosen from among those who are past Presidents, past or current vice presidents, or past or current members of the Board of Governors.

If for any reason the President-elect is unable to take office or the nominee for President is unable to stand for election, the Nominating Committee shall be convened immediately and select another nominee for the office of President.

Election of a new President-elect shall be by special ballot provided to each corporate member.

B4.1.6.3 If a nominee for vice president is unable to stand for election or if a vice president elect is unable to take office, the Nominating Committee shall recommend to the Board of Governors another nominee to fill the office by appointment.

B4.1.6.4 Any vacancy in the office of senior vice president, Executive Director, Secretary, Treasurer, Assistant Secretary or Assistant Treasurer shall be filled by the Board of Governors.

If a vice president position becomes vacant during an incumbent's term of office, the Board of Governors shall fill the vacancy by appointment for the unexpired portion of the term. A replacement nominee shall be proposed to the Board of Governors in accordance with the procedures of each sector.
B4.1.7 An act of the Board of Governors which shall have received the expressed or implied sanction of the corporate membership at the following Business Meeting of the Society shall be deemed to be an act of the Society and cannot afterward be impeached by any member.

B4.1.8 A person shall not be an Officer of the Society in two different elective offices at the same time. A person who has been elected to a position of a Officer of the Society shall not be nominated for another elective office of the Society if there is any overlapping of the term of the proposed office with the term of the office to which that person has already been elected. A vice president who has been elected to a term that does not extend more than one year into a new term of senior vice president of a sector is eligible to be appointed as a senior vice president.

B4.1.9 The Board of Governors may create such special committees of the Board as it may deem desirable. The members of such committees shall be appointed by the President with the consent of the Board. Special committees shall have only the powers specifically delegated to them by the Board.

Each special committee of the Board shall serve at the pleasure of the Board. Any or all members of any committee may be removed, with or without cause, by resolution of the Board of Governors, adopted by a majority of the Board.

Any committee may adopt rules governing the method of calling and place of holding its meetings. Unless otherwise provided by the Board of Governors, a majority of any committee shall constitute a quorum for the transaction of business, and the act of a majority of the members of the committee present at a meeting at which a quorum is present shall be the act of the committee. Each committee shall keep a record of its acts and proceedings and shall report thereon to the Board of Governors whenever requested to do so.

Any action required or permitted to be taken by the Board of Governors or any special committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consent thereto shall be filed with the minutes of the proceedings of the Board or the committee.

Any one or more members of the Board of Governors or any special committee thereof may participate in a meeting of the Board or committee by means of a conference telephone, or similar communications equipment, allowing all persons participating in the meeting to hear each other at the time. Participating by such means shall constitute presence in person at the meeting. All members of the
Board of Governors or any special committee thereof must be given adequate prior notice about the arrangements for such meetings.

B4.1.10 The Board of Governors may delegate to the sectors and the standing committees reporting to the Board as established in these By-Laws, for a period of one year, specific responsibilities for the management of one or more programs of the Society, subject to the supervision of the Board and to any limitation prescribed by the Board of Governors or by applicable law.

B4.1.11 Members in office shall continue in their respective offices until their successors have been elected or appointed, and have accepted their offices.
B4.2 NOMINATING COMMITTEE

B4.2.1 The Nominating Committee is charged with the responsibility of nominating members of experience, high standing, and active participation in the work of the Society to those offices specified in Article C4.1.8 of the Constitution. These nominees may be selected from proposals by various units or by individual members in the Society or from the Nominating Committee's own deliberations as it sees fit.

B4.2.2.1 Election to the Nominating Committee takes place at Business Meetings of the Society. At the second Business Meeting of the fiscal year, the President shall present the names of those recommended pursuant to By-Law B4.2.2.3, as applicable, for election to the Nominating Committee. In the event any vacancies occur following that meeting, the President may present the names of those recommended pursuant to By-Law B4.2.2.3, as applicable, for any Nominating Committee vacancies at the first Business Meeting of the new fiscal year. The voting members of the Nominating Committee shall be elected for two years and alternates for one year.

Elected voting members and alternates shall begin their terms at the close of the Business Meeting at which they are elected.

Terms of voting members and alternates will normally end at the close of the Nominating Committee Selection Meeting. However, if the work of a particular Nominating Committee is not finished by that time, terms of that committee will continue until the selection process for which that committee is responsible has been completed.

B4.2.2.2 The Nominating Committee shall consist of one voting member and an alternate selected by each unit of a sector that is led by a Vice President. At the option of a sector, as described in the sector's Operation Guide, one additional alternate may be named by the Sector. In the event that a sector has only one Vice President, that sector may have two voting members and two alternates and may name one additional alternate as determined by the sector Operation Guide. Approximately one-half of the voting members will have terms that expire annually. Nominations for open positions for voting members and alternates shall be made as provided in By-Law B4.2.2.3 and shall be voted upon at the Business Meetings as provided in By-Law B4.2.2.1.

Voting members and alternates shall be of the Member or Fellow grade and not currently serving in any elective office of the Society.
3 Each sector will develop its own procedures for generating proposals for the members and alternates of the Nominating Committee for which that sector has a responsibility, and those procedures shall be specified in the sector operation guide.

4 The Nominating Committee will be assisted by a non-voting group of Advisors consisting of three consenting and available past Presidents who have been out of office for one year or more. These Advisors, selected by the Nominating Committee, shall attend all meetings of the Nominating Committee and participate in all its discussions. At the option of the committee, they may also be present during the casting of votes for the slate of nominees. The functions of this group shall be:

- to acquaint the Nominating Committee of the short and long range Society plans;
- to make available their experience in, and their knowledge of the requirements for Society offices; and
- to answer questions regarding the capabilities of potential nominees in relation to the needs and objectives of the Society.

**B4.2.3.1** If a voting member is unable to serve, then an alternate will be identified by the unit from the sector pool of alternates. In the event that no alternates are available in a specific sector, the unit may select its member from another sector pool of alternates in accordance with the Nominating Committee Manual, MM-10.

**B4.2.3.2** A person who has been in office as voting member of the Nominating Committee for a term or portion of a term which includes more than one Nominating Committee Selection Meeting is eligible to be proposed for a later term as voting member or alternate only if the later term begins one year or more after the ending of the term in which the person served as a voting member.

**B4.2.4** No voting member or alternate shall be considered for nomination to any elective office (President, Governors and vice presidents) of the Society during a term of office on the Nominating Committee, whether or not it is served.

**B4.2.5** The names of those elected to serve on the Nominating Committee shall be published by the Executive Director prior to the end of each year, accompanied by a request for proposals for Officers of the Society to be sent to the Nominating Committee. Any changes to the
composition of the Nominating Committee shall be published as soon as possible.

B4.2.6 A vacancy in the Nominating Committee of the Society shall be filled as determined in accordance with B4.2.3.1 and B4.2.2.1.

B4.2.7 Each year, not later than December 1, the Nominating Committee shall submit any proposed changes to Manual MM-10 to the Committee on Organization and Rules for review and recommendation.

B4.2.8 A special nominating committee may be organized by one per cent of the corporate membership of the Society in good standing certifying to the Executive Director in writing their joint intention to organize such a committee.

B4.2.9 Within two weeks following the close of the second Business Meeting of the fiscal year, the Nominating Committee shall deliver to the Executive Director in writing the names of its nominees for the elective offices to be filled at the next election, together with the written consents of the nominees.

B4.2.10 The names of nominees for the various offices proposed by the Nominating Committee and any other special nominating committee shall be published by the Executive Director immediately after the receipt of the report of the Nominating Committee or the special nominating committee.

B4.2.11 Names of any nominees presented by any special nominating committee must be in the hands of the Executive Director by the first Tuesday in August of each year, and must be accompanied by the written consent of each nominee.

B4.2.12 Any member of the Society or any organized unit of the Society may propose and is encouraged to propose, directly to the Nominating Committee, nominees for President, vice president, or the Board of Governors.
B4.3 OFFICERS

B4.3.1 The Officers shall perform the duties regularly or customarily attached to their offices under the laws of the State of New York, and such other duties as may be required of them by the Board of Governors or the Constitution and By-Laws.

B4.3.2 The President shall be the chief elected Officer of the Society. He or she shall preside at all Business meetings of the Society and of the Board of Governors, and shall have such other powers and perform such other duties as the Board of Governors may from time to time prescribe.

If the President is unable to preside at any meeting of the Board of Governors, the immediate past President shall preside. If that is not possible, the Board shall elect one of its voting members to be Chair of the meeting.

If the President is unable to preside at any Business Meeting of the Society, the immediate past President shall preside. If that is not possible, then the next most-recent available past President shall preside.

The term of the President shall begin at the close of the second Business Meeting of the fiscal year at a time designated by the Board of Governors.

B4.3.3 Each vice president shall have such powers and perform such duties as the Board of Governors may from time to time prescribe.

B4.3.4.1 The Treasurer shall be the chief financial Officer of the Society, and shall have such powers and perform such duties as the Board of Governors may from time to time prescribe. The Treasurer shall supervise, review and audit the activities of the Assistant Treasurer in carrying out the assigned duties as generally are incident to the position of Assistant Treasurer or as may be otherwise assigned to him or her by the Treasurer or the Board of Governors. The Treasurer shall be a volunteer member of the Society.

B4.3.4.2 The Assistant Treasurer shall have charge of all funds and securities of the Society, shall endorse the same for deposit or collection when necessary and deposit the same to the credit of the Society in such banks or depositories as the Board of Governors may authorize. He or she may endorse all commercial documents requiring endorsements for or on behalf of the Society and may sign all receipts and vouchers for payments made to the Society. He or she shall have all such further powers and duties as generally are incident to the position of Assistant Treasurer or as may be assigned to him or her by the Treasurer or the Board of Governors. In the absence or inability to act
of the Treasurer, the Assistant Treasurer may perform all the duties and exercise all the powers of the Treasurer. The performance of any such duty shall, in respect of any other person dealing with the Society, be conclusive evidence of his or her power to act. The Assistant Treasurer shall be an employee of the Society.

B4.3.5 The Executive Director shall be the chief operating officer of the Society, an ex officio member of the Board of Governors without vote, and shall have such powers and perform such duties as the Board of Governors may from time to time prescribe.

B4.3.6.1 The Secretary shall have the responsibility for the records of the Society, and shall have such powers and perform such duties as the Board of Governors may from time to time prescribe. The Secretary shall supervise, review and audit the activities of the Assistant Secretary in carrying out the assigned duties as generally are incident to the position of Assistant Secretary or as may be otherwise assigned to him or her by the Secretary or the Board of Governors. The Secretary shall be a volunteer member of the Society.

B4.3.6.2 The Assistant Secretary shall have all such powers and duties as generally are incident to the position of Assistant Secretary or as may be assigned to him or her by the Secretary or by the Board of Governors. In the absence or inability to act of the Secretary, the Assistant Secretary may perform all the duties and exercise all the powers of the Secretary. The performance of any such duties shall, in respect of any other person dealing with the Society, be conclusive evidence of his or her power to act. The Assistant Secretary shall be an employee of the Society.

B4.3.7 The Executive Director shall receive a salary that shall be fixed by the Board of Governors.

B4.3.8 Among the Officers of the Society, there shall be the following vice presidents:

Vice President for Education
Vice President for Global Outreach
Vice President for Government Relations
Vice President for Students and Early Career
Vice President for Leadership and Diversity
Vice President for Career and Professional Advancement
Vice President for Public Awareness
Vice President for Conformity Assessment
Vice President for Nuclear Codes and Standards
Vice President for Pressure Technology Codes and Standards
Vice President for Safety Codes and Standards
Vice President for Standardization and Testing
Vice President for International Gas Turbine Institute
Vice President for International Petroleum Technology Institute
Vice President for Affinity Communities
Vice President for Financial Operations
Vice President for Global Communities
Vice President for Programs & Activities
Vice President for Technical Communities

Vice President for Government Relations

The term of each vice president shall be three years, beginning and ending at the second Business Meeting of the fiscal year. The terms of approximately one-third of the vice presidents shall end each year, according to a schedule approved by the Board of Governors.
B4.4 FUNDS

B4.4.1 All funds received shall be directed to the office of the Assistant Treasurer for proper recording and deposit in authorized bank accounts.

B4.4.2 All amounts due from members and others shall be collected by the office of the Assistant Treasurer.

B4.4.3 Funds may be solicited from sources outside of the Society for the conduct of research.

B4.4.4 No gifts or bequests to the Society shall be accepted until they have been approved by the Board of Governors. Upon receipt, such gifts shall be invested and either the capital and/or the income shall be used for the specific purpose for which the gift was designated.

B4.4.5 The Committee on Finance and Investment, under the direction of the Board of Governors, shall be responsible for the management of the securities of the Society.

B4.4.6 All payments for expenditures shall be made by the office of the Assistant Treasurer upon proper authorization, in accordance with the budget adopted by the Board of Governors.

B4.4.7 The Assistant Treasurer shall regularly report to the Committee on Finance and Investment the total expenditures incurred against each appropriation in the adopted budget. The Committee on Finance and Investment will report the financial position of the Society to the Board of Governors.

B4.4.8 Any contract or other obligation to pay money in the work of the Society shall be valid only when signed by the Executive Director, the Assistant Treasurer or, the Second Assistant Treasurer.

B4.4.9 The accounts of the Society shall be audited annually by a certified public accountant appointed by the Board of Governors and ratified by the corporate membership.

B4.4.10 No part of net earnings of the organization shall inure to the benefit of any member, trustee, director, officer of the organization, or any private individual (except that reasonable compensation may be paid for the services rendered to or for the organization), and no member, trustee, officer of the organization or any private individual shall be entitled to share in the distribution of any of the organization’s assets on dissolution of the organization.
B4.4.11 In the event of dissolution, all of the remaining assets and property of the organization shall, after payment of necessary expenses thereof, be distributed to such organizations as shall qualify under section 501(c) 3 of the Internal Revenue Code of 1986.
B5.1 SECTORS, BOARDS/COUNCILS, AND COMMITTEES

B5.1.1 Each sector will be led by a sector board or council.

B5.1.2 Subject to the approval of the Board of Governors, each sector shall have the power to establish its boards and committees.

B5.1.3 Each board or committee, as described in the By-Laws, shall perform the duties prescribed therein, and those assigned to it by the sector to which it reports.

B5.1.4 The primary role of volunteer members of boards and committees will be to determine policies, develop programs, conduct studies, prepare reports, and advise the sector to which that board or committee reports on matters pertaining to specific assignments.

B5.1.5 The primary role of staff assigned to boards and committees is to implement actions that are required to meet the objectives of the board or committee on a continuing basis. Working under broad lines of policy established by the board or committee, the staff will initiate programs, actively engage in the work, and make operating decisions necessary to carry forward the programs in a dynamic and efficient manner.

B5.1.6 A sector may terminate membership, other than ex officio membership, on any board or committee because of continued absence of the member.

B5.1.6.1 The Board of Governors shall appoint all members of the sector board or council except the elected vice presidents and members ex officio.

B5.1.6.2 Each sector board or council shall approve all appointments to boards and committees which report directly to that sector board or council.

B5.1.6.3 Any sector board or council or board may have standing or special committees to assist in the conduct of its affairs.

B5.1.6.4 Any sector board or council, board, or committee may have non-voting advisory members.

B5.1.6.5 Any committee may appoint subcommittees. To serve on a subcommittee it is not necessary to be a member of the parent committee.

B5.1.7 A member of a board or committee whose term of office has expired shall continue to serve until a successor has been elected or appointed unless the board or committee has been terminated.
B5.1.8 Prior to the end of each fiscal year, each sector and each committee reporting to the Board of Governors shall submit to the Executive Director, for delivery to the Board of Governors a written report of its work.
B5.2 SECTORS AND COMMITTEES REPORTING TO THE BOARD OF GOVERNORS

B5.2.1 The sectors reporting to the Board of Governors shall be the Centers Sector, the Standards and Certification Sector, the Institutes Sector, the Knowledge and Community Sector and the Strategic Management Sector Public Affairs and Outreach Sector.

Each sector shall be led by a council, sector board or sector operating board. The Council, Sector Board, or Sector Operating Board of each sector shall consist of such voting members as specified in the sector By-Laws. Individuals, as may be required or designated pursuant to any statute, regulation, or court order or consent decree may also be voting or non-voting members of a sector Council, Sector Board or Sector Operating Board. A member of the senior staff of the sector, if any, may be a voting member of the sector Council, Sector Board or Sector operating Board. The sector Council, Sector Board or Sector Operating Board may designate both volunteer and staff non-voting members.

The duties and responsibilities of the sectors shall be as designated from time to time by the Board of Governors. Each sector shall maintain its own operation guide as prescribed by Society Policy. Each sector shall be chaired by a senior vice president who shall serve a term of three years. Additional service as the same senior vice president may occur after an interruption of one or more years or following a partial term. Senior vice presidents shall attend meetings of the Board of Governors without vote.

B5.2.2 The following Standing Committees shall report to the BOG and shall be appointed by the Board of Governors or the President as determined in the By-Laws: Committee on Organization and Rules, Committee on Finance and Investment, Committee on Executive Director Evaluation and Staff Compensation, Committee on Governance, Committee on Honors, and the Committee of Past Presidents. Each Standing Committee shall maintain its own operation guide as prescribed by Society Policy.

B5.2.7.1 The Committee on Governance (COG) under the direction of the Board of Governors, shall have the responsibility to identify and recommend appropriate training and orientation for members of the Board of Governors and to evaluate and recommend Board structures and processes that will encourage efficient and effective Board operation, governance, and decision-making practices.

B.5.2.7.2 The COG membership will consist of the Immediate Past President and three governors appointed by the President, one from each governor term. The Senior Governor will serve as the Chair.
B5.2.3.1 The Committee on Organization and Rules, under the direction of the Board of Governors, shall ensure that the Society is organized and supplied with qualified leadership to serve the current and anticipated future needs of the membership, and shall re-examine regularly the Constitution, By-Laws and Policies of the Society.

B5.2.3.2 The Committee on Organization and Rules shall consist of a Chair, a Vice Chair and a membership as determined by the Board of
The Committee on Finance and Investment, under the direction of the Board of Governors, shall supervise the financial and investment affairs of the Society, and shall support the Board and its committees by conducting an annual review of the Society's budgets.

The Committee on Finance and Investment shall consist of a Chair, a Vice Chair and a membership as determined by the Board of Governors.

The Treasurer shall be an ex officio member of the Committee with vote and a representative from the ASME Foundation shall be an ex officio member with vote only on items pertaining to investments. The Assistant Treasurer shall be an ex officio member of the Committee without vote.

The Audit Committee shall consist of: the Chair of the Committee on Finance and Investment; one additional member of the Committee on Finance and Investment, a Governor appointed by the President, the President nominee/elect and the Treasurer. The Executive Director and the Assistant Treasurer shall be ex officio members of the Committee without vote.

At the close of each fiscal year, the Audit Committee shall review with the external auditor the audited financial statements.

The Committee on Executive Director Evaluation and Staff Compensation, under the direction of the Board of Governors, has specific responsibility for making recommendations to the Board regarding the Executive Director's performance planning and evaluation and for making recommendations to the Board regarding the Executive Director's compensation, including salary and bonus recommendations.

The Committee shall also have the responsibility to advise the Board of Governors on activities of the Society's staff regarding: staff compensation, including bonus programs; volunteer evaluations of staff; staff planning and organization; staff training and development; staff and retiree benefit programs, including pension plans. The committee will also be responsible for staff related Society Policies P-7.1, (Recognition of Staff Members - 5 Years or More of Service) and P-7.2, (Staff Employment Guidelines).

In addition, the Committee has oversight responsibilities for the Pension Plan Trustees.
B5.2.5.2 The Committee shall consist of the President, the President-nominee/elect, the Immediate Past President, three current Board members at-large (serving staggered terms on the Board), and one member-at-large (who served on the Board of Governors or as a Past President of ASME). The President-nominee/elect and Immediate Past President are ex-officio members of the committee with vote. The President is an ex-officio member of the Committee, without vote. The Immediate Past-President shall be the Chair. Although the ASME Treasurer, the Executive Director and the Managing Director, Human Resources, are not members of the Committee, they will be available to the Committee for consultation as needed.

The term of each of the current Board members at-large expires when his/her Board term expires. The term of the at-large member is for one year, based on an appointment by the President, is not eligible for reappointment and ends at the close of the second society-wide meeting, on a schedule established by the Committee on Executive Director Evaluation and Staff Compensation.

B5.2.6.1 The Pension Plan Trustees, under the direction of the Committee on Executive Director Evaluation and Staff Compensation, shall have responsibility, as specified in the American Society of Mechanical Engineers Pension Plan, for the investment and ultimate distribution of the funds and may also act as Plan agent for the service of legal process.

The Pension Plan Trustees shall consist of five members: the Treasurer of ASME; the Assistant Treasurer, and three at-large members recommended by the Committee on Executive Director Evaluation and Staff Compensation for appointment by the Board of Governors.

The terms of the at-large members shall be three years ending at the close of the second Society-Wide Meeting on a schedule established by the Committee on Executive Director Evaluation and Staff Compensation. Members-at-large may serve no more than two consecutive full terms.

B5.2.7.1 The Committee on Governance (COG) under the direction of the Board of Governors, shall have the responsibility to identify and recommend appropriate training and orientation for members of the Board of Governors and to evaluate and recommend Board structures and processes that will encourage efficient and effective Board operation, governance, and decision-making practices.

B5.2.7.2 The COG membership will consist of the Immediate Past President and three governors appointed by the President, one from each governor term. The Senior Governor will serve as the Chair.

B5.2.8.1 The Committee on Honors, under the direction of the Board of Governors, shall recommend properly selected candidates for honors, medals, Honorary Members, and awards, and as required shall recommend recipients of
joint awards, all subject to approval by the Board of Governors. However, the Board may delegate to the Committee on Honors the power to approve candidates for any honor, medal or award other than Honorary Member or ASME Medalist. The Committee on Honors shall consist of a Chair and Vice Chair and a membership as determined by the Board of Governors. The Chair of the General Awards Committee shall be an ex officio member with vote.

**B5.2.8.2** The General Awards Committee, under the direction of the Committee on Honors, shall seek candidates for all honors and awards except Honorary Members, the ASME Medal, and division awards, and shall screen nominations and make recommendations to the Committee on Honors.

The General Awards Committee shall consist of a Chair, a Vice Chair and a membership as determined by the Committee on Honors.

**B5.2.9.1** Other Society award committees, including special award committees, shall in accordance with the policies and procedures administered by the Committee on Honors, seek nominees for honors in their several areas of interest, shall screen nominations, and make recommendations to the Committee on Honors.

**B5.2.9.2** The Committee of Past Presidents, under the direction of the Board of Governors, shall elect Fellows, **oversee the ethical practice of engineering**, and provide guidance on matters where its experience may be useful, upon request by the President, Board of Governors, and other units of the Society.

The Committee shall consist of all living Past Presidents. The Officers of the Committee shall be the Chair, the Vice Chair, and the Secretary.
B5.3 CENTERS PUBLIC AFFAIRS AND OUTREACH SECTOR

B5.3.1.1 The Centers Sector Public Affairs and Outreach Sector, under the direction of the Board of Governors, is responsible for the activities of the Society relating to ASME's obligation to support the growth, vitality and diversity of mechanical and multi-disciplinary engineering, to cultivate future leaders, and to celebrate the contribution of engineers to the well-being of humankind. The coordinated outreach to industry, government, education, and the public as well as initiatives that address diversity and humanitarian programs. The Centers Sector Public Affairs and Outreach Sector will maintain a current Sector Operation Guide that will contain operational details of the Centers Sector Public Affairs and Outreach Sector that are not in these By-Laws.

B5.3.1.2 The Centers Sector Public Affairs and Outreach Sector shall be led by a Sector Board Council that consists of the following voting membership: a Senior Vice President as Chair; one two members-at-large; the Vice Presidents for the following Boards: Education; Global Outreach; Government Relations; and Students and Early Career Leadership and Diversity; Career and Professional Advancement; Public Awareness and the Chairs of the following: Industry Advisory Board; Innovation Committee; Strategic Issues Committee; Diversity Strategy Committee. The non-voting membership of the Sector Board shall consist of the lead staff support for the four Centers as stated in B5.3.2.1. The Associate Executive Director, Strategy and Outreach, is a non-voting member.

B5.3.1.3 The incoming Senior Vice President, Centers Public Affairs and Outreach, shall be nominated by the Centers Sector Board Public Affairs and Outreach Council from among its past or present Vice Presidents and members-at-large volunteer members for appointment by the Board of Governors for a term of three years. In the event that a past or present Vice President or member-at-large volunteer member is not available from the Public Affairs and Outreach Council, then the Board shall defer to the Board of Governors for the selection. Vice Presidents who have been elected to a term that extends more than one year into a new term of the Senior Vice President of Public Affairs and Outreach the Centers are not eligible to become the Senior Vice President.

B5.3.1.4 The members-at-large shall be appointed by the Board of Governors, as recommended by the Public Affairs and Outreach Council, Centers Sector Board. The term of the members-at-large shall be one three years.

B5.3.2.1 The following Centers Boards will report directly to the Centers Sector Board: Public Affairs and Outreach Council; Center for Education; Center for Leadership and Diversity; Center for Career and Professional Advancement; and Center for Public Awareness. Board on Global Outreach; Board on Government Relations; Industry
Advisory Board; and the Board on Students and Early Career.

B5.3.2.2 The Center for Board on Education, under the direction of the Centers Sector Board Public Affairs and Outreach Council, is responsible for the activities of the Society that relate to engineering education and pre-college education. The Center Board shall consist of a Vice President, Education as Chair and a membership as determined by the Public Affairs and Outreach Council, Centers Sector Board.
B5.3.2.3 The Center for Leadership and Diversity, under the direction of the Centers Sector Board, shall promote diversity and inclusion throughout the Society and is responsible for the Society's activities that relate to leadership development. The Center shall consist of the Vice President, Leadership and Diversity as Chair, and a membership to be determined by the Centers Sector Board.

B5.3.2.4 The Center for Career and Professional Advancement under the direction of the Centers Sector Board, is responsible for the activities of the Society that relate to the professional development of engineers and engineering students, the advancement of professional practice and the ethical practice of engineering. The Center shall consist of a Vice President, Career and Professional Advancement as Chair and a membership as determined by the Centers Sector Board.

B5.3.2.5 The Center for Public Awareness, under the direction of the Centers Sector Board, is responsible for the activities of the Society that relate to public awareness of engineering and humanitarian programs. The Center Board shall consist of a Vice President, Public Awareness—Global Outreach as Chair and a membership as determined by the Public Affairs and Outreach Council.

B5.3.2.6 The Board on Government Relations, under the direction of the Public Affairs and Outreach Council, is responsible for the development of programs for interaction between the Society and government at all levels. The Board shall consist of a Vice President, Government Relations as Chair and a membership as determined by the Public Affairs and Outreach Council. The Board on Government Relations shall recommend policies and procedures, and supervise activities that involve Society interaction with government entities.

B5.3.2.5 The Board on Students and Early Career, under the direction of the Public Affairs and Outreach Council, is responsible for development of programs that relate to students and early career engineers. The Board shall consist of a Vice President, Students and Early Career as Chair and a membership as determined by the Public Affairs and Outreach Council.

B5.3.2.6 The Industry Advisory Board, under the direction of the Public Affairs and Outreach council, is responsible for providing a voice for industry within ASME through the communication and advocacy of industry needs. The Industry Advisory Board shall consist of a Chair and Vice Chair, appointed by the Senior Vice President of the Public Affairs and Outreach Council.

B5.3.2.7 The following committees shall report directly to the Public Affairs and
Outreach Council: Innovation Committee; Strategic Issues Committee and Diversity Strategy Committee.

B5.3.2.7.18 The Innovation Committee, under the direction of the Public Affairs and Outreach Council, shall provide insight through internal and external sources for innovations that further ASME strategic objectives. The Committee will consist of a Chair, appointed by the Senior Vice President, Public Affairs and Outreach and a membership as determined by the Public Affairs and Outreach Council.

B5.3.2.7.29 The Strategic Issues Committee, under the direction of the Public Affairs and Outreach Council, shall provide internal and external sources to support environmental scanning, competitive intelligence and best practices, and keep the Society informed on strategic issues, opportunities, trends and initiatives. The committee shall consist of a Chair, appointed by Senior Vice President, Public Affairs and Outreach and a membership, as determined by the Public Affairs and Outreach Council.

B5.3.2.7.340 The Diversity Strategy Committee, under the direction of the Public Affairs and Outreach Council, shall provide insight and advice into promoting diversity within ASME and mechanical engineering. The Committee will consist of a chair, appointed by the Senior Vice President, Public Affairs and Outreach and a membership, as determined by the Public Affairs and Outreach Council.
B5.4 STANDARDS AND CERTIFICATION SECTOR

B5.4.1.1 The Standards and Certification Sector, under the direction of the Board of Governors, is responsible for the activities of the Society relating to codes and standards, including related conformity assessment programs. The Standards and Certification Sector will maintain a current Sector Operation Guide that will contain operational details of the Standards and Certification Sector that are not in these By-Laws.

B5.4.1.2 The Standards and Certification Sector shall be led by a Council that consists of the following voting membership: a Senior Vice President as Chair; two Vice Chairs; no more than twelve members-at-large; the Vice Presidents for the following Boards: Standardization and Testing, Nuclear Codes and Standards, Pressure Technology Codes and Standards, Safety Codes and Standards, and Conformity Assessment; one representative each (preferably the Chair) from the Board on Hearings and Appeals and the Board on New Development. The nonvoting membership of the Council shall consist of the Associate Executive Director and the Managing Directors, Standards and Certification.

B5.4.1.3 The incoming Senior Vice President of Standards and Certification shall be nominated by the Standards and Certification Council from among its past or present Vice Presidents and members-at-large for appointment by the Board of Governors for a term of three years. In the event that a past or present Vice President or member-at-large is not available from the Standards and Certification Council, then the Council shall defer to the Board of Governors for the Senior Vice President selection. Vice Presidents who have been elected to a term that extends more than one year into a new term of the Senior Vice President of Standards and Certification are not eligible to become the Senior Vice President.

B5.4.1.4 The twelve members-at-large and the Vice Chairs shall be appointed by the Board of Governors, as recommended by the Standards and Certification Council. The term of each member-at-large and Vice Chair shall be three years, with the terms of one-third of the members-at-large ending at the close of the second Business Meeting of the fiscal year. The representatives (preferably the Chair) from the Board on Hearings and Appeals and the Board on New Development shall be appointed by the Board of Governors, acting upon a recommendation from the Standards and Certification Council. The term of each representative shall be three years, ending at the close of the second Business Meeting of the fiscal year.
B5.4.2.1 The following Boards will report directly to the Standards and Certification Council: Board on Standardization and Testing, Board on Nuclear Codes and Standards, Board on Pressure Technology Codes and Standards, Board on Safety Codes and Standards, Board on Conformity Assessment, Board on New Development, Energy and Environmental Standards Advisory Board, Board on Codes and Standards Operations, Board on Strategic Initiatives, and the Board on Hearings and Appeals.

B5.4.2.2 The Boards on Standardization and Testing; Nuclear Codes and Standards; Pressure Technology Codes and Standards; Safety Codes and Standards; New Development and Conformity Assessment shall supervise the development of codes and standards within their respective charters, including the development of conformity assessment criteria for applicable codes and standards. The Board on Conformity Assessment shall also supervise the administration of conformity assessment programs. The Energy and Environmental Standards Advisory Board shall coordinate initiation of new Standards and Certification products and services addressing global energy and environmental needs. The Board on Codes and Standards Operations shall approve on behalf of the Council, matters of procedures and personnel, and shall advise the Council on operational matters, including honors, information services, legal considerations, continuous improvement, and planning. The Board on Strategic Initiatives shall advise the Council on trends, implications, strategic issues and planning. The Board on Hearings and Appeals shall be a forum for appeals resulting from grievances related to procedural due process in codes, standards, accreditation, registration, and certification activities.

B5.4.2.3 The Boards on Standardization and Testing; Nuclear Codes and Standards; Pressure Technology Codes and Standards; Safety Codes and Standards; and Conformity Assessment shall each consist of a Vice President as Chair; one or more Vice Chairs, and a membership, as determined by the Standards and Certification Council. The Board on New Development and the Energy and Environmental Standards Advisory Board shall each consist of a Chair, a Vice Chair, and a membership, as determined by the Standards and Certification Council. The Board on Codes and Standards Operations shall consist of the Vice Chair, Operations of the Standards and Certification Council as Chair, the Chair of the Board on Hearings and Appeals as Vice Chair, and a membership, as determined by the Standards and Certification Council. The Board on Strategic Initiatives shall consist of the Vice Chair, Strategic Initiatives of the Standards and Certification Council as Chair, a Vice Chair, and a membership, as determined by the Standards and Certification Council. The Board on Hearings and Appeals shall consist of a Chair, and a
membership, as determined by the Standards and Certification Council.

B5.4.2.4 The Board on New Development shall report directly to the Standards and Certification Council and shall evaluate potential new opportunities, products and services, and make recommendations to the Standards and Certification Council.
B5.5 INSTITUTES SECTOR

B5.5.1.1 The Institutes Sector, under the direction of the Board of Governors, is responsible for the activities of the Society relating to ASME Institutes and ASME business and unit incubation activities. The Institutes Sector will maintain a current Sector Operation Guide that will contain operational details of the Institutes Sector that are not in these By-Laws.

B5.5.1.2 The Institutes Sector shall be led by a Sector Board that consists of the following voting membership: a Senior Vice President as Chair; the Vice Presidents and the Board Chairs for the following Institutes: International Gas Turbine Institute (IGTI) and International Petroleum Technology Institute (IPTI), and the Managing Director of Institutes. The non-voting membership of the Sector Board shall consist of the Board Vice Chairs for IGIT and IPTI and the most senior ASME staff from each Institute.

B5.5.1.3 The incoming Senior Vice President of Institutes shall be nominated by the Institutes Sector Board from among its past or present Vice Presidents for appointment by the Board of Governors for a term of three years. In the event that a past or present Vice President is not available from the Institutes Sector Board, then the Sector Board shall defer to the Board of Governors for the Senior Vice President selection. Vice Presidents who have been elected to a term that extends more than one year into a new term of the Senior Vice President of the Institutes are not eligible to become the Senior Vice President.

B5.5.2.1 The following Institutes will report directly to the Institutes Sector Board: IGTI and IPTI. Each of these Institutes will adopt its own operation guide, for the conduct of its affairs, which must be in harmony with the Constitution and By-Laws and Society Policies of ASME. An up-to-date copy of each Institute's operation guides shall be filed with the Managing Director, Institutes.

B5.5.2.2 IGTI is responsible for the gas turbine related activities of the Society and shall be governed by a Board.
B5.5.2.3 IPTI is responsible for the oil, gas and petroleum related activities of the Society and shall be governed by a Board.
B5.6 KNOWLEDGE AND COMMUNITY SECTOR

B5.6.1.1 The Knowledge and Community Sector, under the direction of the Board of Governors, is responsible for the activities of the Society relating to engineering communities in the promotion of the art, science, and practice of multidisciplinary engineering and allied sciences by providing member-focused products, services, technical knowledge, and networking opportunities. The Knowledge and Community Sector will maintain a current Sector Operation Guide that will contain operational details of the Knowledge and Community Sector that are not in these By-Laws.

B5.6.1.2 The Knowledge and Community Sector shall be led by a Sector Operating Board that consists of the following voting membership: a Senior Vice President as Chair; the Vice Presidents for the following Boards: Technical Communities, Global Communities, Affinity Communities, Financial Operations, and Programs and Activities, and the Chairs from the Committee on Information and Communication and the Committee on Representation and Governance. The non-voting membership of the Sector Operating Board shall include the Managing Director. The Sector Operating Board may appoint additional non-voting members.

B5.6.1.3 The incoming Senior Vice President of Knowledge and Community Sector shall be nominated by the Knowledge and Community Sector Operating Board from among past or present Vice Presidents for appointment by the Board of Governors for a term of three years. In the event that a past or present Vice President is not available, then the sector operating Board shall defer to the Board of Governors for the Senior Vice President selection. Vice Presidents who have been elected to a term that extends more than one year into a new term of the Senior Vice President of Knowledge and Community Sector are not eligible to become the Senior Vice President.

B5.6.2.1 The following Boards will report directly to the Knowledge and Community Sector Operating Board; Board on Technical Communities, Board on Global Communities, Board on Affinity Communities, Board on Financial Operations, and Board on Programs and Activities.
B5.6.2.2 The Board on Technical Communities shall guide the technically oriented activities of the Knowledge and Community Sector.

The Board shall consist of the Vice President for Technical Communities and a membership to be determined by the Knowledge and Community Sector operating Board.

B5.6.2.3 The Board on Global Communities shall guide the geographic activities of the Knowledge and Community Sector.

The Board shall consist of the Vice President for Global Communities and a membership to be determined by the Knowledge and Community Sector Operating Board.

B5.6.2.4 The Board on Affinity Communities shall guide the affinity and emerging activities of the Knowledge and Community Sector.

The Board shall consist of the Vice President for Affinity Communities and a membership to be determined by the Knowledge and Community Sector Operating Board.

B5.6.2.5 The Board on Financial Operations shall prepare and monitor strategic goals, business plans, and budget activities of the Knowledge and Community Sector.

The Board shall consist of the Vice President for Financial Operations and a membership to be determined by the Knowledge and Community Sector Operating Board.

B5.6.2.6 The Board on Programs and Activities shall: promote the development and establishment of programs; develop business methods and goals; and serve as a resource to operating units and to promote collaboration between operating units' activities of the Knowledge and Community Sector.

The Board shall consist of the Vice President for Programs and Activities and a membership to be determined by the Knowledge and Community Sector Operating Board.

B5.6.2.7 The following committees shall report directly to the Knowledge and Community Sector Operating Board: Committee on Information and Communication and the Committee on Representation and Governance.
B5.6.2.8  The Committee on Information and Communication, under the direction of the Knowledge and Community Sector operating Board, shall be responsible for the flow of information, publicity and communication for the Knowledge and Community Sector; and Knowledge and Community Sector appointments to other Society units and external organizations.

The Committee will consist of a Chair, nominated by the Knowledge and Community Sector Senior Vice President and confirmed by the Board of Governors, and a membership as determined by the Knowledge and Community Sector Operating Board.

B5.6.2.9  The Committee on Representation and Governance, under the direction of the Knowledge and Community Sector Operating Board, shall facilitate the identification, recruitment, development and training of current and future Knowledge and Community leaders; maintain a current Operation Guide for the Knowledge and Community Sector; facilitate Knowledge and Community Sector unit recognitions and honors; and facilitate the governance related activities of the Knowledge and Community Sector.

The Committee will consist of a Chair, nominated by the Knowledge and Community Sector Senior Vice President and confirmed by the Board of Governors, and a membership as determined by the Knowledge and Community Sector Operating Board.
B5.7 STRATEGIC MANAGEMENT SECTOR

B5.7 PLACEHOLDER FOR NEW SECTOR

B5.7.1.1 The Strategic Management Sector, under the direction of the Board of Governors, is responsible for the activities of the Society relating to identification, capture and transfer of knowledge that will support ASME’s strategic planning and the development of Society-wide initiatives to address ASME’s strategic priorities. The Strategic Management Sector will maintain a current Sector Operation Guide that will contain operational details of the Strategic Management Sector that are not in these By-Laws.

B5.7.1.2 The Strategic Management Sector shall be led by a Council that consists of the following voting membership: Senior Vice President as Chair; Vice President, Government Relations; Chair, Industry Advisory Board; Chair, Innovation Committee; Chair, Strategic Issues Committee; and two Members-at-Large. The Members-at-Large shall serve one-year terms, and may be re-appointed for up to three terms. The non-voting membership of the Council shall consist of the Associate Executive Director, Strategy and Outreach; Managing Director, Innovation; Director, Strategic Issues and Special Projects; and Director, Government Relations.

B5.7.1.3 The incoming Senior Vice President, Strategic Management shall be nominated by the Strategic Management Council from among its present or past volunteer members for appointment by the Board of Governors for a term of three years. In the event that a past or present volunteer member is not available from the Council, then the Board shall defer to the Board of Governors for the selection. A Vice President who has been elected to a term that extends more than one year into a new term of the Senior Vice President, Strategic Management is not eligible to become the Senior Vice President.

B5.7.2.1 The following boards will report directly to the Strategic Management Council: Board on Government Relations; and Industry Advisory Board.

B5.7.2.2 The Board on Government Relations, under the direction of the Strategic Management Council, is responsible for development of programs for interaction between the Society and government at all levels. The Board on Government Relations shall recommend policies and procedures, and supervise activities that involve Society interaction with government entities.
The Board shall consist of the Vice President for Government Relations and a membership to be determined by the Strategic Management Council.

B5.7.2.3 The Industry Advisory Board, under the direction of the Strategic Management Council, is responsible for providing a voice for industry within ASME through the communication and advocacy of industry needs.

The Industry Advisory Board will consist of a Chair and Vice Chair, appointed by the Senior Vice President, Strategic Management and a membership, as determined by the Strategic Management Council.

B5.7.2.4 The following committees shall report directly to the Strategic Management Council: Strategic Initiatives and Innovation Committee; and Strategic Issues Committee.

B5.7.2.5 The Innovation Committee, under the direction of the Strategic Management Council, shall provide insight through internal and external sources for breakthrough innovations that further ASME strategic objectives.

The Committee will consist of a Chair, appointed by the Senior Vice President, Strategic Management and a membership, as determined by the Strategic Management Council.

B5.7.2.6 The Strategic Issues Committee, under the direction of the Strategic Management Council, shall provide insight through internal and external sources to support environmental scanning, competitive intelligence and best practices, and keep the Society informed on strategic issues, opportunities, trends and initiatives.

The Committee will consist of a Chair, appointed by the Senior Vice President, Strategic Management and a membership, as determined by the Strategic Management Council.
B5.8 SOCIETY REPRESENTATION

B5.8.1 The Board of Governors or a council, sector board or sector operating board may appoint a member or members of the Society to represent it at meetings of societies of kindred aim or at public functions. If time does not permit action by the Board of Governors or by a council, sector board, or sector operating board, such appointment may be made by the President or by the chair of a sector.

B5.8.2 The Board of Governors may appoint a member or members of the Society to represent the Society on committees organized by other societies, Government departments, or other groups.

B5.8.3 The Board of Governors may appoint such a number of members of the Society to represent the Society on Boards of award of any joint activity recognized by the Board of Governors, as may be required by the by-laws of those activities.

B5.8.4 Officers of the Society are authorized to represent the Society and the Board of Governors to outside parties in announcing and communicating board-stated policy, positions and endorsements, and in announcing decisions and interpretations within any area(s) delegated to them by the Board.

B.5.8.5 No officer or other member of the Society acting under B5.8.1 through B5.8.4 shall espouse, support or endorse any position on behalf of the Society, or otherwise bind the Society in any manner, except (a) in accordance with Society Policies; or (b) to the extent previously approved by the Board of Governors.
B6.1 MEETINGS OF THE SOCIETY

B6.1.1 All meetings of the Society primarily for the presentation and discussion of technical papers shall be under the direction of the Council, Sector Board or Sector Operating Board of one or more of the sectors as appropriate.

B6.1.2 A notice of each Business Meeting, shall be given by the Executive Director to each member either by written communication or other announcement. If such notice is given personally or by first class mail it shall be given not less than 10 nor more than 50 days before the date of the meeting. If the notice is mailed by any other class of mail it shall be given not less than 30 nor more than 60 days before such date.

B6.1.3 The first Business Meeting of each fiscal year shall be the legal annual meeting of the Society for the purpose of the election of officers at which time all corporate members shall have the opportunity to vote in person or by proxy for nominees proposed by the Nominating Committee or for nominees proposed by any duly constituted special nominating committee.
B6.2 VOTING AT OR BY PROXY AT THE FIRST BUSINESS MEETING OF THE FISCAL YEAR

B6.2.1 At least 60 days prior to the first Business Meeting of the fiscal year, the Executive Director shall mail a proxy to each corporate member. This proxy shall solicit the authorization by such member for the three most recent available past Presidents or any one of them to exercise the vote of the corporate member for the election of Officers and for any other business that is presented to the first Business Meeting of the fiscal year or any adjournment thereof. A list of the nominees proposed by the Nominating Committee and any special nominating committee shall be a part of the proxy mailing.

B6.2.2 If any special nominating committee (as defined in B4.2.8) has been organized and has presented a list of nominees to the Executive Director, the Executive Director shall include in the mailing to each member entitled to vote a proxy listing the nominees proposed by the Nominating Committee and the nominees proposed by such special nominating committee. Biographical and other material included with the proxy shall give equal exposure to all nominees.

B6.2.3 On or before the first day of October each year, the President shall appoint a Committee of Inspectors of Proxies and Ballots, whose duty shall be to supervise the examination, validation, and counting of proxies and to report at the first Business Meeting of the fiscal year as to the number of members represented there by proxy.

The Committee shall consist of a corporate member, and either the Assistant Treasurer or the Assistant Secretary and shall include a member or representative of any special nominating committee whose slate has been distributed. The Committee shall supervise the counting of the ballots at the first Business Meeting of the fiscal year.

B6.2.4 At the first Business Meeting of the fiscal year the Committee of Inspectors of Proxies and Ballots shall report on the number of proxies thereon returned by corporate members to the Society headquarters. Following the report of the Committee of Inspectors of Proxies and Ballots, the Presiding Officer shall conduct an election for Officers of the Society. Corporate members present who have not executed proxies will vote in person. Corporate members who have executed proxies but have withdrawn the proxies prior to the tabulation presented by the Committee of Inspectors of Proxies and Ballots, may also vote in person. Corporate members holding valid proxies will cast proxy ballots. When the results of the election are known, the
Presiding Officer will announce the results of the election to the Business Meeting.

B6.2.5 The terms of office of those elected at the first Business Meeting of the fiscal year shall begin at the second Business Meeting of the fiscal year at a specific time designated each year by the Board of Governors.
B6.3 VOTING AT OR BY PROXY AT THE SECOND BUSINESS MEETING OR A SPECIAL BUSINESS MEETING

B6.3.1 Corporate members of the Society may vote at the second Business Meeting of the fiscal year or at any special Business Meeting either in person or by means of a properly executed proxy.
B7.1 PUBLICATIONS AND PAPERS

B7.1.1 The Publications Directorate is responsible for publications of the Society, except that the Standards and Certification Sector shall be in charge of codes and standards.

B7.1.2 The publications of the Society shall consist of:

a. The TRANSACTIONS OF THE ASME;
b. MECHANICAL ENGINEERING; and
c. Such other publications as may be authorized by the sector within the limitations of the budget.

B7.1.3 The Society shall not be responsible for statements or opinions advanced in papers or in discussion at meetings of the Society or of its technical divisions or sections, or printed in its publications.

B7.1.4 No substantial part of the activities of the organization shall be carrying on propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Internal Revenue Code (IRC) 501(h)), and does not participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidates for public office.

B7.1.5 The Society reserves the right to copyright any of its papers, discussions, reports, or publications.
B8.1 AMENDMENTS

B8.1.1 Fourteen days or more before the closing of a ballot on an amendment to the Constitution, the President shall appoint three tellers, whose duty shall be to canvass the votes cast.

B8.1.2 The tellers shall canvass the ballots and shall certify the result to the Presiding Officer at the next Business Meeting of the Society.

B8.1.3 The terms of office of the tellers shall expire when their report of the canvass has been presented and accepted.

B8.1.4 Amendments to the By-Laws or new By-Laws for adoption shall be submitted in writing for approval in preliminary form at any meeting of the Board of Governors. At a subsequent meeting, the Board of Governors may, by an affirmative vote of seven members, adopt or amend By-Laws which have previously been accepted and approved in preliminary form at the First Reading. A new By-Law or an amendment to a By-Law shall take effect immediately upon its adoption by the Board of Governors.

B8.1.5 At any meeting, by a majority vote of its members present, the Board of Governors may adopt, revise, or delete Society Policies in harmony with the Constitution and By-Laws. Any Society Policy or revision shall take effect immediately upon its adoption by the Board of Governors. Society Policies adopted by the Board of Governors shall be available by request for reading by any member of the Society.
Date Submitted: May 13, 2011
BOG Meeting Date: June 12, 2011

To: Board of Governors
From: COR
Presented by: Warren Leonard
Agenda Title: Proposed Revisions to B6.2

Agenda Item Executive Summary:

A proposal to revise the By-Laws regarding voting at or by proxy at the First Business Meeting of the Fiscal Year would reflect the actual practice that has been in place for a number of years and clarify how the Committee of Inspector of the Proxies and Ballots conducts the validation process.

A companion Society Policy, P-1.3, Election of Society Officers, would also need to be revised, pending approval by the BOG of this proposed revision to By-Laws B6.2.

Proposed motion for BOG Action:

Recommend approval of the proposed revisions to B6.2 as presented.

Attachments:

Yes
ASME Committee on Organization and Rules
Agenda Item
Cover Memo

Date Submitted: May 9, 2011
COR Meeting Date: May 13, 2011

Presented by: Warren Leonard
Agenda Title: Proposed Revisions to B6.2 – Elections and Proxies

Agenda Item Executive Summary:

A proposal to revise the By-Laws regarding voting at or by proxy at the First Business Meeting of the Fiscal Year would reflect the actual practice that has been in place for a number of years and clarify how the Committee of Inspectors of the Proxies and Ballots conducts the validation process.

A companion Society Policy, P-1.3, Election of Society Officers, would also need to be revised, pending approval by the BOG of this proposed revision to By-Laws B6.2.

Proposed motion for COR Action:

Recommend approval of the proposed revisions to B6.2 as presented.

Attachments:
B6.2 VOTING AT OR BY PROXY AT THE FIRST BUSINESS MEETING OF THE FISCAL YEAR

B6.2.1 At least 60 days prior to the first Business Meeting of the fiscal year, the Executive Director shall mail a proxy to each corporate member. This proxy shall solicit the authorization by such member for the three most recent available past Presidents or any one of them to exercise the vote of the corporate member for the election of Officers and for any other business that is presented to the first Business Meeting of the fiscal year or any adjournment thereof. A list of the nominees proposed by the Nominating Committee and any special nominating committee shall be a part of the proxy mailing.

B6.2.2 If any special nominating committee (as defined in B4.2.8) has been organized and has presented a list of nominees to the Executive Director, the Executive Director shall include in the mailing to each member entitled to vote a proxy listing the nominees proposed by the Nominating Committee and the nominees proposed by such special nominating committee. Biographical and other material included with the proxy shall give equal exposure to all nominees.

B6.2.3 On or before the first day of October each year, the President shall appoint a Committee of Inspectors of Proxies and Ballots, whose duty shall be to validate that the proxies have been properly recorded, tabulated by staff, supervise the examination, validation, and counting of proxies, and to provide a written report at the first Business Meeting of the fiscal year as to the number of members represented there by proxy.

The Committee shall consist of a corporate member, and either the Assistant Treasurer or the Assistant Secretary and shall include a member or representative of any special nominating committee whose slate has been distributed. The Committee shall supervise the counting of the ballots at the first Business Meeting of the fiscal year.

B6.2.4 At the first Business Meeting of the fiscal year the Committee of Inspectors of Proxies and Ballots shall provide a written report on the number of proxies thereon returned submitted by corporate members to the Society headquarters. Following the report of the Committee of Inspectors of Proxies and Ballots, the Presiding Officer shall conduct an election for Officers of the Society. Corporate members present who have not executed proxies will may vote in person at the meeting. Corporate members who have executed proxies but have withdrawn the proxies prior to the tabulation presented by the Committee of Inspectors of Proxies and Ballots, may also vote in person at the
Corporate members holding valid proxies will may cast a proxy ballots at the meeting. When the results of the election are known, the Presiding Officer will announce the results of the election to the Business Meeting.

B6.2.5 The terms of office of those elected at the first Business Meeting of the fiscal year shall begin at the second Business Meeting of the fiscal year at a specific time designated each year by the Board of Governors.