DRAFT MINUTES
2013-2014 BOARD OF GOVERNORS
Indianapolis, IN
June 26, 2013

ITEM

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

I  Latin America Update
II  BOG Retreat
III Enterprise Operations Framework FY14
IV  EDESC Roster
V  Presidential Appointments FY14
VI  Presidential Task Force List FY14
VII By-Law B5.2 for Second Reading
VIII Appointments
1. **Call to Order:**

On June 26, 2013, a meeting of the Board of Governors of the American Society of Mechanical Engineers was held in Indianapolis, Indiana. A quorum being present, the meeting was called to order by the President at 11:43 AM Eastern Time. Attendance was as follows:

**Board of Governors**
- President: Madiha Kotb
- Immediate Past President: Marc W. Goldsmith
- President-Nominee: J. Robert Sims Jr.

**Other Officers**
- Senior Vice Presidents: Kenneth R. Balkey, Standards and Certification
  - Robert E. Grimes, Institutes
  - Karen Ohland, Knowledge and Community
  - William J. Wepfer, Public Affairs and Outreach
- Vice Presidents: Luc Geraets, Technical Communities
  - Kalan Guiley, Government Relations
- Secretary and Treasurer: Warren R. DeVries
- Executive Director: Thomas G. Loughlin
- Deputy Executive Director: June Ling (also Second Assistant Treasurer)
- Assistant Treasurer: William Garofalo

**Board of Governors Nominees**
- Urmila Ghia
- Jack Tuohy

**Senior Vice President Nominee**
- Laura E. Hitchcock

**Corporate Counsel**
- John Sare

**Board Committee Chairs**
- Thomas Barlow: Chair, Committee of Past Presidents
- James Coaker: Chair, Committee on Finance & Investment
2. **Adoption of the Agenda:** The Board

   VOTED: to adopt the agenda as circulated on June 11, 2013 and as amended with the BOG Retreat item moved to the strategic discussion.

3. **Announcements:**

   The President welcomed all to the meeting and recognized President Nominee J. Robert Sims Jr., Governor-Nominees Jack Tuohy and Urmila Ghia, Senior Vice President Nominee Standards and Certification Laura E. Hitchcock, ECLIPSE Intern Daniel Kearney, Committee on Finance
and Investment Chair James Coaker, Past Presidents Thomas Barlow, Reginald I. Vachon and Terry Shoup, and special guest SWE President-elect Stacey DelVecchio who briefly spoke to the Board about the SWE initiatives and the importance of ASME’s partnership and support to SWE.

4. **Report on Executive Sessions**

There was a report given by Madiha Kotb on the June 26, 2013 Executive Session that was held earlier in the morning. The following was reported: (1) Approval of the appointments of (a) Thomas Loughlin as Executive Director; (b) Warren DeVries as Secretary/Treasurer; (c) John Delli Venneri as Assistant Secretary; (d) William Garofalo as Assistant Treasurer; and (e) June Ling as Second Assistant Treasurer; (2) Approval of the EDESC recommendations on Executive Director’s performance objectives for FY14; (3) Reviewed the draft of the enterprise incentive objectives for FY14; (4) Received an update on the IRS Form 990; and (5) Approved the appointment of Laura Hitchcock as the 2014-2017 Senior Vice President for Standards and Certification.

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:

Update on Latin America Strategy by Michael Michaud, Keith Bloesch and John Koehr (Agenda Appendix 2.4.1 and Minutes Appendix I); BOG Retreat by Madiha Kotb and Michael Michaud (Agenda Appendix 2.4.2 and Minutes Appendix II); and Enterprise Operations Framework FY14 by Madiha Kotb and Thomas Loughlin (Agenda Appendix 2.4.3 and Minutes Appendix III).

Following the close of the Discussion Items, the Board

   VOTED: to move into formal session.

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

   VOTED: to receive the following items: (1) EDESC Roster (Agenda Appendix 4.1.1 and Minutes Appendix IV); (2) Presidential Appointments FY14 (Agenda Appendix 4.1.2 and Minutes Appendix V); and (3) Presidential Task Force List FY14 (Agenda Appendix 4.1.3 and Minutes Appendix VI).

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

   VOTED: to approve the following items: (1) Second reading of the revision of By-Law B5.2 (Agenda Appendix 4.2.2.1 and Minutes Appendix VII); and (2) Proposed Appointments (Agenda Appendix 4.2.2.2 and Minutes Appendix VIII).
8. **Dates of Future Meetings.** The Board approved meeting dates and times as follows:

<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY</th>
<th>TIME</th>
<th>LOCATION</th>
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<tbody>
<tr>
<td>September 25, 2013 (a)</td>
<td>Wednesday</td>
<td>TBD</td>
<td>Rio de Janeiro, Brazil</td>
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<td>November 16, 2013 (a)</td>
<td>Saturday</td>
<td>8:30 AM – 10:00 AM</td>
<td>San Diego, CA</td>
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<td>Executive Session</td>
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<td>February 13, 2014 (a)</td>
<td>Thursday</td>
<td>12:00 PM – 2:00 PM</td>
<td>Web Conference</td>
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<td>April 18, 2014 (a)</td>
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<td>8:00 AM – 1:00 PM</td>
<td>New York, NY</td>
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<td>June 8, 2014 (a)</td>
<td>Sunday</td>
<td>10:00 AM – 11:30 AM</td>
<td>Portland, OR</td>
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<td>Executive Session</td>
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<td>June 11, 2014 (b)</td>
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<td>10:00 AM – 11:15 AM</td>
<td>Portland, OR</td>
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</table>

(a) 2013-2014 Board of Governors (b) 2014-2015 Board of Governors

9. **Contingency Time**

Stacey Swisher Harnetty inquired about Consolidated Banking and asked if the Committee on Organization and Rules was involved in the update of policies. Madiha Kotb will contact the Committee on Organization and Rules Chair Larry Luna.

10. **Adjournment:** The meeting was adjourned on Wednesday, June 26, 2013 at 2:13 PM.

________________________
Warren R. DeVries
Secretary
Date Submitted: June 3, 2013  
BOG Meeting Date: June 26, 2013  
To: Board of Governors  
From: Michael Michaud,  
Presented by: Michael Michaud, Keith Bloesch, John Koehr  
Agenda Title: Latin America Update

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

The Latin America Update is part of the ongoing dialogue with the Board, continuing the discussion from the April BOG meeting and preparing for the Board Retreat in Brazil in September.

Proposed motion for BOG Action: *(if appropriate)*

No Action

Attachments:
One
Latin America Update for BOG

Indianapolis, Indiana

Estados Unidos de America del Norte

26 Junio, 2013

Agenda

• Progress to Date                     Mike Michaud
• Latin America Project Approach       Keith Bloesch
• Latin America Energy Market Analysis John Koehr
• Overall Market Observations and Next Steps Mike Michaud
• Questions                              All
Latin America Project Progress to Date

• Last meeting reported on:
  – Overall external market
  – Outline of ASME historical growth
  – Announced project plan
  – Retreat and BOG meeting - Rio De Janeiro (9/23-26)

• Updates:
  – June 26 (today)
  – August 8 via webinar (focus on retreat program)

Project Team Structure and Responsibilities

Executive Steering Committee
- Define goals, vision, & objectives
- Approve scope, deliverables, and budget
- Ensure proper work conditions/support
- Liaise with BOG

June Ling
Tom Loughlin

Key functions:
- Develop/approve team deliverables
- Manage team deadlines
- Develop solutions/recommendations
- Leverage cross functional resources/SMEs as needed

Legal / Tax / Regulatory Analysis
- John OV
- Robin Savage

Key functions:
- Provide expert view based on functional role
- Provide insights into previous market experiences
- Participate in meetings and discussions of deliverables

Business Plan / ROI Analysis
- BB Gardafie
- Keith Eisensch

Key functions:
- Manage overall project plan, issues list, and status reports
- Manage project risks, deadlines, and contingencies
- Facilitate cross-functional meetings
- Record and monitor budget

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• Updates:
  – June 26 (today)
  – August 8 via webinar (focus on retreat program)
Project Approach

1. Plan Project/Assess and Inventory Current State and Data
   - Project scope and plan
   - Mobilized cross-functional project team with defined roles and responsibilities
   - Defined project success factors
   - Inventory of existing ASME primary and secondary research/data
   - Inventory of existing footprint in Latin America (LA) for eight countries
   - Initial inventory of ASME "LA" footprint in scope with comparisons to other countries/regions
   - Initial high level identification of opportunities, risks, and barriers to entry
   - Initial template for evaluation framework by market, product, industry, etc.
   - Initial inventory of ASME in-house skills
   - Initial project timeline with key milestones
   - Project charter

2. Perform Initial Market and Country Analysis
   - Due analysis of existing and required research and data, including:
     - Regulatory environment
     - Political risks and other barriers to entry
     - Competitive analysis
     - Potential customer base data
     - Price and growth rates data
     - Documented lessons learned from previous LA efforts
     - Evaluation of need for potential "third party relationships"
     - High level country by country assessment and detailed framework
     - Initial shortlist of countries and products for due diligence

3. Gather Additional Data and Perform Due Diligence
   - Evaluation of key market and industry trends and dynamics
   - High level country by country assessment and detailed framework
   - Evaluation of needs for potential "third party relationships"
   - High level country by country assessment and detailed framework
   - Initial shortlist of countries and products for due diligence

4. Utilize Decision Framework to Shortlist Countries/Products/Projects
   - Comparative analysis of market dynamics and industry
   - Assessment of market opportunities utilizing decision framework agreed upon with ELT and other key stakeholders
   - Evaluation of ASME financial, operational, and cultural capabilities to execute market plans
   - Framework for ROI and business plans
   - Update on quantitative and qualitative success factors
   - Prioritization of "best fit" countries and products to meet ASME’s needs
   - Documentation of key assumptions
   - Prioritization of initial effort countries, products to meet ASME’s needs
   - Recommendations on investment strategies
   - Integration of anticipated ROIs into ASME’s overall budgeting process
   - Strategic blueprint with actionable business and mission goals

5. Calculate ROI and Develop Business Plans
   - Estimated revenue by country by product per quarter/year
   - Documentation of key assumptions
   - Prioritization of initial effort countries, products to meet ASME’s needs
   - Recommendations on investment strategies
   - Integration of anticipated ROIs into ASME’s overall budgeting process
   - Strategic blueprint with actionable business and mission goals

6. Develop and Execute Market Entry Plans
   - On boarding of new members / 3rd parties (if required)
   - Development and execution of internal and external communication strategies
   - Update to marketing and ASME.org plans
   - Project timeline with milestones
   - Development of process to monitor and evaluate performance

Approach and Deliverables

Phase 1: Deliverables
- Mobilized cross-functional project team with defined roles and responsibilities
- Defined project success factors
- Inventory of existing ASME primary and secondary research/data
- Inventory of existing footprint in Latin America (LA) for eight countries
- Initial inventory of ASME "LA" footprint in scope with comparisons to other countries/regions
- Initial high level identification of opportunities, risks, and barriers to entry
- Initial template for evaluation framework by market, product, industry, etc.
- Initial inventory of ASME in-house skills
- Initial project timeline with key milestones
- Project charter

Phase 2: Deliverables
- Due analysis of existing and required research and data, including:
  - Regulatory environment
  - Political risks and other barriers to entry
  - Competitive analysis
  - Potential customer base data
  - Price and growth rates data
  - Documented lessons learned from previous LA efforts
  - Evaluation of need for potential "third party relationships"
  - High level country by country assessment and detailed framework
  - Initial shortlist of countries and products for due diligence

Phase 3: Deliverables
- Assessment of market opportunities utilizing decision framework agreed upon with ELT and other key stakeholders
- Evaluation of ASME financial, operational, and cultural capabilities to execute market plans
- Framework for ROI and business plans
- Update on quantitative and qualitative success factors
- Prioritization of "best fit" countries and products to meet ASME’s needs
- Documentation of key assumptions
- Prioritization of initial effort countries, products to meet ASME’s needs
- Recommendations on investment strategies
- Integration of anticipated ROIs into ASME’s overall budgeting process
- Strategic blueprint with actionable business and mission goals

Phase 4: Deliverables
- Estimated revenue by country by product per quarter/year
- Documentation of key assumptions
- Prioritization of initial effort countries, products to meet ASME’s needs
- Recommendations on investment strategies
- Integration of anticipated ROIs into ASME’s overall budgeting process
- Strategic blueprint with actionable business and mission goals

Phase 5: Deliverables
- On boarding of new members / 3rd parties (if required)
- Development and execution of internal and external communication strategies
- Update to marketing and ASME.org plans
- Project timeline with milestones
- Development of process to monitor and evaluate performance

Phase 6: Deliverables
- Mobilized cross-functional project team with defined roles and responsibilities
- Defined project success factors
- Inventory of existing ASME primary and secondary research/data
- Inventory of existing footprint in Latin America (LA) for eight countries
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- Initial project timeline with key milestones
- Project charter

Initial scope: Brazil, Mexico, Argentina, Colombia, Venezuela, Chile, Peru, Ecuador.
Below is a draft high-level depiction of our anticipated work schedule:

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<tr>
<th>Approach</th>
<th>March</th>
<th>Apr</th>
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Report to BOG

Report to BOG

BOG Webinar 8/8

BOG Retreat 9/23

ELT Review

LA Project Handout

LA Market Analysis - Summary approach and deliverables

ASME Board of Governors

Minutes Appendix I

Page 5 of 13
Comparision of YR 2012 GDP% vs. ASME sales%.

Mexico has the most ASME direct sales at 38% despite only having 22% of the total GDP for the region. Colombia is second at 18% of ASME direct sales with only 7% of GDP.

Sources:
2 Source: Personify / CA
Key findings from Market/Footprint Analysis

- Tier 1 – Brazil, Mexico
- Tier 2 – Colombia, Argentina, Chile
- Tier 3 – Peru, Ecuador, Venezuela, etc...
  - Strengthen Operational Capacity and Local Market Intelligence
  - Understanding the Local Regulatory Agenda
  - Opportunities Market/Opportunity Prioritization

2010 Energy Consumption by Source

Besides electric generation, energy is also consumed in transportation, residential, and commercial sectors. Relative total consumption by energy source across all sectors is presented below for the eight countries evaluated. Petroleum, Natural Gas, and Hydro constitute >90% of energy consumed in LAC.

Source data presented in Quadrillion BTUs; for purposes of comparison Hydro, Other Renewables, and Nuclear energy consumption were calculated based relative installed capacity and assumed capacity factors.
Oil and Gas Production and Consumption

Mexico, Brazil, and Venezuela are in the top 15 world oil producers. Increasing oil exploration, production, consumption, and export. LAC countries typically do not have refineries capable of processing heavier crudes and therefore export to U.S. and import refined products. Increasing natural gas production and consumption. Many countries are net importers of natural gas via pipeline and via LNG (Peru exports LNG). Oil and gas pipelines are under construction.

![Graph of 2012 Oil Production and Consumption](http://www.eia.gov/forecasts/ieo/)

![Graph of 2011 Natural Gas Production and Consumption](http://www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm)

Estimates of untapped energy reserves

LAC region contains vast reserves of petroleum, natural gas, and technically recoverable shale gas. The eight countries evaluated control ~23% of the world’s proven oil reserves, with Venezuela alone accounting for 20%. LAC also has 4% of the natural gas reserves and nearly 27% of the world’s technically recoverable shale gas.

![Pie chart of Proved Oil Reserves](http://www.eia.gov/forecasts/ieo/)

![Pie chart of Technically Recoverable Shale Oil](http://www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm)

![Pie chart of Natural Gas Reserves](http://www.eia.gov/forecasts/ieo/)

![Pie chart of Technically Recoverable Shale Gas](http://www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm)

Sources:


The eight countries evaluated make up >91% of LAC electric generation capacity, with >75% of LAC capacity residing in the top four countries (Brazil, Mexico, Argentina, and Venezuela). By comparison, the top eight countries consume 80% of the region’s electricity with the top four consuming 69%.

2010 LAC Electric Generation Capacity

Energy Output by Type

Annual electric generation (kW-hours) per energy source is presented below for the eight LAC countries evaluated. LAC relies heavily on conventional hydro and fossil (mostly petroleum and natural gas, little coal). Substantial increases to installed electric capacity have been observed mainly in natural gas (fossil) generation. Installed capacity closely matches the relative mix below, with an overall capacity factor (generated/installed) of 48%.

Electric Generation Energy Sources

Most South American countries are heavily dependent on hydroelectricity. Recent droughts have inspired efforts to diversify electricity generation. Many countries considering new natural gas plants. Nuclear only in Mexico (2 BWRs), Brazil (2 PWRs), and Argentina (2 PHWRs). Oil-fired electric generation still significant (Chile, Colombia, Mexico). Limited Coal consumption (except Chile and Mexico).

Preliminary findings from Energy Research

- Key LAC Energy Trends
  - Stable conventional crude oil production
    - Continued oil exports
    - Rising domestic consumption of petroleum products
    - Rising deepwater oil exploration and production
  - Rising natural gas consumption
    - Liquefied Natural Gas (LNG) imports
  - Rising unconventional (Shale Gas and Tight Oil) production
    - Enabled by horizontal drilling and hydraulic fracturing technology
    - “Above ground” conditions may not be as favorable as USA
  - Diversification of electric generation
Preliminary findings from Energy Research

• Continued Infrastructure Construction
  – Oil and gas pipelines
  – Oil refineries
  – Natural gas-fired electric generation plants
  – LNG regasification or liquefaction facilities

• Growth hinges on Qualified Workforce
  – Expanded Training and Certification Opportunities

Cautionary notes

• IP/Copyright protection
  – Statutory provisions regarding IP/Copyright protection may vary by country
  – Seeing a clear need to translate some \textit{BUT NOT ALL} ASME products...

• Resource Allocation
  – As framework develops will need to plug in data from other regions, Middle East, Asia, E. Europe etc. to ensure balanced approach.
Recent Progress…

- **Local Reference of ASME Standards:**
  - INMETRO, Brazil referenced ASME BPV Section IX and Part UHT of Section VIII, Division 1
  - SENA, Colombia referenced BP Vessel Code Sections I, II, IV, V and IX

- **Standards Workshops**
  - May in Mexico City and June in Sao Paulo, Brazil

- **Training**
  - New Training Provider in Mexico (*contract under review*)
  - Shift in IP Model

- **Conferences**
  - Pipeline Geotechnical Conference + 4 short courses (Colombia)
  - OTC Rio Pipeline Conference Participation + 4 Short Courses (Brazil)

- **Membership**
  - Launching new Model in Peru by June 30.

Staging Discussion

- **Codes and Standards**
- **Training and Development**
- **Conformity Assessment**
- **Publishing**
- **Conferences**
- **Membership**
- **Programs**
- **Marketing / Advertising**
- **ASME.org**

- **Sequencing by Countries?**
- **By Industry?**
- **What and When?**
Thank You
&
Questions
Date Submitted: June 6, 2013
BOG Meeting Date: June 26, 2013
To: Board of Governors
From: Madiha Kotb
Presented by: Madiha Kotb
Agenda Title: BOG Retreat

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

Discussion on the BOG Retreat and preparation.

Proposed motion for BOG Action: *(if appropriate)*

No Action

Attachments:
None.
2013 BOG Retreat: Overview and Planning

June 26, 2013
Indianapolis, IN

BOG Retreat Outline

<table>
<thead>
<tr>
<th>Sun, Sept 22</th>
<th>Mon, Sept 23</th>
<th>Tues, Sept 24</th>
<th>Weds, Sept 25</th>
<th>Thurs, Sept 26</th>
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<tr>
<td>8:00 AM Arrivals</td>
<td>Retreat</td>
<td>Rio Pipeline</td>
<td>BOG Meeting</td>
<td>Group Sightseeing</td>
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<td>10:00</td>
<td>Free Time</td>
<td>Trade Show</td>
<td>Industry Tours</td>
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<tr>
<td>8:00</td>
<td>Group Dinner</td>
<td>Group Dinner</td>
<td>Petrobras Reception</td>
<td>Conference Reception</td>
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</tbody>
</table>
Retreat Program

Monday, Sept 23

9:00 Global Strategy and Market Focus
   Global Growth Strategy
10:00 LAC Strategy, Why & Where
    ASME Challenges and Opportunities
11:00 Break
12:00 Invited Speakers & Market Perspective
   Standards in Latin America
   Brazilian Overview
   US Challenges in LA Market
13:00 Break
15:00 Generative Discussion & Next Steps
   Plans for Sequencing
   BOG Calibration
   Expectations & Measuring ROI
   Actions & Next Steps
16:00 Dinner in a “Churrascaria”

Tuesday, Sept 24

9:00 Bus to Conference

Possible Side Trips:

- GE Global Research Center
- Baker Hughes Research Center
- CENPES – The Petrobras Center for Pipeline Research

Evening Reception hosted by Petrobras
Retreat Program

Weds, Sept 25

8:00 BOG Meeting (in Hotel)

10:00 Group Sightseeing Visit – Sugarloaf & Corcovado

12:00

2:00

4:00

6:00 Evening Reception at National Museum

Thurs, Sept 26

• Group Sightseeing tour
  – Out in AM
  – Group Lunch
  – Return for afternoon departure

• Small group to close out Rio Pipeline
  – President to give Award at Luncheon
  – ASME Speaker at closing session

• Afternoon/evening departures

Invited local Society Reps (ABNT, ABCM, etc.) to join for lunch

Getting Around Rio

Airport Transfers will be arranged (grouped if possible)

Transportation (by bus) will be provided for all group activities
Social Functions

• Spouse Tours:
  – No arrangements for spouse tours have been made, however the hotel will accommodate needs on site and arrange for tours, drivers etc. for small groups.
  
  o Sunday - Welcome Drink/Dinner, pool side at the hotel
  o Monday - Brazilian Steakhouse—Fogo de Chao
  o Tues- Petrobras Reception – Rio Yacht Club
    o 2-300 Usually at the yacht club.
  o Weds – Conference Reception* – National History Museum
    o 2,000+reception, with Cocktails, hors d’oeuvres, buffet stations, entertainment
  o Thurs – Visit to Sugarloaf and Corcovado

• Dress Code:
  – Business Attire for Tuesday (Conference Opening & Petrobras Reception)
  – Business Casual for the rest of the meetings and functions

Retreat Objective:

The goal of the FY14 BOG retreat is to:
Set ASME’s overall strategy in Latin America (1-5 year horizon)
  • within the framework of broader Pathway 2025 growth discussions
  • utilizing the output of the Latin America market analysis project plan
Global Strategy & Market Focus  
9:00-11:00
- Global Growth Strategy
  - ASME from a global perspective
  - Current Footprint, Growth and Impact Numbers
- Latin American Strategy
  - Why focus on Latin America?
  - Where to Concentrate
- Deeper Dive into Tier One Countries
  - Brazil & Mexico
- Challenges and Opportunities

Invited Speakers & Local Perspective  
11:30-14:30
- Standards in Latin America
- Brazilian Industry Overview
  - Local Needs and Opportunities
- US doing business in Latin America
  - Challenges and Opportunities
- Q&A with Panelists

Generative Board Discussion & Next Steps  
15:00-18:00
- Plans for Sequencing:
  - Products and Services
  - Sequencing/Staging/“Wave” Plans
- Afternoon Discussion:
  - Leading with market-driven products and services
  - Building of communities and relationships
  - Maximizing financial and non-financial ROI
  - Longer-term mission related programs, measuring impact and ROI
- BOG Calibration
  - Are we on the right track?
- Summary/Actions/Next Steps
Final Preparation

• Pre-Retreat BOG Webinar
  August 8, 2013
  2:00-3:30 EST
  – Planning and Logistics
  – Overview of Retreat Program
    • with confirmed speakers
  – Brazilian Customs and Etiquette
  – Travel Do’s and Don’ts
  – Q&A
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: June 7, 2013
BOG Meeting Date: June 26, 2013

To: Board of Governors
From: (Sector/Unit/Task Force/Other)
Presented by: Madiha Kotb and Tom Loughlin
Agenda Title: Enterprise Operations Framework FY14

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

President Kotb and Executive Director Tom Loughlin will present a framework to address strategic and operational issues in FY14 for discussion.

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Proposed motion for BOG Action: *(if appropriate)*
None.

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Attachments:
None.
Current Construct for BOG Meetings:  
(Based on BoardSource model)

- **Generative Discussions**: High level topic that provide window in external issue of interest/concern. No actions. Content led by Committee on Governance (COG).
- **Strategic Discussions**: Topics around strategic intents and direction including Pathway 2025, Energy, workforce & global. Content by SET teams and Sectors.
- **Administrative**: Housekeeping issues including budgets and routine reports.
- **Other critical issues**, e.g., banking.

BOG Feedback, discussion...
Concept to modify FY14 agendas:

• Shift focus to “Deeper dives” around ASME issues & opportunities. Focus on products & programs framed by market potential and enabling competencies.

• Agenda & topics determined by Board Chair with support from the ED, COG and SMC.

• Continue to address administrative issues as efficiently as possible in order to make best use of BOG time.

• Will try some new constructs over the course of the year.

BOG Feedback, discussion...

DRAFT FY14 Framework for BOG Discussion... Focus areas by FY Quarter

<table>
<thead>
<tr>
<th>Focus Areas:</th>
<th>FQ1</th>
<th>FQ2</th>
<th>FQ3</th>
<th>FQ4</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOG Meeting discussion &amp; take away:</td>
<td>Latin America</td>
<td>Core product &amp; program mix</td>
<td>New &amp; Emerging Opportunities</td>
<td>Future Planning</td>
</tr>
<tr>
<td>Deeper understanding of Business planning discipline with LA as example.</td>
<td>Deeper understanding of ASME programs, products &amp; markets.</td>
<td>Deeper understanding of new and emerging technologies, markets &amp; opportunities</td>
<td>Deeper understanding of ASME’s capability for responding to technologies, market trends &amp; opportunities.</td>
<td></td>
</tr>
<tr>
<td>Pathway Deliverables</td>
<td>Form &amp; Charge SGLT</td>
<td>Plans for: - Enabling Competencies - Communication</td>
<td>Enhanced Product/Program Offering Plan</td>
<td>Market Attack Plans</td>
</tr>
</tbody>
</table>
For Discussion... Modified Construct:

• Notes:
  – Other issues appropriate for BOG consideration issues will continue to be addressed.
  – Focus area conversations will be led by the most qualified individuals (outside experts, staff and/or volunteers).
  – There may or may not be actions associated with the focus areas.
  – Agendas/topics may be modified based on other factors.

BOG Feedback, discussion...
Date Submitted:  June 16, 2013
BOG Meeting Date:  June 26, 2013

To:  Board of Governors
From:  Madiha Kotb
Presented by:  Madiha Kotb
Agenda Title:  FY14 EDESC Roster

Agenda Item Executive Summary:

FY14 EDESC Roster

Marc Goldsmith, Chair
Madiha Kotb, ex officio
J. Robert Sims Jr, ex officio
Charla Wise
Bernard Hrubala
William Worek
Gene Feigel

Proposed motion for BOG Action:  (if appropriate)

For receipt.

Attachments:

None.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 24, 2013
BOG Meeting Date: June 26, 2013

To: Board of Governors
From: Madiha Kotb
Agenda Title: FY14 Presidential Appointments

Agenda Item Executive Summary:

1. **BOG Liaisons to Standing Committee**
   - Committee on Finance & Investment (COFI) Betty Bowersox
   - Committee on Honors (COH) Richard Laudenat
   - Committee on Organization and Rules (COR) Andrew C. Taylor

2. **Appointments to Standing Committees**
   - Executive Director Evaluation & Executive Staff Compensation (EDESC)
     FY2014 – FY2016 William Worek
   - Executive Director Evaluation & Executive Staff Compensation (EDESC)
     One year at-large term Gene Feigel
   - Committee on Governance (COG) Stacey Swisher Harnetty
     FY2014 – FY2016

Proposed motion for BOG Action: *(if appropriate)*
For receipt.

Attachments:
None.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted:   June 7, 2013
BOG Meeting Date: June 26, 2013

To:   Board of Governors
From: Madiha Kotb
Presented by: Madiha Kotb
Agenda Title: FY14 Presidential Task Force List

Agenda Item Executive Summary:

FY14 Presidential Task Forces and Appointments

Knowledge and Community Task Force:
   Bernard Hrubala
   Charla Wise

Proposed motion for BOG Action: (if appropriate)
For receipt.

Attachments:
Information will be presented at the meeting
AGENDA ITEM

Agenda Title: By-Law Revision B5.2 Second Reading

COFI requests changes to B5.2.2, B5.2.4.2 and B5.2.4.3. which establishes the ASME Audit Committee as a standing committee of the BoG, separate and apart from COFI. This is being done to increase the autonomy of the Audit Committee and will also satisfy a recommendation of our auditors, who advised us that this increased autonomy would be in the best interests of ASME. These By-Law changes were approved by the Committee on Organization and Rules on May 10, 2013.

Proposed motion for BOG Action: (if appropriate)

Revise B5.2 as attached

Attachments: Word document
B5.2 SECTORS AND COMMITTEES REPORTING TO THE BOARD OF GOVERNORS

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, Audit Committee, 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.

B5.2.4.2 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 and the Second Assistant Treasurer shall be ex officio members of the Committee without vote.

B5.2.10.2 At the close of each fiscal year, the Audit Committee shall review with the external auditor the audited financial statements.
Date Submitted: May 10, 2013  
BOG Meeting Date: June 23, 2013

To: Board of Governors  
From: (Sector/Unit/Task Force/Other)  
Presented by: COR  
Agenda Title: Proposed Appointments

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

Proposed appointments reviewed by the COR on May 10, 2013.

Proposed motion for BOG Action: *(if appropriate)*

Approve the proposed appointments.

Attachments:  
Appointment Listing.
June 26, 2013
PROPOSED APPOINTMENTS TO
ASME UNIT

<table>
<thead>
<tr>
<th>Internal Unit</th>
<th>Nominee</th>
<th>Appointment Position/Title</th>
<th>Appointment Term/Category</th>
<th>Appointment Type</th>
<th>History</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension Plan Trustees</td>
<td>Webb Marner</td>
<td>Member-At-Large</td>
<td>7/1/2013 – 6/30/2016</td>
<td>Initial</td>
<td>Past: COFI Treasurer; BOG Secretary/Treasurer</td>
</tr>
<tr>
<td>Pension Plan Trustees</td>
<td>Reginald Vachon</td>
<td>Member-At-Large</td>
<td>7/1/2013 – 6/30/2016</td>
<td>Initial</td>
<td>Current: CPP Member; Fellow Review Committee; SMC Member; Chair COFI.</td>
</tr>
</tbody>
</table>