AGENDA
2014-2015 BOARD OF GOVERNORS

Day & Time: Wednesday, June 11, 2014 12:00 PM – 3:00 PM*
Location: Grand Ballroom II
Hilton Portland & Executive Tower
Portland, OR

1. Opening of the Meeting
12:00 PM – 12:05 AM

1.1. Call to Order J. Robert Sims

1.2. Adoption of the Agenda J. Robert Sims ACTION
A motion should be made to accept the Agenda as circulated on May 23, 2014.

1.3. Announcements and Recognition of Special Guests J. Robert Sims

2. Discussion Items
12:05 PM – 12:45 PM

2.1. Committee of the Whole J. Robert Sims ACTION
A motion should be made to approve going “as if in Committee of the Whole,” where open discussion is permitted and only a memo of issues discussed by topic is maintained by the Secretary.

2.2. Report on Executive Session (5 minutes)
J. Robert Sims INFORMATION

2.3. Welcome President Nominee and Governor Nominees (5 minutes)
INFORMATION

2.4. Agenda Overview (5 minutes) INFORMATION
Thomas Loughlin
(Agenda Appendix 2.4)

2.5. Engagement: An Evolving Framework (25 minutes)
INFORMATION
Roy Arbeit
(Agenda Appendix 2.5)

*Executive Session planned for 10:00 AM –11:45 AM. A separate agenda will be sent to those invited to attend.
3. **Action Items**  
12:45 PM – 12:50 PM

3.1 **Motion to Return to Formal Session**  
A motion should be made to move out “as if in Committee of the Whole.”

4. **Consent Calendar**  
12:50 PM – 12:55 PM

The Consent Calendar is limited to items of a routine or non-controversial nature, grouped together to save Board time. Consent Items for Receipt are report items for information, followed by Consent Items for Action that the Board is asked to take action on as a group.

Governors are encouraged to contact ASME Headquarters with their questions prior to the meeting as it is not expected that Consent Receipt or Action items are to be removed from the Agenda. Reports, whether for information or action, are to be in writing and part of the Consent Calendar, unless otherwise approved by the President.

4.1. Consent Items for Receipt

- **4.1.1 EDESC Roster**  
  J. Robert Sims  
  (Agenda Appendix 4.1.1)

- **4.1.2 Presidential Appointments FY15**  
  J. Robert Sims  
  (Agenda Appendix 4.1.2)

- **4.1.3 Presidential Task Force List FY15**  
  J. Robert Sims  
  (Agenda Appendix 4.1.3)

- **4.1.4 Motion for Receipt**  
  ACTION

4.2 Consent Items for Action

- **4.2.1 Identification of Items to be removed from Consent Calendar**  
  Any action items to be removed from Consent Calendar by request from any member of the Board of Governors.

- **4.2.2 Proposed By-Laws for Second Reading**  
  Larry Luna

  - **4.2.2.1 By-Law B3.1.8**  
    (Agenda Appendix 4.2.2.1)

  - **4.2.2.2 By-Law B3.2**  
    (Agenda Appendix 4.2.2.2)
4.2.2.3 By-Law B4.2.2.3  
(Agenda Appendix 4.2.2.3)

4.2.2.4 By-Law B4.3  
(Agenda Appendix 4.2.2.4)

4.2.2.5 By-Law B5.2  
(Agenda Appendix 4.2.2.5)

4.2.2.6 By-Law B5.5  
(Agenda Appendix 4.2.2.6)

4.2.3 Proposed By-Law for Sunset  
Larry Luna

4.2.3.1 By-Law B5.6  
(Agenda Appendix 4.2.3.1)

4.2.4 Dates of Future Meetings.

<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY</th>
<th>TIME</th>
<th>LOCATION</th>
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<tr>
<td>September 18, 2014</td>
<td>Thursday</td>
<td>12:00 PM – 5:00 PM</td>
<td>New York, NY</td>
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<td>September 19, 2014</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM</td>
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<tr>
<td>November 15, 2014</td>
<td>Saturday</td>
<td>8:30 AM – 4:30 PM</td>
<td>Montreal, Canada</td>
</tr>
<tr>
<td>February 12, 2015</td>
<td>Thursday</td>
<td>12:00 PM – 2:00 PM</td>
<td>Webconference</td>
</tr>
<tr>
<td>April 16, 2015</td>
<td>Thursday</td>
<td>12:00 PM – 5:00 PM</td>
<td>New York, NY</td>
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<tr>
<td>April 17, 2015</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM</td>
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<td>June 7, 2015</td>
<td>Sunday</td>
<td>10:00 AM – 4:00 PM</td>
<td>Jacksonville, FL</td>
</tr>
<tr>
<td>June 10, 2015</td>
<td>Wednesday</td>
<td>10:00 AM – 3:00 PM</td>
<td>Jacksonville, FL</td>
</tr>
</tbody>
</table>

(a) 2014-2015 Board of Governors  (b) 2015 – 2016 Board of Governors

4.3 Motion for Consent Action  
ACTION

5. Contingency Time for Discussion and Other Business

Subject to the President’s discretion, Contingency Time may be used for discussion of items pulled from the Consent Calendar and Other Business.

6. Adjournment  
3:00 PM
List of Appendices

2.4 Agenda Overview

2.5 Engagement: An Evolving Framework

4.1.1 EDESC Roster

4.1.2 Presidential Appointments FY15

4.1.3 Presidential Task Force List FY15

4.2.2.1 By-Law B3.1.8 for Second Reading

4.2.2.2 By-Law B3.2 for Second Reading

4.2.2.3 By-Law B4.2.2.2 for Second Reading

4.2.2.4 By-Law B4.3 for Second Reading

4.2.2.5 By-Law B5.2 for Second Reading

4.2.2.6 By-Law B5.5 for Second Reading

4.2.3.1 By-Law B5.6 for Sunset Second Reading
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: June 2, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: (Sector/Unit/Task Force/Other) Committee on Honors
Presented by: Tom Loughlin
Agenda Title: Agenda Overview

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

An overview of the agenda will be provided.

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

None.

Attachments:

Slides.
ASME VISION

To be the essential resource for mechanical engineers and other technical professionals throughout the world for solutions that benefit humankind.
**Mission:** ASME’s mission is to serve diverse global communities by advancing, disseminating and applying engineering knowledge for improving the quality of life; and communicating the excitement of engineering.

**Core Values:**
In performing its mission, ASME adheres to these core values:
• Embrace integrity and ethical conduct
• Embrace diversity and respect the dignity and culture of all people
• Nurture and treasure the environment and our natural and man-made resources
• Facilitate the development, dissemination and application of engineering knowledge
• Promote the benefits of continuing education and of engineering education
• Respect and document engineering history while continually embracing change
• Promote the technical and societal contribution of engineers

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**6/11 Open Session Agenda Review:**

1. **Strategic Conversations:**
   1. Engagement: An Evolving Framework…
      Roy Arbeit (Item 2.5)
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 7, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: Roy Arbeit
Agenda Title: Engagement: An Evolving Framework

Agenda Item Executive Summary: *(Do not exceed the space provided)*
We will brief the Board on the results, key takeaways and implications from the membership pilot test and discuss our evolving thinking on engagement. No action is required.

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

Attachments:
Presentation
Engagement: An Evolving Framework

Roy Arbeit
June 2014

Presentation Overview

1. Membership Model Pilot: Framework, Overview, Results and Learning
2. An Evolving Engagement Framework
3. What Success Looks Like
4. Marketing Approach
5. Path Forward
Membership Model Pilot: Framework, Overview, Results and Learning

Membership Model Framework

- **ASME.org Participant**
  - Online Communities & Interest Groups
  - No Cost Engagement

- **Affiliate Member**
  - Digital Benefits
  - Low Cost Option

- **Full Member**
  - Traditional Member Benefits
  - Voting Rights & Leadership

- **Student Member**
  - Digital Benefits
  - On-Campus Activities
Pilot Test Overview

- In-Market: India & Peru
- 9 Months: July 2013 – March 2014
- Marketing Focused on …
  - Primary -- “Multiplier” Strategy
  - Secondary & Complementary -- Direct to End User
- Goals
  - Quantitative: Accelerated Growth in Paying Members
  - Qualitative: Does Value/Price Proposition Resonate, Cultural Differences, Mktg. & Sales Effectiveness

Membership Pilot Test Results

*Market feedback that the new model value/price proposition did not resonate, combined with a relatively small number of sign-ups, indicates that the engagement model based on individual memberships alone is not a viable approach and has a low potential for success.*
Summary of Learnings

- Membership value/price proposition as a stand-alone offering not strong enough for senior executives who seek clearer alignment to ROI for their organizations.
  - **INDIA:** Goal = 720 Members; Pilot Result = 192 Members
  - **PERU:** Goal = 320 Members; Pilot Result = 80 Members
  - **ASME.org Participants:** India = 2,540; Peru = 113

- Marketing strategy based on “multiplier” approach is time and resource intensive, requiring feet on the ground, multiple visits and follow-ups.

- Market reactions and challenges differed noticeably between pilot countries. Offerings must be tailored for local needs, cultures and practices.

An Evolving Engagement Framework
### Our Engagement Thinking is Evolving...

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>From: Member Focused</th>
<th>To: Market Focused</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target</td>
<td>• Individual Engineers across all segments</td>
<td>• Senior Executives at companies, universities, government agencies, etc. in select industrial and geographic markets</td>
</tr>
<tr>
<td>Value Proposition</td>
<td>• Benefits bundle oriented to the individual member e.g. ME Magazine</td>
<td>• Content that addresses organizational needs and requirements in a given market</td>
</tr>
<tr>
<td>Product / Content Set</td>
<td>• Silos / Only Membership</td>
<td>• Broad-based / Enterprise Level Offerings</td>
</tr>
</tbody>
</table>

**Business Model (High Level)**

- **From:**
  - Accelerate growth of new connections in the form of individual members and ASME.org Participants
  - Revenue growth derived from “multiplier effect” of significantly more members and participants purchasing ASME products

- **To:**
  - Revenue growth and non-revenue impact based on delivering an integrated content portfolio - with contributions from multiple sources - to meet specific market/customer needs

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June 2014 BOG Update – Engagement: An Evolving Framework

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Agenda Appendix 2.5 Page 6 of 10
Our Engagement Thinking is Evolving…

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>From: Member Focused</th>
<th>To: Market Focused</th>
</tr>
</thead>
</table>
| Types of Engagement | • Individual engagement:  
|                   |   • Read Magazine  
|                   |   • Join Online Community Group(s)  
|                   |   • Access WorkSmartSM  
|                   | • Organizations purchase broader set of offerings:  
|                   |   • Strategic Partnerships  
|                   |   • Business Roundtables  
|                   |   • Sponsorships  
| Required Competencies | • Direct Marketing  
|                   | • Affinity Services  
|                   | • Market Intelligence  
|                   | • Business Development / Relationship Building  
|                   | • Brand Awareness / Brand Building  
| Marketing         | • Mass Targeted Marketing  
|                   | • Product Attributes  
|                   | • Tailored / custom marketing for organizations in select markets  
|                   | • More focus on value and brand building  

What Success Looks Like
What Success Looks Like / Desired Outcomes

ASME is advancing its mission in a new way …

- **Brand**
  - High recognition / reputation within select market(s) that are global in scale
  - Based around a defined position; forward-facing; defensible

- **Portfolio & Content**
  - Product portfolio growth based on addressing market needs and requirements
  - Capability to curate and manage content from multiple sources (content contributors) for multiple market segments in multiple formats

- **Activities / Engagement**
  - Strong relationships with leaders and influencers in select markets that are global in scale
  - Innovative collaborations and programs in concert with entities within select markets
  - Sought after online destination for select markets based on “high-value” content and community

- **Financial / Impact**
  - Sustainable revenue growth within select markets derived from multiple business models
  - Investment in select markets meets acceptable ROI
  - High impact for non-revenue generating programs (TBD)

Marketing Approach
Marketing Approach

Marketing Objectives
• Awareness
• Interest
• Consideration
• Engagement

Approach

Relationship Development

Involvement

“Marketing” Content

Foundational Enablers
• Market Intelligence
• Defined ASME Brand Position

• Mktg. & Communications Materials
• CRM / Database

Path Forward
Path Forward

- Further develop engagement strategy & marketing approach
- Identify needs and requirements for taking engagement strategy and marketing approach from theory to practice
- Determine priority market selection (industrial, geographic) based on market intelligence…and align with ability to deliver products
- Align engagement strategy with content strategy framework for holistic approach to marketplace

Questions?
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 22, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: J. Robert Sims
Presented by: J. Robert Sims
Agenda Title: FY15 EDESC Roster

Agenda Item Executive Summary:

FY15 EDESC Roster

Madiha Kotb, Chair
J. Robert Sims, ex officio
Presidential-Nominee/Elect TBD, ex officio
Bernard Hrubala
William Worek
John Goossen
Richard Benson

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

Attachments:
None.
Date Submitted:  May 22, 2014
BOG Meeting Date:  June 11, 2014

To:  Board of Governors
From:  J. Robert Sims
Presented by:  J. Robert Sims
Agenda Title:  FY15 Presidential Appointments

Agenda Item Executive Summary:

1)  BOG Liaisons to Committees

   Committee on Finance and Investment (COFI)  John Tuohy

   Committee on Honors (COH)  John Elter

   Committee on Organization and Rules (COR)  Andrew Taylor

2)  Appointments to Committees

   Executive Director Evaluation & Executive Staff Compensation (EDESC)
   FY2015-FY2017  John Goossen

   Executive Director Evaluation & Executive Staff Compensation (EDESC)
   One year at-large term  Richard Benson

   Committee on Governance (COG)
   FY2015 – FY2017  Urmila Ghia

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

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

Date Submitted:  May 12, 2014
BOG Meeting Date:  June 11, 2014

To:  Board of Governors
From:  J. Robert Sims
Presented by:  J. Robert Sims
Agenda Title:  FY15 Presidential Task Force List

Agenda Item Executive Summary:

FY15 Presidential Task Forces and Appointments

Re-Org Communications Task Force:  Stacey Swisher Harnetty, Chair
Richard Laudenat
John Elter
Mike Ireland
Michael Cowan

Reporting Task Force:  Bernie Hrubala
Robert Grimes
Warren DeVries
June Ling
William Garofalo
Laurel Raso

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

Attachments:
Communications Task Force charge
Reporting Task Force charge
### ASME TASK FORCE

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<th>ASSIGNED BY:</th>
<th>START/DURATION:</th>
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<tbody>
<tr>
<td>Madiha Kotb and Robert Sims</td>
<td>5/15/14 – June 2015</td>
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<th>MEMBERS:</th>
<th>CONTACT INFORMATION:</th>
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<tr>
<td>Stacey Harnetty (chair), Rich Laudenat, John Elter, Mike Ireland, Michael Cowan</td>
<td>Staff Support: Gemma Tansey</td>
</tr>
<tr>
<td>Staff Support: Gemma Tansey</td>
<td>Email: <a href="mailto:TanseyG@asme.org">TanseyG@asme.org</a></td>
</tr>
<tr>
<td></td>
<td>Office: 212.591.7095</td>
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### CHARGE:

The BOG Re-Org Communications Task Force (RCTF) is charged with keeping the Board of Governors informed of progress regarding implementation of the KCI ReOrg [voted at its April 25, 2014 executive session] and with ensuring that an effective communications plan for all stakeholders is deployed.

### PURPOSE:

To facilitate BOG deliberations related to the KCI Re-Org (which might arise during the implementation phase) by ensuring BOG has currency of knowledge of progress, including both positive and negative significant new developments. In addition, as communications to internal and external stakeholders will be an important component of success, the Re-Org Communications Task Force may engage in the design and implementation of communication planning and management (e.g. best practices, cascading communication approach, timeliness, feedback mechanism, etc.); however, direct communication with individuals or units other than BOG, or those identified below, must be avoided.

### WORK EFFORT:

On April 25, 2014, the BOG took action in executive session to endorse the proposal of the Knowledge & Community and Institutes Task Force, including establishing a new Technical Events and Content (TEC) Sector, establishing a Group Pathways and Support (GPS) system, and dissolving the current Knowledge & Communities and Institutes Sector; and, in addition, directed COR to bring forward proposed implementing revisions to by-laws and policies. BOG also voted to include the TEC Sector budget and conferences/events in the ASME general fund beginning FY15, and to suspend provisions of ASME governance documentation which may result in inconsistency or conflict with this action until implementing revisions are approved by BOG.

This a major endeavor that aligns with Pathway 2025 – impacting each of the primary Pathway 2025 strategic directions in the areas of content strategy, engagement, global growth/impact, programs model, financial strength, and organization & culture.

During consideration on April 25, 2014, there was recognition that there will need to be continued support from the BOG and communications with those impacted in light of the extensive changes integral to implementation.

The Task Force will work closely with the current Senior Vice Presidents for K&C and Institutes, those in counterpart positions when the new TEC Sector is established, KCI (TEC) staff leaders, and the ASME communications staff, to provide ongoing high level communications which reflect BOG intent and an enterprise perspective.

### FUNDING:

Nominal funding will be made available in pursuit of this activity.

### SUNSET/CONCLUSION:

Sunset TF at end of FY15. Appoint new TF, if needed, based on developments during FY15.

- ☒ End of FY 15
- ☐ End of phase
ASME TASK FORCE

ASSIGNED BY:
Madiha Kotb and Robert Sims

START/DURATION:
1/1/14 – completion of written plan on 6/1/15

MEMBERS:
Bernie Hrubala (co-chair), Robert Grimes, Warren DeVries, June Ling (co-chair), William Garofalo, Laurel Raso

CONTACT INFORMATION:
Staff Support: Gemma Tansey
Office: 212-591-7095
tanseyg@asme.org

CHARGE:
The Coordination and Reporting Task Force is charged with drafting a reporting and communication plan that will facilitate the coordination of tasks related to enterprise goals and targets performed by the Committee on Finance and Investments, the Sector Management Committee and the Executive Director Evaluation and Staff Compensation Committee. ("Committees"). The task force will use the implementation of FY15 goals and targets as a basis to plan for future years.

PURPOSE:
This collaborative task force has one specific task – to draft a report to the Board of Governors stating a plan to facilitate the efforts of the Committees so that both long and short term planning can be undertaken by the BOG. Coordination of the timing of the tasks will enable the BOG to undertake better and more fully informed long and short term planning to better accomplish the Society's mission.

WORK EFFORT:
This collaborative task force is made up of volunteer and staff members representing the Committees as well as the staff lead for pathway 2025. The Board of Governors has recently adopted goals for future growth of the Society known as “Pathway 2025.” The BOG has the final responsibility for the strategic direction of Pathway 2025. The Committees each perform roles that support the BOG in this task: COFI renders financial reports and forecasts, the EDESC evaluates the performance of the Executive Director and makes recommendations for goals of the ED for his implementation of the BOG’s short and long term goals, and the SMC drafts plans for the implementation of the BOG’s strategic direction. The BOG would like to coordinate the timing and reporting among each of these committees in order to more efficiently implement Pathway 2025. The overall process is as follows: (1) the BOG states the long and short term goals of the Society, (2) the EDESC recommends goals for the ED that further the Society goals and (3) COFI supplies financial reporting and forecasts to the BOG and SMC and (4) the SMC devises and performs initiatives in their respective sectors implementing the direction of the BOG. The task force is to examine the timing of the efforts of the Committees and suggest an efficient timeline coordinating their efforts as well as a timeline for suggested cross-committee reporting. The recommendations of this task force should take the form of a written plan to the BOG.

FUNDING:
Nominal funding will be made available in pursuit of this activity.

SUNSET/CONCLUSION:
Delivery of the written report but no later than 6/1/15 ☑ End of FY 15
☐ End of phase
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 15, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: (Sector/Unit/Task Force/Other) COR
Presented by: Larry Luna
Agenda Title: By-Law Revision B3.1.8, Second Reading

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

With the reorganization of the Knowledge & Community and Institutes Sectors, B3.1.8 removes the K&C Affinity Group as an office a Student Member may vote or hold elective office, leaving the By-Law open to other nontechnical/outreach Groups.

These By-Law revisions were approved by the Committee on Organization and Rules on May 10, 2014 and was first read by the Board of Governors on June 8, 2014.

Proposed motion for BOG Action: (if appropriate)

Revise B3.1.8 as attached

Attachments:
Word document
B3.1 MEMBERSHIP

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 and the student section where the student is a member.
**ASME Board of Governors**  
**Agenda Item**  
**Cover Memo**

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**Date Submitted:** May 15, 2014  
**BOG Meeting Date:** June 11, 2014

**To:** Board of Governors  
**From:** (Sector/Unit/Task Force/Other) COR  
**Presented by:** Larry Luna  
**Agenda Title:** By-Law Revision B3.2, Second Reading

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

B3.2.2 changes who a member may appeal to for “dues under special reason”

B3.2.9 removes the liaison to the Membership area

B3.2.13 abbreviates ASME

These By-Law revisions were approved by the Committee on Organization and Rules on May 10, 2014 and were first read by the Board of Governors on June 8, 2014

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

Revise B3.2 as attached

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**Attachments:**

Word document
B3.2 FEES AND DUES

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 Membership staff, with the exception being A member may appeal the Membership staff’s decision on the remittance of “dues under special reason” to the Executive Director in conjunction with the President.

When a new dues structure is created, in this case, it must be approved by the Board of Governors liaison to the Membership area Executive Director in conjunction with the President.

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

B3.2.13 A member of a technical society with which the Society has a reciprocal agreement who applies for membership in ASME 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.
Date Submitted: May 15, 2014, June 5, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: (Sector/Unit/Task Force/Other) COR
Presented by: Larry Luna
Agenda Title: By-Law Revision B4.2.2.2, Second Reading

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

The addition to B4.2.2.2 includes representation on the new Technical Events and Content (TEC) Sector. Since this sector will not use the term Vice President, the added sentence is specific to the TEC Sector.

This By-Law revision was approved by the Committee on Organization and Rules on May 10, 2014 and were reapproved with modifications on May 30, 2014 and were first read by the Board of Governors on June 8, 2014.

Proposed motion for BOG Action: (if appropriate)

Revise B4.2.2.2 as attached

Attachments:
Word document
B4.2 NOMINATING COMMITTEE

B4.2.2 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. The TEC Sector shall have five voting members and five alternates selected by the Sector. 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.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 15, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: (Sector/Unit/Task Force/Other) COR
Presented by: Larry Luna
Agenda Title: By-Law Revision B4.3, Second Reading

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

B4.3.2 adds that the President of ASME may not be an employee of the Society. This is a requirement in the New York State Nonprofit Law.

B.4.3.5 adds that the Executive Director is an employee of the Society. This addition was to keep language consistent.

B.4.3.8 With the dissolution of the Knowledge and Community and Institutes Sectors, B4.3.8 removes the Vice President positions from these Sectors as Officers of the Society.

These By-Law revisions were approved by the Committee on Organization and Rules on May 10, 2014 and were first read by the Board of Governors on June 8, 2014

Proposed motion for BOG Action: (if appropriate)

Revise B4.3 as attached

Attachments:
Word document
B4.3 OFFICERS

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. The President may not be an employee of the Society.

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.

B4.3.5 The Executive Director shall be an employee and 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.

B4.3.8 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 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 Leadership and Recognition

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.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 15, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: (Sector/Unit/Task Force/Other) COR
Presented by: Larry Luna
Agenda Title: By-Law Revision B5.2, Second Reading

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

B5.2.1 removes the Institutes and Knowledge and Community Sectors and adds the Technical Events and Content Sector.

B5.2.2 clarifies the standing committee’s composition.

B5.2.10.1 was revised due to the New York State Nonprofit Revitalization Act that put restraints on the composition of the Audit Committee.

B5.2.10.2 was revised due to the New York State Nonprofit Revitalization Act and provides the function of the Committee.

These By-Law revisions were approved by the Committee on Organization and Rules on May 10, 2014 and were first read by the Board of Governors on June 8, 2014.

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

B5.2.1 The sectors reporting to the Board of Governors shall be the Standards and Certification Sector, the Institutes Sector, the Knowledge and Community-Technical Events and Content Sector, the Public Affairs and Outreach Sector and the Student and Early Career Development 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 Board of Governors 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. If a Standing Committee includes individuals who are not Governors, it is not a committee of the Board and may not bind the Board; provided, however, that the Committee on Finance and Investment may bind the Board with respect to investment matters without regard to whether it includes individuals who are not Governors.

B5.2.10.1 The Audit Committee shall consist of a Chair, a Vice Chair and a voting membership as determined by the Board of Governors consisting solely of “independent” members of the Board as defined under Section 102(a)(21) of the New York Not-for-Profit Corporation Law.

The Treasurer shall be an ex officio member of the Committee without vote. The Assistant Treasurer and the Second 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 Audit Committee, under the direction of the Board of Governors, shall oversee the accounting and financial reporting process of the Society and the audit of its financial statements and report its activities to the Board. The Committee will be responsible for overseeing the adoption and implementation of, and compliance with, the Society Policies on whistleblowers and conflicts of interest. The Committee will annually consider the performance and independence of the independent auditor and recommend retaining or renewing the retention of the independent auditor to the Board. The Committee will liaise with the independent auditor prior to the commencement of the audit and upon completion of the audit, review and discuss the audit results and any related management letter with the auditor, including:

(a) any material risks and weaknesses in internal controls identified by the auditor;
(b) any restrictions on the scope of the auditor’s activities or access to requested information;
(c) any significant disagreements between the auditor and management; and
(d) the adequacy of the Corporation’s accounting and financial reporting processes.
Date Submitted: May 15, 2014, June 5, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: (Sector/Unit/Task Force/Other) COR
Presented by: Larry Luna
Agenda Title: By-Law Revision B5.5 for Second Reading

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

The Knowledge and Community Sector is being dissolved. The newly developed Technical Events and Content Sector has proposed By-Laws which were created by the Technical Events and Content Sector Taskforce. These By-Law revisions were approved by the Committee on Organization and Rules on May 10, 2014 and were reapproved with changes on May 30, 2014 and were first read by the Board of Governors on June 8, 2014

Proposed motion for BOG Action: (if appropriate)

To sunset B5.5 Institutes Sector and replace B5.5 with the Technical Events and Content Sector

Attachments:
Word document
INSTITUTES SECTOR TECHNICAL EVENTS AND CONTENT 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.

The Technical Events and Content (TEC) Sector, under the direction of the Board of Governors, is responsible for activities of the Society relating to engaging individuals and groups in advancing engineering skill, art, science, knowledge and practice, and in planning, developing and delivering new technical content in the form of new products, services, networking opportunities, conferences, events and delivery mechanisms across ASME’s market segments. The Technical Events and Content Sector will maintain a current Sector Operation Guide containing operational details of the Sector not covered 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 IGTI and IPTI and the most senior ASME staff from each Institute.

The Technical Events and Content Sector shall be led by a Sector Council that consists of the following voting membership: a Senior Vice President (SVP) as Chair, and the Segment Leaders representing each of the designated Sector Market Segments as outlined in the Sector Operation Guide, and up to five members-at-large. The non-voting membership of the Sector Council shall include staff as appointed by the Executive Director. The Sector Council may appoint additional non-voting members.

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.

The incoming Senior Vice President of the Technical Events and Content Sector shall be nominated by the Technical Events and Content Sector Council from among its past or present volunteer members for appointment by vote of the Board of Governors to a term of three years. In the event that a past TEC Sector Council member is not available, then the Sector Council will make a recommendation for a qualified candidate to the Board of Governors for consideration.

B5.5.2.1.4 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.

The Segment Leaders Representatives are nominated by the Segment Leadership Team Members within each defined Segment for an appointment by vote of the Technical Events and Content Sector Council to a term of up to three years. In all cases the appointment should best meet the qualifications for Segment and Sector Leadership and composition balance as outlined in the Sector Operations Guide.

**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.

**B5.5.1.5** The members-at-large shall be appointed by the Board of Governors as recommended by the Technical Events and Content Sector Council. The term of the members-at-large shall be up to three years.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 15, 2014
BOG Meeting Date: June 11, 2014

To: Board of Governors
From: (Sector/Unit/Task Force/Other) COR
Presented by: Larry Luna
Agenda Title: By-Law Revision B5.6, for Sunset

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

The Knowledge and Community Sector is being dissolved. These By-Law revisions were approved by the Committee on Organization and Rules on May 10, 2014 and were first read by the Board of Governors on June 8, 2014.

Proposed motion for BOG Action: (if appropriate)

To sunset B5.6 Knowledge and Community Sector

Attachments:
Word document
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.