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  Agenda Overview
II  Engagement: An Evolving Framework
III EDESC Roster
IV  Presidential Appointments FY15
V   Presidential Task Force List FY15
VI  By-Law B3.1.8 for Second Reading
VII By-Law B3.2 for Second Reading
VIII By-Law B4.2.2.2 for Second Reading
IX   By-Law B4.3 for Second Reading
X    By-Law B5.2 for Second Reading
XI   By-Law B5.5 for Second Reading
XII  By-Law B5.6 for Sunset Second Reading
XIII BOG Retreat
1. **Call to Order:**

On June 11, 2014, a meeting of the Board of Governors of the American Society of Mechanical Engineers was held in Portland, OR. A quorum being present, the meeting was called to order by the President at 12:18 PM Pacific Time. Attendance was as follows:

**Board of Governors**
- President: J. Robert Sims
- Immediate Past President: Madiha Kotb
- President-Nominee: Julio C. Guerrero

**Other Officers**
- Senior Vice Presidents: Laura E. Hitchcock, Standards and Certification
- Robert E. Grimes, Technical Events and Content
- Cynthia M. Stong, Student & Early Career Development
- William J. Wepfer, Public Affairs and Outreach

- Secretary and Treasurer: Warren R. DeVries

- Executive Director: Thomas G. Loughlin

- Deputy Executive Director: June Ling (also Second Assistant Treasurer)

- Assistant Secretary: John Delli Venneri

- Assistant Treasurer: William Garofalo

**Board of Governors Nominees**
- Caecilia Gotama

**Board Committee Chairs**
- James W. Coaker: Committee on Finance and Investment (COFI)

**Corporate Counsel**
- John Sare

**Other Guests**
- Frank Adamek: Foundation Board Member
- Louis Bialy: Vice President-Nominee, Safety Codes and Standards
2. **Adoption of the Agenda:** The Board

   VOTED: to adopt the agenda as circulated on May 23, 2014.

3. **Announcements:**

   The President welcomed all to the meeting and recognized President Nominee Julio C. Guerrero, Governor-Nominee Caecilia Gotama, ECLIPSE Intern Ashish Sinha and Past President Terry Shoup and acknowledged Governor-Nominees Bryan Erler and Sriram Somasundaram, who could not attend.
4. **Report on Executive Session**

There was a report given by J. Robert Sims on the June 11, 2014 Executive Session. 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) Approved the FY15-FY17 Operating and Capital Budgets; (3) Approval of the EDESC recommendations on Executive Director’s performance objectives for FY15; (4) Reviewed the draft of the enterprise incentive objectives for FY15; (5) Received an update on Staff Organization; (6) Received the nomination of Tim Wei as the Senior Vice President for Public Affairs and Outreach Sector; and (7) Received the nomination of Paul Stevenson as the Senior Vice President for the Student and Early Career Development Sector.

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:

   Agenda Overview by Thomas Loughlin (Minutes Appendix I); and (2) Engagement: An Evolving Framework by Roy Arbeit (Agenda Appendix 2.5 and Minutes Appendix II);

   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 III); (2) Presidential Appointments FY15 (Agenda Appendix 4.1.2 and Minutes Appendix IV); and (3) Presidential Task Force List FY15 (Agenda Appendix 4.1.3 and Minutes Appendix V).

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

   VOTED: to approve the following items: (1) Proposed Revisions to By-Law B3.1.8 (Agenda Appendix 4.2.2.1 and Minutes Appendix VI); (2) Proposed Revisions to By-Law B3.2 (Agenda Appendix 4.2.2.2 and Minutes Appendix VII); (3) Proposed Revisions to By-Law B4.2.2.2 (Agenda Appendix 4.2.2.3 and Minutes Appendix VIII); (4) Proposed Revisions to By-Law B4.3 (Agenda Appendix 4.2.2.4 and Minutes Appendix IX); (5) Proposed Revisions to By-Law B5.2 (Agenda Appendix 4.2.2.5 and Minutes Appendix X); (6) Proposed Revisions to By-Law B5.5 (Agenda Appendix 4.2.2.6 and Minutes Appendix XI); and (9) Proposed Sunset for By-Law B5.6 (Agenda Appendix 4.2.3.1 and Minutes Appendix XII).
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>
</tr>
</thead>
<tbody>
<tr>
<td>September 18, 2014</td>
<td>Thursday</td>
<td>12:00 PM – 5:00 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td>September 19, 2014</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM</td>
<td>New York, NY</td>
</tr>
<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>Web-Conference</td>
</tr>
<tr>
<td>April 16, 2015</td>
<td>Thursday</td>
<td>12:00 PM – 5:00 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td>April 17, 2015</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<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>
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</tbody>
</table>

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

9. **Contingency Time:**

J. Robert Sims and Thomas Loughlin provided information regarding the BOG Retreat; a discussion followed (Minutes Appendix XIII).

10. **Adjournment:** The meeting was adjourned on Wednesday, June 11, 2014 at 1:36 PM Pacific Time.

________________________
Warren R. DeVries
Secretary
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

6/11 Open Session Agenda Review:

1. Strategic Conversations:
   1. Engagement: An Evolving Framework…
       Roy Arbeit (Item 2.5)
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

<table>
<thead>
<tr>
<th>Membership Level</th>
<th>Benefits</th>
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</thead>
<tbody>
<tr>
<td>ASME.org Participant</td>
<td>• Online Communities &amp; Interest Groups</td>
</tr>
<tr>
<td></td>
<td>• No Cost Engagement</td>
</tr>
<tr>
<td>Affiliate Member</td>
<td>• Digital Benefits</td>
</tr>
<tr>
<td></td>
<td>• Low Cost Option</td>
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<tr>
<td>Full Member</td>
<td>• Traditional Member Benefits</td>
</tr>
<tr>
<td></td>
<td>• Voting Rights &amp; Leadership</td>
</tr>
<tr>
<td>Student Member</td>
<td>• Digital Benefits</td>
</tr>
<tr>
<td></td>
<td>• On-Campus Activities</td>
</tr>
</tbody>
</table>
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…

**Member Focused** → **Market / Customer Focused**

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>From: Member Focused</th>
<th>To: Market Focused</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target</strong></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><strong>Value Proposition</strong></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><strong>Product / Content Set</strong></td>
<td>• Silos / Only Membership</td>
<td>• Broad-based / Enterprise Level Offerings</td>
</tr>
</tbody>
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### Our Engagement Thinking is Evolving…

**Business Model (High Level)**

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>From: Member Focused</th>
<th>To: Market Focused</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Model (High Level)</strong></td>
<td>• Accelerate growth of new connections in the form of individual members and ASME.org Participants</td>
<td>• Revenue growth and non-revenue impact based on delivering an integrated content portfolio - with contributions from multiple sources - to meet specific market/customer needs</td>
</tr>
<tr>
<td></td>
<td>• Revenue growth derived from “multiplier effect” of significantly more members and participants purchasing ASME products</td>
<td></td>
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</tbody>
</table>
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>Types of Engagement</td>
<td>• Individual engagement:</td>
<td>• Organizations purchase broader set of offerings:</td>
</tr>
<tr>
<td></td>
<td>• Read Magazine</td>
<td>• Strategic Partnerships</td>
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<tr>
<td></td>
<td>• Join Online</td>
<td>• Business Roundtables</td>
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<tr>
<td></td>
<td>• Community Group(s)</td>
<td>• Sponsorships</td>
</tr>
<tr>
<td></td>
<td>• Access WorkSmartSM</td>
<td></td>
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<tr>
<td>Required Competencies</td>
<td>• Direct Marketing</td>
<td>• Market Intelligence</td>
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<td></td>
<td>• Affinity Services</td>
<td>• Business Development / Relationship Building</td>
</tr>
<tr>
<td>Marketing</td>
<td>• Mass Targeted Marketing</td>
<td>• Brand Awareness / Brand Building</td>
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<td></td>
<td>• Product Attributes</td>
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<td></td>
<td></td>
<td>• Tailored / custom marketing for organizations in select markets</td>
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<tr>
<td></td>
<td></td>
<td>• More focus on value and brand building</td>
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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)

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Marketing Approach
Marketing Approach

Marketing Objectives
- Awareness
- Interest
- Consideration
- Engagement

Foundational Enablers
- Market Intelligence
- Defined ASME Brand Position
- Mktg. & Communications Materials
- CRM / Database

Approach
- Relationship Development
- Involvement
- “Marketing” Content

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?
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

<table>
<thead>
<tr>
<th><strong>ASSIGNED BY:</strong></th>
<th><strong>START/DURATION:</strong></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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<thead>
<tr>
<th><strong>MEMBERS:</strong></th>
<th><strong>CONTACT INFORMATION:</strong></th>
</tr>
</thead>
<tbody>
<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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<tr>
<th><strong>CHARGE:</strong></th>
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<tbody>
<tr>
<td>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.</td>
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<thead>
<tr>
<th><strong>PURPOSE:</strong></th>
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<tbody>
<tr>
<td>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.</td>
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<tr>
<th><strong>WORK EFFORT:</strong></th>
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<tr>
<td>On April 25, 2014, the BOG took action in executive session to endorse the proposal of the Knowledge &amp; 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 &amp; 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.</td>
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<tr>
<th><strong>FUNDING:</strong></th>
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<tbody>
<tr>
<td>Nominal funding will be made available in pursuit of this activity.</td>
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<tr>
<th><strong>SUNSET/CONCLUSION:</strong></th>
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<tr>
<td>Sunset TF at end of FY15. Appoint new TF, if needed, based on developments during FY15.</td>
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</table>
### ASME TASK FORCE

<table>
<thead>
<tr>
<th>ASSIGNED BY:</th>
<th>START/DURATION:</th>
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</thead>
<tbody>
<tr>
<td>Madiha Kotb and Robert Sims</td>
<td>1/1/14 – completion of written plan on 6/1/15</td>
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<table>
<thead>
<tr>
<th>MEMBERS:</th>
<th>CONTACT INFORMATION:</th>
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<tbody>
<tr>
<td>Bernie Hrubala (co-chair), Robert Grimes, Warren DeVries, June Ling (co-chair), William Garofalo, Laurel Raso</td>
<td>Staff Support: Gemma Tansey</td>
</tr>
<tr>
<td>Staff Support: Gemma Tansey</td>
<td>Office: 212-591-7095</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:tanseyg@asme.org">tanseyg@asme.org</a></td>
</tr>
</tbody>
</table>

### 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

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

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

Proposed motion for BOG Action: (if appropriate)

Revise B3.2 as attached

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.

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

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 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.
ASME Board of Governors
Agenda Item
Cover Memo

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 fiveseven voting members and fiveseven 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.
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.
ASME Board of Governors
Agenda Item
Cover Memo

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
B5.5 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 two-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.
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.
2014 BOG Retreat
August 6, 7 & 8

Objectives:

• Gain insight into external issues facing ASME
• Explore opportunities for ASME
• Network with other ASME leaders
Who will be there:

- Board of Governors (everyone at the Board Table)
- Senior Vice Presidents
- Senior Staff
- Board Intern Ashish Sinha
- Spouses & Guests
- External Speakers:
  - John Stout
  - Facilitator

Retreat Discussion Items:

Day 1 – External Factors

- What leadership needs to know about the changing N.F.P. environment:
  - Regulation
  - Competencies
  - Other factors

- External Speaker: John Stout
Retreat Discussion Items:
Day 2 – Aligning Pathway 2025 with Mission/Vision

• Generative Discussion: What does it *really* mean to be the essential resource for M.E.s and others throughout the world for solutions that benefit humankind?
Can we describe what success will look like?

Retreat Discussion Items:
Day 2 – Other Likely Topics:

• Update/insight and facilitated conversation:
  • ME Education & Lifetime Learning
  • Advanced Manufacturing
  • Energy