DRAFT AGENDA
BOARD OF GOVERNORS

Day & Time: Thursday, February 8, 2018, 12:00 PM – 5:25 PM
Friday, February 9, 2018, 8:00 AM – 12:10 PM
Location: New York, NY

12:00 – 1:30 Board Dialogue over Lunch – Governors and Governors-Elect

Thursday, February 8, 2018

1. **Closed Session Agenda Items** (Start time 1:45 PM)
   1.1. **Closed Session Consent Items for Action**
      1.1.1. **Proposed Appointments: Member at Large, PA&O Council; International Association for the Properties of Water and Steam**
      (Agenda Appendix 1.1.1)

   1.2. **Proposed Appointments** (30 minutes)
      (Agenda Appendix 1.2)

   1.3. **Executive Director Recruitment Committee-Russell Reynolds Update**
      (60 minutes)
      Reggie Vachon and Madiha Kotb
      (Agenda Appendix 1.3)

   1.4. **EDESC Update** (25 minutes)
      Keith Roe
      (Agenda Appendix 1.4)

      1.4.1. **Update on Q2 Progress on Staff Incentive Plan**
      Jeff Patterson
      (Agenda Appendix 1.4.1)

   **BREAK (3:40–3:55 PM)**

   1.5. **Financial Update** (30 minutes)
      Bill Garofalo
      (Agenda Appendix 1.5)

   1.6. **SAC Discussion: Learning & Development Marketplace**
      **Best Practices** (60 minutes)
      Dennis Kilian and Arin Ceglia
      (Agenda Appendix 1.6)
Friday, February 9, 2018

2. **Opening of the Meeting** (Start time 8:00 AM)

   2.1. **Call to Order**

   2.2. **Adoption of the Agenda**

   2.3. **Announcements, Celebrations, and Recognitions** (10 minutes) DISCUSSION

   2.4. **President’s Remarks** (10 minutes) DISCUSSION
       Charla Wise

   2.5. **Executive Director’s Remarks** (10 minutes) DISCUSSION
       Phil Hamilton

   2.6. **Introductions** (10 minutes) DISCUSSION

   2.7. **Report on Closed Session** (5 minutes) INFORMATION
       Jim Coaker

   2.8. **Consent Items for Action** ACTION

      2.8.1. **Identification of Items to be removed from Consent Agenda**
              Consent Items for Action are items the Board is asked to take action on as a group. Governor
              s are encouraged to contact ASME Headquarters with their questions prior to the meeting as it
              is not expected that consent items be removed from the agenda.

      2.8.2. **Approval of Minutes from the November 4, 2017 Meeting**

      2.8.3. **Proposed Policy Changes from the Diversity & Inclusion Strategy Committee**
              (Agenda Appendix 2.8.3)

      2.8.4. **By-Law B5.4 for First Reading: Standards and Certification Sector**
              (Agenda Appendix 2.8.4)

3. **Open Session Agenda Items** (Start time 8:45 AM)

   3.1. **Action on Implementation of Segregated Accounts Tiger Team Recommendation** (45 minutes)
       Tim Graves and Elio Manes
       (Agenda Appendix 3.1)

   3.2. **FY18 IOP Status Report** (30 minutes) DISCUSSION
       Jeff Patterson
       (Agenda Appendix 3.2)

**BREAK (10:00 AM – 10:15 AM)**
3.3. FY19+ IOP/Budget Planning Update (15 minutes) DISCUSSION
Said Jahanmir and Jeff Patterson (Agenda Appendix 3.3)

3.4. SAC Discussion: Digital Engineer (60 minutes) DISCUSSION
John Goossen and Bill Wepfer (Agenda Appendix 3.4)

3.5. Sector Deep Dive: Public Affairs and Outreach (30 minutes) DISCUSSION
Tim Wei (Agenda Appendix 3.5)

3.6. Status Report on July 2017 Board Retreat (10 minutes) DISCUSSION
Elena Gerstmann (Agenda Appendix 3.6)

4. **New Business**

5. **Open Session Information Items**

<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY</th>
<th>TIME</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 18-19, 2018 (a)</td>
<td>Wednesday-Thurs</td>
<td>April 18: 1:00 PM - 5:30 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td>Board Working Session</td>
<td>Day</td>
<td>April 19: 8:00 AM - 12:00 PM</td>
<td></td>
</tr>
<tr>
<td>April 19-20, 2018 (a)</td>
<td>Thursday-Friday</td>
<td>April 19: 12:00 PM - 5:30 PM</td>
<td>New York, NY</td>
</tr>
<tr>
<td></td>
<td></td>
<td>April 20: 8:00 AM - 12:00 PM</td>
<td></td>
</tr>
<tr>
<td>June 3, 2018 (a)</td>
<td>Sunday</td>
<td>8:30AM - 4:30 PM</td>
<td>Vancouver, Canada</td>
</tr>
<tr>
<td>June 6, 2018 (b)</td>
<td>Wednesday</td>
<td>10:00 AM - 3:00 PM</td>
<td>Vancouver, Canada</td>
</tr>
<tr>
<td>July 25-27, 2018 (b)</td>
<td>Wednesday-Friday</td>
<td>July 25: beginning at 12:00 PM</td>
<td>DC or NY Metro Area</td>
</tr>
<tr>
<td>Board Planning Meeting</td>
<td></td>
<td>July 27: ending at 12:00 PM</td>
<td></td>
</tr>
</tbody>
</table>

(a) 2017-2018 Board of Governors (b) 2018-2019 Board of Governors

6. **Closed Session Information Items**

   6.1. Report from Corporate Counsel

7. **Adjournment**
List of Appendices

1.1.1 Proposed Appointments (Closed)
1.2 Proposed Appointments (Closed)
1.3 Executive Director Recruitment Committee-Russell Reynolds Update (Closed)
1.4 EDESC Update (Closed)
1.4.1 Update on Q2 Progress on Staff Incentive Plan (Closed)
1.5 Financial Update (Closed)
1.6 SAC Discussion: Learning & Development Marketplace Best Practices (Closed)
2.8.3 Proposed Policy Changes from the Diversity and Inclusion Strategy Committee
2.8.4 By-Law B5.4 for First Reading: Standards and Certification Sector
3.1 Action on Implementation of Segregated Accounts Tiger Team Recommendation
3.2 FY18 IOP Status Report
3.3 FY19+ IOP/Budget Planning Update
3.4 SAC Discussion: Digital Engineer
3.5 Sector Deep Dive: Public Affairs and Outreach
3.6 Status Report on July 2017 Board Retreat
6.1 Report From Corporate Counsel (Closed)
ASME Board of Governors  
Agenda Item  
Cover Memo

Date Submitted: January 19, 2018  
BOG Meeting Date: February 8, 2018

To: Board of Governors  
From: Diversity and Inclusion Strategy Committee  
Presented by: Katarina Weinberg, Chair  
Agenda Title: Changes to Society Policies P-4.1, P-4.14, P-15.9, P-15.11

Agenda Item Executive Summary:

The Diversity & Inclusion Strategy Committee undertook a review of ASME’s Society Policy P-15.11 on diversity and inclusion. The primary motivation for the review was to add language about equitable access. At the same time, the committee also proposed updating the definition of diversity to be more inclusive.

The preface to P-15.11 makes reference to several other Society Policies that ensure diversity and/or inclusion. Three of these referenced policies – P-4.1, P-4.14, and P-15.9 – included their own, distinct, lists of characteristics of diversity. The committee recommended that all of these be updated to reflect the new proposed definition of diversity.

The Committee’s recommendations were shared with Associate Executive Director, Human Resources and Facility Operations Laurel Raso to ensure they aligned with our HR policies on diversity and inclusion, and they were subsequently reviewed by outside counsel.

The attached proposed policy revisions incorporate the feedback we received from outside counsel and have been approved by the Diversity & Inclusion Strategy Committee.

Based on its review of these Society Policies, the Committee on Organization and Rules is recommending harmonizing, communicating, and implementing a diversity and inclusion strategy for ASME’s units.

Proposed motion for BOG Action:

To approve changes to Society Policies P-4.1, P-4.14, P-15.9 and P-15.11.

Attachments: Redlined version of Society Policies P-4.1, P-4.14, P-15.9 and P-15.11.
I. PREFACE

A. By-Law B5.3.2.10 states in part, "The Diversity and Inclusion Strategy Committee, under the direction of the Public Affairs and Outreach Council, shall provide insight and advice into promoting diversity within ASME and mechanical engineering."

B. Society Policy P-4.1, Agreements of Cooperation and Affiliation between ASME and Other Organizations Based Outside the United States, states, "the agreement must ensure that all ASME members are treated alike, independent of sex, race, national origin, citizenship, religious or political belief," and "The agreement shall endorse the principle of unrestricted participation of citizens of all nations at international conferences. ASME may decline to participate in an international meeting if it considers any restrictions on the attendance of participants as too inhibiting."

C. Society Policy P-4.3, Qualifications of ASME Elected Officers and Requirements of Office, states that selection of ASME officers is based on the candidates' qualifications and abilities.

D. Society Policy P-4.4, Appointment of ASME Volunteer Personnel to Non-Elected Positions, states that recruitment, selection, nomination, and appointment decisions are based on the candidates' qualifications and abilities.

E. Society Policy P-4.14, Society-wide Affiliations between ASME and Other Societies and Organizations, states "The affiliation document shall include the following provisions: All ASME members shall be treated alike, independent of gender, ethnicity, national origin, citizenship, religious or political belief..."

F. Society Policy P-4.16, Selection, Nomination and Appointment of Senior Vice Presidents, states that the selection of ASME Senior Vice Presidents is based on the candidates' qualifications and abilities.

G. Society Policy P-12.1, Business Practices of Conferences and Events, states, "conducting, permitting, or participating in an exposition, or other similar activity, the Society shall require high ethical standards by those with whom it is associated, and shall not permit practices to be conducted that are inimical or contrary to the aims and objectives of the Society."

H. Society Policy P-15.9, Policy Against Discrimination (Including Discriminatory Harassment) – Members, states that discrimination based on race, color, religion, sex, national origin, age, citizenship status, disability, covered veteran or military status or any...
I. ASME is committed to a diverse and inclusive membership.

J. The continued success and growth of ASME depends on a talented, well-motivated volunteer leadership drawn from diverse backgrounds.

II. PURPOSE

A. This policy is intended to establish a framework that reflects the Society’s commitment to a diverse and inclusive membership as defined below.

B. This policy is intended to direct ASME units to raise awareness and gain an understanding of diversity and inclusion as outlined in Section III.

C. This policy is intended to direct ASME units to ensure that their decision making addresses diversity and inclusion as outlined in Section III.

D. This policy is intended to direct ASME units to endeavor to provide equitable access to all of ASME’s resources, according to the definitions as outlined in Section III.

III. POLICY

ASME is committed to making its leaders, members, stakeholders, suppliers and service providers aware of ASME Core Values on diversity and inclusion. This will be accomplished through training, written and verbal communications and explicit statements, as appropriate. ASME will endeavor to provide for equitable access in all its agreements, programs, and activities and to enter into contracts and agreements that are consistent with ASME’s goal of creating an inclusive environment for all members.

IV. PROCEDURE

ASME shall dedicate time and resources to ensure the active participation as well as leadership opportunities of talented individuals from all segments of society. ASME-sponsored events and practices shall enable inclusion, diversity of thought, innovation, and sustainable achievement. ASME units shall design product offerings and services with an understanding of the preferences and needs of its diverse members and customers. ASME suppliers and service providers shall be aware of and demonstrate respect for the ASME Core Values.

ASME shall encourage its Sectors and units to discuss policies that reflect and embrace diversity and inclusion.
ASME shall develop specific policies intended to increase equitable access during different types of events, programs, and activities that do not currently meet ASME's definition of equitable access.

V. CORE VALUES

In performing its mission, ASME adheres to these Core Values. The ASME Core Values are intended to guide leadership and membership towards conscious behavior, and are important to upholding and maintaining the integrity of the profession as described in this Policy.

ASME 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

VI. ASME SUPPORTS THE FOLLOWING DEFINITIONS

A. Diversity is “the ways in which we differ as individuals or organizations, and the commonalities and similarities that justify and motivate all people and entities to work collaboratively together in order to achieve mutually beneficial outcomes.” Diversity encompasses Diversity of Experience (including personal and professional experiences; family and lifestyle backgrounds; socioeconomic backgrounds); Diversity of Thought (including work styles; personality types; and skill-sets); and Diversity of Demographic Groups (including differences such as age, race, color, ethnicity, sex (including pregnancy), gender, gender identity, gender expression, national origin, citizenship status, religion, sexual orientation, disability, and veteran or military status). Diversity that is recognized, valued and most importantly, strategically managed within and without an organization can drive successful outcomes and business results.

B. Inclusion is creation of opportunities and the elimination of barriers to allow all people to participate in and contribute to ideation, planning, projects, programs, processes, teams, organizations, social activities, fun or any other meaningful opportunity, that helps achieve successful outcomes.

C. Strategic Diversity is the effective deployment of strategies that leverage the strengths of all people and/or of an organization in order to operate successfully within a diverse marketplace or within a uniquely different society, institution, partnership or similar entity.

D. Managing Diversity is the ability to effectively inspire and enable all people to
1) align to a common vision  
2) communicate effectively and assure understanding  
3) know and accept what is of value to others  
4) leverage the strengths of others and trust their commitment to deliver as agreed, and  
5) appropriately recognize and celebrate successes often.

E. Equitable Access is defined as providing the same (or otherwise equitable) resources to all people, particularly those with diverse identities. These resources include physical facilities, methods of communication or communication channels, other institutional structures within ASME, and others. Equitable access specifically includes the following: reasonable accommodations for people with disabilities, respectful and dignified access to restrooms consistent with a person's gender identity, and consideration of the needs of non-English speakers when designing policies or events.

Responsibility: Diversity and Inclusion Strategy Committee

Reassigned from Centers Board of Directors/Center on Leadership and Diversity 6/2012  
Reassigned from Council on Public Affairs/Board on Diversity and Outreach 6/12/05

Adopted: June 14, 1995

Revised: September 12, 1999  
June 12, 2005  
April 23, 2009  
(Reassignment Due to Reorganization 6/2012)
SOCIETY POLICY

AGREEMENTS OF COOPERATION AND AFFILIATION BETWEEN ASME AND OTHER ORGANIZATIONS BASED OUTSIDE THE UNITED STATES

I. PREFACE

Article C2.1.1 of the Constitution lists, among others, the following purposes of the Society: "Promote the exchange of information among engineers and others"; and "Broaden the usefulness of the engineering profession in cooperation with other engineering and technical societies." A variety of Society activities directed toward realization of these purposes are carried out through inter- and multi-society committees with ASME representation. Another means for carrying out these purposes are found in formal agreements of cooperation and/or affiliation with engineering and scientific societies or other organizations.

II. PURPOSE

To provide a uniform guide containing the minimum essentials for agreements while including the flexibility necessary to meet the various arrangements consistent with the uniqueness of the separate organizations and the extent of the relationship.

III. POLICY

A. It shall be the policy of the Society to encourage the development of formal agreements of cooperation and affiliation between ASME and other organizations, including individual societies and multi-society groups. For such agreements to be considered the following criteria shall be satisfied to some reasonable extent:

1. The agreement furthers the purposes of the Society as defined in the Constitution and By-Laws and as expanded by policy statements of the Society.

2. The agreement is with a not-for-profit organization with purposes and objectives which are common or compatible with those of the Society and which has levels of professionalism similar to those of the Society.

3. Agreements with membership societies shall be limited to those with reasonably equivalent and compatible membership qualifications. ASME membership criteria shall not be affected by the agreement.

4. The agreement results in explicit advantages to each party.

B. For agreements with membership societies, ASME may offer an associate service, varied in accordance with grades of membership, to members of the other society at a membership level of interest and potential use of an equivalent service available to
ASME members. The level of associate service shall be no higher than that furnished to Affiliate members of ASME and the fee for the service is to be determined to be consistent with costs associated with services available to that grade of membership.

C. The agreement must ensure that all ASME members are treated alike, independent of age, race, color, ethnicity, sex (including pregnancy), gender, gender identity, gender expression, national origin, citizenship status, religion, sexual orientation, disability, and veteran or military status of sex, race, national origin, citizenship, religious or political belief.

D. The agreement shall endorse the principle of unrestricted participation of citizens of all nations at international conferences. ASME may decline to participate in an international meeting if it considers any restrictions on the attendance of participants as too inhibiting.

E. The agreement shall specify in full the areas of agreement, methods of cooperation, respective rights and privileges of the parties entering into the agreement and the rights and privileges of the members of each organization.

F. The agreement will include no restrictions on ASME's interest or potential interest in establishing geographical or technical membership units of its members or in developing similar agreements with other organizations.

G. For agreements of cooperation with engineering societies of other countries, it is suggested that the agreement be based on the Model Agreement, which is a part of this Society Policy. However, agreements may be particularized as seems useful or required by special conditions related to a specific organization.

H. The copyright policy of one organization must be respected by the other organization.

I. The intellectual property of one organization may not be republished by the other organization without first obtaining written permission from the originating organization.

J. The agreement may provide periodic meetings of designated representatives of both organizations. At least two persons from each organization shall be appointed by the respective governing bodies, one of whom shall be the chief staff officer of that organization or his or her designated representative. These meetings shall take place not less frequently than every three years and a report of the meeting shall be provided to the Committee on Organization and Rules.

K. The agreement may provide for a committee on coordination for implementation and coordination of inter-organization events and actions. This coordinating committee shall be composed of at least two members from each organization. For ASME the members of the coordinating committee will be appointed by the Committee on Organization and Rules.

The committee on coordination shall select a chair and a secretary and provide an annual activities report to the Committee on Organization and Rules.
If the expected level of inter-organization activities does not warrant the appointment of a committee on coordination, each organization shall appoint one member to act as liaison. This person, together with his or her counterpart from the other organization, will perform the same function that is expected from a committee on coordination.

L. Each agreement shall include provision for amendment and termination.

M. Monitoring the agreements and reviewing them periodically, to evaluate the attainment of purpose and effective operation, shall be the responsibility of the Executive Office, or the Knowledge and Community Sector for the Canadian and Mexican Agreements. Any difficulties or problems are reported to the affected Society units for resolution.

N. The Executive Office, or the Knowledge and Community Sector for the Canadian or Mexican Agreements, may recommend amendments to an agreement or its termination and transmit those recommendations to the Committee on Organization and Rules for review and action by the Board of Governors.

O. The agreement shall not inhibit the independence or autonomy of either party and shall assure that ASME shall not be responsible for actions of the other organization.

P. Any proposed agreement or protocol setting forth an agreement is neither valid nor binding until approved by the ASME Board of Governors.

IV. PROCEDURE

A. A recommendation for development of a formal agreement of cooperation or affiliation may be made by any individual or group, internal or external to ASME.

B. The recommendation shall be referred to the Committee on Organization and Rules for its consideration.

C. After consulting all ASME units having responsibility or interest which might be affected by the proposed agreement and working with its counterpart in the organization, a proposed agreement shall be submitted to the Committee on Organization and Rules for its consideration. If and when the Committee on Organization and Rules is satisfied with the proposed agreement, the Committee on Organization and Rules will submit the agreement to the Board of Governors with a recommendation for approval.

D. Agreements of cooperation or affiliation shall be maintained in a file which is kept current by the executive office of ASME. The files should also contain supporting and historical material.

E. A listing of all agreements of cooperation or affiliation shall be maintained on the ASME internet site.
V. MODEL AGREEMENT

By this Agreement, _________________________ ( ) and the American Society of Mechanical Engineers (ASME) establish a cooperative relationship in their areas of interest devoted to the promotion of the art, science and practice of mechanical engineering.

This Agreement sets forth the general principles which the parties propose to follow as they cooperate in the exchange of information and knowledge in order to promote the art, science and practice of mechanical engineering. The parties may from time to time also enter into agreements of cooperation with other organizations with respect to these matters.

No joint action will be allowed that would violate the laws and regulations of either country.

Each organization will respect the copyright policy of the other organization and agrees that intellectual property will not be republished without prior written permission from the originating organization.

Both organizations endorse the principles of unrestricted participation of citizens of all nations at international conferences. The intent for conferences administered or endorsed by both organizations shall be to secure freedom of citizens of all nations, irrespective of race, creed, color, religion, or political belief to enter either country for the purpose of attending such a conference. Both organizations will make every effort to comply with this policy unless such compliance is in direct conflict with the laws, regulations, or stated government policy of either country.

It is understood that either organization may decline to participate in international meetings or conferences where they consider such restrictions to be too inhibiting.

The following are the specific terms of this Agreement.

A. MEMBER ACTIVITIES

1. Attendance at Meetings

Members of each organization are welcome to attend and participate in conferences and general meetings of the other organization. As long as participants pay all relevant fees and meet all stated event requirements, there will be no restriction on their presence at such events.

2. Publications

Each organization’s publications shall be available for purchase to members of the other organization.

3. Membership

All who are members of one organization and who meet the membership requirements of the other organization may apply for membership in that organization without need for formal references and without payment of initiation, application, or entrance fees. Instead of formal references, an
applicant shall obtain certification of his or her membership from the chief staff officer of the member's own organization.

Each organization shall elect on a complimentary basis the chief staff officer of the other organization to the grade of membership for which he or she is qualified.

There are no restrictions on either organization in establishing geographical or technical membership units of its members or in developing similar agreements with other organizations.

4. Student Participation

If both organizations have student members, each organization will endeavor to gain the participation of the engineering student members of the other organization when student organization interests and the event warrant cooperation.

5. Identification

Members of each organization using the privileges under the Agreement shall furnish appropriate evidence of membership in their organization. This is especially important for attendance at meetings and for the purchase of publications.

B. ORGANIZATION ACTIVITIES

1. Observers

The governing body of each organization shall name a member who may be invited as an observer to those meetings of the governing body of the other organization at which matters of mutual interest to both organizations are to be discussed.

2. Communications

Each organization shall provide to the other organization advance announcements of conference programs, future meeting dates and locations, calls for papers, and news of mutual interest which the other organization may wish to publicize in its journals and newsletters.

To facilitate such exchange of information and to implement and coordinate interorganization events and actions, each organization shall appoint a coordinating committee of at least two members, or a liaison, to establish and maintain an active communication channel during the life of this Agreement.

3. Technical Publications Depositories

Each organization may designate a library in the country of the other organization as a depository for its technical periodical publications on a reciprocal complimentary basis. Selection of the library shall be made with
the recommendation and advice of the other organization and shall take into consideration the existence of organizations which already participate on a fee or exchange basis. Such periodicals shall include material normally provided all members of each organization as a part of their membership and copies of technical journals published on a serial basis, if appropriate.

4. Technical Activities

Each organization shall encourage its technical units to involve the related units of the other organization in international events for the exchange of technical information. If one organization plans to hold an event in the country of the other organization, it shall offer to involve the other organization at a level appropriate to the particular circumstances of the event. A written understanding of mutual responsibilities shall be exchanged between the two organizations during the early planning stages for each event. The various levels of involvement are sponsorship, co-sponsorship, and participation. (See P-12.1, Business Practices of Conferences and Events.)

C. REVIEW, AMENDMENT, AND TERMINATION

The terms of the Agreement shall be reviewed by each organization triennially to make sure that it is fulfilling its purpose and is working well. Amendments to the Agreement may be proposed at any time but will not be valid until they have been approved by the governing bodies of both organizations.

The Agreement may be terminated by either organization six months after having provided a written notice to the other organization.

D. RATIFICATION

Any proposed Agreement or protocol setting forth an Agreement is not valid or binding until approved by each organization's established procedures.
(editorial changes 9/92)
March 11, 1993
(editorial changes 11/94)
(editorial changes 6/96)
(editorial changes 11/96)
June 11, 1997
June 6, 2001
(editorial 6/1/05)
SOCIETY POLICY

SOCIETY-WIDE AFFILIATIONS BETWEEN ASME AND OTHER SOCIETIES AND ORGANIZATIONS

I. PREFACE

A. Article C2.1.1 of the Constitution lists the purposes of the Society, including: "Promote the exchange of information among engineers and others"; and "Broaden the usefulness of the engineering profession in cooperation with other engineering and technical societies."

B. Numerous activities are directed toward achieving these purposes. These include ASME representation to multi-society committees. (See P-4.2, Appointment of ASME Representatives to Other Organizations.)

C. This Policy addresses ASME affiliations at the Society-wide level with other societies or organizations that do not provide for an ASME representative.

D. ASME affiliations at the Society-wide level may be with other societies or organizations in specialized mechanical engineering areas, or in other engineering or scientific disciplines.

E. Society-wide interaction may include joint memberships, membership privileges exchanges, joint support of programs of mutual interest, and administrative relationships.

II. PURPOSE

A. To provide a flexible yet uniform guide for affiliations between ASME and other, sometimes unique, organizations.

B. To define the extent of the relationship between ASME and the affiliated societies and organizations.

III. POLICY

A. The Society encourages appropriate affiliations between ASME and other organizations, including individual societies and multi-society groups. For such affiliations to be considered appropriate, the following criteria shall be satisfied:

1. Affiliations shall further the purposes of the Society defined in the Society Constitution and By-Laws, as well as policy statements.

2. Affiliations shall be limited to other not-for-profit organizations whose purposes and objectives are compatible with those of the Society, and whose level of professionalism is similar.
3. Affiliations with membership societies shall be limited to those with reasonably equivalent and compatible membership qualifications.

4. ASME membership criteria shall not be affected by the affiliation.

5. Affiliations shall result in explicit advantages to each party.

B. The affiliation document shall include the following provisions:

1. All ASME members shall be treated alike, independent of age, race, color, ethnicity, sex (including pregnancy), gender, gender identity, gender expression, national origin, citizenship status, religion, sexual orientation, disability, and veteran or military status, gender, ethnicity, national origin, citizenship, religious or political belief.

2. Areas of agreement, methods of cooperation, respective rights and privileges of the parties entering into the affiliation shall be specified.

3. The copyright policy of each organization shall be respected by the other organization.

4. The intellectual property of each organization may not be republished by the other organization without first obtaining written permission from the originating organization.

5. Provisions for review, amendment and termination shall be included. The review shall be conducted at least triennially by the responsible ASME unit and reported to the Board of Governors.

6. The independence or autonomy of either party shall not be inhibited and ASME shall not be responsible for actions of the other organization.

C. Any proposed affiliation or amendment to an existing affiliation is neither valid nor binding until approved by the ASME Board of Governors.

IV. PROCEDURE

A. A recommendation for affiliation may be made by any individual or group, internal or external to ASME.

B. A recommendation for an affiliation shall be referred to the appropriate Society unit.

C. The responsible unit shall submit the proposal to the Committee on Organization and Rules, which shall consult with all affected Society units.
D. If and when the Committee on Organization and Rules is satisfied with the proposed agreement, it shall submit the affiliation document with its endorsement to the Board of Governors for approval.

E. Affiliation documents, historical and supporting material shall be placed on file in the ASME executive office and kept current.

F. Relevant information about the affiliation shall be included in the responsible Society unit’s Operation Guide.

G. Dues

1. Before submitting a proposal for affiliation for approval, the responsible unit shall determine whether or not dues payment is required.

2. If dues payment is required, it shall be included in the appropriate ASME budget.

3. The dues amount shall be stated in the responsible Society unit’s Operation Guide.

Responsibility: Committee on Organization and Rules

Adopted: September 11, 1994

Reaffirmed: March 12, 2013

Revised: September 12, 1999
(EDITORIAL CHANGES 3/01)
June 1, 2005
SOCIETY POLICY

POLICY AGAINST DISCRIMINATION (INCLUDING DISCRIMINATORY HARASSMENT) - MEMBERS

I. PREFACE

A. Discrimination (including discriminatory harassment) by a member of ASME against any other member or ASME employee or job applicant on the basis of age, race, color, ethnicity, sex (including pregnancy), gender, gender identity, gender expression, national origin, citizenship status, religion, sexual orientation, disability, and veteran or military status, or any other characteristic protected by state or local equal employment opportunity laws, shall not be tolerated.

B. Discrimination (including discriminatory harassment) by a member of ASME against an individual who is neither a member nor an employee or job applicant of ASME on the basis of age, race, color, ethnicity, sex (including pregnancy), gender, gender identity, gender expression, national origin, citizenship status, religion, sexual orientation, disability, and veteran or military status, or any other characteristic protected by state or local equal employment opportunity laws, is also of concern to ASME when the conduct occurs on ASME premises or during an ASME activity.

C. Conduct in violation of this Policy is grounds for discipline by ASME, up to and including expulsion from membership.

II. PURPOSE

A. To state the ASME policy against discrimination (including discriminatory harassment) by members.

B. To describe the types of conduct prohibited by this Policy.

C. To establish a procedure for dealing with violations of this Policy.

III. POLICY

A. ASME prohibits discrimination on the basis of age, race, color, ethnicity, sex (including pregnancy), gender, gender identity, gender expression, national origin, citizenship status, religion, sexual orientation, disability, and veteran or military status, or any other characteristic protected by state or local equal employment opportunity laws with respect to any decision or recommendation made by a member concerning (a) the participation of another member in an ASME activity or (b) the hiring, performance evaluation or a work assignment of an ASME employee.

B. Prohibited discriminatory conduct also includes conduct by a member that constitutes harassment based on age, race, color, ethnicity, sex (including pregnancy), gender, gender identity, gender expression, national origin, citizenship status, religion, sexual orientation, disability, and veteran or military status, or any other characteristic protected by state or local equal employment opportunity laws.
Examples of such conduct are racial or ethnic slurs and threatening, intimidating or hostile acts directed at a particular sex or religion, or directed at a member or ASME employee because of his or her national origin or color.

2. Harassment does not require an intent to offend. Thus, when unwelcome by the recipient, certain conduct meant as a joke, a prank, or even a compliment can lead or contribute to harassment.

C. Sexual harassment is a specific type of discriminatory harassment. ASME prohibits conduct that constitutes sexual harassment.

1. Unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature constitutes sexual harassment for purposes of this Policy when:

a. Submission to such conduct is made explicitly or implicitly a term or condition of an individual's work assignment at ASME or participation in any activity of ASME;

b. Submission to or rejection of such conduct by an individual is used as the basis for decisions or recommendations affecting such individual's employment at ASME or participation in any activity of ASME; or

c. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance at ASME or participation in any activity of ASME.

2. No member with a leadership role is at any time to (1) threaten or imply that an individual's submission to or rejection of a sexual advance will in any way influence any decision, recommendation or evaluation regarding that individual's employment at ASME or participation in any activity of ASME; or (2) make any decision or recommendation concerning an individual's employment at ASME or participation in any activity of ASME on such a basis.

D. Other conduct by members in ASME's workplace or in connection with any ASME activity that creates or could lead or contribute to an intimidating, hostile or offensive work environment, whether it be in the form of physical, visual or verbal harassment, is also prohibited. Such conduct includes, but it is not limited to:

1. repeated unwelcome sexual flirtations, advances, gestures, or propositions;

2. verbal abuse of a sexual nature;

3. graphic verbal comments of a sexual nature about an individual's body;

4. sexually degrading words used to describe an individual;
5. the access to, or display or distribution of, sexually suggestive objects or pictures (including via the use of computers); and

6. inappropriate touching of an individual.

E. ASME also prohibits retaliation against any ASME member for making a good faith report or complaint of an alleged violation of this Policy, or for participating in an investigation of such a report of complaint, under the procedures set forth below.

IV. PROCEDURE

A. Any member who believes that he or she has been subjected to any behavior by any ASME member or employee that violates this Policy should immediately bring the matter to the attention of the appropriate individual as set forth in paragraphs 1. and 2. below. Members who have information about conduct violative of this Policy directed toward other members or any ASME employee are also encouraged to report the relevant facts pursuant to this Policy. Prompt reporting is very important so that ASME can take action to stop the conduct before it is repeated.

1. If the alleged victim and the alleged offender are members who are not employees of ASME, the complaint should be made to either of two members of the Committee of Past Presidents that have been designated by that Committee to serve in this function, currently Susan Skemp and Reginald Vachon, by e-mailing asmepastpresidentcontact@asme.org. Those individuals (and any other chair, leader, or vice president who may receive information concerning the existence of such a complaint) should immediately report the complaint to the Executive Director, regardless of whether the complaint was written or oral.

2. If either the alleged victim or alleged offender is an employee of ASME, the complaint should be brought to the attention of the Executive Director. If the alleged offender is an employee of ASME, the procedures set forth in Sections IV.B. and IV.C. for handling the complaint will not apply. Instead, the Executive Director will report the complaint to ASME’s Human Resources Department, and the complaint will be handled in its entirety in accordance with ASME’s Employee Handbook (the applicable section(s) of which shall be available to any member upon request). If the alleged victim is an employee of ASME but the alleged offender is a member, the complaint will be handled in accordance with ASME’s Employee Handbook, except that upon determining that this Policy has been violated, the Human Resources Department will report that determination to the Executive Director and the Chair of the Ethics Committee, who will decide whether disciplinary measures are appropriate in accordance with Section IV.C.4. below, and Sections IV.C.5. and IV.C.6. below will also apply.

3. If either the alleged victim or alleged offender is neither a member nor an employee of ASME, but the alleged incident occurred on ASME premises or
during ASME activities, the Executive Director shall, based on the circumstances, determine what, if any, action should be taken. If the alleged incident did not occur on ASME premises or during ASME activities, the Executive Director shall inform the complainant that ASME has no jurisdiction and will accordingly take no action.

B. Upon receiving a report of an alleged violation of this Policy by a member against another member, the Executive Director shall proceed as follows:

1. The Executive Director and the Chair of the Ethics Committee, shall, in consultation with each other, decide whether an attempt should be made to resolve the complaint via communication with the complainant and the alleged offender (“facilitation”). If they decide to pursue facilitation, the Executive Director, the Chair of the Ethics Committee or another individual selected by the Executive Director in consultation with the Chair of the Ethics Committee shall serve as the facilitator. Should facilitation result in resolution, the resolution agreed to by the complainant and the alleged offender shall be committed to writing and signed by both parties.

2. If the Executive Director and Chair of the Ethics Committee decide that the matter should be formally investigated (whether or not it is referred to facilitation), the complainant will be informed and should promptly forward to the Executive Director a signed complaint detailing the allegations. In such a case, the procedures set forth in Section IV.C below shall apply.

3. Notwithstanding any other provision of this Policy, the Executive Director, President or the Board of Governors may investigate any report of an alleged violation of this Policy (whether or not the complainant has submitted a signed complaint).

C. An investigation of any complaint submitted pursuant to Section IV.B.2. shall proceed as follows:

1. The Executive Director or the Chair of the Ethics Committee will investigate or appoint another individual to investigate. The investigator will conduct interviews of the complainant, the alleged offender and other individuals as necessary.

2. After completion of the investigation, the investigator will make a written report to the Executive Director and the Chair of the Ethics Committee, who will determine whether this Policy has been violated.

3. If the Executive Director and the Chair of the Ethics Committee determine that this Policy has not been violated: (i) the complainant and alleged offender will be so informed; (ii) any written records concerning the investigation will be kept by the Executive Director in a confidential file for three years and will be destroyed
at the end of that period if within that period no similar complaint against the alleged offender has been found to be valid; and (iii) no further action will be taken.

4. If the Executive Director and the Chair of the Ethics Committee determine that this Policy has been violated, they will decide on any appropriate remedial measures and/or disciplinary measures, up to and including expulsion from ASME, and inform the offender and the Board of Governors of their decision in writing. The Executive Director or the Chair of the Ethics Committee will also inform the complainant of the determination that the Policy has been violated, and, if applicable, of any remedial measures, and will determine what, if anything, the complainant shall be advised about any disciplinary measures taken as to the offender.

5. The individual found to have violated this Policy may request in writing that the Board of Governors review the investigation process for compliance with Sections IV.C.1 – IV.C.4. of this Policy (or, if relevant, ASME's Employee Handbook). Any such request must be received by the Board of Governors within ten (10) days after the date the individual was informed of the decision. The Board of Governors will not review the merits of the decision. The Board of Governors will complete its review within thirty (30) days of receiving a timely written request. Any remedial and/or disciplinary measures will be held in abeyance pending completion of the Board of Governors' review.

6. If the Board of Governors conducts a review and finds that the investigation complied with the relevant procedures, the remedial and/or disciplinary measures decided upon by the Executive Director and the Chair of the Ethics Committee will be taken. If the Board of Governors finds that the investigation did not comply with the relevant procedures, they may recommend (i) that the case be closed; (ii) that further investigative steps be taken in accordance with the appropriate policy; or (iii) if the failure to adhere to procedure was insignificant, that the remedial and/or disciplinary measures decided upon by the Executive Director and the Chair of the Ethics Committee be carried out. The Executive Director and the Chair of the Ethics Committee will take any further action necessary to resolve the complaint in accordance with the Board of Governors' recommendation.

D. If the Chair of the Ethics Committee or Executive Director decides to abstain from participating in handling any complaint or report of an alleged violation of this Policy, he or she shall be replaced as follows:

1. In the case of the Chair of the Ethics Committee, the President shall appoint a replacement.

2. In the case of the Executive Director, he or she shall be replaced by the Deputy Executive Director with the greatest seniority. If such Deputy Executive Director
decides to abstain, he or she shall be replaced by the President, or, if he or she
decides to abstain, the immediate Past President.

3. In the event all of the individuals holding the positions specified above shall
abstain, the Board of Governors shall appoint from its membership two
individuals to fulfill the roles of the Chair of the Ethics Committee and the
Executive Director under this Policy.

E. ASME will strive to keep the identity of persons making complaints pursuant to this Policy
as confidential as possible.

F. It is a violation of this Policy for any retaliatory action to be taken or threatened against an
individual who in good faith reports or provides information about a possible violation of
this Policy or who in good faith participates in a related investigation or exercises any other
right protected by the equal employment opportunity laws. In the event that a member
believes he or she has been retaliated against for such action, he or she should use the
reporting procedures outlined in Section IV.A. of this Policy to report the pertinent facts
promptly. ASME will investigate and take appropriate action in the manner described
above.

G. The making by a member of a complaint pursuant to this Society Policy which such
member knows to be false or the providing by a member of information which such
member knows to be false relating to such a complaint is a violation of the Code of Ethics
of Engineers and may be the subject of a complaint against such member brought pursuant
to Society Policy P-15.4. Any complaint of a violation of this Policy that has been
determined to have been knowingly false shall be expunged from any and all records of
ASME relating to the alleged offender.

H. The procedures for handling complaints set forth in Sections IV.C. and IV.D. above will also
apply:

1. If a complaint of a violation of this Policy is made against a member of ASME by
an individual who is neither a member nor an employee of ASME, and the alleged
incident occurred on Society premises or during Society activities; and

2. If a complaint of a violation of this Policy is submitted to the Chair of the Ethics
Committee as an alleged ethical violation.

Responsibility: Ethics Committee

Reassigned from Centers Board of Directors/Center for Career and Professional
Advancement 11/2013

Centers Board of Directors/Center for Career and Professional Advancement
Reassigned from Centers Board of Directors/Center for Career and Professional Advancement 6/2012

Reassigned from Centers Board of Directors/Center for Professional Development, Practice and Ethics 4/23/09

Reassigned from Council on Member Affairs/Board on Professional Practice and Ethics 6/1/05

Adopted: September 10, 1993

Revised: March 12, 1999
( editorial changes 6/05)
June 8, 2008
( editorial changes 4/09)
(Unit Reassignment Due to Reorganization 6/2012)
(Unit Reassignment Due to Reorganization 9/2013)
(editorial changes 01/14)
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: January 3, 2018
BOG Meeting Date: February 8, 2018

To: Board of Governors
From: Standards and Certification Sector
Presented by: Sam Korellis
Agenda Title: By-Law B5.4 for First Reading:
Standards and Certification Sector

Agenda Item Executive Summary:

The Standards and Certification Sector requests the attached By-Law change that makes the final approval of the Chairs of the Board on Hearings and Appeals and the Energy and Environmental Standards Advisory Board by the Standards and Certification Council consistent with how the chairs of the other Boards of the Sector included in B5.4.1.2 are approved.

Another change notes that the Chairs of the Board on Hearings and Appeals and the Energy and Environmental Standards Advisory Board will automatically serve on the Council, which is also consistent with the service on the Council by the chairs of the other Boards included in B5.4.1.2.

The other change notes that the senior staff support for the Sector is an Associate Executive Director, rather than the Deputy Executive Director.

These changes will be reflected in the Sector’s Operation Guide as soon as the By-Laws are approved.

ASME Committee on Organization and Rules reviewed the proposed changes during its January 17 meeting. It supports the proposed changes.

Proposed motion for BOG Action:

To approve for first reading the changes to By-Law B-5.4

Attachments: Redlined version of By-Law B-5.4.
B5.4 STANDARDS AND CERTIFICATION SECTOR

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

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

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

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

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

B5.4.2.3 The Boards on Standardization and Testing; Nuclear Codes and Standards; Pressure Technology Codes and Standards; Safety Codes and Standards; and Conformity Assessment shall each consist of a Chair; one or more Vice Chairs, and a membership, as determined by the Council on Standards and Certification. The Energy and Environmental Standards Advisory Board shall consist of a Chair, a Vice Chair, and a membership, as determined by the Council on Standards and Certification. The Board on Codes and Standards Operations shall consist of the Vice Chair, Operations of the Council on Standards and Certification as Chair, the Chair of the Board on Hearings and Appeals as Vice Chair, and a membership, as determined by the Council on Standards and Certification. The Board on Strategic Initiatives shall consist of the Vice Chair, Strategic Initiatives of the Council on Standards and Certification as Chair, a Vice Chair, and a membership, as determined by the Council on Standards and Certification. The Board on Hearings and Appeals shall consist of a Chair, and a membership as determined by the Council on Standards and Certification.
Date Submitted: January 24, 2018
BOG Meeting Date: February 9, 2018

To: Board of Governors
From: TEC/Group Pathways and Support
Presented by: Tim Graves and Elio Manes
Agenda Title: Action on Implementation of Segregated Accounts Tiger Team Recommendation

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

The Technical Events & Content and Group Pathways & Support management team will present the recommendations of the Segregated Accounts Tiger Team in support of the motion to implement the recommendations.

Proposed motion for BOG Action: (if appropriate)

The Board of Governors endorses the findings of the Segregated Accounts Tiger Team and directs staff to implement the following recommendations:

1. New budgeting guidelines will be piloted for FY 2019-2021, and if found to be successful, will become permanent; staff will report annually on the effectiveness of this model on the growth of our events and the stabilization of Division Segregated Accounts.

2. Inasmuch as the investment of Segregated Accounts is not under the control of Divisions, investment losses and gains on the balances will inure to the ASME General Fund.

3. The conference overhead rate for budgeting will be set at a flat 15% of conference revenues for every conference.

4. Each conference activity undertaken by a Division will have a budget. A baseline budget revenue target will be set for a certain amount of content creation (number of papers and presentations), number of attendees, number of or total dollars of sponsors and exhibitors, along with a net zero or surplus budget balancing revenues and expenses and labor overhead, and should the revenue target be achieved, as well as a monetary surplus exceeding the net zero amount, the net surplus shall be shared 50% to the Division Segregated Funds, 25% to the ASME General Fund, and 25% to a TEC Sector Development Fund. The Development Fund budgetary use will be determined by TEC Council based on endorsement from
the Segment Leadership Teams, thus giving us a means to encourage cross-segment collaboration and new ideas coming from Divisions with smaller segregated accounts. A net deficit of the actual results to the conference budget will be shared in the same ratio.

5. All Divisional event-related revenue, including conferences and external events not managed by ASME where revenue is generated for ASME, is to be accounted for in the budget(s) of the Division’s conferences. All Divisional Expenses relating to the business of conferences are to be included in the conference budget.

6. Budgets are to be prepared by staff after conference location, site, activities and other applicable expense guidance are provided by the conference organizers.

7. In rare circumstances, exceptions to these overhead rates may be made for specific events by a formal vote at TEC Council. Such exceptions will need to be raised by the Segment responsible for such a conference with subsequent approval by the Senior Vice-President, TEC Sector, for consideration at an appropriate TEC Council meeting.

8. For conferences in which multiple Divisions are taking part, such as IMECE, a systematic formula for surplus sharing will be used. This formula will calculate a ratio of the total content of papers and presentations provided by each Division (or in Sessions sponsored by that Division) divided by the total number of papers and presentations. This ratio will be used to share the surplus from the event.

9. Recommended uses of Segregated Account funds are:
   • Volunteer travel and meals at ASME-related activities
   • Conference-related activities
   • Awards and Honors (subject to dollar limits if monetary)
   • Student programs designed to recruit future members, including:
     • Scholarships
     • Competitions
     • Conference travel and registration subsidies
     • Other programs by student sections
   • ASME programs
   • ASME Foundation

10. As part of the pilot, staff is directed to suggest appropriate policy changes to reflect the process outlined in the pilot initiative, and any refinements, for future Board action.
Attachments:

1. Segregated Accounts Tiger Team Report
2. Segregated Accounts Tiger Team Final Presentation
Proposal by Presidential Tiger Team on Segregated Accounts

Charla Wise, Tiger Team Sponsor
Rick Marboe, TEC Sector SVP
Jeff Patterson, COO
Tim Graves, Director, Technical Conferences & Events
Elio Manes, Director, GPS
9 February 2018
What to Expect from this Presentation

» Brief Description – Outline specific recommendations for new policies and procedures designed to: a) reduce the conference overhead rate; b) restore to the Divisions a measure of “ownership” over their financial destinies; c) encourage alignment with ASME strategy; and d) incentivize revenue growth through net-surplus-sharing to support financial stability.

» Desired Outcome – Motion for acceptance and adoption of the recommendations.

» Questions – Please ask clarifying questions throughout the presentation.

» Duration – Presentation: 15 Minutes; Discussion: 30 Minutes.
Tiger Team Findings

• Divisions have raised concern since the July 2014 reorganization as to the future of conference budgeting and their Segregated Accounts

• Members have expressed that they no longer feel a sense of ownership of their conferences nor feel incentivized to reach targeted goals and budgets

• Questions were also raised over the amount of overhead being charged to conferences

• An analysis of the 1st quarter of FY 2018 conferences shows that ASME missed revenue targets on 6 of 9 conferences and net surplus targets on 8 of 9 conferences.
Proposal from the Tiger Team

• Lower the conference labor overhead rate from 30% to 15% of total revenues for FY 2019-2021
• Should a conference meet its revenue targets and create a net surplus, the surplus should be shared:
  • 50% to the Division’s Segregated Account
  • 25% to the TEC Sector Development Fund
  • 25% to the ASME General Fund
• Should a deficit occur, the same percentages will be used to spread that amount
Proposal from the Tiger Team (cont.)

• Multi-Division conferences will share their surplus according to a ratio of content provided by each Division

• Investment losses and gains on the balances of Segregated Accounts should remain in the ASME General Fund

• Guidance on the recommended and not recommended uses of Segregated Accounts is defined

• Consistent programmatic aspects should be planned for all conferences
Proposal from the Tiger Team (cont.)

• This proposal was presented and discussed with the Committee on Finance & Investments (COFI) at their December 1, 2017 meeting, which was in agreement with bringing forth to the Board for a vote.
Proposed Motion:

The Board of Governors endorses the findings of the Segregated Accounts Tiger Team and directs staff to implement the following recommendations:

1. New budgeting guidelines will be piloted for FY 2019-2021, and if found to be successful, will become permanent; staff will report annually on the effectiveness of this model on the growth of our events and the stabilization of Division Segregated Accounts.

2. Inasmuch as the investment of Segregated Accounts is not under the control of Divisions, investment losses and gains on the balances will inure to the ASME General Fund.

3. The conference overhead rate for budgeting will be set at a flat 15% of conference revenues for every conference.

4. Each conference activity undertaken by a Division will have a budget. A baseline budget revenue target will be set for a certain amount of content creation (number of papers and presentations), number of attendees, number of or total dollars of sponsors and exhibitors, along with a net zero or surplus budget balancing revenues and expenses and labor overhead, and should the revenue target be achieved, as well as a monetary surplus exceeding the net zero amount, the net surplus shall be shared 50% to the Division Segregated Funds, 25% to the ASME General Fund, and 25% to a TEC Sector Development Fund. The Development Fund budgetary use will be determined by TEC Council based on endorsement from the Segment Leadership Teams, thus giving us a means to encourage cross-segment collaboration and new ideas coming from Divisions with smaller segregated accounts. A net deficit of the actual results to the conference budget will be shared in the same ratio.

5. All Divisional event-related revenue, including conferences and external events not managed by ASME where revenue is generated for ASME, is to be accounted for in the budget(s) of the Division’s conferences. All Divisional Expenses relating to the business of conferences are to be included in the conference budget.

6. Budgets are to be prepared by staff after conference location, site, activities and other applicable expense guidance are provided by the conference organizers.

7. In rare circumstances, exceptions to these overhead rates may be made for specific events by a formal vote at TEC Council. Such exceptions will need to be raised by the Segment responsible for such a conference with subsequent approval by the Senior Vice-President, TEC Sector, for consideration at an appropriate TEC Council meeting.

8. For conferences in which multiple Divisions are taking part, such as IMECE, a systematic formula for surplus sharing will be used. This formula will calculate a ratio of the total content of papers and presentations provided by each Division (or in Sessions sponsored by that Division) divided by the total number of papers and presentations. This ratio will be used to share the surplus from the event.

9. Recommended uses of Segregated Account funds are:
   • Volunteer travel and meals at ASME-related activities
   • Conference-related activities
   • Awards and Honors (subject to dollar limits if monetary)
   • Student programs designed to recruit future members, including:
     • Scholarships
     • Competitions
     • Conference travel and registration subsidies
     • Other programs by student sections
   • ASME programs
   • ASME Foundation

10. As part of the pilot, staff is directed to suggest appropriate policy changes to reflect the process outlined in the pilot initiative, and any refinements, for future Board action.
Appendix – Motion Approved at April 2014 BOG Meeting

1. To endorse the proposal of the Knowledge & Community and Institutes Task Force to establish a new Technical Events and Content (TEC) Sector with the identified initial four segments, to establish a Group Pathways and Support (GPS) system, to dissolve the current Knowledge & Communities and Institutes Sectors, and direct the Committee on Organization and Rules (COR) to bring required proposed revisions to the Board of Governors for action in June.

2. To establish the TEC Sector budget to include conference/event surplus and costs for doing that business and supporting the Sector, beginning FY15. All net surplus from the Sector will go to the ASME general fund.

3. To avoid inconsistency or conflict with items 1 and 2 by suspending all provisions of ASME governance documentation which may result in such inconsistency or conflict with the above actions; such suspension to continue until proposed revisions are brought forward by COR for approval by the Board of Governors.
Presidental Tiger Team Final Proposed Segregated Account, Technical Conference and Division budgeting guidelines

January 2018

In August 2017, ASME President Charla Wise chartered a Presidential Tiger Team on Segregated Accounts. The Tiger Team Charter is attached as an Appendix.

Since July 2014, as the Divisional Segregated Accounts have been spending down their balances, there has been concern raised by the Divisions as to the future of budgeting of Divisional and Conference revenues and expenses and how all costs would be incorporated. Additionally, since the 2014 reorganization of the Knowledge & Community/Institutes Sector (KCI), Members have expressed that the Divisions no longer feel a sense of ownership of their conferences nor feel incentivized to reach targeted goals and budgets. Thirdly, there were also questions raised over the amount of overhead being charged to conferences.

An analysis of the 1st quarter of FY 2018 conferences shows that ASME missed revenue targets on 6 of 9 conferences and net surplus targets on 8 of 9 conferences. These results lend credence to the assertions of the preceding paragraph.

The charter of the Tiger Team was to determine the best way forward in the budgeting of technical conferences and Segregated Accounts to reflect the costs of operating these events, and to ensure the long-term health of Divisions and their Segregated Accounts. This document proposes methods to remedy the unintended above stated effects of the 2014 reorganization.

The following budgeting guidelines and statements have been prepared by the Presidential Tiger Team on Segregated Accounts and are suggested to be piloted for FY 2019-2021, and if found to be successful, to become permanent:

1. Since the 2014 reorganization of KCI, ASME-owned technical conferences were budgeted to cover the entire cost of the conference including applicable direct staff and overhead costs associated with the Conferences department. The Conferences department overhead also includes the ancillary staff and monetary support for all Divisions, Segments, and TEC Council. This resulted in an overhead rate of 30% across the entirety of conference revenues.

2. To encourage growth and expansion of all of our events, for at least the next three fiscal years (FY 19-21), the Tiger Team recommends that the conference overhead rate for budgeting be set at a flat 15% of conference revenues for every conference. With the reduction from 30% to 15%, this rate acknowledges that ASME directly and indirectly receives additional revenues from conference content, membership and possibly other areas of the organization where Divisions are involved. During these three years, reviews will be conducted on the effectiveness of this model on the growth of our events and the stabilization of Division Segregated Accounts. The Tiger Team proposes that since the investment of Segregated Accounts is not under the control of Divisions, investment losses and gains on the balances will inure to the ASME General Fund.

3. To increase the Divisions’ sense of ownership and control of our conferences, and to incentivize the engagement of our Membership, the Tiger Team proposes to allow for a sharing of the net surplus of the conference budget(s). Each conference activity undertaken by a Division will have a budget. A baseline budget revenue target will be set for a certain amount of content creation (number of papers and presentations), number of attendees, number of total dollars of sponsors and exhibitors, along with a net zero or surplus budget balancing revenues and
expenses and labor overhead, and should the revenue target be achieved, as well as a monetary surplus exceeding the net zero amount, the net surplus shall be shared 50% to the Division Segregated Funds, 25% to the ASME General Fund, and 25% to a TEC Sector Development Fund. The establishment of such a fund was part of the KCI reorganization plan and intended to provide Divisions the functionality that Custodian Accounts historically provided (i.e., a source of funds to try new things.) The Development Fund budgetary use will be determined by TEC Council based on endorsement from the Segment Leadership Teams, thus giving us a means to encourage cross-segment collaboration and new ideas coming from Divisions with smaller segregated accounts.

A net deficit of the actual results to the conference budget will be shared in the same ratio.

4. All Divisional event-related revenue, including conferences and external events not managed by ASME where revenue is generated for ASME, is to be accounted for in the budget(s) of the Division’s conferences.
   - ASME-managed conference revenues include registration, workshop, sponsorship and exhibition revenue.
   - As stated, conference sponsorships and exhibitions are a part of revenue, but for budgeting and setting of registration rates purposes, only committed sponsorships and exhibitions will be included. Where applicable, divisions may use an average of the actual sponsorship or exhibit dollars raised for an event over the past 3 cycles.
   - To be successful in incentivizing Divisions to generate funds for their Segregated Accounts by growing ASME conference surpluses, it is essential that Divisions not fundraise simply to pad their accounts. Instead, ASME is to provide Divisions with guidance on the proper solicitation of event sponsorships.
   - For external events in which fees and surplus-sharing for ASME are involved, we will treat those items as “Other expenses” and “Other income” respectively. As an example, the Dynamic Systems and Control Division puts on the ASME DSCC event, but also participates in the (non-ASME) ACC conference annually, for which ASME pays a membership fee but then receives a percentage of the surplus of the event. This shared amount would be included in the revenue line of the DSCC budget as “Other income,” and the membership fee would be included as “Other expenses.” As the ASME brand and resources are used, along with the volunteer support of our members, to generate such revenues, these revenues will be subject to the 15% overhead rates.
   - Divisions may contribute from their Segregated Accounts into “Other income.”
   - Other “Other income” sources of funding to Division Segregated Accounts include voluntary contributions from members.

5. All Divisional Expenses relating to the business of conferences are to be included in the conference budget and these include, but are not limited to:
   - Conference-related direct expenses
   - Meetings during the conference
   - Travel reimbursements for speakers or forum participants;
   - Travel reimbursements (rather than travel grants or “scholarships”) for students/early career to attend the conference;
   - Complimentary registrations (complimentary registrations within conference budgets will be subject to overhead rates).
   - Expenses for executive, conference, or technical committee members
6. Budgets are to be prepared by staff after conference location, site, activities and other applicable expense guidance are provided by the conference organizers.
   • After preparation, staff are to share the following information with conference organizers: (i) draft of the current-year event budget; and (ii) copies of actual revenues and expenses from events for the two prior cycles (where applicable). In this manner, those involved shall have three budget cycles upon which decisions can be made.
   • Based on these budgets, staff are to work with conference organizers to add/subtract to the event to craft an agreeable conference registration rate that covers all costs.
   • In the rare case that conference organizers and staff do not reach an agreement, such matters shall be resolved by the SLT responsible for conference approval.

7. In rare circumstances, exceptions to these overhead rates may be made for specific events by a formal vote at TEC Council. Such exceptions will need to be raised by the Segment responsible for such a conference with subsequent approval by the Senior Vice-President, TEC Sector, for consideration at an appropriate TEC Council meeting.

8. For conferences in which multiple Divisions are taking part, such as IMECE, a systematic formula for surplus sharing will be used. This formula will calculate a ratio of the total content of papers and presentations provided by each Division (or in Sessions sponsored by that Division) divided by the total number of papers and presentations. This ratio will be used to share the surplus from the event.

9. Annual conferences should strive to contract with venues for their events at least 3 years out. Conferences outside of the U.S. and in states where ASME is not tax exempt should be examined closely for all tax effects.
   • Divisions and staff shall be tasked with reviewing budgets for all upcoming conferences to account for any changes in how they were planned budgeted. This could include currency fluctuations, travel difficulties, etc.

10. Certain programmatic aspects are expected of each technical conference, and expenses or revenue associated with such activities is to be included in the conference budget. These may include:
   • S&C sector developed sessions on standards efforts in that technical area and certification opportunities
   • Sessions dedicated to one or more of the ASME focus technologies
   • Focus on student and early career programs
   • Competitions of some kind
   • Educational workshops
   • Local section involvement
   • Local student section involvement
   • Networking activities
   • Miscellaneous, as-needed, on a case-by-case basis

11. The Tiger Team, in an effort to better support our strategy, improve program impact, address IRS regulations, and avoid conflict of interest, has also offered guidance on the uses of Segregated Account funds:
   • Recommended uses of Segregated Account funds:
     o Volunteer travel and meals at ASME-related activities
     o Conference-related activities
o Awards and Honors (subject to dollar limits if monetary)
o Student programs designed to recruit future members, including:
  ▪ Scholarships
  ▪ Competitions
  ▪ Conference travel and registration subsidies
  ▪ Other programs by student sections
o ASME programs
o ASME Foundation

• With regard to the following uses, the Tiger Team proposes that the Group Engagement Committee have review and approval oversight, and are to establish guidelines for the Society:
o Donations to other 501(c)3 organizations
o Direct donations to individual researchers/Academicians or laboratories/Universities
o Other uses of Segregated Accounts not listed above
Date Submitted: January 24, 2018
BOG Meeting Date: February 9, 2018

To: Board of Governors
From: Executive Staff
Presented by: Jeff Patterson
Agenda Title: FY18 Integrated Operating Plan Status Report

Agenda Item Executive Summary:

The COO will update the Board of Governors on performance and progress to date in the implementation of the FY18 Integrated Operating Plan.

Proposed motion for BOG Action:

Attachments: FY18 One-Year Operating Goals Table
<table>
<thead>
<tr>
<th>#</th>
<th>1-Year Operating Goal</th>
<th>Owner</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Executive Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ASME has launched at least two new products in each of the five strategic technologies by 6/30/18.</td>
<td>Jeff Patterson</td>
<td>On Track</td>
<td></td>
<td></td>
<td>Standards, courses and industry events are in development.</td>
</tr>
<tr>
<td>2</td>
<td>ASME has established baseline Transactional Loyalty Scores by 6/30/18, among customers and members, for a minimum of three products in each of our operating units, e.g., Standards and Certification, Conferences, etc., for the purpose of assessing the society’s ability to drive repurchase and recommendations.</td>
<td>Jeff Patterson</td>
<td>On Track</td>
<td></td>
<td></td>
<td>Membership is excluded because there is essentially one product.</td>
</tr>
<tr>
<td>3</td>
<td>ASME has produced four engineering festivals for undergraduate/graduate students (E-Fests) by 6/30/18, with two in the U.S., one in India, and one in an additional region of the world, e.g., either Europe/Middle East (EMEA) or South America.</td>
<td>Jeff Patterson</td>
<td>On Track</td>
<td></td>
<td></td>
<td>Four E-Fests are planned, although, by prior agreement with EDESC, one will actually take place in July (FY19) based on the timing of the local academic year.</td>
</tr>
<tr>
<td>4</td>
<td>ASME has an IOP Year One implementation plan approved by the Board of Governors and in execution by 9/30/17.</td>
<td>Jeff Patterson</td>
<td>Complete</td>
<td></td>
<td></td>
<td>Board of Governors approved the Refined FY18 IOIP on 9/27/17.</td>
</tr>
<tr>
<td>5</td>
<td>ASME has achieved its budgeted revenue goal by 6/30/18.</td>
<td>William Garofalo</td>
<td>On Track</td>
<td></td>
<td></td>
<td>Through the first 6 months of FY18, actual revenue is ahead of budget by $1.9M, lead mostly by better than expected Standards revenue.</td>
</tr>
<tr>
<td>6</td>
<td>ASME has established baseline volunteer satisfaction metrics by 6/30/18.</td>
<td>Jeff Patterson</td>
<td>On Track</td>
<td></td>
<td></td>
<td>Development of metrics is in process.</td>
</tr>
<tr>
<td>7</td>
<td>ASME has negotiated new contracts, including terms designed to increase revenue, with its top three standards resellers by 12/31/17.</td>
<td>Jeff Patterson</td>
<td>Off Track</td>
<td></td>
<td></td>
<td>IHS Markit, our largest reseller, is still evaluating the impact of our proposal on their pricing and profitability.</td>
</tr>
<tr>
<td>8</td>
<td>ASME is tracking and using meaningful reports to manage all active IOP-related projects in Clarizen by 9/30/17.</td>
<td>William Garofalo</td>
<td>On Track</td>
<td></td>
<td></td>
<td>After formal approval of the IOP, “enterprise projects” were inventoried in Excel and key resource roles were assigned. All “enterprise projects” will be included in the Q2 “Consolidated Reporting Package” auto-generated from Clarizen.</td>
</tr>
<tr>
<td>9</td>
<td>ASME will develop and roll out by 11/1/17 a communication plan that conveys to volunteers, members and staff the substance, value and progress of the Strategic Plan and Integrated Operating Plan.</td>
<td>Elena Gerstmann</td>
<td>Complete</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>ASME will begin work by 3/31/18 in order to establish Social Return on Investment Metrics to be implemented by the end of FY 2019.</td>
<td>Jeff Patterson</td>
<td>At Risk</td>
<td></td>
<td></td>
<td>New MD, Programs &amp; Philanthropy will not start until mid-March.</td>
</tr>
<tr>
<td>11</td>
<td>ASME senior volunteer leadership play an integral role in the development and execution of the Society’s Integrated Operating Plan.</td>
<td>Phil Hamilton</td>
<td>On Track</td>
<td></td>
<td></td>
<td>A new process that fully engages senior volunteer leaders for FY19 planning/budget and IOP development was prepared and is being implemented.</td>
</tr>
</tbody>
</table>
Date Submitted: January 24, 2018
BOG Meeting Date: February 9, 2018

To: Board of Governors
From: Executive Staff
Presented by: Said Jahanmir and Jeff Patterson
Agenda Title: FY19 Integrated Operating Plan and Budget Update

Agenda Item Executive Summary:

The Sector Management Committee Chair and COO will update the Board of Governors on progress to date in the planning of the FY19 Integrated Operating Plan and Budget.

Proposed motion for BOG Action:
None.

Attachments: ASME Enterprise Planning Document
Key Milestones
Enterprise Planning Document
Goals of Enterprise Planning Document

• Create a standard deck that provides the building blocks which align ASME to the Board-approved Strategy.
• Respond to the different needs of different groups with one deck.
• Increase confidence and transparency among volunteers and staff.
• Set reasonable expectations.
Outline of Document (once completed)

1. Explanation of Enterprise Planning Document (7 slides)
2. ASME Strategy - summary (~5 slides)
3. ASME IOP (Integrated Operating Plan and Budget) – summary (1-3 slides)
4. Five Technology Sections (completion of the ~20 slides for each of the five technologies) [For FY19 – slides may be abbreviated]
5. Operating Units
   a. S&C
      a. Standards (completion of the ~20 slides)
      b. Conformity Assessment (completion of the ~20 slides)
   b. TEC
      a. Conferences (completion of the ~20 slides)
      b. Publishing (completion of the ~20 slides)
   c. PAO
      a. Government Relations (completion of the ~20 slides)
      b. Industry Advisory Board (completion of the ~20 slides)
      c. Engineering Education (completion of the ~20 slides)
   d. SECD
      a. Student & Early Career Activities (completion of the ~20 slides)

d. Cross-Organization Units
   a. Learning & Development (completion of the ~20 slides)
   b. Membership (completion of the ~20 slides)
   c. Programs & Philanthropy
      a. Precollege Education (completion of the ~20 slides)
      b. Engineering for Global Development (completion of the ~20 slides)
   d. Technology Advancement Product Development (TAPD) (completion of the ~20 slides)
e. Online and Print media (completion of the ~20 slides)
   e. Service Units
      a. Marketing (completion of the ~20 slides)
      b. Sales & Customer Care (completion of the ~20 slides)
      c. Group Pathways and Support (completion of the ~20 slides)
      d. New Product Development (completion of the ~20 slides)
      e. Technical Services (completion of the ~20 slides)
      f. Executive Operations (including Diversity and Inclusion Strategy Committee) (completion of the ~20 slides)
      g. Finance (completion of the ~20 slides)
      h. Human Resources (completion of the ~20 slides)
      i. Facility Operations (completion of the ~20 slides)
      j. Legal (including Nominating Committee and COR) (completion of the ~20 slides)
Strategy

- 2 page document

Enterprise Plan Documents

- 29 documents; each with ~20 slides
[5 technologies / 8 Operating units/6 Cross-organization units/ 10 Service units]

IOP

- Reflects ASME view of activities and budget, including systems and processes interdependencies

Business Model Framework

- Required for all new projects/initiatives (currently being revised to incorporate more business plan items)
Strategy

- 2 page document

Enterprise Plan Documents

- 29 documents; each with ~20 slides [5 technologies / 8 Operating units/6 Cross-organization units/ 10 Service units]

IOP

- Reflects ASME view of activities and budget, including systems and processes interdependencies

Business Model Framework

- Required for all new projects/initiatives (currently being revised to incorporate more business plan items)

Board approved

- Staff and volunteers complete; Board receives

Board approves

- Staff and volunteers complete; Board receives

Staff develops and uses to run business units. ED approves.
Major Milestones

December
• Reviewed and approved by PEDT

Late December – January 22
• Staff and, if applicable, volunteer counterparts complete:
  • Enterprise Planning Document
  • FY18 Forecast in Jovaco
  • FY19-FY22 Budgets in Jovaco

Late January – Late February
• Finance consolidates
• EMT reviews

February 20-22
• 1 ½ day workshop with EMT, SMC, PEDT, COFI representative, SAC representative and key staff counterparts to review and revise strategy, operational, and financial documents.
• 1 day meeting with PEDT, Chairs of COFI, SAC and SMC and staff counterparts (i.e., Bill, Elena, Jeff) to finalize high-level plan and budget targets. End goal is an agreed upon high level plan including four-year operational and capital budgets.

March
• Staff and volunteers create FY19+ IOP based on input and output from Feb meetings
• Staff and volunteer counterparts, if applicable, revise Enterprise Planning Documents

Mid-April
• President and Executive Director present high level draft Integrated Operating and Budget Plan, Consolidated FY18 Forecast, Draft FY19-FY22 Operating and Capital Budgets, and Enterprise Planning Documents to the BOG
• BOG has 1 ½ day working session to review Enterprise Plan Documents

May
• Any needed revisions by staff & volunteers

June
• Board reviews (and approves) final IOP and budget documents
**Template Objectives & Background**

- This template was first envisioned by SAC and now includes input from PEDT, SMC Chair, SAC Chair, EMT, and staff representatives from across ASME. It was approved by PEDT on Dec 14, 2017.

- It is not seen as separate from a business’ current planning cycle; rather, it is intended as a single document that captures all strategy and operations planning information deemed essential by PEDT and the BoG.

- Each major Operating Unit will be asked to complete this template annually. (See outline for specifics.)

- The goal is to provide staff and volunteer leaders with easy line-of-sight into the major businesses and program areas of ASME.

- Operating Units, Cross-Organization Units, and Service Units (listed on slide 3) are strongly encouraged to follow the format of this template with the understanding that some teams may need to make modifications to slides to best fit their activities.

- The information within this template should be readily gathered by staff leads and reviewed in collaboration with volunteer counterparts, as applicable.

- Please keep font size to 16pt or larger.

- Completed summaries will be available to EMT, BOG, SAC, SMC, COFI, and others, as needed.
Template Contains Sample Information

• To convey format and level of content, sample information is provided in this template for illustrative purposes.

• The term “unit” in this template deck refers to the entity within ASME that is completing the slides. This may be from the technology perspective or operating unit or cross-organization unit or service unit.

• The list of “units” asked to complete this template is on slide 3.
Please review the Board-approved Strategy prior to completing the deck. It is important that all ASME activities align to our strategy.
Outline

• Summary of “unit”
  • Snapshot of unit with goals, strategy, list of metrics, and list of activities
  • Org charts
  • Highlights from previous year

• Landscape
  • Major market development and trends
  • Total Available Market (TAM)
  • Strengths, Weaknesses, Opportunities, Threats (SWOT)
  • Major risks
  • Major competitors

• Alignment with ASME Strategy including goals and strategic actions

• Success Metrics

• Finances
  • Forecast & budget bridge
  • Capital budget
  • Revenue/Expense/Net
  • New products/activities
  • Possible collaborations, etc.

• Miscellaneous (at the discretion of the unit)
Brief Summary of Technology/Operating Unit/Cross-Organization Unit/Service Department

• If the unit has a mission and vision, it should be included here.
• If not, briefly explain the purpose of this unit; that is, why does it exist.
**Goal:** Membership in ASME is seen as a “must-have” for students and professionals in the mechanical engineering community

**Strategy:** Offer a set of valuable and relevant products and services to individuals to be successful in their careers and to make a positive impact on the world.

**Metrics of success:** # of members, 5 year retention of student members, average age of all members, effective dues rate, renewal rate...

<table>
<thead>
<tr>
<th>1 year initiatives</th>
<th>1-3 year initiatives</th>
<th>3-10 year initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Lorem ipsum dolor sit amet, consectetur</em></td>
<td><em>Lorem ipsum dolor sit amet, consectetur</em></td>
<td><em>Lorem ipsum dolor sit amet, consectetur</em></td>
</tr>
<tr>
<td><em>adipiscing elit, sed do eiusmod tempor incididunt</em></td>
<td><em>adipiscing elit, sed do eiusmod tempor incididunt</em></td>
<td><em>adipiscing elit, sed do eiusmod tempor incididunt</em></td>
</tr>
<tr>
<td><em>ut labore et dolore magna aliqua. Ut enim ad minim</em></td>
<td><em>ut labore et dolore magna aliqua. Ut enim ad minim</em></td>
<td><em>ut labore et dolore magna aliqua. Ut enim ad minim</em></td>
</tr>
<tr>
<td><em>veniam, quis nostrud exercitation ullamco laboris nisi ut aliquip ex ea</em></td>
<td><em>veniam, quis nostrud exercitation ullamco laboris nisi ut aliquip ex ea</em></td>
<td><em>veniam, quis nostrud exercitation ullamco laboris nisi ut aliquip ex ea</em></td>
</tr>
<tr>
<td><em>commodo consequat. Duis aute irure dolor in reprehenderit in voluptate</em></td>
<td><em>commodo consequat. Duis aute irure dolor in reprehenderit in voluptate</em></td>
<td><em>commodo consequat. Duis aute irure dolor in reprehenderit in voluptate</em></td>
</tr>
<tr>
<td><em>velit esse cillum dolore eu fugiat nulla pariatur</em></td>
<td><em>velit esse cillum dolore eu fugiat nulla pariatur</em></td>
<td><em>velit esse cillum dolore eu fugiat nulla pariatur</em></td>
</tr>
</tbody>
</table>
Organization Chart – Staff & Volunteer

• This should be a typical org chart with names in boxes and lines to show reporting structure. If appropriate, the volunteer chart does not need to follow the typical org chart format. Additionally, you may use two separate slides, if needed.

• The purpose of your chart will be to
  • 1) show reporting relationships
  • 2) to show which teams/areas are included in this report. Notes of clarifications are encouraged, if needed.
Highlights from Previous Year

• Please list major accomplishments here; text and/or graphics
Major Market Developments and Trends

• List major trends and developments here – for example, in S&C, what is the impact of “Made in China 2025”?
Total Available Market (TAM)

- Include pertinent data relating to the size of the market and constituency to be served.
- It is assumed that Service Units would not complete this slide.
**Strengths**

- The B&PV market is very mature. Product is content only.
- Non-diversification
  - 90% of 2016 standards revenue came from B&PVC. B31 was second at 3.6%.
  - Since ASME’s inception, besides the B&PVC, of hundreds of standards developed, only B31 has generated $1M in annual sales.
- The TTM is extremely long – 3-7 years for a new standard and 2 years for an update.
- Committee members are very senior, with less exposure and current knowledge of emerging manufacturing technologies and practices.

**Weaknesses**

- Content delivery technology opens the door to new markets and product features, e.g., micro-consumption and usage-based pricing.
- ASME’s standard development processes can be modified using lean principles to accelerate TTM while maintaining the quality of standard derivative products.
- ASME’s brand can be leveraged to develop new standards in robotics, advanced manufacturing and bioengineering.
- Volunteer SME knowledge transfer and capture in digital form builds the foundation for next generation legacy products.

**Opportunities**

- As the pace of innovation increases, the B&PVC TTM for updated releases cannot keep up, rendering the B&PVC less relevant.
- The incorporation by reference in government regulations forces ASME to provide access to the B&PVC free of charge.
- Decreasing B&PVC sales reduces working capital needed to invest in the business transformation strategic initiative, diversification and new product development.
- National standards in foreign countries, and new foreign trade agreements, may eliminate key markets for American standards.
Summary of SWOT

• This is intended to be a narrative of the key take-aways from the SWOT.
• This is an example text.
• Go ahead and replace it with your own text.
• This is an example text.
• This is an example text. Go ahead and replace it with your own text. It is meant to give you a feeling of how the designs looks including text.
• This is an example text. Go ahead and replace it with your own text
• This is an example text. Go ahead and replace it with your own text
Major Risks

- List major risks here – for example, in standards it may be IBR
- Risks could be both internal and external risk factors
  - If there are risks related to personnel, please do not list names
Major Competitors

• List major risks here – for example, in L&D, it might be MOOCs, etc.
  • Please think broadly here. Competitors may be other associations, for-profit companies, government bodies, universities, etc.
Alignment to ASME Strategy

The following slides include “Harvey balls.” Please indicate the relative alignment of your unit’s upcoming activities and the strategic element presented on the slide.
### Alignment to ASME Strategy

ASME has three Enterprise Strategic Objectives.

<table>
<thead>
<tr>
<th>ASME will:</th>
<th>Direct alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Be relevant and impactful to global constituents by being the recognized leader in advancing engineering technology.</td>
<td>✗</td>
</tr>
<tr>
<td>Be the go-to organization to help address key technology-related challenges in the public interest in a manner that engages core engineering constituencies (government, academia, industry, engineers, students, and technology development professionals).</td>
<td>✗</td>
</tr>
<tr>
<td>Have a unified organizational structure and culture that encourages and empowers members and other interested individuals to find their lifelong professional home where they can impact the world, contribute content, share ideas, participate in communities, and work on projects that improve the human condition.</td>
<td>✗</td>
</tr>
</tbody>
</table>
## 10 Year Society Goals

<table>
<thead>
<tr>
<th>Goal</th>
<th>Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASME is an internationally-renowned thought leader and networking hub for engineering knowledge and information, best practices, and events.</td>
<td>🟢</td>
</tr>
<tr>
<td>ASME enables collaboration among industry, government, and academia to advance the cause of engineering worldwide.</td>
<td>🟢</td>
</tr>
<tr>
<td>ASME’s engagement is open and seamless, empowering individuals worldwide to contribute, communicate, and consume engineering content to solve technical problems.</td>
<td>🟢</td>
</tr>
<tr>
<td>ASME is globally respected for its Standards and Certification programs and is recognized for enhancing public safety and improving quality of life for humankind.</td>
<td>🟢</td>
</tr>
<tr>
<td>ASME offers education and training programs to prepare the workforce of tomorrow to address the world’s challenges.</td>
<td>🟢</td>
</tr>
<tr>
<td>ASME engages and inspires young people to pursue careers in engineering.</td>
<td>🟢</td>
</tr>
<tr>
<td>ASME’s growing impact on the world is enabled by a well-managed and diversified revenue stream that provides sustainable financial health.</td>
<td>🟢</td>
</tr>
</tbody>
</table>
# Use of Strategic Actions

## Five Strategic Actions

<table>
<thead>
<tr>
<th>Action</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leadership</strong></td>
<td>Increase recognized value by executive leadership, as a technology innovation partner, by leveraging and mobilizing the expertise of our community.</td>
</tr>
<tr>
<td><strong>Technology Portfolio</strong></td>
<td>Create and manage a well-balanced, sustainable technology portfolio along with associated industry- and geography-based strategies.</td>
</tr>
<tr>
<td><strong>Solutions Portfolio</strong></td>
<td>Strengthen and expand solutions portfolio: defend Standards &amp; Certification against agile competitors; solidify and diversify ASME’s revenue base by developing solutions with strong customer demand; establish deeper expertise in content and technology development and deployment across the Technology Development Curve.</td>
</tr>
<tr>
<td><strong>Collaboration</strong></td>
<td>Enhance ASME’s impact in the mechanical engineering field by broadening collaboration with peers, creating greater scale and impact, reducing barriers to entry, and expanding diversity and student engagement.</td>
</tr>
<tr>
<td><strong>Engagement</strong></td>
<td>Increase core constituent engagement around the world by providing high-value, relevant, impactful, and rewarding opportunities to network, participate, and learn through a branded set of technology- and purpose- advancing activities delivered through a variety of platforms.</td>
</tr>
</tbody>
</table>
Metrics
Success Metrics

• On this slide, please list the unit’s quantifiable metrics (please include between 3-10 metrics)
• On the next several slides, when possible, please provide the previous two years of each metric and your goals for the next three years.
• For example, if one of the metrics is Membership Renewal Rates, it would be listed on this slide and another slide would display a chart of the renewal rates for the previous two years and the estimate rates for the next three years. That is, words on this slide and numbers/graphs on the following slides.
• Success metrics will vary greatly for each unit so teams have latitude to create the charts that best display their data to help manage their unit. Please add notes to slides when needed.
Sample metrics slide – Cohort analysis of student retention
SAMPLE metrics slide – Conference attendance

Chart Title

<table>
<thead>
<tr>
<th>Year</th>
<th>Attendees</th>
<th>Presenters</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2016</td>
<td>100000</td>
<td>30</td>
</tr>
<tr>
<td>FY2016</td>
<td>100000</td>
<td>30</td>
</tr>
<tr>
<td>FY2018</td>
<td>100000</td>
<td>30</td>
</tr>
<tr>
<td>FY2019</td>
<td>100000</td>
<td>30</td>
</tr>
<tr>
<td>FY2020</td>
<td>100000</td>
<td>30</td>
</tr>
<tr>
<td>FY2021</td>
<td>100000</td>
<td>30</td>
</tr>
</tbody>
</table>
Finances
Forecast and Budget Bridges

- The following is the forecast and budget bridges template

<table>
<thead>
<tr>
<th>Significant Drivers</th>
<th>FY 2018 Budget</th>
<th>FY 2018 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>CH1</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH2</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH3</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH4</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH5</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH6</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH7</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH8</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH9</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH10</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH11</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH12</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH13</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH14</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH15</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH16</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH17</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH18</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH19</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH20</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Net Change</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Significant Drivers</th>
<th>FY 2019 Budget</th>
<th>FY 2019 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>CH1</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH2</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH3</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH4</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH5</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH6</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH7</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH8</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH9</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH10</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH11</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH12</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH13</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH14</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH15</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH16</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH17</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH18</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH19</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>CH20</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Net Change</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>
The following is the Capital budget template:

<table>
<thead>
<tr>
<th>Asset Description</th>
<th>Useful Life (in years)</th>
<th>Total Asset Cost ($'s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset A</td>
<td>8</td>
<td>150000, 50000, 100000, 100000</td>
</tr>
<tr>
<td>Asset B</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Asset C</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$150,000, $50,000, $100,000, $100,000</td>
</tr>
</tbody>
</table>
10 Year Revenue Expense Net Projection

- Upon completion of Budgeting and Forecasting process, groups to update Revenue Expense Net Projections in the following format:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Expense</td>
<td></td>
<td></td>
<td>$</td>
<td>(0)</td>
<td>(0)</td>
<td>(0)</td>
<td>(0)</td>
<td>(0)</td>
<td>(0)</td>
</tr>
<tr>
<td>Net Operating Results</td>
<td>$ (0)</td>
<td>$ (0)</td>
<td>$ (0)</td>
<td>$ (0)</td>
<td>$ (0)</td>
<td>$ (0)</td>
<td>$ (0)</td>
<td>$ (0)</td>
<td>$ (0)</td>
</tr>
</tbody>
</table>

**Diagram:**

- **Name of Operating Unit**

- **Legend:**
  - Blue: Revenue
  - Orange: Expense
  - Black: Net

- **Graphs:**
  - FY16 Actual
  - FY17 Actual
  - FY18 Forecast
  - FY19 Budgeted
  - FY20 Estimated
  - FY21 Estimated
  - FY22 Estimated
  - FY25 Estimated
  - FY28 Estimated
Notes on Finances/Resources

• Provide information that provides clarity to the overall numbers provided in the previous chart
• List assumptions used on the previous slide
• Include additional headcount requests or thinking about future years
New Products/Activities

• Launched in last 12 months (Year 1 projected annual revenue/expense)
  • Lorem ipsum ($1.1/-$.9m)
  • Lorem ipsum ($0/-$.3m)

• In pipeline to be launched in next 12 months (Year 1 projected annual revenue/expense)
  • Lorem ipsum ($1.1/-$1.4m)
Possible Collaborations, Acquisitions, Partners, Alliances, etc.

• Please do NOT list names of organizations here
• If there are types of organizations that you feel may provide opportunity to ASME in expand into adjacent markets, extend audience reach, acquire talent, etc., please explain on this slide.
• For some groups, this slide may not make sense. If so, please just write “not applicable.”
Miscellaneous

• If there is anything else you would like the reader to know that you haven’t already explained, please do so here.
Key milestones for FY19 Enterprise Plan, IOP and Budget

12/19/17

12/11  Wise, Jahanmir, Goossen, Hamilton, Patterson, Gerstmann, Garofalo, Pratt and Russo discuss planning expectations and requirements

12/14  Draft Key Milestones and draft Enterprise Planning Document and Process reviewed and approved with PEDT

12/15  Key Milestones and Enterprise Planning Document distributed to EMT with copy to PEDT and John Goossen by the Executive Director

12/19  Key Milestones and Enterprise Planning Document distributed to BOG, SAC, COFI and SMC by the President and Executive Director

12/19  Finance provides 5 month actual results for preparation of FY18 forecast and FY19 – FY22 draft Enterprise-Wide Planning documents and budgets

12/21  SMC meeting to discuss FY19 planning and roles and responsibilities

12/22-1/22  Staff and volunteer counterparts complete:
  • Enterprise-Wide Planning Document
  • FY18 Forecast in Jovaco
  • FY19-FY22 Budgets in Jovaco

1/23 - 1/29  Finance consolidates:
  • FY18 Forecast
  • FY19- FY22 Operating Budget
  • FY19 – FY22 Capital Budget

2/1  Executive Office distributes completed draft Enterprise Planning documents Consolidated FY18 Forecast, Draft FY19-FY22 Operating and Capital Budgets to EMT

2/2  EMT high level review

2/2-2/7  First round review of planning (ED/COO/CFO/EMT and their reports as necessary)

2/8-2/9  Update the BOG on progress.
2/14  Executive Director distributes revised Enterprise Planning Documents, Consolidated FY18 Forecast, Draft FY19-FY22 Operating and Capital Budgets to SMC, SAC, COFI and EMT

2/15  Check-in with COFI

2/20-2/21  1 ½ day management workshop with EMT, SMC, PEDT, COFI representative, SAC representative and key staff counterparts to review and Enterprise Planning Documents and financial documents.

2/22  1 day meeting - PEDT, Chairs of COFI, SAC and SMC and staff counterparts (i.e., Bill, Elena, Jeff), finalize high level plan and budget targets. End goal is an agreed upon high level plan including four-year operational and capital budgets.

2/23 – 3/6  Staff and volunteers revise:
  - Enterprise-Wide Planning Documents
  - FY18 Forecast in Jovaco
  - FY19-FY22 Budgets in Jovaco
  - FY18 Consolidated Forecast
  - FY19- FY22 Draft Consolidated Operating Budget
  - FY19 – FY22 Draft Consolidated Capital Budget

Staff and volunteers prepare:
  - IOP – consolidated ASME plan, forecast, budgets, cash flow, Statement of Financial Position and systems and processes interdependencies

3/12  PEDT review meeting with Jeff, Bill, and Elena

3/15  Executive Director distributes high level draft Integrated Operating Plan, Consolidated FY18 Forecast, Draft FY19-FY22 Operating and Capital Budgets to COFI, SAC, SMC and EMT

3/29  COFI meeting with participation from PEDT/SMC/SAC/EMT for review

4/2-4/3  Revisions based on 3/29 meeting

4/4  President and Executive Director distributes high level draft Integrated Operating and Budget Plan, Consolidated FY18 Forecast, Draft FY19-FY22 Operating and Capital Budgets, and Enterprise Planning Documents to the BOG

4/18  President and Executive Director present high level draft Integrated Operating and Budget Plan, Consolidated FY18 Forecast, Draft FY19-FY22 Operating and Capital Budgets, and Enterprise Planning Documents to the BOG
4/18 – 4/19  Day and 1/2 Board working session on Enterprise Planning documents (Board meeting is 19-20)

4/23-4/27  Revisions are made to the plan and budget based on comments, suggestions and changes from the BOG

5/4  Draft Integrated Operating Plan is distributed to PEDT, SMC, COFI, EMT, SAC

5/23  Executive Director distributes Final Proposed Integrated Operating Plan and Budget to the BOG

6/6  Final Proposed Integrated Operating Plan and Budgets are presented to the BOG for approval

<table>
<thead>
<tr>
<th>Final deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 Enterprise Planning Documents that reflect plans and FY19+ budgets</td>
</tr>
<tr>
<td>1 IOP document that reflects ASME activities and budget, including systems and processes interdependencies</td>
</tr>
</tbody>
</table>
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: January 22, 2018
BOG Meeting Date: February 9, 2018

To: Board of Governors
From: Strategy Advisory Committee
Presented by: John Goossen and William Wepfer
Agenda Title: SAC Discussion: Digital Engineer

Agenda Item Executive Summary:

The Strategy Advisory Committee (SAC) is charged with identifying and presenting key trends that impact ASME products, services, programs and key constituents. The Digital Engineer is an issue that can shape the long-term environment in which ASME will compete. Bill Wepfer, fellow Board member and Chair, George W. Woodruff School of Mechanical Engineering, Georgia Institute of Technology will make a presentation and provide broad-based, unbiased, and timely information on this trend. John Goossen, Chair of SAC, will help lead this discussion with the Board. Comments and input from the Board will go to the SAC for consideration as the committee evaluates the role of this important topic in the ASME strategic planning.

Proposed motion for BOG Action:

None.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: January 25, 2018
BOG Meeting Date: February 9, 2018

To: Board of Governors
From: Public Affairs & Outreach (PAO) Sector
Presented by: Tim Wei, Senior Vice President
Agenda Title: Sector Deep Dive: Public Affairs and Outreach

Agenda Item Executive Summary:

A presentation will be shared with the Board that will provide a forward looking vision of the Public Affairs & Outreach Sector.

The presentation will look at national and global demographic trends and how ASME’s PAO units can support ASME’s mission based on this data.

Proposed motion for BOG Action:

None

Attachments:
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: January 22, 2018
BOG Meeting Date: February 9, 2018

To: Board of Governors
From: Elena Gerstmann, Deputy, Executive Operations
Presented by: Elena Gerstmann
Agenda Title: Status Report on July 2017 Board Retreat

---

Agenda Item Executive Summary:

Work continues on the output from the July 2017 Board retreat. A status report will be presented to the Board.

---

Proposed motion for BOG Action:
None.

---

Attachments: