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2019-2020 BOARD OF GOVERNORS

Conference Call

January 22, 2020 – 11:00 am – 1:00 pm (EST)

FINAL MINUTES

Attendance during the open session was as follows:

Board of Governors

President: Richard Laudenat

President-Elect: Bryan Erler

Immediate Past President: Said Jahanmir

Governors: Todd Allen, Stuart Cameron, Joe Fowler, Robert E. Grimes, Laura Hitchcock, Thomas Kurfess, Michael Molnar, Mary Lynn Realff and Karen Thole

Governors-Elect: Andy Bicos, Rick Marboe, Paul Stevenson

Executive Director/CEO: Thomas Costabile

Other Officers

Senior Vice Presidents: Kalan Guiley, Public Affairs and Outreach
Sam Korellis, Standards and Certification
George Papadopoulos, Technical Events and Content
Thomas P. Pastor, Incoming SVP, Standards and Certification
Callie Tourigny, Student and Early Career Development

Secretary and Treasurer: Rob Pangborn

Ass't Secretary/General Counsel: John Delli Venneri, Esq.

Chief Financial Officer: William Garofalo

Corporate Counsel: John Sare, Esq.

Other Guests

Mahesh Aggarwal Chair, Diversity and Inclusion Strategy Committee
Betty Bowersox Chair, Committee on Finance and Investment
John Mulvihill Group Engagement Committee
Michael Roy SVP Nominee
Bob Sims Past President, 2014-2015
Charla Wise Past President, 2017-2018

Staff

Susie Cabanas	Manager, Global Alliances and Board Operations
Michael Johnson	Chief Strategy Officer
Jeff Patterson	Chief Operating Officer
Allian Pratt	Managing Director, Global Alliances & Board Operations
Laurel Raso	Associate Executive Director, Human and Capital Resources
Karen Russo	Director, Global Outreach and Board Operations
David Soukup	Managing Director, Governance

1. Opening of Meeting

- 1.1 Call to Order: On January 22, 2020, a telephonic meeting of the 2019-2020 Board of Governors of the American Society of Mechanical Engineers was held at the offices of ASME in New York City. Attendance was taken, a quorum was present, and the meeting was called to order by President Laudenat at 11:00 AM Eastern Standard Time.
- 1.2 Adoption of the Agenda: The Board voted to adopt the agenda as circulated on January 8, 2020.
- 1.3 President's Remarks: President Laudenat welcomed all to the meeting. Mr. Laudenat mentioned his recent trip to Lisbon and his meeting with the gas turbine segment leadership where there was a conversation on forward looking issues and some strategic items. President Laudenat provided opinions on how to help that segment grow during Item 2.1.
- 1.4 Executive Director/CEO's Remarks: Mr. Costabile thanked everyone for attending. He continues to be pleased with the collaborative work by the volunteers and staff in setting a new direction for the Sectors, Divisions and Sections. His priorities remain the global strategy, membership and the organizational structure.

Mr. Costabile mentioned that Michael Johnson is continuing with interviews of division leadership and key members of staff. A draft of the findings will be issued with a recommendation to the Board for consideration by late March 2020, prior to the April 2020 Board meeting.

A new membership pilot model should launch in February based on the recommendations of the Membership Development team which consists of membership development, technology services, Project Management Office (PMO), digital operations, marketing and other business units.

Mr. Costabile stated that the MD's and EMT will continue to review all expenses, including volunteer reimbursement and the need and/or priority of events. During the third quarter of 2020, he will request the Board's approval of revised revenue and expense targets.

Mr. Costabile addressed the Fiscal Year '21 business plan which will be developed using the foundation built for the original IOP. There will be a transition to a bottom up approach focused on generating a surplus, leveling of expenses and improved forecasting. The plan will include investments in increasing ASME's global footprint and a supporting organizational structure.

Finally, Mr. Costabile acknowledged Tech Services' work during the holiday break; the ASME website; the new telephone system with the implementation of Zoom in replacement of Skype; the

outsourcing of desktop support and the help desk; and the continuing improvement of the culture at ASME. Statistics were provided on the usage of asme.org.

- 1.5 Consent Items for Action: President Laudenat requested that item 1.5.6, Energy Policy Guiding Principles, be removed from the Consent Items for Action. Mr. Laudenat submitted that because of the importance of the document, it needs additional discussion among the SVP's and the Board members. Mr. Laudenat said that he would reach out to Kalan Guiley later in the week for further discussion.

President Laudenat mentioned that SMC discussions regarding the role of the SMC will begin at the SVP meeting to occur during the week of January 27th.

President Laudenat asked for the Board to approve the following items.

The Board voted to approve the items on the consent agenda with the exception of 1.5.6 which was withdrawn:

- 1.5.1 Approval of Minutes from November 10, 2019 Meeting
- 1.5.2 New Society Award Establishment – Lakshmi Singh Early Career Leadership Award (Minutes Appendix 1.5.2)
- 1.5.3 By-Law Amendments B4.3.8, B5.2.1, B5.2.10.2 and B5.6 – Member Development and Engagement, Second Reading (Minutes Appendix 1.5.3)
- 1.5.4 By-Law Amendment B5.2.8.2 Committee on Past Presidents, Second Reading (Minutes Appendix 1.5.4)
- 1.5.5 By-Law Amendments B5.2 and B5.3 – Diversity & Inclusion Strategy Committee, Volunteer Leadership Training, and the Industry Advisory Board, Second Reading and Society Policy P-4.4 (Minutes Appendix 1.5.5)
- ~~1.5.6 Energy Policy Guiding Principles – ASME General Position Statement~~
- 1.5.7 ASME Pension Plan Funding (Minutes Appendix 1.5.6)
- 1.5.8 Proposed Appointments (Minutes Appendix 1.5.7)

2. Open Session Agenda Items

- 2.1 2019 Technical Community Engagement Progress Report: Michael Johnson presented an update and noted that progress is continuing with discussions on what the technical units do and the constituents that they serve. Mr. Johnson has met with leadership of 21 of the 34 active divisions, with the remaining 13 scheduled for completion by the end of January. His intention is to have a final recommendation regarding an organizational structure for the technical divisions by February 15th, 2020, to be reviewed and discussed at GLDC and presented to the Board in the March/April timeframe. Mr. Johnson explained that the divisions want to be able to collaborate horizontally and vertically and to have an organizational structure that will allow that collaboration to take place. (Minutes Appendix 2.1)
- 2.2 2020 Nominating Committee and Governance Changes: President Laudenat made the presentation attached hereto in Appendix 2.2. (Minutes Appendix 2.2)

In conjunction with Item 2.2, there was a discussion on lowering the number of members of the Nominating Committee to ten (10). The Board

VOTED: to reduce the members of the Nominating Committee to ten (10).

By-Law changes will be developed to reflect this reduction.

3. **New Business:** No new business was discussed.

4. **Open Session Information Items**

4.1 Dates of Future Meetings

DATE	DAY	TIME	LOCATION
April 9, 2020	Thursday	10:00 AM – 12:00 PM	Conference Call
June 14, 2020	Sunday	9:00 AM – 4:30 PM	Boston, Massachusetts
June 17, 2020*	Wednesday	10:00 AM – 3:00 PM	Boston, Massachusetts

*2020-2021 Board of Governors

5. **Adjournment:** The meeting adjourned on Wednesday, January 22, 2020 at 12:53 PM Eastern Standard Time.



Robert N. Pangborn
Secretary

List of Appendices

- 1.5.2 New Society Award Establishment – Lakshmi Singh Early Career Leadership Award
- 1.5.3 By-Law Amendments B4.3.8, B5.2.1, B5.2.10.2 and B5.6 – Member Development and Engagement, Second Reading
- 1.5.4 By-Law Amendment B5.2.8.2 Committee on Past Presidents, Second Reading
- 1.5.5 By-Law Amendments B5.2 and B5.3 – Diversity & Inclusion Strategy Committee, Volunteer Leadership Training, and the Industry Advisory Board, Second Reading and Society Policy P-4.4
- 1.5.7 ASME Pension Plan Funding
- 1.5.8 Proposed Appointments
- 2.1 2019 Technical Community Engagement Progress Report
- 2.2 2020 Nominating Committee and Governance Changes

**ASME Board of Governors
Agenda Item
Cover Memo**

Date Submitted: November 27, 2019
BOG Meeting Date: January 2020
To: Board of Governors
From: Committee on Honors
Presented by: Yildiz Bayazitoglu
Agenda Title: New Society Award Establishment

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

The Committee on Honors approved the establishment of the Lakshmi Singh Early Career Leadership Award.

Proposed motion for BOG Action:

To accept the Committee on Honors recommendation to establish the Lakshmi Singh Early Career Leadership Award.

Attachment: Yes

Date: November 21, 2019
To: ASME Committee on Honors
From: Petroleum Division
Subject: Proposal to Establish the ASME Lakshmi Singh Early Career Leadership Award

The purpose of this memorandum is to seek approval from the ASME Committee on Honors for the establishment of the Lakshmi Singh Early Leadership Career Award, to be sponsored by the Petroleum Division Awards Committee.

Background

Lakshmi Singh was a young and talented leader in ASME, serving in various roles including as an ECLIPSE Intern, a member in the Engineers Without Borders Group, a participant in the VOLT Cross-Sector Leadership Development Workshop, and leader of the Petroleum Division Membership Drive. She passed away tragically in September 2015 at the age of 31, leaving behind a husband and young daughter. The proposed award would preserve her memory, honor her contributions to the society, and encourage early- to mid-career female engineers, particularly international engineers and racial or ethnic minorities, to become more involved in ASME leadership.

Name of Award

We propose that the name of this award be the ASME Lakshmi Singh Early Career Leadership Award.

Need for such an Award

Currently, ASME has no early career award specific to women or minority engineers. The most similar awards are the

Pi Tau Sigma Award, for individuals who have received a baccalaureate degree in Mechanical Engineering or related field within the previous ten years; the

Old Guard Early Career Award, for early career engineers who have advanced quickly in their professional careers, have shown ASME leadership, and have volunteered in their communities; and the

Gustus Larson Award, for individuals who have received a baccalaureate degree in Mechanical Engineering or related field within the previous ten to twenty years.

ASME's only female-only honor is the Kate Gleason Award, for highly successful female entrepreneurs and women with significant lifetime achievements in engineering.

With ASME prioritizing the accomplishments of early career engineers and the inclusion of individuals from who are underrepresented within engineering, this Award is timely and aligned to Society goals.

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Description of the Award

We intend this Society-Level Award to recognize outstanding women engineers who have demonstrated achievement as an early- to-mid level career professional, while also having shown leadership, commitment and continued service to ASME. Candidates must have completed a baccalaureate degree in Mechanical Engineering or related field within the previous 15 years, and priority will be given to minority candidates. The Award will take the form of a \$3,000 honorarium, a plaque, a lifetime membership to ASME, and a \$750 travel supplement and certificate. If the Committee deems it warranted, the Award will be presented to at most one individual annually.

Financial Provisions

The Petroleum Division is prepared to provide \$120,000 to the ASME Foundation to manage and bestow the award in collaboration with the Committee on Honors. The administrative fee will be periodically reviewed and determined by the Board of Directors of the ASME Foundation, not to exceed 5% of net asset value.

Nominating Committee

Five members, including one from Diversity and Inclusion, one from VOLT, one past ECLIPSE Intern, and two from the Petroleum Division Awards Committee, one of whom would serve as chair.

The proposed Rules of Award for the Lakshmi Singh Early Career Leadership Award are attached. The Petroleum Division respectfully submits this proposal for your approval so that this Award may be established to honor Lakshmi Singh's legacy. The Award will recognize outstanding contributions to ASME and to the field of engineering by early-to mid-career females engineers, primarily of minority descent.

Yours truly

Vicki Blocker Risinger
Chair, Petroleum Division Executive Committee
vsblocker@yahoo.com
blockerv2@asme.org
281 731 6185

ASME LAKSHMI SINGH EARLY CAREER LEADERSHIP AWARD PROPOSED RULES OF AWARD

Form of award

\$3,000 honorarium, plaque, certificate, ASME lifetime membership, and a travel supplement to attend the award ceremony in accordance with Committee on Honors policy.

Achievement recognized

For early-career women engineers who have demonstrated considerable leadership in, commitment to, and continued service with ASME.

Established in 2019, this award is created to honor the life, spirit, and service of Lakshmi Singh, a talented young ASME leader who served in the Petroleum Division, on the Engineers Without Borders Committee, on the Nominating Committee, and as an ECLIPSE Intern. Lakshmi passed away in September 2015 at the age of 31.

Limitations

Applicant must be a woman and current ASME Member who received their baccalaureate degree in mechanical engineering no more than fifteen (15) years prior to the application deadline, February 1 annually. Preference is given to international applicants and applicants of racial or ethnic minority descent.

Nominating committee

The Lakshmi Singh Early Career Leadership Award Special Awards Committee (SAC) shall consist of five members selected by the Petroleum Division Awards Committee for approval by the Committee on Honors. The SAC shall include at least one representative from Diversity and Inclusion Strategy Committee, one representative from VOLT, and one former ECLIPSE Intern. The Petroleum Division Awards Committee shall appoint one member of the committee to serve as chair.

Each member will serve a term of three years, commencing July 1 and concluding June 30. Terms shall be staggered for continuity. Members may not serve more than two consecutive terms.

Review process

The Lakshmi Singh Early Career Leadership Award Special Awards Committee (SAC) shall review and consider all nominations submitted by February 1 annually. If the SAC finds that the award is warranted, the SAC may recommend up to one nominee annually to the Committee on Honors by March 1 for consideration of an award.

Nomination deadlines

February 1 to the Lakshmi Singh Early Career Leadership Award Special Awards Committee
March 1 to the Committee on Honors

Funding

Fund established in 2019 with a \$120,000 donation from the Petroleum Division. Current assets:

Temporarily restricted net assets:	\$ 40,000
Permanently restricted net assets:	\$ 80,000
Total net assets as of 11/21/2019:	\$120,000

COH: 11/25/2019



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	January 2, 2020
BOG Meeting Date:	January 22, 2020
To:	Board of Governors
From:	Committee on Organization and Rules
Presented by:	Fred Stong
Agenda Title:	By-Law Amendments B4.3.8, B5.2.1, B5.2.10.2 and B5.6 – Member Development and Engagement, Second Reading

Agenda Item Executive Summary:

A new Member Development and Engagement (MDE) Sector is being formed to provide governance for sections, student sections and membership development.

The Group Engagement Committee, formed by the Board of Governors in June 2017, is being sunset.

Proposed motion for BOG Action: To adopt new By-Law B5.6 and changes to By-Laws B4.3.8, B5.2.1 and B5.2.10.2.

Attachment(s): New By-Laws.

B5.6 MEMBER DEVELOPMENT AND ENGAGEMENT SECTOR

- B5.6.1.1 The Member Development and Engagement Sector, under the direction of the Board of Governors, is responsible for providing governance for professional sections, student sections, membership development, and the Old Guard Committee. The Member Development and Engagement Sector will maintain a current Sector Operation Guide that will contain operational details of the Member Development and Engagement Sector that are not in these By-Laws.
- B5.6.1.2 The Member Development and Engagement Sector shall be led by a Council that consists of the following voting membership: a Senior Vice President as Chair; Chair, North American Regions; Chair, International Regions; Chair, Student Sections; Chair, Old Guard Committee; Communications and Tools Coordinator; Membership Development Coordinator; Finance Coordinator; and up to two members-at-large. The Director, Section Support is a voting member of the Sector Management Committee but is a non-voting member of the Council.
- B5.6.1.3 The incoming Senior Vice President, Member Development and Engagement shall be nominated by the Member Development and Engagement Council from among its past or present volunteer members for appointment by the Board of Governors for a term of three years. In the event that a past or present volunteer member is not available from the Member Development and Engagement Council, then the Council shall defer to the Board of Governors for the selection.
- B5.6.2.1 The following Committees will report directly to the Member Development and Engagement Council: the North America Regions Committee, the International Regions Committee, and the Student Sections/Early Career Engagement Committee.
- B5.6.2.2 The North American Regions Committee, under the direction of the Member Development and Engagement Council, is responsible for the activities of the North American Sections. The Committee shall consist of the Chair, North American Regions, appointed by the Senior Vice President to a term of three years and the Northeast, Southeast, Midwest, Northwest, and Southwest Region Leaders.
- B5.6.2.3 The International Regions Committee, under the direction of the Member Development and Engagement Council, is responsible for the activities of the Sections outside North America. The Committee shall consist of the Chair, International Regions, appointed by the Senior Vice President to a term of three years and the Asia-Pacific; Europe; Latin America and Caribbean; and Middle East and Africa Region Leaders.
- B5.6.2.4 The Student Sections/Early Career Committee, under the direction of the Member Development and Engagement Council, is responsible for coordinating the Sector's activity with the Student and Early Career Development Sector. The Committee shall consist of the Chair, Student Sections, appointed by the Senior Vice President to a term of three years, and the Student Section Advisory Committee Chair, the Student Leader Training Chair, and the Early Career Programs Chair.
- B5.6.2.5 The members-at-large shall be appointed by the Board of Governors as recommended

by the Member Development and Engagement Sector Council. The term of the members-at-large shall be up to three years.

B4.3 OFFICERS

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

B4.3.2 The President shall be the chief elected officer of the Society. They shall preside at all Business meetings of the Society and of the Board of Governors, and shall have such other powers and perform such other duties as the Board may from time to time prescribe. The President may not be an employee of the Society.

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

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

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

B4.3.3 Each senior vice president shall be appointed by, and report to, the Board of Governors. Each senior vice president shall have such powers and perform such duties as the Board of Governors may from time to time prescribe.

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

B4.3.4.2 The Chief Financial Officer shall have charge of all funds and securities of the Society, shall endorse the same for deposit or collection when necessary and deposit the same to the credit of the Society in such banks or depositories as the Board of Governors may authorize. The Chief Financial Officer may endorse all commercial documents requiring endorsements for or on behalf of the Society and may sign all receipts and vouchers for payments made to the Society. They shall have all such further powers and duties as generally are incident to the position of Chief Financial Officer or as may be assigned to them by the Treasurer or the Board of Governors. In the absence or inability to act of the Treasurer, the Chief Financial Officer may perform all the duties and exercise all the powers of the Treasurer. The performance of any such duty shall, in respect of any other person dealing with the Society, be conclusive evidence of their power to act. The Chief Financial Officer shall be an employee of the Society. The Chief Financial Officer shall be an employee of the Society whose compensation is set by the Executive Director/CEO.

B4.3.4.3 The Assistant Treasurer shall have all such powers and duties as generally are incident to the position of Assistant Treasurer or as may be assigned to them by the Secretary or by the Board of Governors. In the absence or inability to act of the Secretary and the Chief Financial Officer, the Assistant Secretary may perform all the duties and

exercise all the powers of the Secretary and the Chief Financial Officer. The performance of any such duties shall, in respect of any other person dealing with the Society, be conclusive evidence of their power to act. The Assistant Treasurer shall be an employee of the Society.

B4.3.5 The Executive Director shall be an employee reporting directly to the Board, an ex officio member of the Board of Governors without vote and the chief executive officer of the Society. The Executive Director shall have supervision, direction and management of the business and affairs of the Corporation, including, but not limited to strategy, operations, finance, marketing, human resources and philanthropic efforts. The Executive Director shall have such powers and perform such duties as the Board of Governors may from time to time prescribe.

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

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

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

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

Senior Vice President for Public Affairs and Outreach

Senior Vice President for Standards and Certification

Senior Vice President for Student and Early Career Development

[Senior Vice President for Membership Development and Engagement](#)

Senior Vice President for Technical Events and Content

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

B5.2 SECTORS AND COMMITTEES REPORTING TO THE BOARD OF GOVERNORS

B5.2.1 The sectors reporting to the Board of Governors shall be the Standards and Certification Sector, Technical Events and Content Sector, the Public Affairs and Outreach Sector, [the Membership Development and Engagement Sector](#), and the Student and Early Career Development Sector.

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

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

B5.2.2 The following Standing Committees shall report to the Board of Governors and shall be appointed by the Board as determined in the By-Laws: Committee on Organization and Rules, Committee on Finance and Investment, Audit Committee, Committee on Executive Director Evaluation and Staff Compensation, Strategy Advisory Committee, Committee on Honors, Committee of Past Presidents, the Sector Management Committee and the Philanthropy Committee. Each Standing Committee shall maintain its own operation guide as prescribed by Society Policy. If a Standing Committee includes individuals who are not Governors, it is not a committee of the Board and may not bind the Board; provided, however, that the Committee on Finance and Investment may bind the Board with respect to investment matters without regard to whether it includes individuals who are not Governors.

B5.2.3.1 The Committee on Organization and Rules, under the direction of the Board of Governors, shall have responsibility for ensuring that the Society is organized and supplied with qualified leadership to serve the current and anticipated future needs of the membership, and shall reexamine regularly the Constitution, By-Laws and Policies of the Society.

B5.2.3.2 The Committee on Organization and Rules shall select its own Chair and Vice Chair. Its membership shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

B5.2.4.1 The Committee on Finance and Investment, under the direction of the Board of Governors, shall have responsibility for supervising the financial and investment affairs of the Society, and supporting the Board and its committees by conducting an annual review of the Society's budgets.

B5.2.4.2 The Committee on Finance and Investment shall select its own Chair.

The Treasurer shall be an ex officio member of the Committee with vote and shall serve as Vice Chair. The Chief Financial Officer and the Assistant Treasurer shall be ex officio members of the Committee without vote. Other members shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

- B5.2.5.1 The Committee on Executive Director Evaluation and Staff Compensation, under the direction of the Board of Governors, shall have responsibility for making recommendations to the Board regarding the Executive Director's performance planning and evaluation and for making recommendations to the Board regarding the Executive Director's compensation, including salary and bonus recommendations.

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

In addition, the Committee has oversight responsibilities for the Pension Plan Trustees and the Retirement Plan Committee.

- B5.2.5.2 The Committee on Executive Director Evaluation and Staff Compensation shall consist of the President, the President-Nominee/Elect, the Immediate Past President and three current Board members at-large (serving staggered terms on the Board). The President and Immediate Past President are ex officio members of the committee with vote. The President-Nominee/Elect is an ex officio member of the Committee without vote. The Immediate Past President shall be the Chair. The incoming first-year Governor shall be selected by the President-Elect and approved by the Board of Governors.

The term of each of the current Board members at-large expires when their Board term expires.

- B5.2.5.3 The Pension Plan Trustees, under the direction of the Committee on Executive Director Evaluation and Staff Compensation, shall have responsibility, as specified in the American Society of Mechanical Engineers Pension Plan, for the investment and ultimate distribution of the funds and may also act as Plan agent for the service of legal process.

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

The terms of the at-large members shall be three years ending at the close of the second Society-Wide Meeting on a schedule established by the Committee on Executive Director Evaluation and Staff Compensation. Except as provided in this section, a Pension Plan Trustee who is a member-at-large may serve no more than two consecutive full terms. To be eligible for additional full terms, a member-at-large must be nominated by the Committee on Executive Director Evaluation and Staff Compensation upon a finding by the Committee that specifies exceptional circumstances warranting the additional terms, and a written statement of such findings must accompany the nomination when

it is communicated to the Board of Governors by the Chair of the Committee. The nominee may then be appointed only upon the affirmative vote of two-thirds of the entire Board of Governors.

- B5.2.5.4 The Retirement Plan Committee, under the direction of the Committee on Executive Director Evaluation and Staff Compensation, shall have responsibility, as specified in the ASME Thrift Plan, the ASME Defined Contribution (DC) Plan, the ASME 457(b) Plan, and the ASME 401(k) Plan documents, including to act as Plan Administrator and Named Fiduciary for such plans and assume such responsibilities as developing investment policy statements, selecting and monitoring investment choices, benchmarking Plan administration expenses and investment plan administrators performance and selecting, appointing and retaining plan investment, governance and plan administration compliance advisors, as well as having the power to make ministerial and technically required plan amendments.

The Retirement Plan Committee shall consist of four members: two members of the Executive Management Team, one member of the Human Resources Department and one Volunteer member of the Pension Plan Trustees. The three staff members will be nominated by the Executive Director and appointed at the discretion of the EDESC. The pension plan trustee shall be recommended by the Pension Plan Trustees and may be appointed at the discretion of the EDESC.

The ASME Staff members of the Committee may be members with vote for as long as they hold the positions described in this By-Law B5.2.5.4. The Pension Plan Trustee member's term will be for as long as they are a member of the Pension Plan Trustees.

- B5.2.6.1 The Strategy Advisory Committee, under the direction of the Board of Governors, shall have responsibility for providing recommendations and guidance on tasks related to ASME's strategy and planning.
- B5.2.6.2 The Strategy Advisory Committee shall consist of the President, two current Board members-at-large (serving staggered terms, one second year and one third year), one representative from the Industry Advisory Board, and the senior staff member responsible for Strategy. The incoming second-year Governor shall be selected by the President-Elect and approved by the Board of Governors. The term of the Board members-at-large expires when their Board term expires. The representative from the Industry Advisory Board will be recommended annually by the Chair of the Industry Advisory Board and approved by the Board of Governors.
- B5.2.7.1 The Committee on Honors, under the direction of the Board of Governors, shall have responsibility for recommending properly selected candidates for honors, medals, Honorary Members, and awards, and as required shall recommend recipients of joint awards, all subject to approval by the Board of Governors. However, the Board may delegate to the Committee on Honors the power to approve candidates for any honor, medal or award other than Honorary Member or ASME Medalist.
- B5.2.7.2 The Committee on Honors shall select its own Chair and Vice Chair. Its membership shall be determined by the Board of Governors. The Chair of the General Awards Committee shall be an ex officio member with vote. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

B5.2.7.3 The General Awards Committee, under the direction of the Committee on Honors, shall seek candidates for all honors and awards except Honorary Members, the ASME Medal, and group-level awards, and shall screen nominations and make recommendations to the Committee on Honors.

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

B5.2.7.4 Other Society award committees, including special award committees, shall in accordance with the policies and procedures administered by the Committee on Honors, seek nominees for honors in their several areas of interest, shall screen nominations, and make recommendations to the Committee on Honors.

B5.2.8.1 The Committee of Past Presidents, under the direction of the Board of Governors, shall have responsibility for electing Fellows, overseeing the ethical practice of engineering, and providing guidance on matters where its experience may be useful, upon request by the President, Board of Governors, and other units of the Society.

B5.2.8.2 The Committee of Past Presidents shall select its own Chair and Vice Chair. Its membership shall consist of all living Past Presidents.

B5.2.9.1 The Audit Committee, under the direction of the Board of Governors, shall have responsibility for overseeing the accounting and financial reporting process of the Society and the audit of its financial statements and report its activities to the Board. The Committee will be responsible for overseeing the adoption and implementation of, and compliance with, the Society Policies on whistleblowers and conflicts of interest. The Committee will annually consider the performance and independence of the independent auditor and recommend retaining or renewing the retention of the independent auditor to the Board. The Committee will liaise with the independent auditor prior to the commencement of the audit and upon completion of the audit, review and discuss the audit results and any related management letter with the auditor, including:

(a) any material risks and weaknesses in internal controls identified by the auditor;

(b) any restrictions on the scope of the auditor's activities or access to requested information;

(c) any significant disagreements between the auditor and management; and

(d) the adequacy of the Corporation's accounting and financial reporting processes.

B5.2.9.2 The Audit Committee shall consist of three current Board members-at-large (serving staggered terms on the Board) who serve as voting members. The Committee membership is determined by the Board of Governors and consists solely of "independent" members of the Board as defined under Section 102(a) (21) of the New York Not-for-Profit Corporation Law. The Chair shall be the senior Governor and the Vice Chair shall be the second-most senior Governor.

The Treasurer shall be an ex officio member of the Committee without vote. The Chief Financial Officer and the Assistant Treasurer shall be ex officio members of the Committee without vote. The President-Elect makes the recommendation on the incoming first-year

Board member-at-large. The term of the Board members-at-large expires when their Board term expires.

- B5.2.10.1 The Sector Management Committee, under the direction of the Board of Governors, shall have responsibility for facilitating communication and collaboration among the Sectors. This includes coordination, integration, and facilitation for implementation of the enterprise strategy with the development, maintenance and execution of the Integrated Operating Plan,
- B5.2.10.2 The Sector Management Committee shall consist of the Senior Vice Presidents ~~and the Chair of the Group Engagement Committee~~, their respective staff counterparts, and the staff member with overall responsibility for operations. The Co-Chairs of the Committee shall be the Senior Vice President in their third year and the staff member with overall responsibility for operations. The President-Nominee/elect will serve as an advisor to the Committee.
- B5.2.11.1 The Philanthropy Committee, under the direction of the Board of Governors, shall have responsibility for advising the Board of Governors and assisting the Society in connection with fundraising activities and philanthropic programs carried out using the Society's name or other resources.
- B5.2.11.2 The Philanthropy Committee shall select its own chair and vice chair. The ASME Executive Director, the ASME Managing Director of Philanthropy and the ASME Managing Director of Programs shall be ex officio members of the Committee without vote. Other members shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.



**Board of Governors Meeting
Agenda Item
Cover Memo**

Date Submitted:	January 2, 2020
BOG Meeting Date:	January 22, 2020
To:	Board of Governors
From:	Committee on Organization and Rules
Presented by:	Fred Stong
Agenda Title:	By-Law Amendment B5.2.8.2 – Committee of Past Presidents, Second Reading

Agenda Item Executive Summary:

Provisions for an individual to become and to remain a member of the Committee of Past Presidents are being added to B5.2.8.2.

Proposed motion for BOG Action: To adopt changes to By-Law B-5.2.8.2.

Attachment(s): By-Law changes.

B5.2 SECTORS AND COMMITTEES REPORTING TO THE BOARD OF GOVERNORS

- B5.2.1 The sectors reporting to the Board of Governors shall be the Standards and Certification Sector, Technical Events and Content Sector, the Public Affairs and Outreach Sector and the Student and Early Career Development Sector.

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

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

- B5.2.2 The following Standing Committees shall report to the Board of Governors and shall be appointed by the Board as determined in the By-Laws: Committee on Organization and Rules, Committee on Finance and Investment, Audit Committee, Committee on Executive Director Evaluation and Staff Compensation, Strategy Advisory Committee, Committee on Honors, Committee of Past Presidents, the Sector Management Committee and the Philanthropy Committee. Each Standing Committee shall maintain its own operation guide as prescribed by Society Policy. If a Standing Committee includes individuals who are not Governors, it is not a committee of the Board and may not bind the Board; provided, however, that the Committee on Finance and Investment may bind the Board with respect to investment matters without regard to whether it includes individuals who are not Governors.

- B5.2.3.1 The Committee on Organization and Rules, under the direction of the Board of Governors, shall have responsibility for ensuring that the Society is organized and supplied with qualified leadership to serve the current and anticipated future needs of the membership, and shall reexamine regularly the Constitution, By-Laws and Policies of the Society.

- B5.2.3.2 The Committee on Organization and Rules shall select its own Chair and Vice Chair. Its membership shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

- B5.2.4.1 The Committee on Finance and Investment, under the direction of the Board of Governors, shall have responsibility for supervising the financial and investment affairs of the Society, and supporting the Board and its committees by conducting an annual review of the Society's budgets.

- B5.2.4.2 The Committee on Finance and Investment shall select its own Chair.

The Treasurer shall be an ex officio member of the Committee with vote and shall serve as Vice Chair. The Chief Financial Officer and the Assistant Treasurer shall be ex officio members of the Committee without vote. Other members shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

- B5.2.5.1 The Committee on Executive Director Evaluation and Staff Compensation, under the direction of the Board of Governors, shall have responsibility for making recommendations to the Board regarding the Executive Director's performance planning and evaluation and for making recommendations to the Board regarding the Executive Director's compensation, including salary and bonus recommendations.

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

In addition, the Committee has oversight responsibilities for the Pension Plan Trustees and the Retirement Plan Committee.

- B5.2.5.2 The Committee on Executive Director Evaluation and Staff Compensation shall consist of the President, the President-Nominee/Elect, the Immediate Past President and three current Board members at-large (serving staggered terms on the Board). The President and Immediate Past President are ex officio members of the committee with vote. The President-Nominee/Elect is an ex officio member of the Committee without vote. The Immediate Past President shall be the Chair. The incoming first-year Governor shall be selected by the President-Elect and approved by the Board of Governors.

The term of each of the current Board members at-large expires when their Board term expires.

- B5.2.5.3 The Pension Plan Trustees, under the direction of the Committee on Executive Director Evaluation and Staff Compensation, shall have responsibility, as specified in the American Society of Mechanical Engineers Pension Plan, for the investment and ultimate distribution of the funds and may also act as Plan agent for the service of legal process.

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

The terms of the at-large members shall be three years ending at the close of the second Society-Wide Meeting on a schedule established by the Committee on Executive Director Evaluation and Staff Compensation. Except as provided in this section, a Pension Plan Trustee who is a member-at-large may serve no more than two consecutive full terms. To be eligible for additional full terms, a member-at-large must be nominated by the Committee on Executive Director Evaluation and Staff Compensation upon a finding

by the Committee that specifies exceptional circumstances warranting the additional terms, and a written statement of such findings must accompany the nomination when it is communicated to the Board of Governors by the Chair of the Committee. The nominee may then be appointed only upon the affirmative vote of two-thirds of the entire Board of Governors.

- B5.2.5.4 The Retirement Plan Committee, under the direction of the Committee on Executive Director Evaluation and Staff Compensation, shall have responsibility, as specified in the ASME Thrift Plan, the ASME Defined Contribution (DC) Plan, the ASME 457(b) Plan, and the ASME 401(k) Plan documents, including to act as Plan Administrator and Named Fiduciary for such plans and assume such responsibilities as developing investment policy statements, selecting and monitoring investment choices, benchmarking Plan administration expenses and investment plan administrators performance and selecting, appointing and retaining plan investment, governance and plan administration compliance advisors, as well as having the power to make ministerial and technically required plan amendments.

The Retirement Plan Committee shall consist of four members: two members of the Executive Management Team, one member of the Human Resources Department and one Volunteer member of the Pension Plan Trustees. The three staff members will be nominated by the Executive Director and appointed at the discretion of the EDESC. The pension plan trustee shall be recommended by the Pension Plan Trustees and may be appointed at the discretion of the EDESC.

The ASME Staff members of the Committee may be members with vote for as long as they hold the positions described in this By-Law B5.2.5.4. The Pension Plan Trustee member's term will be for as long as they are a member of the Pension Plan Trustees.

- B5.2.6.1 The Strategy Advisory Committee, under the direction of the Board of Governors, shall have responsibility for providing recommendations and guidance on tasks related to ASME's strategy and planning.
- B5.2.6.2 The Strategy Advisory Committee shall consist of the President, two current Board members-at-large (serving staggered terms, one second year and one third year), one representative from the Industry Advisory Board, and the senior staff member responsible for Strategy. The incoming second-year Governor shall be selected by the President-Elect and approved by the Board of Governors. The term of the Board members-at-large expires when their Board term expires. The representative from the Industry Advisory Board will be recommended annually by the Chair of the Industry Advisory Board and approved by the Board of Governors.
- B5.2.7.1 The Committee on Honors, under the direction of the Board of Governors, shall have responsibility for recommending properly selected candidates for honors, medals, Honorary Members, and awards, and as required shall recommend recipients of joint awards, all subject to approval by the Board of Governors. However, the Board may delegate to the Committee on Honors the power to approve candidates for any honor, medal or award other than Honorary Member or ASME Medalist.
- B5.2.7.2 The Committee on Honors shall select its own Chair and Vice Chair. Its membership shall be determined by the Board of Governors. The Chair of the General Awards

Committee shall be an ex officio member with vote. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

- B5.2.7.3 The General Awards Committee, under the direction of the Committee on Honors, shall seek candidates for all honors and awards except Honorary Members, the ASME Medal, and group-level awards, and shall screen nominations and make recommendations to the Committee on Honors.

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

- B5.2.7.4 Other Society award committees, including special award committees, shall in accordance with the policies and procedures administered by the Committee on Honors, seek nominees for honors in their several areas of interest, shall screen nominations, and make recommendations to the Committee on Honors.

- B5.2.8.1 The Committee of Past Presidents, under the direction of the Board of Governors, shall have responsibility for electing Fellows, overseeing the ethical practice of engineering, and providing guidance on matters where its experience may be useful, upon request by the President, Board of Governors, and other units of the Society.

- B5.2.8.2 The Committee of Past Presidents shall select its own Chair and Vice Chair. Its membership shall consist of all living Past Presidents unless the Board of Governors or the Ethics Committee makes a finding that results in censure, expulsion, suspension or other disciplinary action of a Past President involving the following conduct:

(a) violation or attempted violation of the ASME Ethics or Conflicts of Interest Policy, knowingly assisting or inducing another to violate or attempt to violate the ASME Ethics or Conflicts of Interest Policy, or doing so through the acts of another;

(b) illegal conduct that adversely reflects on the Past President's honesty, trustworthiness or fitness to serve ASME in a position of trust;

(c) conduct involving breach of fiduciary duty, dishonesty, fraud, deceit or misrepresentation;
or

(d) other conduct that is or reasonably could be harmful to the reputation and administration of the Society.

Disciplinary action for conduct described in B5.2.8.2 (a) through (d) shall render a Past President ineligible for membership on the Committee of Past Presidents and shall result in the expulsion from the committee of any current member of the Committee of Past Presidents.

- B5.2.9.1 The Audit Committee, under the direction of the Board of Governors, shall have responsibility for overseeing the accounting and financial reporting process of the Society and the audit of its financial statements and report its activities to the Board. The Committee will be responsible for overseeing the adoption and implementation of, and compliance with, the Society Policies on whistleblowers and conflicts of interest. The Committee will annually consider the performance and independence of the independent auditor and recommend retaining or renewing the retention of the independent auditor to the Board. The Committee will liaise with the independent auditor prior to the

commencement of the audit and upon completion of the audit, review and discuss the audit results and any related management letter with the auditor, including:

- (a) any material risks and weaknesses in internal controls identified by the auditor;
- (b) any restrictions on the scope of the auditor's activities or access to requested information;
- (c) any significant disagreements between the auditor and management; and
- (d) the adequacy of the Corporation's accounting and financial reporting processes.

B5.2.9.2 The Audit Committee shall consist of three current Board members-at-large (serving staggered terms on the Board) who serve as voting members. The Committee membership is determined by the Board of Governors and consists solely of "independent" members of the Board as defined under Section 102(a) (21) of the New York Not-for-Profit Corporation Law. The Chair shall be the senior Governor and the Vice Chair shall be the second-most senior Governor.

The Treasurer shall be an ex officio member of the Committee without vote. The Chief Financial Officer and the Assistant Treasurer shall be ex officio members of the Committee without vote. The President-Elect makes the recommendation on the incoming first-year Board member-at-large. The term of the Board members-at-large expires when their Board term expires.

B5.2.10.1 The Sector Management Committee, under the direction of the Board of Governors, shall have responsibility for facilitating communication and collaboration among the Sectors. This includes coordination, integration, and facilitation for implementation of the enterprise strategy with the development, maintenance and execution of the Integrated Operating Plan,

B5.2.10.2 The Sector Management Committee shall consist of the Senior Vice Presidents and the Chair of the Group Engagement Committee, their respective staff counterparts, and the staff member with overall responsibility for operations. The Co-Chairs of the Committee shall be the Senior Vice President in their third year and the staff member with overall responsibility for operations. The President-Nominee/elect will serve as an advisor to the Committee.

B5.2.11.1 The Philanthropy Committee, under the direction of the Board of Governors, shall have responsibility for advising the Board of Governors and assisting the Society in connection with fundraising activities and philanthropic programs carried out using the Society's name or other resources.

B5.2.11.2 The Philanthropy Committee shall select its own chair and vice chair. The ASME Executive Director, the ASME Managing Director of Philanthropy and the ASME Managing Director of Programs shall be ex officio members of the Committee without vote. Other members shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	January 2, 2020
BOG Meeting Date:	January 22, 2020
To:	Board of Governors
From:	Committee on Organization and Rules
Presented by:	Fred Stong
Agenda Title:	By-Law Amendments B5.2 and B5.3 – Diversity & Inclusion Strategy Committee, Volunteer Orientation and Leadership Training Academy, and the Industry Advisory Board, Second Reading and Society Policy P-4.4

Agenda Item Executive Summary:

It is proposed that the Diversity & Inclusion Strategy Committee, the Volunteer Orientation and Leadership Training Academy, and the Industry Advisory Board become Committees that Report to the Board of Governors.

These changes affect Society Policy P-4.4 and By-Laws B5.2 and B-5.3. The action to be taken is to adopt the changes to By-Laws B-5.2 and B-5.3 and to adopt the change to Society Policy P-4.4.

Proposed motion for BOG Action: To adopt the additions of By-Laws B5.2.12, B5.2.13, and B5.2.14 and changes to By-Laws B-5.2.2 and B-5.3 and to adopt changes to Society Policy P-4.4.

Attachment(s): Revised Society Policy and By-Laws



SOCIETY POLICY

APPOINTMENT OF ASME VOLUNTEER PERSONNEL TO NON-ELECTED POSITIONS

I. PREFACE

- A. Successful accomplishment of ASME objectives, and hence its standing in the eyes of the profession and the public, depends in large measure on the quality of the work of the Society's units and its volunteers.
- B. It is the responsibility of those charged with nominating personnel to units of the Society to seek out members of ASME who both are motivated to serve and are able to accept the responsibilities involved.
- C. This Policy relates to the nomination and appointment of non-elected volunteer positions.
- D. Society Policy P-4.3, Qualifications of ASME Elected Officers, covers the positions of elected officers.
- E. Society Policy P-15.11, Diversity and Inclusion, states in part, "ASME shall dedicate time and resources to ensure the active participation as well as leadership opportunities of talented individuals from all segments of society."
- F. By-Law B5.2.3.1 states in part, "The Committee on Organization and Rules, under the direction of the Board of Governors, shall have responsibility for ensuring that the Society is organized and supplied with qualified leadership to serve the current and anticipated future needs of the membership ..."

II. PURPOSE

- A. To provide guides for selection and nomination of appointed volunteers relative to requirements of the position and term of service.
- B. To provide the procedure leading to appointment.

III. POLICY

- A. Sector Council, Board, or Committee Members.
 - 1. Qualifications
 - a. A full understanding of the purposes and objectives of the unit.
 - b. Experience, judgment, and motivation closely related to the work of the specific unit on which he or she is serving.
 - 2. Members-at-large of the Board of Governors should not serve as a member of any other unit except as specified in the By-Laws.

B. Standing Committees Reporting to the Board of Governors

1. Committee on Organization and Rules, Committee on Finance and Investment, ~~and~~ Committee on Honors, Diversity and Inclusion Strategy Committee, and Volunteer Orientation and Leadership Training Academy.
 - a. A full term on these committees is defined as three years; partial year terms are permitted. The combination of partial and full terms cannot exceed six years.
 - b. Additional service beyond six consecutive years will be permitted only after the passage of at least two years or in the event of ex-officio service.
 - c. In the event of a nomination for more than one Past President to serve on the committee, a statement must accompany the nomination setting forth specific reasons why this appointment is in the best interest of the Society. The term of the appointment is one year and must be approved by the Board of Governors, taking into consideration the feedback from the Committee on Organization and Rules.
 - d. An individual shall not serve on more than one Standing Committee Reporting to the Board at the same time unless service on one or both of them is in an ex-officio capacity.
2. Audit Committee and Committee on Executive Director Evaluation and Staff Compensation
 - a. The President-Elect nominates Governors-elect for service on the Audit Committee and Committee on Executive Director Evaluation and Staff Compensation.
 - b. The President and Immediate Past President are ex officio members of the Committee on Executive Director Evaluation and Staff Compensation with vote. The President-Nominee/Elect is an ex officio member without vote.
3. Committee of Past Presidents
 - a. Membership is for lifetime
4. Philanthropy Committee
 - a. The Philanthropy Committee members are permitted to serve on one additional Standing Committee Reporting to the Board. In the event of a nomination for

more than one Past President to serve on the committee, a statement must accompany the nomination setting forth specific reasons why this appointment is in the best interest of the Society. The term of the appointment is one year and must be approved by the Board of Governors, taking into consideration the feedback from the Committee on Organization and Rules.

5. Industry Advisory Board

The Industry Advisory Board membership shall be determined annually by the Board of Governors. Industry Advisory Board members are permitted to serve on one additional Standing Committee Reporting to the Board.

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~~5.~~ 6. The Operation Guides of all Standing Committees Reporting to the Board shall contain a specific leadership succession plan.

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C. Guidelines

1. Units of the Society are encouraged to seek out volunteers to serve that are not already serving in other capacities, unless serving as a representative of a parent unit or as a liaison.
2. Units are encouraged to strive for diversity and inclusion in volunteer leadership by making a conscious effort to take diversity and inclusion into account when filling vacancies as provided in Society Policy P-15.11.
3. Units are encouraged to continually solicit and train younger members in unit work.

D. Terms of Office

1. Unless otherwise specified in this policy, the term of office of a member of a sector, board, council or committee is specified in the respective Operation Guide.
2. Unless otherwise specified in this policy, individuals who have completed one or more terms of service to a unit may be reappointed for an additional term.
 - a. If the total continuous service in that position does not exceed two full terms, then the justification for reappointment shall be similar to the justification for the original appointment.
 - b. In the event of a reappointment for which total service would exceed two full terms, a statement must accompany the nomination setting forth specific reasons why this appointment is critical to the well-being of the unit, and the exceptional circumstances involved.

E. Membership

1. All members of
 - a. standing committees reporting to the Board of Governors,
 - b. sector councils,
 - c. boards,
 - d. standing and special committees under committees, sector councils and boards,
 - e. technical division and sub-division executive committees
 - f. and all Society representatives to joint activitiesshall be members of ASME.
2. Exceptions are permissible in those cases where non-members may be needed to serve on various technical committees and sub-committees or working groups to bring special skills to the task or to represent related organizations. When such non-members of ASME are nominated, the reasons for so doing must be set forth in making the proposal.

F. Inter-Sector Committees

The procedure for appointments to such committees is the same as to any regular board or committee.

G. Appointment and Nominating Responsibilities

1. The Operation Guide of each unit shall define members of the nominating committee for their unit. In addition, each guide will list positions, including the qualifications (e.g. knowledge and skills) necessary for such positions, and terms of office required. Each nominating committee will provide suitable candidates for consideration at least six months prior to commencement of the term.
2. The nominating responsibility can be achieved through direct nominations by the unit or by unit confirmation of nominating subcommittee recommendations.
3. In the case of the standing committees reporting to the Board of Governors, the members of each unit shall have nominating responsibility.

IV. PROCEDURE

A. Appointments Requiring Approval by the Board of Governors

1. The Committee on Organization and Rules shall be responsible for reviewing proposed nominations to the Board of Governors and providing a statement to the Board as to whether the nomination helps to ensure that the Society is supplied with:

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- a. qualified leadership to serve the current and future needs of the membership;
 - b. the active participation, as well as leadership opportunities, of talented individuals from all segments of the Society
 2. The statement from the Committee on Organization and Rules shall be provided prior to the appointments made by the Board of Governors, including all non-elected members of sector boards except for the position of senior vice president.
 3. All nominations for appointments specified in IV.A.1 shall be submitted to the Committee on Organization and Rules on a special nomination form. Staff members may sign the form on instructions from the sector or committee and on its behalf.
- B. Appointments Delegated to the Sectors
- Appointments to boards and committees under a sector are made by that sector's council.
- C. Nominations for Appointments Delegated to the Sectors
1. Procedures for nominations will be included in each sector's operation guide.
 2. Units of the Society may find it beneficial to call on other units to provide recommendations for unit membership when needed expertise may be available from that area of the Society. Procedures for this option should be included in the operation guides of units.
- D. The nominee shall express his or her intent to serve for the entire appointment term involved.
- E. The nominee shall sign a statement of understanding of and compliance with Society Policies P-15.7 (Ethics), P-15.8 (Conflicts of Interest), and P-14.6 (Society Name, Logo, Seal ...).
- F. Appointed members who consistently do not attend meetings, reply to correspondence or carry out assigned tasks may be replaced at any time by the appointing unit using the above procedures.

Responsibility: Committee on Organization and Rules

Adopted: May 9, 1968

Revised: June 16-17, 1970
June 18, 1975
April 28, 1978
December 1, 1978

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June 25, 1980
March 21, 1984
(editorial changes 3/85)
November 21, 1985
(editorial changes 6/87)
September 8, 1988
(editorial changes 4/89)
(editorial changes 9/89)
June 14, 1995
(editorial changes 1/96)
(editorial changes 9/98)
(editorial changes 3/01)
November 16, 2001
June 1, 2005
June 8, 2008
June 14, 2009
(editorial changes 7/12)
(editorial changes 3/13)
(editorial changes 8/13)
(editorial changes 8/14)
(editorial changes 6/17)
June 3, 2018
June 5, 2019

B5.2 SECTORS AND COMMITTEES REPORTING TO THE BOARD OF GOVERNORS

- B5.2.1 The sectors reporting to the Board of Governors shall be the Standards and Certification Sector, Technical Events and Content Sector, the Public Affairs and Outreach Sector and the Student and Early Career Development Sector.

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

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

- B5.2.2 The following Standing Committees shall report to the Board of Governors and shall be appointed by the Board as determined in the By-Laws: Committee on Organization and Rules, Committee on Finance and Investment, Audit Committee, Committee on Executive Director Evaluation and Staff Compensation, Strategy Advisory Committee, Committee on Honors, Committee of Past Presidents, ~~the~~ Sector Management Committee, ~~and the~~ Philanthropy Committee, Diversity and Inclusion Strategy Committee, Industry Advisory Board, and Volunteer Orientation and Leadership Training Academy. Each Standing Committee shall maintain its own operation guide as prescribed by Society Policy. If a Standing Committee includes individuals who are not Governors, it is not a committee of the Board and may not bind the Board; provided, however, that the Committee on Finance and Investment may bind the Board with respect to investment matters without regard to whether it includes individuals who are not Governors.

- B5.2.3.1 The Committee on Organization and Rules, under the direction of the Board of Governors, shall have responsibility for ensuring that the Society is organized and supplied with qualified leadership to serve the current and anticipated future needs of the membership, and shall reexamine regularly the Constitution, By-Laws and Policies of the Society.
- B5.2.3.2 The Committee on Organization and Rules shall select its own Chair and Vice Chair. Its membership shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.
- B5.2.4.1 The Committee on Finance and Investment, under the direction of the Board of Governors, shall have responsibility for supervising the financial and investment affairs of the Society, and supporting the Board and its committees by conducting an annual review of the Society's budgets.

- B5.2.4.2 The Committee on Finance and Investment shall select its own Chair.

The Treasurer shall be an ex officio member of the Committee with vote and shall serve as Vice Chair. The Chief Financial Officer and the Assistant Treasurer shall be ex officio members of the Committee without vote. Other members shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

- B5.2.5.1 The Committee on Executive Director Evaluation and Staff Compensation, under the direction of the Board of Governors, shall have responsibility for making recommendations to the Board regarding the Executive Director's performance planning and evaluation and for making recommendations to the Board regarding the Executive Director's compensation, including salary and bonus recommendations.

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

In addition, the Committee has oversight responsibilities for the Pension Plan Trustees and the Retirement Plan Committee.

- B5.2.5.2 The Committee on Executive Director Evaluation and Staff Compensation shall consist of the President, the President-Nominee/Elect, the Immediate Past President and three current Board members at-large (serving staggered terms on the Board). The President and Immediate Past President are ex officio members of the committee with vote. The President-Nominee/Elect is an ex officio member of the Committee without vote. The Immediate Past President shall be the Chair. The incoming first-year Governor shall be selected by the President-Elect and approved by the Board of Governors.

The term of each of the current Board members at-large expires when their Board term expires.

- B5.2.5.3 The Pension Plan Trustees, under the direction of the Committee on Executive Director Evaluation and Staff Compensation, shall have responsibility, as specified in the American Society of Mechanical Engineers Pension Plan, for the investment and ultimate distribution of the funds and may also act as Plan agent for the service of legal process.

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

The terms of the at-large members shall be three years ending at the close of the second Society-Wide Meeting on a schedule established by the Committee on Executive Director Evaluation and Staff Compensation. Except as provided in this section, a Pension Plan Trustee who is a member-at-large may serve no more than two consecutive full terms. To be eligible for additional full terms, a member-at-large must be nominated by the Committee on Executive Director Evaluation and Staff Compensation upon a finding

by the Committee that specifies exceptional circumstances warranting the additional terms, and a written statement of such findings must accompany the nomination when it is communicated to the Board of Governors by the Chair of the Committee. The nominee may then be appointed only upon the affirmative vote of two-thirds of the entire Board of Governors.

- B5.2.5.4 The Retirement Plan Committee, under the direction of the Committee on Executive Director Evaluation and Staff Compensation, shall have responsibility, as specified in the ASME Thrift Plan, the ASME Defined Contribution (DC) Plan, the ASME 457(b) Plan, and the ASME 401(k) Plan documents, including to act as Plan Administrator and Named Fiduciary for such plans and assume such responsibilities as developing investment policy statements, selecting and monitoring investment choices, benchmarking Plan administration expenses and investment plan administrators performance and selecting, appointing and retaining plan investment, governance and plan administration compliance advisors, as well as having the power to make ministerial and technically required plan amendments.

The Retirement Plan Committee shall consist of four members: two members of the Executive Management Team, one member of the Human Resources Department and one Volunteer member of the Pension Plan Trustees. The three staff members will be nominated by the Executive Director and appointed at the discretion of the EDESC. The pension plan trustee shall be recommended by the Pension Plan Trustees and may be appointed at the discretion of the EDESC.

The ASME Staff members of the Committee may be members with vote for as long as they hold the positions described in this By-Law B5.2.5.4. The Pension Plan Trustee member's term will be for as long as they are a member of the Pension Plan Trustees.

- B5.2.6.1 The Strategy Advisory Committee, under the direction of the Board of Governors, shall have responsibility for providing recommendations and guidance on tasks related to ASME's strategy and planning.
- B5.2.6.2 The Strategy Advisory Committee shall consist of the President, two current Board members-at-large (serving staggered terms, one second year and one third year), one representative from the Industry Advisory Board, and the senior staff member responsible for Strategy. The incoming second-year Governor shall be selected by the President-Elect and approved by the Board of Governors. The term of the Board members-at-large expires when their Board term expires. The representative from the Industry Advisory Board will be recommended annually by the Chair of the Industry Advisory Board and approved by the Board of Governors.
- B5.2.7.1 The Committee on Honors, under the direction of the Board of Governors, shall have responsibility for recommending properly selected candidates for honors, medals, Honorary Members, and awards, and as required shall recommend recipients of joint awards, all subject to approval by the Board of Governors. However, the Board may delegate to the Committee on Honors the power to approve candidates for any honor, medal or award other than Honorary Member or ASME Medalist.
- B5.2.7.2 The Committee on Honors shall select its own Chair and Vice Chair. Its membership shall be determined by the Board of Governors. The Chair of the General Awards

Committee shall be an ex officio member with vote. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

- B5.2.7.3 The General Awards Committee, under the direction of the Committee on Honors, shall seek candidates for all honors and awards except Honorary Members, the ASME Medal, and group-level awards, and shall screen nominations and make recommendations to the Committee on Honors.

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

- B5.2.7.4 Other Society award committees, including special award committees, shall in accordance with the policies and procedures administered by the Committee on Honors, seek nominees for honors in their several areas of interest, shall screen nominations, and make recommendations to the Committee on Honors.

- B5.2.8.1 The Committee of Past Presidents, under the direction of the Board of Governors, shall have responsibility for electing Fellows, overseeing the ethical practice of engineering, and providing guidance on matters where its experience may be useful, upon request by the President, Board of Governors, and other units of the Society.

- B5.2.8.2 The Committee of Past Presidents shall select its own Chair and Vice Chair. Its membership shall consist of all living Past Presidents.

- B5.2.9.1 The Audit Committee, under the direction of the Board of Governors, shall have responsibility for overseeing the accounting and financial reporting process of the Society and the audit of its financial statements and report its activities to the Board. The Committee will be responsible for overseeing the adoption and implementation of, and compliance with, the Society Policies on whistleblowers and conflicts of interest. The Committee will annually consider the performance and independence of the independent auditor and recommend retaining or renewing the retention of the independent auditor to the Board. The Committee will liaise with the independent auditor prior to the commencement of the audit and upon completion of the audit, review and discuss the audit results and any related management letter with the auditor, including:

(a) any material risks and weaknesses in internal controls identified by the auditor;

(b) any restrictions on the scope of the auditor's activities or access to requested information;

(c) any significant disagreements between the auditor and management; and

(d) the adequacy of the Corporation's accounting and financial reporting processes.

- B5.2.9.2 The Audit Committee shall consist of three current Board members-at-large (serving staggered terms on the Board) who serve as voting members. The Committee membership is determined by the Board of Governors and consists solely of "independent" members of the Board as defined under Section 102(a) (21) of the New York Not-for-Profit Corporation Law. The Chair shall be the senior Governor and the Vice Chair shall be the second-most senior Governor.

The Treasurer shall be an ex officio member of the Committee without vote. The Chief Financial Officer and the Assistant Treasurer shall be ex officio members of the Committee without vote. The President-Elect makes the recommendation on the incoming first-year Board member-at-large. The term of the Board members-at-large expires when their Board term expires.

- B5.2.10.1 The Sector Management Committee, under the direction of the Board of Governors, shall have responsibility for facilitating communication and collaboration among the Sectors. This includes coordination, integration, and facilitation for implementation of the enterprise strategy with the development, maintenance and execution of the Integrated Operating Plan,
- B5.2.10.2 The Sector Management Committee shall consist of the Senior Vice Presidents and the Chair of the Group Engagement Committee, their respective staff counterparts, and the staff member with overall responsibility for operations. The Co-Chairs of the Committee shall be the Senior Vice President in their third year and the staff member with overall responsibility for operations. The President-Nominee/elect will serve as an advisor to the Committee.
- B5.2.11.1 The Philanthropy Committee, under the direction of the Board of Governors, shall have responsibility for advising the Board of Governors and assisting the Society in connection with fundraising activities and philanthropic programs carried out using the Society's name or other resources.
- B5.2.11.2 The Philanthropy Committee shall select its own chair and vice chair. The ASME Executive Director, the ASME Managing Director of Philanthropy and the ASME Managing Director of Programs shall be ex officio members of the Committee without vote. Other members shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

B5.2.12.1 The Diversity and Inclusion Strategy Committee, under the direction of the Board of Governors, shall have responsibility for providing insight and advice into promoting diversity and inclusion within ASME and mechanical engineering.

B5.2.12.2 The Diversity and Inclusion Strategy Committee shall select its own Chair and Vice Chair. Its membership shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Committee during their Presidential term.

B5.2.13.1 The Industry Advisory Board, under the direction of the Board of Governors, shall have responsibility for providing a voice for industry within ASME through the communication of the needs of engineers that are engaged in industry.

B5.2.13.2 The Industry Advisory Board shall select its own Chair and Vice Chair. Its membership shall be determined annually by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Board during their Presidential term.

B5.2.14.1 The Volunteer Orientation and Leadership Training Academy, under the direction of the Board of Governors, shall have responsibility for developing ASME's volunteer leadership. VOLT's programmatic offerings extend to volunteers serving throughout the Society at all levels.

B5.2.14.2 The Volunteer Orientation and Leadership Training Academy shall select its own Chair and Vice Chair. Its membership shall be determined by the Board of Governors. The President-Elect may select a Governor to serve as Liaison to the Academy during their Presidential term.

B5.3 PUBLIC AFFAIRS AND OUTREACH SECTOR

- B5.3.1.1 The Public Affairs and Outreach Sector, under the direction of the Board of Governors, is responsible for the coordinated outreach to industry, government, education, and the public. It is responsible for initiatives that address diversity and humanitarian programs. The Public Affairs and Outreach Sector will maintain a current Sector Operation Guide that will contain operational details of the Public Affairs and Outreach Sector that are not in these By-Laws.
- B5.3.1.2 The Public Affairs and Outreach Sector shall be led by a Council that consists of the following voting membership: a Senior Vice President as Chair; three members-at-large; and the Chairs for the following Board and Committees: Engineering Education Committee, Government Relations Committee, ~~Industry Advisory Board~~, Engineering for Global Development Committee, and Pre-College Education Committee, ~~and Diversity and Inclusion Strategy Committee~~. The Managing Director, Government Relations and Engineering Education, is a non-voting member.
- B5.3.1.3 The incoming Senior Vice President, Public Affairs and Outreach shall be nominated by the Public Affairs and Outreach Council from among its past or present volunteer members for appointment by the Board of Governors for a term of three years. In the event that a past or present volunteer member is not available from the Public Affairs and Outreach Council, then the Council shall defer to the Board of Governors for the selection. Chairs who have been elected to a term that extends more than one year into a new term of the Senior Vice President of Public Affairs and Outreach are not eligible to become the Senior Vice President.
- B5.3.1.4 The members-at-large shall be appointed by the Board of Governors, as recommended by the Public Affairs and Outreach Council. The term of the members-at-large shall be one year and they may be re-appointed for up to three terms.
- B5.3.2.1 The following Board and Committees will report directly to the Public Affairs and Outreach Council: the Engineering Education Committee, the Government Relations Committee, ~~the Industry Advisory Board~~, the Engineering for Global Development Committee, and the Pre-College Education Committee, ~~and the Diversity and Inclusion Strategy Committee~~.
- B5.3.2.2 The Engineering Education Committee, under the direction of the Public Affairs and Outreach Council, is responsible for the activities of the Society that relate to engineering education. The Committee shall consist of a Chair, Engineering Education and a membership as determined by the Public Affairs and Outreach Council.
- B5.3.2.3 The Government Relations Committee, under the direction of the Public Affairs and Outreach Council, is responsible for the development of programs for interaction between the Society and government at all levels. The Committee shall consist of a Chair, Government Relations and a membership as determined by the Public Affairs and Outreach Council. The Government Relations Committee shall recommend policies and procedures, and supervise activities that involve Society interaction with government entities.

- ~~B5.3.2.4~~ — ~~The Industry Advisory Board, under the direction of the Public Affairs and Outreach Council, is responsible for providing a voice for industry within ASME through the communication and advocacy of industry needs. The Industry Advisory Board shall consist of a Chair and Vice Chair, appointed by the Senior Vice President of the Public Affairs and Outreach Council and a membership, as determined by the Public Affairs and Outreach Council.~~
- B5.3.2.45 The Engineering for Global Development Committee, under the direction of the Public Affairs and Outreach Council, shall be responsible for the collaboration among the engineering and global development stakeholders to create avenues and opportunities within ASME and mechanical engineering around the world to meet the challenges faced by under-served communities. The Committee shall consist of a Chair, appointed by the Senior Vice President, Public Affairs and Outreach, and a membership, as determined by the Public Affairs and Outreach Council.
- B5.3.2.56 The Pre-College Education Committee, under the direction of the Public Affairs and Outreach Council, shall be responsible for educational activities aimed at enhancing pre-college science, technology, engineering, and mathematics education. The Committee shall consist of a Chair, appointed by the Senior Vice President, Public Affairs and Outreach, and a membership, as determined by the Public Affairs and Outreach Council.
- ~~B5.3.2.7~~ — ~~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. The Committee will consist of a Chair, appointed by the Senior Vice President, Public Affairs and Outreach and a membership, as determined by the Public Affairs and Outreach Council.~~

**ASME Board of Governors
Agenda Item
Cover Memo**

Date Submitted: January 6, 2020
BOG Meeting Date: January 22, 2020

To: Board of Governors
From: Committee on Finance and Investment
Presented by: William Garofalo
Agenda Title: ASME Pension Plan Funding

Agenda Item Executive Summary:

Attached is a motion for the BOG that authorizes the transfer of funds to a 3rd party insurance carrier selected by the Pension Plan Trustees in order to transfer the pension obligation.

Proposed motion for BOG Action:

The Board of Governors hereby authorizes the Executive Director/CEO to transfer funds in a range between \$15-20 million dollars to the third-party insurance carrier selected by the Pension Plan Trustees on or before January 28, 2020.

Attachments:

Pension Plan Funding Motion

Pension Plan Funding Motion

- Whereas the Board of Governors voted on November 10, 2018 to transfer the ASME Pension Plan obligation to a third-party insurance carrier;
- Whereas it is necessary to liquidate some of the investments of the Society in order to satisfy the Pension Plan Termination Liability;
- Whereas an estimate of the funds necessary to satisfy the Pension Plan Termination Liability will be received by the Pension Plan Trustees on January 13, 2020;
- Whereas the exact amount of funds necessary to fully fund the Pension Plan obligation and to satisfy the expenses attendant to the Pension Plan transfer (“Transfer Costs”) cannot be identified by the Pension Plan Trustees until January 23, 2020;
- Whereas it is necessary that COFI liquidate Society investments to satisfy the Transfer Costs prior to January 28, 2020;
- Whereas COFI will liquidate investments in the amount plus a reasonable additional margin of the estimated costs identified on January 13, 2020;

Motion for BOG:

The Board of Governors hereby authorizes the Executive Director/CEO to transfer funds in a range between \$15-20 million dollars to the third-party insurance carrier selected by the Pension Plan Trustees on or before January 28, 2020.

**ASME Board of Governors
Agenda Item
Cover Memo**

**Date Submitted: January 6, 2020
BOG Meeting Date: January 22, 2020**

**To: Board of Governors
From: Committee on Organization and Rules
Presented by: Fred Stong
Agenda Title: Proposed Appointments**

Agenda Item Executive Summary:

Proposed appointments reviewed by the COR on January 6, 2020.

Proposed motion for BOG Action:

To approve the attached appointments.

Attachments: Document attached.

JANUARY 2020

**PROPOSED APPOINTMENTS
TO EXTERNAL ORGANIZATIONS**

External Unit	Nominee	Appointment Position/Title	Appointment Term/Category	Appointment Type	History
Hoover Board	Melissa Nairn	ASME Alternate	January 2020 – December 2025	Initial	Metropolitan Section Secretary
International Pipeline Conference Foundation Board	Andrew Drake	ASME Representative	January 2020 – December 2021	Initial	B31 Executive Committee
International Pipeline Conference Foundation Board	Taylor Shie	ASME Representative	January 2020 – December 2021	Initial	Engineering Sources and Processing Sector Member



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	January 6, 2020
BOG Meeting Date:	January 22, 2020
To:	Board of Governors
From:	Michael W Johnson Chief Strategy Officer
Presented by:	Michael W. Johnson
Agenda Title:	Technical Community Engagement Project

Agenda Item Executive Summary:

Provided a status report to the Board of Governors (Information only)

Proposed motion for BOG Action: Not Applicable

Attachment(s): Presentation

2019 Technical Community Engagement Project Board of Governors Progress Report

Michael Johnson

January 22, 2020

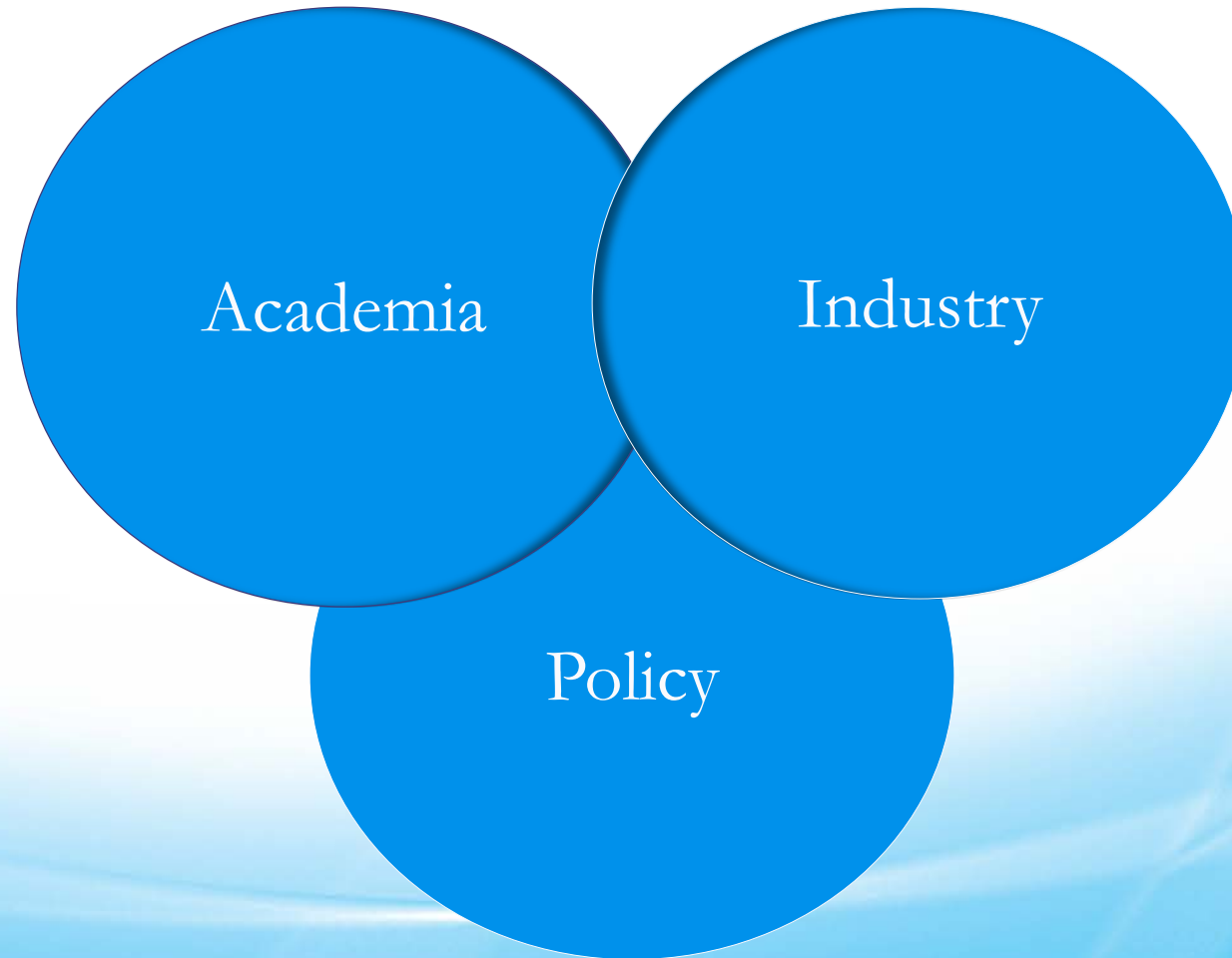
What to Expect

- **Description**
 - Progress report on TEC alignment project
- **Expectation**
 - Information only
- **Questions**
 - Ask questions during presentation
- **Duration**
 - 15 minutes

Recommendations for structural adjustments to the Technical and Engineering Communities

- Align the current technical divisions based on common centers of excellence, technology content, and the constituents they serve.
- Define a reporting structure that explicitly states whom the Divisions are accountable to for financial performance
- Implement a lean leadership and governance structure
 - Implement a leadership structure that drives accountability across the Division's leadership to foster collaboration and communications within the respective communities
- Secure bottoms up input and concurrence from the Technical Divisions on the proposed technical community alignment outlined in Attachment A by January 30, 2020

Technical Divisions serve overlapping constituents, but conferences and events are directed at these Centers of Influence



Attachment A- Proposed Technical Centers of Influence

Energy Generation and Storage

Materials & Energy Recovery
Power
Internal Combustion Engines

Energy Sources & Processing

Petroleum
Ocean Offshore and Arctic
Pressure Vessels and Piping
Pipeline Systems

Renewable Energy

Nuclear Energy
Solar Energy
Wind (New)

Gas Turbine

International Gas Turbine Institute

* Not Assigned

Design, Material & Manufacturing

Aerospace
Rail Transportation
Manufacturing
Computers & Information in Engineering
Design Engineering
Dynamic Systems & Control

Engineering Sciences

Applied Mechanics
Advanced Energy Systems
Fluids
Fluids Engineering Systems & Technology
Heat Transfer
Noise Control & Acoustics
Tribology
NDE Evaluation, Diagnostics & Processing
Environmental Engineering

Emerging Technologies

Robotics and Automation (New)
Bioengineering

Cross Sector

Management
Technology & Society
Safety Engineering & Risk Analysis

Research Committees

Water & Steam RC
Energy Environment and Waste RC

In-Progress*

Electronic, Photonics and Packaging
Information Storage systems
Nanotechnology Institute

Inactive

Materials Handling
Plant Engineering & Maintenance
Process Industry

Progress to-date

- In-Person Meetings and Conference Calls
 - Power Division
 - Energy Conversion & Storage Segment and Division leadership
 - Environmental Systems
 - Computers & Information in Engineering
- Conference calls— scheduled
 - Pressure Vessels and Piping
- Remaining calls or meetings being scheduled and coordinated by Tim Graves' team

**ASME Board of Governors
Agenda Item
Cover Memo**

Date Submitted: January 6, 2020

BOG Meeting Date: January 22, 2020

To: Board of Governors (BOG)

From: Rich Laudenat

Presented By: Rich Laudenat

Agenda Title: 2020 Nominating Committee and Governance Changes: Discussion Plan

Agenda Item Executive Summary:

The Presidential and Executive Director Team (PEDT) received some recommendations from the 2019 Nominating Committee Leadership on changes to be made to the Nominating Committee as well as the Nominating process.

Preliminary discussions have been held; the Board has had the opportunity to ask questions; the responses have been socialized; and the BOG will be able to conduct a more granular discussion to focus on topics of concern.

The Board will have the opportunity to have a discussion and agree on the path forward.

Proposed motion for BOG Action: Information and discussion only

Attachments: PowerPoint Presentation

2020 Nominating Committee and Governance Changes: Discussion Plan

January 22, 2020 Board Of Governors Meeting
Richard Laudenat



Expectations for the Conversation ...

- **Brief Description** – The Board Call will provide an opportunity to DISCUSS and SEEK TO REACH CONSENSUS on enhancements to Leadership Selection and Related Governance Changes
- **Desired Outcome** – The Meeting will be for discussion and agreement on the path forward
- **Why this Approach** – Preliminary discussions have been held, the Board has had the opportunity to ask questions, the responses have been socialized and the BOG will be able to conduct a more granular discussion to focus on topics of concern
- **Duration** – 60 Minutes have been allocated for the presentation and discussion during the Board Call

Why Are These Changes Being Considered...

- Create a Nomination and Governance Structure that Supports ASME Strategic Objectives:
 - Implement fundamental changes to the way ASME selects Board Leadership which is a “best practice”
 - Endorse the value of an “Executive Committee” to facilitate ASME Operations with a focus on donor issues with an active Capital Campaign in operation
 - Provide our Executive Director/CEO with a meaningful impact in the direction of ASME
 - Provide agility and adaptability to ASME leadership in a new era where volunteerism is declining

... With the reasoning behind these proposed changes understood and agreed to, the planning and implementation of changes will flow in a logical process ...

This is not the Final Conversation on these initiatives ...

- A very deliberate governance review is needed on each of these Proposals
- The Board will have an opportunity to re-visit each as they are developed and presented ... one step at a time on these fundamental changes

... The Board's current view on these Governance initiatives is needed ...

Discussion Focus Areas (note both Bylaw and Constitution Reviews are required) ...

- President Selection by BOG with option for one (1) additional term
- Option to select Outside Board Member to address Strategic Needs
- Create Executive Committee of the Board (PEDT + Senior BOG Member selected by BOG) with defined financial approval threshold below BOG Approval
- Provide for re-election for Second Consecutive Term for a Governor based on BOG Vote
- Reporting Relationship between ED/CEO and Board.

Next Step: Consensus on general principals to eventually become Action Items.

Thank you !